



Apple Valley Fire Protection District 2016-17 Final Budget



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TRANSMITTAL LETTER

November 2, 2016

President Leary and Members of the Board,

I am pleased to present, on behalf of the Fire Chief and the Apple Valley Fire Protection District, the 2016-17 Final Budget to the Board of Directors. The 2016-17 Final Budget has been developed in support of the District's overall mission "to enhance the quality of life for our citizens and visitors through the protection of life, property, and the environment from the effects of fire, health, and hazardous threats." As presented, the 2016-17 Final Budget represents the culmination of months of collaborative efforts of all personnel, including a Board Budget Workshop on May 3, 2016.

The 2016-17 Final Budget of \$9.3 million, is balanced, consistent with the direction provided by the Board, and includes the General, Capital Improvement Plan, and Development Impact Fee Funds. Of the \$9.3 million programmed in the 2016-17 Final Budget, \$10,000 consists of contingencies. Excluding contingencies, \$9.3 million represent anticipated expenditures and transfers out for 2016-17.

Fund	2015-16	2016-17	Variance
	Amended	Final	
General Fund	9,974,696	9,209,822	(764,874)
Capital Improvement Program Fund	447,711	76,766	(370,945)
Development Impact Fee Fund	0	56,766	56,766
	<u>10,422,407</u>	<u>9,343,354</u>	<u>(1,079,053)</u>

The 2016-17 Final Budget includes revenue growth as a result of new construction and continued economic recovery within the District. However, the District is also experiencing an increase in service demand and overall costs. District operations are funded through two main revenue sources including ad valorem property taxes and special tax revenue from the Districts current special tax measure, which collectively represent 86% of the District's revenue.

Property tax revenues have been forecasted based upon property tax roll value growth as provided through supplemental property tax assessments from the County of San Bernardino Assessor-Controller. Though conservative, analysis supports an overall forecast of a 2.9% increase in property tax revenue for 2016-17 over the 2015-16 estimates. Additionally, special tax revenues have been forecasted with a 2% increase of the current estimated receipts based on the annual consumer price index (CPI) increase of 2%.

Expenditures for staffing expense continue to increase mainly due to cost increases for worker's compensation and unfunded liabilities for the CalPERS retirement costs due to overall retirement system investment losses in prior years. The 2016-17 Final Budget includes a decrease in staffing from 65 to 63 budget positions due to the elimination of two vacant part-time positions. The budget also calls for other general increases in expenditures for uniforms and equipment due to current inventory exceeding their useful life.



The District is committed to efficient and transparent financial stewardship of both current and future financial liabilities. Over the course of 2016-17, the District will continue to analyze and plan for future budget impacts such as the renewal of the District's special tax measure, funding for the CalPERS pension unfunded liability, as well as controlling the other post employment benefits (OPEB) unfunded liability.

The 2016-17 Final Budget is structurally balanced and will enable the District to continue to provide fire protection service to residents throughout the District. Thank you to the Board of Directors for the continued support, direction, and leadership you provide to the District. My appreciation also extends to the Fire Chief and all District staff who not only provided input for this process but who remain dedicated and committed to serving our community.

Sincerely,

A handwritten signature in black ink, appearing to be "JB", with a long horizontal line extending to the right.

Jessica Brown
Finance Officer

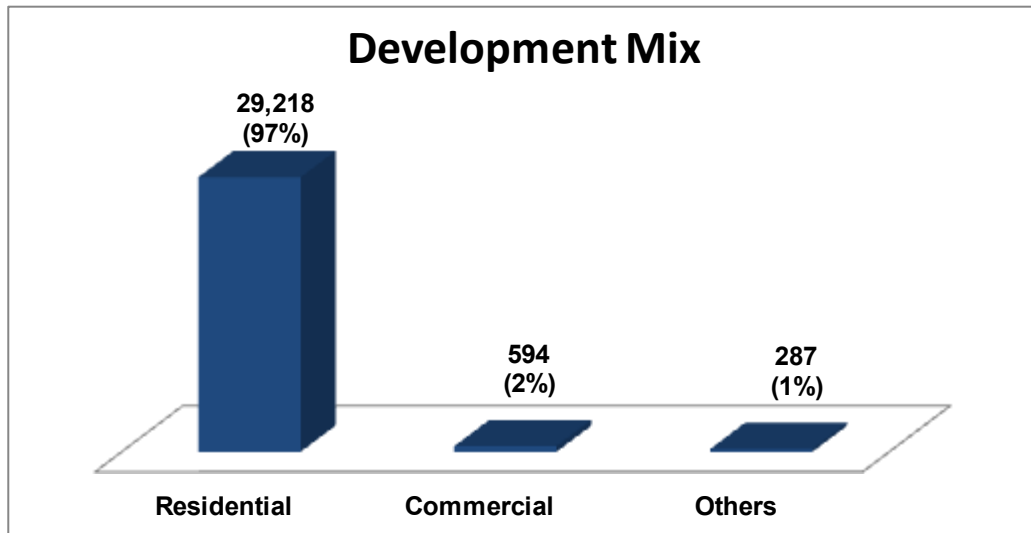


DISTRICT PROFILE

Overview

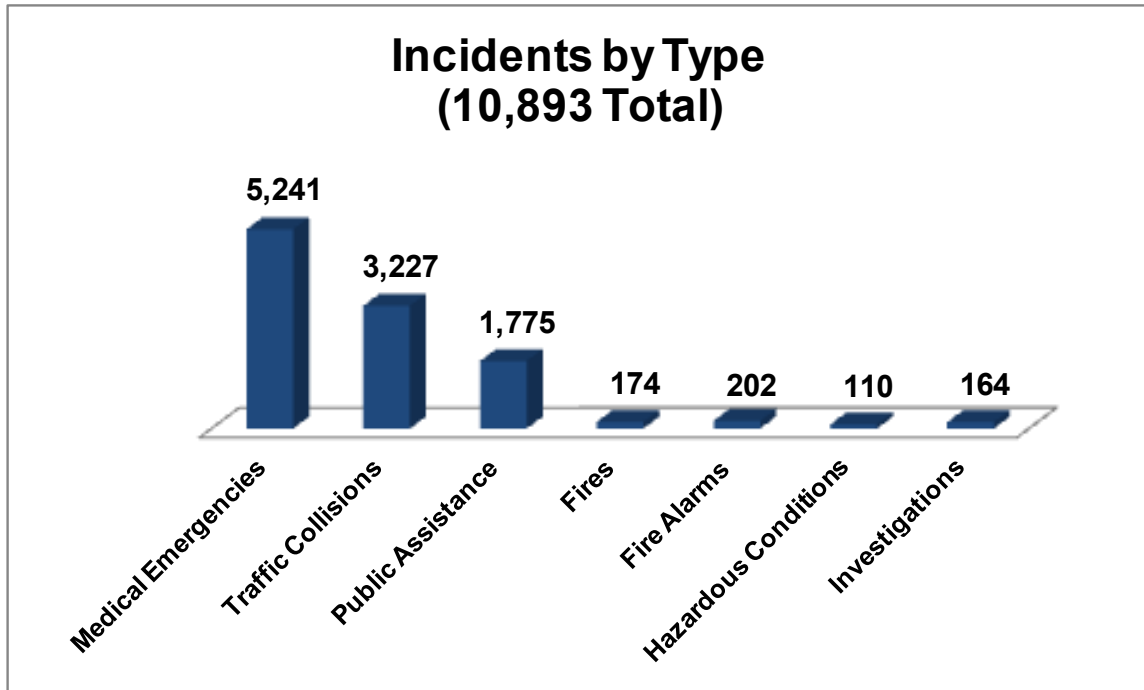
Formed in January 1951, Apple Valley Fire Protection District (District) is an independent and self governed fire protection district governed by a board of five directors. Located in the high desert region of the County of San Bernardino (County), the District's boundary encompasses a 206 square mile area and population of nearly 90,000. The District has 7 fire stations but only three stations are currently staffed and opened 24/7. The District overlays the Town of Apple Valley, borders the Interstate 15 and the cities of Victorville and Hesperia to the west; County unincorporated areas to the north and south, and Lucerne Valley to the east.

The District provides fire protection services to a varied mix of development with 29,218 residential dwelling units from large single-family dwellings to apartment complexes and mobile home parks.





Driven by the development mix, the majority of District services are provided to residential dwelling units and consist of medical emergencies.



Next to medical emergencies, traffic collision incidents are the second highest incident type for the District. There are a variety of transportation routes throughout the District, with Highway 18, Bear Valley Rd. and Apple Valley Rd. being the major arterials in addition to many rural routes. These transportation routes are frequently subject to traffic collisions which require emergency fire, medical, and rescue services.

In addition to the varied development mix, within District boundaries are 22 public and private schools, a general aviation airport, and thousands of acres of undeveloped vacant land. Apple Valley Airport houses 131 aircraft and the airport had 1,236 aircraft operations for the twelve month period ending December 31, 2015, of which 67% were local and 33% were transient. Of the 174 fire incidents for 2015, 36 were vegetation fires. The wildland urban interface for the District presents a threat for wildfire.

District personnel are committed to service excellence and provide services to District residents through highly trained and dedicated professionals. Despite a continued overall increase in a demand for services for 2015, District personnel strive to meet and exceed the needs of the District.



2016-17 Board of Directors



Dan Leary
President



Jay Jeffs
Vice President



Bob Tinsley
Director



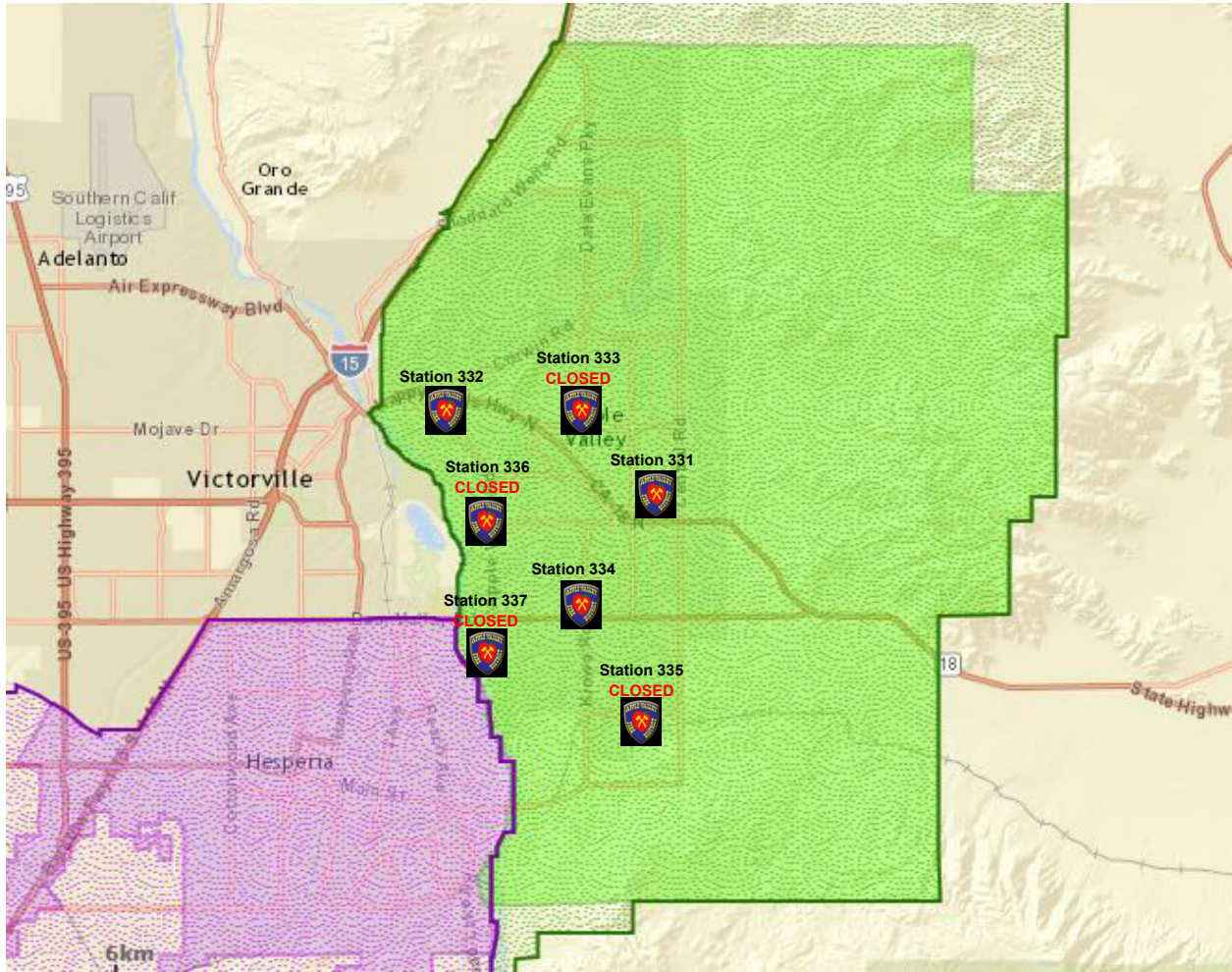
Michael Karen
Director



Brett Savage
Director

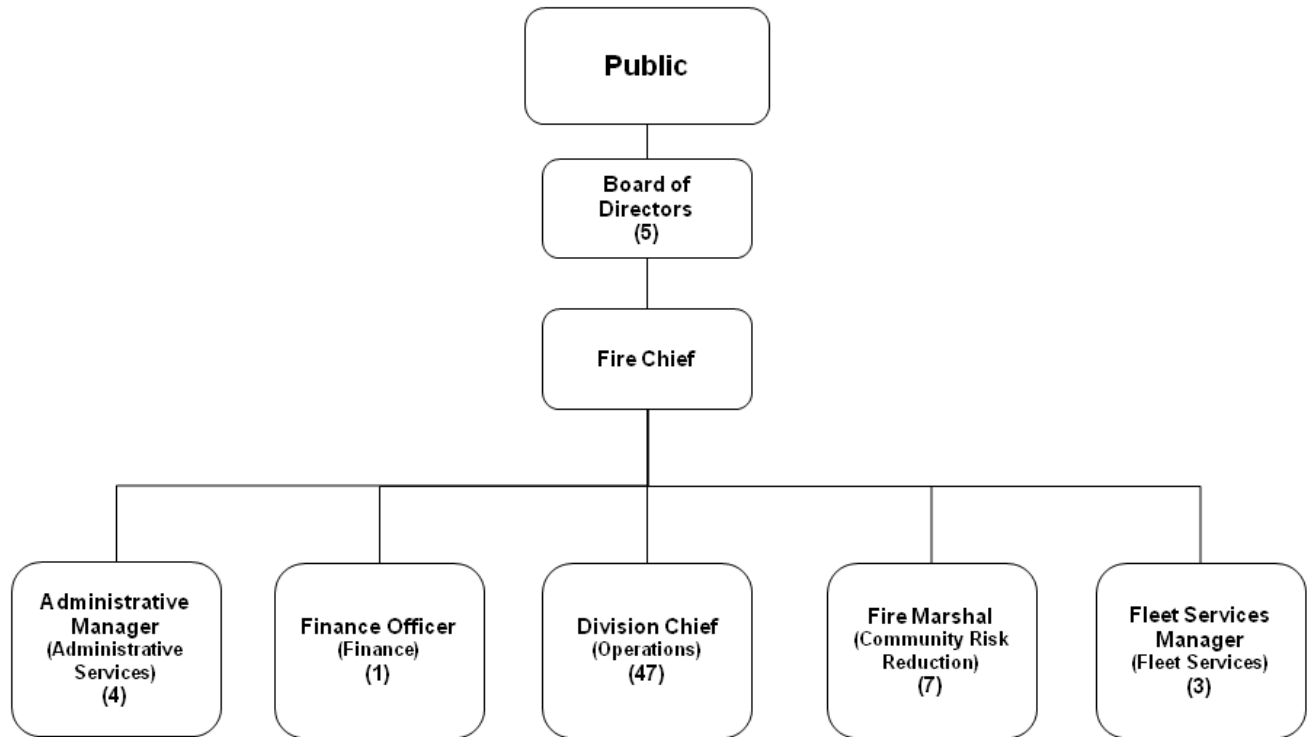


District Map





Organizational Chart





BUDGET OVERVIEW

The District's 2016-17 Final Budget covers the period from July 1, 2016 through June 30, 2017. The budget includes \$9.1 million in budgeted expenditures and revenues as well as 63 budgeted personnel. The budget consists of three funds including the general fund, capital improvement plan fund, and a special revenue fund.

The budget was developed with the District's overall mission in mind:

Mission Statement

It shall be the mission of the Apple Valley Fire Protection District to enhance the quality of life for our citizens and visitors through the protection of life, property, and the environment from the effects of fire, health, and hazardous threats.

Budget Process

The District's overall budget process is a very collaborative one, with input provided from all levels of personnel. The District's Finance division is responsible for directing this process. A brief overview of this process is outlined below:

Date	Function
January 2016	Initial budget cycle timeline/plan are presented to the Fire Chief.
February 2016	Program Managers and applicable personnel are provided current year budget and year end estimates and complete budget request forms.
March 2016	All budget requests are reviewed by Finance and Program Managers and applicable personnel meet with Finance as needed to review budget requests.
April 2016	The Final budget is developed and presented to Executive Staff and the Finance Committee.
Early-May 2016	Budget Workshop is conducted with the District Board.
Mid-May 2016	Final budget is presented to the Board for adoption.

Financial/Budget Policies

Basis of Budgeting



The budgetary basis of accounting and the basis of accounting used by management for reporting purposes follow generally accepted accounting principles (GAAP), as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting.

The 2016-17 Final Budget is presented using the modified-accrual basis of accounting, where revenues are recognized when they become measurable and available as current net assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Budget Control

The District's operating budget is adopted annually by the Board and all expenditures are controlled at the appropriation unit level (i.e. staffing expense, operating costs, administrative costs, capital outlays, debt service, and transfers). Any increase in total appropriation will be presented to the Board for approval. Transfers of appropriation between appropriation units, but within the total Board approved appropriation limit, may be approved by the District Finance Officer with the exception of the following:"

- Staffing Expenses – all transfers of appropriation must be approved by the Board.
- Capital Outlays – all transfers of appropriation must be approved by the Board.

Gann Limit

The District's Gann Appropriation Limit for 2016-17 was established by District Resolution 16-004 in the amount of \$9.5 million. The District's 2016-17 estimated proceeds from property tax proceeds is \$5.5 million and within the Gann limit.

Purchasing Policies

Formal contracts

Procurement in excess of \$20,000 shall be submitted to the Board of Directors for approval. Formal notices for bids shall be published 10 days prior to the bid opening date.

Open Market

Goods and supplies more than \$1,500 but less than \$20,000 shall be approved by the Fire Chief and all documentation supporting the service shall be submitted to process payments.

Small Purchases



Program managers, Chief Officers and the Finance Officer can make and approve small purchases up to \$1,500, depending upon appropriate programs.

Budget Available

A contract or purchase may only be initiated if sufficient funds are available from the proper budgetary accounts.

Capital Improvement Program

The Capital Improvement Program is supported by Capital Improvement Plan (CIP) Fund and the six-year Capital Improvement Plan. The CIP fund is used for acquiring, constructing, repairing or equipping fire apparatus, equipment or public buildings, such as fire stations or fleet maintenance operations. The CIP plan is a six-year fiscal plan detailing the forecasting of revenues and matching the timing of anticipated capital expenditures. The District adopted the first year of the CIP in 2015-16 including the six-year plan in concept. The CIP plan is updated and the budget adopted annually.

Capital assets are intended to continue to be held or used for a period of more than two years, such as land, buildings, apparatus, furniture, and other equipment. Capital assets must have a minimum value of \$5,000 and a useful life of more than 2 years or a collective asset purchase of greater than \$12,500. Donated capital assets are recorded at estimated market value at the date of the donation.

General Fund Reserve Policy

Many factors determine a jurisdiction's long-term fiscal health, but the single most important ingredient is developing and articulating clear fiscal policies before financial crises hit. They will help avoid fiscal crisis to begin with; and they will help the organization respond in a prudent manner during times of financial stress.

While numerous governmental agencies have a varying amount of reserves held for economic uncertainty, some agencies had little or none when the 2007 residential housing recession hit. Six years earlier in 2001, the Apple Valley Fire Protection District Board of Directors voted to formalize years of setting aside funds for economic uncertainty by having adopted a General Fund Reserve Policy. The District established a Specific Reserve Policy goal of maintaining funds held in reserve for economic uncertainty to be ten percent (10%) of the total current fiscal year budgeted expenditures less planned capital expenditures for the same fiscal year, with a minimum amount not less than seven percent (7%) of the total current fiscal year budgeted expenditures less budgeted capital expenditures for the same fiscal year. The 2016-17 budget has committed \$920,982 of a \$3.7 million General Fund Balance to be held for economic uncertainty. Overall, the District's General Fund Reserve Policy has continued to establish, dedicate and maintain reserves annually to meet known and estimated future obligations.

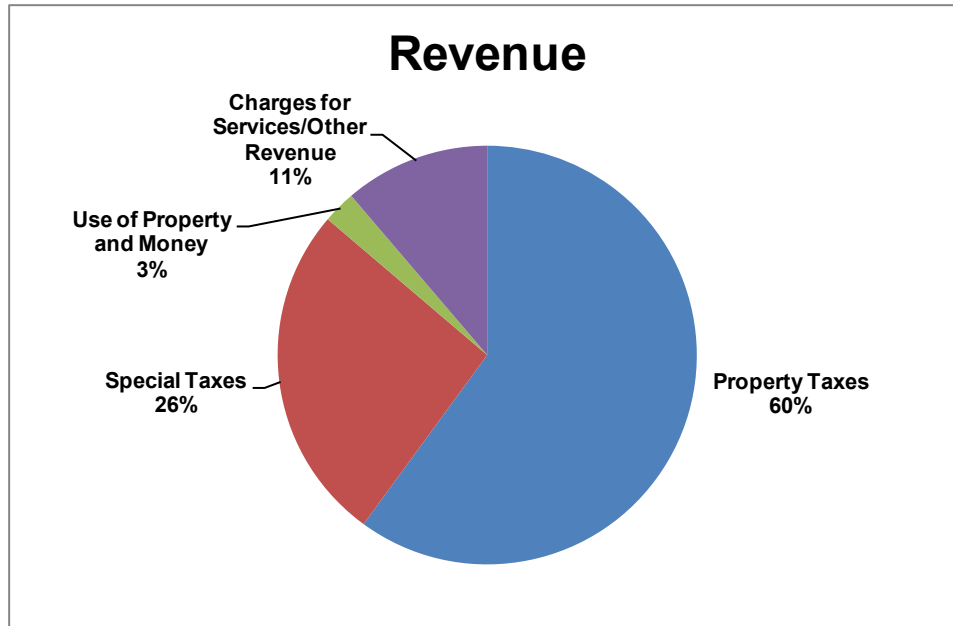


BUDGET SUMMARY

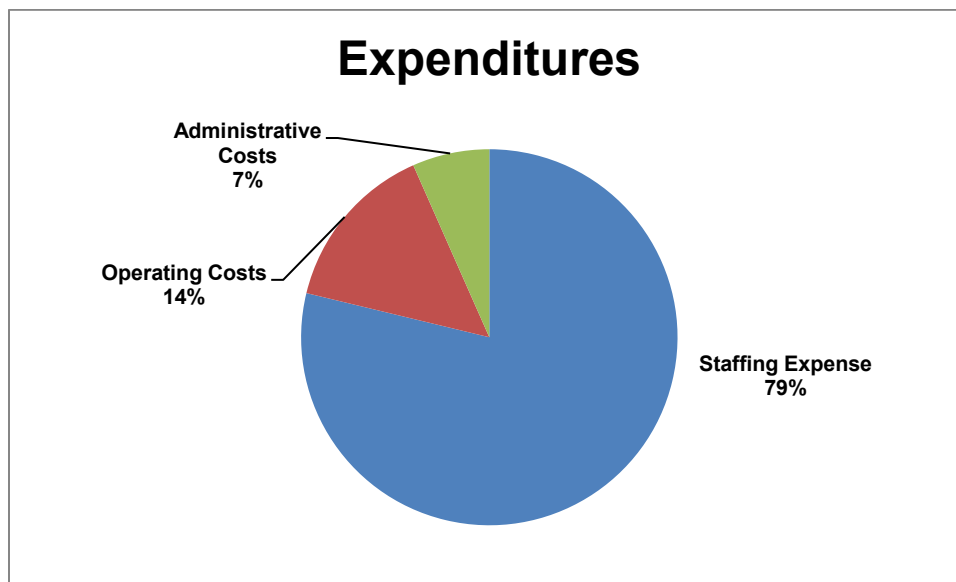
General Fund

Multi-Year Comparison Analysis

							Budget Analysis Multi-Year Comparison 2016-17 Final Budget
	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED
REVENUES							
Property Taxes	4,708,251	4,884,446	5,119,169	5,416,202	5,467,442	5,529,611	113,409
Special Taxes	2,189,090	2,267,905	2,321,474	2,330,789	2,378,357	2,412,651	81,862
Intergovernmental	49,866	53,379	500	10,648	10,148	0	(10,648)
Use of Property and Money	171,426	220,870	216,363	222,131	235,663	232,354	10,223
Charges for Services/Other Revenue	418,869	536,403	645,791	965,784	1,365,396	1,035,206	69,422
Reserves/Other Financing	0	0	0	1,021,802	1,021,802	0	(1,021,802)
Total Revenues	7,537,502	7,963,003	8,303,297	9,967,356	10,478,809	9,209,822	(757,534)
EXPENDITURES							
Staffing Expense	5,710,946	5,987,676	6,415,073	7,206,113	7,188,112	7,203,735	(2,378)
Operating Costs	1,151,294	1,344,784	1,174,183	1,286,277	1,158,525	1,335,819	49,542
Administrative Costs	501,344	448,726	382,625	593,809	472,010	605,768	11,959
Capital Expenditures	46,068	0	0	10,148	10,148	0	(10,148)
Debt Service	114,354	60,839	6,683	25,650	24,122	4,500	(21,150)
Total Expenditures	7,524,006	7,842,025	7,978,565	9,121,997	8,852,917	9,149,822	27,825
Appropriations for Contingencies	0	0	0	252,699	0	10,000	(242,699)
Total Appropriations	7,524,006	7,842,025	7,978,565	9,374,696	8,852,917	9,159,822	(214,874)
Other Financing Sources (Uses)							
Transfers In	28,383	56,766	0	0	0	0	0
Transfers Out	0	(1,093,902)	(25,000)	(600,000)	(600,000)	(50,000)	550,000
Premium on bonds issued	23,074	0	0	0	0	0	0
RDA Low Mod Income Funds	0	1,093,902	0	0	0	0	0
Proceeds from insured loss	0	39,233	0	0	0	0	0
PASIS dividends	0	0	0	0	0	0	0
Proceeds from Sale of Assets	6,975	4,010	11,400	12,000	1,695	0	(12,000)
Total Other Financing Sources (Uses)	58,432	100,009	(13,601)	(588,000)	(598,305)	(50,000)	538,000
Net Change in Fund Balance	71,928	220,987	311,132	4,660	1,027,587	0	
Beginning Fund Balance	1,865,111	1,937,039	2,158,026	2,469,158	2,469,158	3,496,745	
Ending Fund Balance	1,937,039	2,158,026	2,469,158	2,473,818	3,496,745	3,496,745	



Revenues of \$9.2 million include \$5.5 million in property taxes, \$2.4 million in special taxes, and \$1.0 million in charges for services/other revenue.



Expenditures of \$9.1 million include staffing expense, operating costs, and administrative costs to support the District in the delivery of fire protection services. Staffing expense of \$7.2 million includes all staffing expenses necessary to provide fire protection services, administration, and various support services to the District. Operating costs of \$1.3 million primarily includes materials and supplies, communications, general household supplies, equipment and equipment maintenance, facilities maintenance, and fuel and mileage. Administrative costs of \$605,768 primarily includes office expenses, professional services, memberships and publications, special department expense, training, transportation and travel, insurance, and utilities.



Revenue Analysis

Budget Analysis Revenue 2016-17 Final Budget				
	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED
REVENUES				
Property Taxes	5,416,202	5,467,442	5,529,611	113,409
Special Taxes	2,330,789	2,378,357	2,412,651	81,862
Intergovernmental	10,648	10,148	0	(10,648)
Use of Property and Money	222,131	235,663	232,354	10,223
Charges for Services/Other Revenue	965,784	1,365,396	1,035,206	69,422
Reserves/Other Financing	1,021,802	1,021,802	0	(1,021,802)
Total Revenues	9,967,356	10,478,809	9,209,822	(757,534)

Revenues of \$9.2 million are decreasing by \$757,534 primarily due to a decrease in reserves/other financing. Reserves/other financing are decreasing by \$1.0 million due to the one-time funding received in 2015-16 from the PASIS Joint Powers Agreement dissolution. Prior to July 1, 2105, the District participated in a worker’s compensation JPA with PASIS for the purpose of worker’s compensation insurance. The PASIS JPA dissolved as of June 30, 2015 and the District received its portion of the total available funding in the amount of \$1.0 million upon dissolution which is also known as the Worker’s Comp TAIL Fund. This decrease is offset primarily by increases in property taxes, special taxes and charges for services/other revenue.

Property taxes of \$5.5 million are increasing by \$113,409 as a result of the forecasted increase based upon supplemental assessment property tax information received by the County of San Bernardino. The increase reflects an overall increase of 2.9% from the 2015-16 estimated revenues and is derived from increases to current secured and unsecured property tax revenue of 3.5% and 3.3% respectively.

Special taxes of \$2.4 million are increasing by \$81,862 as a result of the forecasted 2% consumer price index (CPI) increase for 2016-17 as permitted by the voter approved measure. The CPI increase for the District’s region was 2% between December 2014 and December 2015 which is within the District’s allowable adjustment range. This increase was applied to the estimated current year receipts for 2015-16.

Charges for services/other revenue are increasing by \$69,422 primarily due to anticipated reimbursements for certain excess insured claims from the Worker’s Comp TAIL as mentioned above.



Expenditures Analysis

Budget Analysis Expenditures 2016-17 Final Budget				
	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED
EXPENDITURES				
Staffing Expense	7,206,113	7,188,112	7,203,735	(2,378)
Operating Costs	1,286,277	1,158,525	1,335,819	49,542
Administrative Costs	593,809	472,010	605,768	11,959
Capital Expenditures	10,148	10,148	0	(10,148)
Debt Service	25,650	24,122	4,500	(21,150)
Total Expenditures	9,121,997	8,852,917	9,149,822	27,825
Appropriations for Contingencies	252,699	0	10,000	(242,699)
Total Appropriations	9,374,696	8,852,917	9,159,822	(214,874)

Expenditures of \$9.1 million are increasing by \$27,825 primarily due to operating costs increases. Operating costs are increasing by \$49,542 primarily due to an increase in uniform expense to replace turnout gear that has exceeded its useful life, an increase in communications equipment for the purchase of radio equipment, other equipment for self contained breathing apparatus purchases and repairs, tool maintenance for the replacement and maintenance of fire hoses, and Fleet Services related costs.

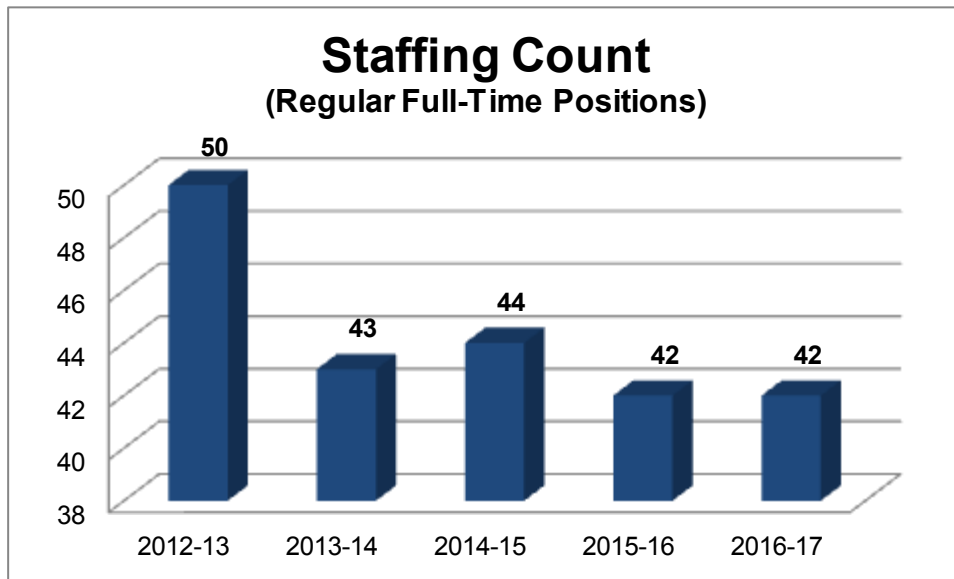
Appropriations for contingencies reflect a decrease of \$242,699 primarily due to the one-time receipt of funds as a result of the dissolution of the District’s worker’s compensation insurance joint powers agreement (PASIS JPA) and the transfer of fund balance to the Capital Improvement Plan Fund in 2015-16. Prior to July 1, 2105, the District participated in the PASIS JPA for the purpose of worker’s compensation insurance. The PASIS JPA dissolved as of June 30, 2015 and at the time of dissolution, funds were owed to the District to fund any worker’s compensation claims that were outstanding as of June 30, 2015. At the time of receipt, the funds that were not required in 2015-16 were placed in contingencies. For 2016-17 these funds are included in the beginning fund balance.



Staffing Analysis

Staffing Analysis By Division 2016-17 Final Budget							
	Fire Chief	Administrative Services	Finance	Operations	Community Risk Reduction	Fleet Services	Total
2012-13							
Full-Time	1	3	1	38	5	2	50
Part-Time	0	0	0	15	2	2	19
Total	1	3	1	53	7	4	69
2013-14							
Full-Time	1	3	1	32	4	2	43
Part-Time	0	1	0	15	4	2	22
Total	1	4	1	47	8	4	65
2014-15							
Full-Time	1	3	1	32	4	3	44
Part-Time	0	1	0	15	6	1	23
Total	1	4	1	47	10	4	67
2015-16							
Full-Time	1	3	1	32	3	2	42
Part-Time	0	1	0	15	5	3	24
Total	1	4	1	47	8	5	66
2016-17							
Full-Time	1	3	1	32	3	2	42
Part-Time	0	1	0	15	4	1	21
Total	1	4	1	47	7	3	63

The final budget includes 63 budgeted positions of which 42 are full-time and 21 are part-time positions. The 2016-17 reflects a decrease of three vacant part-time positions including an Emergency Services/CERT Assistant, Shop Runner, and Hydrant Technician.





Other Financing Sources (Uses) Analysis

Budget Analysis Other Financing Sources (Uses) 2016-17 Final Budget				
	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	(600,000)	(600,000)	(50,000)	550,000
Proceeds from Sale of Assets	12,000	1,695	0	(12,000)
Total Other Financing Sources (Uses)	(588,000)	(598,305)	(50,000)	538,000

Other financing sources (uses) of (\$50,000) are increasing by \$538,000 due to a decrease in transfers out for 2016-17. The other financing use of (\$50,000) represents a transfer out to the capital improvement plan fund.



Fund Balance Analysis

Budget Analysis Fund Balance 2016-17 Final Budget					
	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 UNAUDITED	2016-17 FINAL
Restricted					
Debt Service	32,189	33,653	35,185	33,279	33,279
Committed					
Petty Cash/Revolving Cash	2,250	2,250	2,250	2,250	2,250
Held for Economic Uncertainty	747,794	784,203	785,893	839,733	920,982
Assigned					
Workers' Comp Reserve	0	0	0	600,000	600,000
Equipment & Facilities	688,532	829,404	688,532	688,532	688,532
Compensated Absences	283,830	287,330	542,415	542,415	564,112
Unassigned					
	182,444	221,186	394,482	790,536	687,590
Ending Fund Balance at June 30	1,937,039	2,158,026	2,448,757	3,496,745	3,496,745

The Governmental Accounting Standards Board (GASB) issued Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions that went into effect June 30, 2011. As required by GASB Statement No. 54, the District has classified its fund balance into one of the five fund balance categories as follows:

Nonspendable – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

- The District currently does not have any nonspendable fund balance.

Restricted – externally enforceable limitations on use, amounts constrained to specific purposes by their providers (such as creditors, grantors, bondholders, and higher levels of government), through debt covenants set by creditors, constitutional provisions, or by enabling legislation

- The District currently has \$33,279 in restricted fund balance for the debt service principal payment for two leased fire engines.

Committed – amounts constrained to specific purposes by a government itself, such as constraints imposed by Board resolution, amounts cannot be used for any other purpose unless the Board takes the same highest-level action to remove or change the constraint.



- Petty Cash/Revolving Cash – the District currently has \$2,250 in committed fund balance as set by fiscal policy for the purpose of petty cash and revolving cash.
- Held for Economic Uncertainty – the District currently has \$920,982 in committed fund balance as set by resolution to hold 10% of the current year’s expenditure budget for said reserves.

Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

- Worker’s Comp Reserve – the District currently has \$600,000 in assigned fund balance for its Worker’s Comp Reserve due to its outstanding worker’s comp liabilities from claims originating prior to July 1, 2015.
- Equipment and Facilities – the District currently has \$688,532 in assigned fund balance for equipment and facilities as programmed into its Capital Improvement Plan.
- Compensated Absences – the District currently has \$564,112 in assigned fund balance for compensated absences liabilities which is equal to a funding level of 67% of total compensated absences or employee accrued leave balances.

Unassigned – amounts that are available for any purpose; these amounts are reported only in the general fund.

- The District currently has \$687,590 in unassigned fund balance as this fund balance is not classified in any other fund balance classification.



Capital Improvement Plan Fund

The Capital Improvement Plan (CIP) Fund represents the capital needs for the District over a six (6) year period. The current CIP is under review and a new plan will be developed and presented to the Board for approval. The 2016-17 Final CIP Budget consists of required expenditures that are deemed critical in nature.

							Budget Analysis Multi-Year Comparison 2016-17 Final Budget	
	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED	
REVENUES								
Intergovernmental	0	0	469,465	0	0	0	0	
Use of Property and Money	0	916	1,874	500	1,101	1,200	700	
Reserves/Other Financing	0	40,934	134,020	0	0	0	0	
Total Revenues	0	41,850	605,359	500	1,101	1,200	700	
EXPENDITURES								
Administrative Costs	0	92	0	0	0	0	0	
Capital Expenditures	0	101,486	974,110	390,945	179,514	20,000	(370,945)	
Debt Service	0	0	56,766	56,766	56,766	56,766	0	
Total Expenditures	0	101,578	1,030,877	447,711	236,280	76,766	(370,945)	
Other Financing Sources (Uses)								
Transfers In	0	1,138,425	0	656,766	656,766	106,766	(550,000)	
Total Other Financing Sources (Uses)	0	1,138,425	0	656,766	656,766	106,766	(550,000)	
Net Change in Fund Balance	0	1,078,697	(425,518)	209,555	421,588	31,200		
Beginning Fund Balance	0	0	1,078,696	653,178	653,178	1,074,766		
Ending Fund Balance	0	1,078,697	653,178	862,733	1,074,766	1,105,966		

Revenues of \$1,200 are increasing by \$700 due to an anticipated increase in interest revenue.

Expenditures of \$76,766 are decreasing by \$370,945 due to the current CIP being reviewed and the development of a new plan. Expenditures include \$20,000 for the replacement of hose and \$56,766 for the debt service payment on two leased fire engines.

Other financing sources (uses) are decreasing by \$550,000 due to the 2015-16 one-time general fund contribution of transfers in for the transfer of fund balance.



Development Impact Fees Fund

The Development Impact Fee (DIF) fund consists of revenues from Development Impact Fees charged to developers for new development within the territory of the District. These revenues are legally restricted for the purpose of financing fire suppression facilities and equipment made necessary by the impacts. In prior fiscal years, a budget was not developed for this fund. To accurately account for the revenue and transfers, a budget is being established for 2016-17.

							Budget Analysis Multi-Year Comparison 2016-17 Final Budget	
	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015-16 AMENDED	
REVENUES								
Use of Property and Money	0	0	0	0	63	36	36	
Charges for Services/Other Revenue	0	0	0	0	54,256	60,500	60,500	
Total Revenues	0	0	0	0	54,319	60,536	60,500	
EXPENDITURES								
Total Expenditures	0	0	0	0	0	0	0	
Other Financing Sources (Uses)								
Transfers Out	0	0	0	0	(56,766)	(56,766)	(56,766)	
Total Other Financing Sources (Uses)	0	0	0	0	(56,766)	(56,766)	(56,766)	
Net Change in Fund Balance	0	0	0	0	(2,447)	3,770		
Beginning Fund Balance	0	0	0	0	10,228	7,781		
Ending Fund Balance	0	0	0	0	7,781	11,551		

Revenues of \$60,536 primarily include charges for services for DIF fees. There are no anticipated expenditures for this revenue with the exception of the other financing use representing a transfer out of \$56,766 to the CIP fund to finance the debt service payment on two leased fire engines.



BUDGET DETAIL

Budget Analysis Detailed Multi-Year Comparison 2016-17 Final Budget							
	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015- 16 AMENDED
REVENUES							
Property Taxes	4,708,251	4,884,446	5,119,169	5,416,202	5,467,442	5,529,611	113,409
Special Taxes	2,189,090	2,267,905	2,321,474	2,330,789	2,378,357	2,412,651	81,862
Intergovernmental	49,866	53,379	500	10,648	10,148	-	(10,648)
Use of Property and Money	171,426	220,870	216,363	222,131	235,663	232,354	10,223
Charges for Services/Other Revenue	418,869	536,403	645,791	965,784	1,365,396	1,035,206	69,422
Reserves/Other Financing				1,021,802	1,021,802	-	(1,021,802)
Total Revenues	7,537,502	7,963,003	8,303,297	9,967,356	10,478,809	9,209,822	(757,534)
EXPENDITURES							
Staffing Expense							
Salaries	4,029,102	4,164,424	4,331,347	4,634,702	4,633,153	4,372,819	(261,883)
Benefits	1,681,844	1,823,252	2,083,726	2,571,411	2,554,959	1,120,774	(1,450,637)
Other Employer Expenses						1,710,142	1,710,142
Total Staffing Expense	5,710,946	5,987,676	6,415,073	7,206,113	7,188,112	7,203,735	(2,378)
Operating Costs							
Materials & Supplies	139,457	164,767	150,223	198,235	125,385	259,473	61,238
Communications	560,335	604,584	552,700	659,065	618,770	638,085	(20,980)
Food	1,640	2,795	4,501	4,260	3,967	3,010	(1,250)
General Household	32,641	32,791	36,337	36,765	36,644	38,771	2,006
Equipment Maintenance	268,995	300,164	225,331	243,124	240,443	262,596	19,472
Facility Maintenance	37,971	135,700	115,187	56,477	69,785	57,684	1,207
Fuel & Mileage	110,255	103,983	89,906	88,351	63,531	76,200	(12,151)
Total Operating Costs	1,151,294	1,344,784	1,174,183	1,286,277	1,158,525	1,335,819	49,542
Administrative Costs							
Office Expense	31,030	29,211	25,106	35,426	25,769	26,240	(9,186)
Professional Services	246,652	146,901	156,719	284,612	218,885	212,328	(72,284)
Memberships & Publications	11,889	13,311	12,126	13,787	16,851	23,485	9,698
Special Department Expense	21,657	78,159	6,137	64,112	23,269	133,689	69,577
Training	24,439	24,790	19,338	26,042	22,519	35,184	9,142
Transportation & Travel	6,933	5,166	7,549	9,364	13,680	12,425	3,061
Insurance	78,202	74,166	75,103	77,616	74,261	73,477	(4,139)
Utilities	80,542	77,022	80,547	82,850	76,776	88,940	6,090
Total Administrative Costs	501,344	448,726	382,625	593,809	472,010	605,768	11,959
Capital Expenditures	46,068	-	-	10,148	10,148	-	(10,148)
Debt Service							
Principal	30,788	32,189	-	-	-	-	-
Interest	54,953	27,610	6,033	25,000	24,122	4,500	(20,500)
Issuance Costs	28,613	1,040	650	650	-	-	(650)
Total Debt Service	114,354	60,839	6,683	25,650	24,122	4,500	(21,150)
Total Expenditures	7,524,006	7,842,025	7,978,565	9,121,997	8,852,918	9,149,822	27,825
Appropriations for Contingencies	-	-	-	252,699	-	10,000	(242,699)
Total Appropriations	7,524,006	7,842,025	7,978,565	9,374,696	8,852,918	9,159,822	(214,874)



**Budget Analysis
Detailed Multi-Year Comparison
2016-17 Final Budget**

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ACTUAL	2015-16 AMENDED	2015-16 UNAUDITED	2016-17 FINAL	CHANGE FROM 2015- 16 AMENDED
Other Financing Sources (Uses)							
Transfers In	28,383	56,766	-	-	-	-	-
Transfers Out	-	(1,093,902)	(25,000)	(600,000)	(600,000)	(50,000)	550,000
Premium on bonds issued	23,074	-	-	-	-	-	-
RDA Low Mod Income Funds	-	1,093,902	-	-	-	-	-
Proceeds from insured loss	-	39,233	-	-	-	-	-
PASIS dividends	-	-	-	-	-	-	-
Lease purchase proceeds	-	-	-	-	-	-	-
Proceeds from sale of assets	6,975	4,010	11,400	12,000	1,695	-	(12,000)
Total Other Financing Sources (Uses)	58,432	100,009	(13,601)	(588,000)	(598,305)	(50,000)	538,000
Net Change in Fund Balance	71,928	220,987	311,132	4,660	1,027,586	-	
Beginning Fund Balance	1,865,111	1,937,039	2,158,026	2,469,158	2,469,158	3,496,744	
Ending Fund Balance	1,937,039	2,158,026	2,469,158	2,473,818	3,496,744	3,496,744	



**Staffing Analysis
Detailed Personnel Listing
2016-17 Final Budget**

Division Classification	2012-13	2013-14	2014-15	2015-16	2016-17
Fire Chief	1	1	1	1	1
Subtotal	1	1	1	1	1
Administrative Services					
Administrative Services Manager	1	1	1	1	1
Receptionist	1	1	1	1	1
Secretary I	1	1	1	0	0
Secretary II	0	0	0	1	1
Fleet Services Clerk - Part Time	0	1	1	1	1
Subtotal	3	4	4	4	4
Finance					
Finance Officer	1	1	1	1	1
Subtotal	1	1	1	1	1
Operations					
Battalion Chief	2	0	0	0	0
Captain	11	10	10	10	10
Division Chief	0	1	1	1	1
Engineer	10	9	9	9	9
Firefighter	12	9	9	9	9
Limited Term Firefighter	3	3	3	3	3
Paid Call Firefighter - Part Time	15	15	15	15	15
Subtotal	53	47	47	47	47
Community Risk Reduction					
Deputy Fire Marshal	1	0	0	0	0
Fire Marshal	0	1	1	1	1
Fire Inspector I	1	1	1	1	1
Fire Protection Specialist	1	1	1	1	1
Public Education Specialist - Part Time	0	1	1	1	1
Training Specialist - Part Time	2	2	2	2	2
Investigator - Part Time	0	1	1	1	0
Clerk - Part Time	0	0	1	1	0
Emergency Medical Services Manager	1	1	1	0	0
Emergency Services Officer	1	0	0	0	0
Emergency Services/CERT Assistant	0	0	1	0	0
Inspector - Part Time	0	0	0	0	1
Subtotal	7	8	10	8	7
Fleet Services					
Fire Mechanic I	0	0	1	1	1
Fleet Services Manager	1	1	1	1	1
Fleet - Extra Help Mechanic	1	0	0	1	1
Mechanic II	1	1	1	0	0
Limited Term Mechanic	1	1	0	0	0
Hydrant Technician	0	1	1	1	0
Shop Runner	0	0	0	1	0
Subtotal	4	4	4	5	3
Total	69	65	67	66	63