

Special Meeting Budget Workshop May 9, 2018

The meeting was called to order at 2:00 p.m. by Acting Fire Chief Scott Neal, at station # 2, 1230 Hwy 95, Bullhead City AZ.

Staff Present: Acting Fire Chief Scott Neal, Assistant Chief Patrick Moore
Board Chairman David C. Cummings, Board Members Chuck Moore, Ralph Mauzy

Chief Moore addressed the group by stating this is the third budget workshop and gave a summary of the first two budget workshops held in March and April. He handed out a memo which gave a breakdown of the budget process and timeline. Chief Moore stated the tentative budget would be approved by the Board at a special Public Board meeting in June.

Chief Moore stated that on the handout there is a comparison of FY 17-18 versus 18-19. He stated we are solid with our income on the tax side and projecting we collect 100% would bring in about \$9,475,214 in revenue, of which 400,000 is Fire District Assistant Tax. Chief Moore stated he is confident that we will meet our benchmark for property tax revenue, and stated the fees for service collection should be around \$3,200,000 which shows a reduction due to less Inter-facility transports. He stated total revenue generated for FY 18-19 would be approximately \$12,964,215 and we should have a contingency fund of 5-15% of our total budget according to GASB standards. He stated we started the year with a \$750,000 contingency and anticipate starting FY 18-19 with a \$500,000 contingency which is a reduction due to expenditures for the investigation and such that were not budgeted for last FY. Chief Moore explained that the philosophy of not counting on collecting 100% of tax revenue and building a contingency line and a capital improvement line would help buffer times when we do not collect 100% of the taxes owed. This way we will avoid going into a line of credit at the County and using our own money to get us through until the tax levy start to come in October November each year.

Chief Moore handed out the following:

Proposed FY 18/19 income:

The anticipated revenue for BCFD is collected through the following: Tax Revenue, Fees for service (Ambulance Revenue & Wildland Response) and other miscellaneous revenue (permit fees, interest, Sale of Surplus items).

Tax Revenue: \$9,472,215

Total Fees for Service 3,415,000 (ambulance income, wildland)

Other Revenue (Interest, Fees, etc.): \$74,000

Total Revenue generated is for FY 18/19 approximately \$12,964,215 this figure reflects a 100% collection of each individual line item.

Department Operations: \$2,086,956

Total Personnel Costs: \$11,521,657

Total: \$13,608,603

The listed total above does not reflect the following:

1. Funding of Capital Replacement line item
2. COLA Adjustment
3. Step Adjustment

The Total expenditure requests are greater than our anticipated income. We have begun to make some adjustments to our budgeting line items and our methodology in an effort to streamline the process.

Chief Moore stated that today we would like to discuss hard costs, the things that we need every day to run a business. Soft costs can be non-essential training such as leadership courses, furniture

Chief Moore stated we have \$1,000,000 more than income expected, and will work with the department to discuss making cuts. He also stated we are working to consolidate line items.

Chief Moore explained the Capital acquisition draft that he has given to the Board that shows replacement of staff vehicles, engines and ambulances. He explained the Capital Replacement plan could be funded partially by surplus vehicle and apparatus sales, which can be put back into the capital fund, and if we had any carry over it will help jump start our capital replacement fund.

Discussion continued with the Board and staff on future personnel costs, insurance, work comp and retirement of recent employees lowering some of these costs.

Chief Neal and Chief Moore stated we would work with staff and collectively come up with cuts to get close to the \$1,000,000 that is needed to be cut to balance the budget, and currently there is no step or COLA included. In response to questions from the Board on paying off the cardiac monitors with Bond proceeds, Chief Moore stated that if we are strategic with how we spend and invest our Bond money it will help us this year and in moving forward it will be better long-term.

Chief Moore stated he anticipates we will have a fourth budget workshop, and will be close to a balanced budget and then we will move forward and have a special Board meeting to post the tentative budget. And anticipate the Budget will be adopted by July 1.

With no further discussion, the workshop adjourned at 2:42 p.m.

Recorded by,



Paula Acker
Administrative Manager

Approved by,



David c. Cummings, Chairman
Fire District Board



Charles Moore, Board Clerk
Fire District Board