



KENSINGTON FIRE PROTECTION DISTRICT

DATE: February 13, 2024
TO: Finance Committee
RE: FY 2023-24 Mid-Year Budget Review and Adjustments
SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Recommended Action

This item is provided for discussion, feedback, and direction prior to approval by the Board of Directors at the February Board meeting.

Background

Each year, the Finance Committee reviews the mid-year budget for any recommended adjustments in February using the December year-to-date actuals. From my initial review, there are a variety of accounts which I have recommended minor adjustments for along with including the recently approved engagement with Ridgeline for the Fiscal Analysis.

Fiscal Impact

Overall, the mid-year budget adjustments reflect an overall increase of \$35,000 in funds which would be retained in operating reserves at the end of the fiscal year provided there are no additional changes needed.

Attachment: Fiscal Year 2023-2024 Budget vs Actual

Kensington Fire Protection District Profit & Loss Budget vs. Actual July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget	Midyear Adjustment	Amended Budget	Comments
Ordinary Income/Expense							
Income							
Property Taxes	5,405,490.92	5,475,049.00	-69,558.08	98.73%		5,475,049.00	
Special Taxes	200,826.80	201,000.00	-173.20	99.91%		201,000.00	
Other Tax Income	326.99	25,000.00	-24,673.01	1.31%		25,000.00	
Lease Agreement	0.00	3,050.00	-3,050.00	0.0%	-3,050.00	0.00	Prior FY, not 23/24
Interest Income	2,873.16	216,110.00	-213,236.84	1.33%		216,110.00	Pending, County response
CERBT Reimbursement	30,735.48	68,000.00	-37,264.52	45.2%		68,000.00	
Miscellaneous Income	0.00	2,000.00	-2,000.00	0.0%		2,000.00	
Total Income	5,640,253.35	5,990,209.00	-349,955.65	94.16%	-3,050.00	5,987,159.00	
Expense							
Staff							
Wages	92,293.50	163,191.00	-70,897.50	56.56%		163,191.00	
Vacation Wages	0.00	6,816.00	-6,816.00	0.0%		6,816.00	
Medical/dental ins compensation	2,833.33	9,333.00	-6,499.67	30.36%		9,333.00	
Payroll Taxes	5,051.88	13,820.00	-8,768.12	36.56%		13,820.00	
Workers Compensation/Life Ins	3,034.73	3,500.00	-465.27	86.71%	-400.00	3,100.00	
Payroll Processing	1,414.52	2,545.00	-1,130.48	55.58%	285.00	2,830.00	Fee increase
Total Staff	104,627.96	199,205.00	-94,577.04	52.52%	-115.00	199,090.00	
RETIREE MEDICAL BENEFITS							
PERS Medical	19,719.85	52,000.00	-32,280.15	37.92%	-1,500.00	50,500.00	Lower costs
Delta Dental	4,945.86	12,000.00	-7,054.14	41.22%	-2,000.00	10,000.00	Lower costs
Vision Care	1,227.78	4,000.00	-2,772.22	30.7%	-1,000.00	3,000.00	Lower costs
Total RETIREE MEDICAL BENEFITS	25,893.49	68,000.00	-42,106.51	38.08%	-4,500.00	63,500.00	
OUTSIDE PROFESSIONAL SERVICES							
Operational Consultant	0.00	5,000.00	-5,000.00	0.0%		5,000.00	
Nixle Fee	3,182.70	4,120.00	-937.30	77.25%	-920.00	3,200.00	
Long Term Financial Planner	750.00	2,500.00	-1,750.00	30.0%		2,500.00	Incl Ridgeline
Fiscal Analysis	0.00	0.00	0.00	0.0%	25,000.00	25,000.00	Ridgeline
Emergency Prep Coordinator	44,831.14	108,356.00	-63,524.86	41.37%	-652.00	107,704.00	
Accounting	18,000.00	37,080.00	-19,080.00	48.54%		37,080.00	
Actuarial Valuation	0.00	2,800.00	-2,800.00	0.0%	200.00	3,000.00	Nicolay
Audit	0.00	20,000.00	-20,000.00	0.0%	500.00	20,500.00	Nigro & Nigro
Bank Fee	0.00	50.00	-50.00	0.0%		50.00	
Contra Costa County Expenses	6,918.61	39,520.00	-32,601.39	17.51%		39,520.00	County records in March
El Cerrito Contract Fee	2,073,484.02	4,146,968.00	-2,073,483.98	50.0%		4,146,968.00	
El Cerrito Reconciliation(s)	38,776.98	77,554.00	-38,777.02	50.0%		77,554.00	
IT Services and Equipment	2,225.00	2,500.00	-275.00	89.0%	4,100.00	6,600.00	Laptop, mtg AV
Fire Abatement Contract	0.00	5,250.00	-5,250.00	0.0%		5,250.00	
Fire Engineer Plan Review	0.00	3,000.00	-3,000.00	0.0%		3,000.00	
Grant Writer/Coordinator	0.00	15,000.00	-15,000.00	0.0%		15,000.00	
Risk Management Insurance	153.16	21,697.00	-21,543.84	0.71%		21,697.00	
LAFCO Fees	0.00	2,100.00	-2,100.00	0.0%		2,100.00	June
Legal Fees	2,581.20	20,600.00	-18,018.80	12.53%	-5,000.00	15,600.00	GC lower than anticipated
Recruitment	8,706.00	14,925.00	-6,219.00	58.33%		14,925.00	Hold in the event needed
Water System Improvements	0.00	10,000.00	-10,000.00	0.0%		10,000.00	
Website Development/Maintenance	1,788.00	3,120.00	-1,332.00	57.31%	480.00	3,600.00	Fee increase
Wildland Vegetation Mgmt	0.00	7,828.00	-7,828.00	0.0%		7,828.00	
Total OUTSIDE PROFESSIONAL SERVICES	2,201,396.81	4,549,968.00	-2,348,571.19	48.38%	23,708.00	4,573,676.00	
COMMUNITY SERVICE ACTIVITIES							
Public Education	2,507.33	20,000.00	-17,492.67	12.54%		20,000.00	
EP Coord Expense Account	0.00	1,000.00	-1,000.00	0.0%		1,000.00	

Kensington Fire Protection District Profit & Loss Budget vs. Actual July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget	Midyear Adjustment	Amended Budget	Comments
Comm. Pharmaceutical Drop-Off	0.00	2,500.00	-2,500.00	0.0%		2,500.00	
CERT Emerg Kits/Sheds/Prepared	0.00	4,120.00	-4,120.00	0.0%		4,120.00	
Open Houses	0.00	2,000.00	-2,000.00	0.0%		2,000.00	
Community Shredder	2,470.50	5,500.00	-3,029.50	44.92%		5,500.00	
Firesafe Planting Grants	0.00	25,000.00	-25,000.00	0.0%		25,000.00	
Community Sandbags	2,373.35	2,000.00	373.35	118.67%	1,500.00	3,500.00	Storms
Volunteer Appreciation	0.00	500.00	-500.00	0.0%		500.00	
COMMUNITY SERVICE ACTIVITIES - Other	0.00	500.00	-500.00	0.0%		500.00	
Total COMMUNITY SERVICE ACTIVITIES	7,351.18	63,120.00	-55,768.82	11.65%	1,500.00	64,620.00	
DISTRICT ACTIVITIES							
Professional Development	1,309.10	5,000.00	-3,690.90	26.18%		5,000.00	
Office							
Internet	2,017.50	4,000.00	-1,982.50	50.44%		4,000.00	
Office Equipment	0.00	5,000.00	-5,000.00	0.0%	-2,500.00	2,500.00	Part of PSB FFE
Office Expense	2,991.86	54,000.00	-51,008.14	5.54%	-48,000.00	6,000.00	Part of Relocation
Office Supplies	599.33	1,030.00	-430.67	58.19%	170.00	1,200.00	
Telephone	518.72	8,240.00	-7,721.28	6.3%	-7,240.00	1,000.00	Lower cost
Office- Other	0.00	515.00	-515.00	0.0%		515.00	
Total Office	6,127.41	72,785.00	-66,657.59	8.42%	-57,570.00	15,215.00	
Firefighter's Apparel & PPE	0.00	1,500.00	-1,500.00	0.0%		1,500.00	
Firefighters' Expenses	0.00	5,000.00	-5,000.00	0.0%		5,000.00	
Staff Appreciation	0.00	2,500.00	-2,500.00	0.0%		2,500.00	
Memberships	8,950.52	9,500.00	-549.48	94.22%		9,500.00	Annual pd
Building Maintenance							
Gardening service	0.00	500.00	-500.00	0.0%		500.00	
Building alarm	0.00	1,500.00	-1,500.00	0.0%		1,500.00	
Medical Waste Disposal	0.00	2,200.00	-2,200.00	0.0%		2,200.00	
Janitorial Service	0.00	200.00	-200.00	0.0%		200.00	
Miscellaneous Maint.	1,818.06	2,000.00	-181.94	90.9%	500.00	2,500.00	
Total Building Maintenance	1,818.06	6,400.00	-4,581.94	28.41%	500.00	6,900.00	
Building Utilities/Service							
Refuse Collection	1,546.56	3,000.00	-1,453.44	51.55%		3,000.00	
Gas and Electric	2,583.90	11,300.00	-8,716.10	22.87%	-5,000.00	6,300.00	Part of Relocation
Water/Sewer	3,241.61	4,120.00	-878.39	78.68%	2,480.00	6,600.00	
Building Utilities/Service - Other	440.94	3,940.00	-3,499.06	11.19%		3,940.00	
Total Building Utilities/Service	7,813.01	22,360.00	-14,546.99	34.94%	-2,520.00	19,840.00	
Total DISTRICT ACTIVITIES	26,018.10	125,045.00	-99,026.90	20.81%	-59,590.00	65,455.00	
Contingency	0.00	20,000.00	-20,000.00	0.0%		20,000.00	
Total Expense	2,365,287.54	5,025,338.00	-2,660,050.46	47.07%	-38,997.00	4,986,341.00	
Net Ordinary Income	3,274,965.81	964,871.00	2,310,094.81	339.42%	35,947.00	1,000,818.00	
Net Income	3,274,965.81	964,871.00	2,310,094.81	339.42%	35,947.00	1,000,818.00	

	<u>Project Budget 9/20/2023</u>	<u>Change Orders</u>	<u>Paid Through 12/31/2023</u>	<u>Remaining Budget</u>
<u>Public Safety Building:</u>				
Construction	\$ 5,882,253	\$ 264,118	\$ 4,105,829	\$ 2,040,542
PSB Renovation Design/Engineering	774,740		293,734	481,006
Permits/Inspection/Testing	141,017		121,982	19,036
Construction/Project Management	394,987		290,612	104,375
Furniture, Fixtures, and Equipment	200,000		-	200,000
Legal Counsel	130,000		45,012	84,988
<u>Temporary Fire Station:</u>				
Construction Cost	595,453		595,453	1
Design/Engineering/Project Management	107,573		80,116	27,457
Relocation	221,566		156,946	64,619
Sub-Total:	<u>\$ 8,447,589</u>	<u>\$ 264,118</u>	<u>\$ 5,689,684</u>	<u>\$ 3,022,023</u>
Project Contingency Allowance	550,000	(264,118)	-	285,882
Total Project Budget	<u><u>\$ 8,997,589</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,689,684</u></u>	<u><u>\$ 3,307,905</u></u>

Rolling Stock Reserve

Fiscal Year Ending	Command				Command Rolling Stock				Command Rolling Stock			
	Type I	Type III	Vehicle	Total	Type I	Type III	Vehicle	Outlays	Type I	Type III	Vehicle	Reserve
2021								\$0	\$440,730	\$0	\$26,363	\$467,094
2022	\$99,000	\$86,500	\$9,500	\$195,000				\$0	\$539,730	\$86,500	\$35,863	\$662,094
2023	\$102,960	\$89,960	\$9,880	\$202,800				\$0	\$642,690	\$176,460	\$45,743	\$864,894
2024	\$107,078	\$93,558	\$10,275	\$210,912				\$0	\$749,769	\$270,018	\$56,019	\$1,075,806
2025	\$111,362	\$97,301	\$10,686	\$219,348				\$0	\$861,130	\$367,319	\$66,705	\$1,295,154
2026	\$115,816	\$101,193	\$11,114	\$228,122				\$0	\$976,946	\$468,512	\$77,818	\$1,523,277
2027	\$120,449	\$105,240	\$11,558	\$237,247				\$0	\$1,097,395	\$573,752	\$89,377	\$1,760,524
2028	\$125,267	\$109,450	\$12,021	\$246,737			\$97,430	\$97,430	\$1,222,662	\$683,202	\$3,968	\$1,909,832
2029	\$130,277	\$113,828	\$12,501	\$256,607				\$0	\$1,352,939	\$797,031	\$16,469	\$2,166,438
2030	\$135,488	\$118,381	\$13,001	\$266,871				\$0	\$1,488,427	\$915,412	\$29,470	\$2,433,309
2031	\$140,908	\$123,116	\$13,521	\$277,546	\$1,622,575			\$1,622,575	\$6,760	\$1,038,528	\$42,992	\$1,088,280

Profit & Loss Budget vs Actual

The following questions and suggestions are based on the income/expenditures for the first 6 months of fiscal year 2023-24.

Income

Property and special taxes – Why these numbers when the full amount has probably not been received?

Other taxes – This retiree item should not be in the budget

Lease Agreement – What is this? Eliminate.

Interest Income – We should be investing at least \$3.0 million (set-asides for EC services and firetruck replacement). Change to \$65,000 (5 months at 5%). The remaining years should be !60k, 170k, 180k, 190k.

CERBT Reimbursement – Does not belong here. Eliminate.

Expenses

Staff – Increase \$163k to \$184k

Retiree Medical – Eliminate all 3 – medical, dental, vision

CCC Expenses - This may need a downward adjustment

Grant Writer – Eliminate \$15,000

Water System Improvements – Eliminate \$10,000

Firesafe Planting Grants – Eliminate

Office Equipment & Expenses – Eliminate. These costs belong under capital expenditures.

Expenses to be added

Ridgeline consolidation costs – Add \$15 ,000 for 2023-24 and \$15,000 for 2024-25.

Mayjang – Add \$25,000

Capital Expenditures

Rolling Stock –. Chief Saylor reported that the cost of a type 1 engine in 2023 is \$1,466,289 and when replaced in 2031 the total money set-aside will be \$1,622,575. Since this will cover a 1% compounded increase between 2023 and 2031, it is recommended a more realistic annual increase of 4% be used in each of the 8 remaining years. This would increase annual set-asides by approximately \$5,000 per year.

To reduce the cost of expensive fire engines, we should also discuss extending the life span of a vehicle from the current 15 years.

PSB Temporary facility – Add \$50,000 for move-out costs.

PSB Renovation – Add \$300,000 for possible additional change orders, and cost overruns due to delays in completion by May 2024.

CONCLUSION

The finance committee needs to agree on possible changes to the 2023-24 budget and 5-year plan. These changes should be recommended to the full board for approval. These changes will require a subsequent finance meeting with a revised budget and 5-year plan.