

Those persons wishing to speak on any item, whether or not it is included on the agenda, are requested to fill out and submit to the Clerk of the Board a "Request to Speak" form. Thank you.

It is the intention of the Chino Valley Independent Fire District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Chino Valley Independent Fire District will attempt to accommodate you in every reasonable manner. Please contact the Administration Office (909) 902-5260 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the District's Administrative Headquarters, 14011 City Center Drive, Chino Hills, CA 91709.

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
***Special Meeting - Standing Committee Meeting***  
***Finance Committee***

Administrative Headquarters  
14011 City Center Drive  
Chino Hills, CA 91709

Monday, February 24, 2020

8:00 AM

**AGENDA**

ROLL CALL

FLAG SALUTE

INVOCATION

PUBLIC COMMUNICATIONS

This is the time and place for the general public to address the Committee about subjects that do not appear elsewhere on the agenda. The public may address items on the agenda at the time addressed by the Committee.

Due to Board policy and Brown Act requirements, action may not be taken on any issue on the agenda. When you address the Committee, please state your name and address (optional) prior to making your remarks. Please limit your comments to 5 minutes.

MINUTES

1. Minutes - January 27, 2020 Meeting

OLD BUSINESS - None

NEW BUSINESS

2. 2019-20 MID-YEAR BUDGET REVIEW AND ANALYSIS

Purpose is to conduct a mid-year budget review for discussion purposes.

ADJOURNMENT

I, Melania Arredondo, Acting Clerk of the Board, on behalf of the Board of Directors, do hereby certify that a copy of this agenda has been posted by 4:00 p.m. on Friday, February 21, 2020.

A handwritten signature in cursive script, appearing to read "Melania Arredondo".

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Melania Arredondo, Acting Clerk of the Board

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**

**NO STAFF REPORT**

Minutes - January 27, 2020 Meeting

**ATTACHMENTS:**

Minutes - January 27, 2020 Meeting

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
*Special Meeting – Standing Committee Meeting*  
*Finance Committee*

Administrative Headquarters  
14011 City Center Drive  
Chino Hills, CA 91709

Monday, January 27, 2020  
8:00 a.m. Committee Meeting

**MINUTES**

ROLL CALL

FLAG SALUTE

President Luth

INVOCATION

Robert Lewis, Jr., Fire District Chaplain

PUBLIC COMMUNICATIONS

None.

MINUTES

1. Minutes-November 20, 2019 Meeting

2. OLD BUSINSESS

None.

NEW BUSINESS

3. DISPOSITION OF SURPLUS VEHICLES

Purpose is to review the proposed disposition of Fire District surplus vehicles.

District personnel have conducted a property survey and identified several vehicles that no longer meet the needs of the District.

Vehicles recommended for surplus are:

Year	Make	Model	CHO	VIN#	Assignment
2000	GMC	Safari Passenger	82	1GKDM19W6YB52051	Staff Vehicle
2005	Dodge	Stratus	100	1B3AL46R65N702554	Staff Vehicle
2006	Dodge	Stratus	101	1B3AL46R86N120019	Chaplain - previous

If approved by the Board, the District’s surplus vehicles will be disposed of in accordance with current policy as set forth in the District Policy, Disposition of Surplus Property. It is anticipated that these items will be consigned to a commercial auction house for sale.

The fiscal impact is unknown, as the disposition will generate an indeterminate amount of revenue to the District.

Discussion was held regarding the disposition of the Fire District’s surplus vehicles.

The Finance Committee agreed to move this item to the consent calendar for full Board approval.

4. DISPOSITION OF SURPLUS AUDIO EQUIPMENT PROPERTY

Purpose is to review the proposed disposition of Fire district surplus audio equipment.

District personnel have conducted a property survey and identified audio equipment that is outdated and no longer useable. The equipment was purchased over 20 years ago.

Audio equipment recommended for surplus is

Number of Pieces	Item	Brand
1	Mixing Console	Yamaha
3	QSC Amplifier	Yamaha
1	SM 58 Microphone	Shure
2	Passive Speaker	JBL
2	Passive Speaker	Electro-Voice
1	Microphone Compressor	PreSonus
2	Speaker Cable 200ft	Unknown
1	Microphone Cable – 25ft	Unknown
1	Rolling Storage Case	Unknown
1	Storage Box for Cable	Unknown

If approved by the Board, the District's surplus audio equipment will be disposed of in accordance with current policy as set forth in the District Policy, Disposition of Surplus Property. The District would seek to sell the items if possible.

The fiscal impact is unknown, as the disposition will generate an indeterminate amount of revenue to the District.

Discussion was held on the disposition of the District's surplus audio equipment.

The Finance Committee agreed to move this item to the consent calendar for full Board approval.

ADJOURNMENT

The meeting was adjourned at 8:22 a.m.

**CHINO VALLEY INDEPENDENT FIRE DISTRICT  
STAFF REPORT**

**DATE: FEBRUARY 24, 2020**

**TO: FINANCE COMMITTEE**

**FROM: TIM SHACKELFORD, FIRE CHIEF**

**SUBJECT: 2019-20 MID-YEAR BUDGET REVIEW AND ANALYSIS**

**PURPOSE:**

Purpose is to conduct a mid-year budget review for discussion purposes.

**DISCUSSION:**

See attached.

**RECOMMENDATION:**

It is recommended that the Finance Committee discuss the mid-year budget review, and provide direction to staff.

**ATTACHMENTS:**

Discussion and Monthly Financials Attachment

# Chino Valley Fire District

## STAFF REPORT – FINANCE COMMITTEE

February 24, 2020

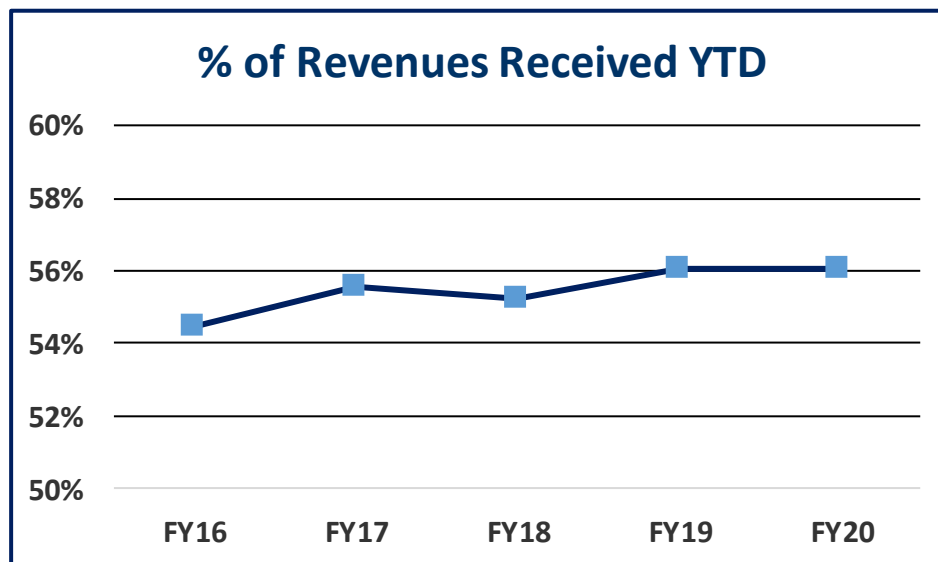
### DISCUSSION

Staff has conducted a mid-year budget review and analysis, focusing on budget trends and projections of revenues and expenditures for the balance of the fiscal year. As of January 31, 2020, the District was seven months into the 2019-20 fiscal year and the year was 58% complete. The associated analysis is summarized below.

#### **Revenues**

Through January 31, total revenues amounted to 56% of budget, compared to a range of 54% to 56% of actual revenues for the same time period in the prior four fiscal years. Accordingly, budgeted revenues received this fiscal year-to-date through January 31 are largely consistent with that of recent prior years, and on track with the Fiscal 2019-20 budget.

Based on projections for the balance of the fiscal year, and also in conjunction with recent meetings with our property tax consultant from HdL Coren and Cone, property tax-related revenues may potentially come in 1% to 2% higher than originally budgeted.

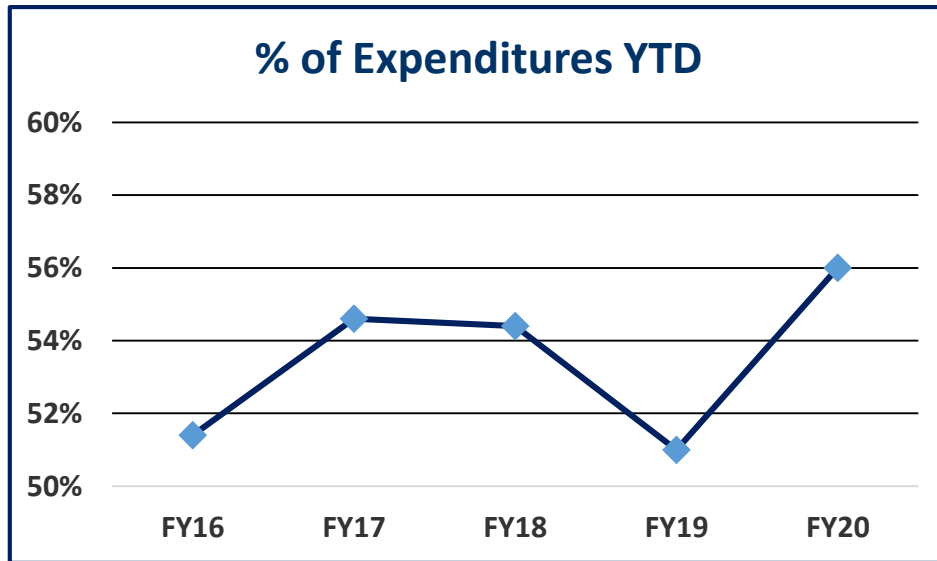


The chart above illustrates the trend in year-to-date revenues over the last five years.

#### **Expenditures**

Fiscal year-to-date expenditures were 55% of overall budget through January, compared to a range of 51% to 55% for the prior four fiscal years-to-date through January 31. The chart below depicts the five-year trend in fiscal year-to-date expenses as a percent of actuals or budget (FY20).





Although timing of certain non-labor expenditures can vary significantly from year-to-year, at 42% of budget, total services and supplies expenditures through January 31 are at about where we would expect at this point in the fiscal year, trending roughly consistently with the most recent four-year average for the fiscal year-to-date.

Salary and benefit expenditures for the fiscal year-to-date through January 31 are unfortunately trending higher than any of the last four fiscal years, and are roughly 3% to 4% higher in total than the four-year average from FY16 through FY19.

The detailed portion of the Monthly Financial Report at January 31, 2020 is attached to this report. Under the Expense section of the report, those line items shaded in blue represent favorable budget trends, while those line items shaded in red represent unfavorable budget trends.

Chino Valley Fire District Multi-Year Trends thru January (Mid-Fiscal Year) As of January 31, 2020										
	FY2016		FY2017		FY2018		FY2019		FY2020	
	Actuals YTD Thru January	% of Actuals YTD	Actuals YTD Thru January	% of Actuals YTD	Actuals YTD Thru January	% of Actuals YTD	Actuals YTD Thru January	% of Actuals YTD	Actuals YTD Thru January	% of Budget YTD
<b>Funds 100/500 REVENUE</b>										
Property tax revenue	\$ 13,459,062	54%	\$ 14,563,536	55%	\$ 16,029,049	56%	\$ 16,563,207	54%	\$ 17,928,755	54%
Contract revenue	4,684,032	57%	5,301,270	64%	5,222,077	46%	6,584,308	46%	5,909,763	46%
Other revenue	846,929	44%	611,292	33%	1,299,611	70%	1,488,167	70%	1,251,505	70%
<b>REVENUE TOTALS</b>	<b>\$18,990,023</b>	<b>54%</b>	<b>\$20,476,098</b>	<b>56%</b>	<b>\$22,550,737</b>	<b>55%</b>	<b>\$24,635,682</b>	<b>56%</b>	<b>\$25,090,023</b>	<b>56%</b>
<b>EXPENSE</b>										
Salaries and benefits	\$ 14,788,731	55%	\$ 16,703,751	56%	\$ 18,550,530	56%	\$ 19,677,606	55%	\$ 21,470,669	59%
Services and supplies	2,136,818	47%	1,957,521	43%	2,130,407	43%	2,319,608	39%	2,887,688	42%
Capital outlay	586,206	21%	1,478,330	65%	290,486	43%	610,197	22%	854,665	42%
<b>EXPENSE TOTALS</b>	<b>\$17,511,755</b>	<b>51%</b>	<b>\$20,139,601</b>	<b>55%</b>	<b>\$20,971,424</b>	<b>54%</b>	<b>\$22,607,411</b>	<b>51%</b>	<b>\$25,213,021</b>	<b>56%</b>

Of particular note, coverage – worker’s compensation and worker’s compensation expense will likely require significant budget adjustments to meet projected expenses before the end of the fiscal year. Worker’s compensation expenses having been trending in this direction over the last couple of years, and although we had increased budget for these line items from last fiscal year, additional budgetary authority in this area will be required before fiscal year-end.

Other unfavorable budgetary trends identified in this analysis will likely be largely offset by favorable budget trends also identified in the attached. It is anticipated that final budget adjustments for this fiscal year will be presented to the Board for approval in April, and no board action is required at this time.

Some additional budgetary savings may result from unexpended budgetary requests in a number of budget line items by year-end, although the associated fiscal impact of any unexpended funds is not determinable at this time. Based on current trends, staff is projecting a need to request about \$1 million in additional net budgetary authority by year-end, largely due to the projected fiscal impacts of the aforementioned worker’s compensation expenses.

It is also anticipated that staff will recommend an additional discretionary pension contribution to the California Public Employees Retirement System (CalPERS) for the Board’s consideration in April as well. Any such request would necessitate a budget adjustment at that time.



# Chino Valley Fire District Monthly Financial Report

As of January 31, 2020

Account Description	Monthly Actual Amount	Year-to-date Actual Amount	Annual Budget Amount	Variance From Budget	% of Budget	Prior Year Year-to-date Actual Amount	Variance From Prior Year
<b>Funds 100/500</b>							
<b>REVENUE</b>							
Property tax revenue							
Property tax - current secured	\$ 654,448	\$ 15,852,282	\$ 28,647,026	\$ (12,794,744)	55%	\$ 14,603,631	\$ 1,248,651
Property tax - current unsecured	22,877	1,196,873	1,270,344	(73,471)	94%	1,130,688	66,185
Property tax - current utility	231	98,162	368,551	(270,389)	27%	93,902	4,260
Property tax - prior and penalty	36,301	548,731	800,000	(251,269)	69%	503,929	44,802
Property tax - home owner's exemption	88,376	126,252	276,925	(150,673)	46%	126,051	201
Property tax - supplemental	4,126	78,669	365,750	(287,081)	22%	95,038	(16,369)
Property tax - weed abatement	3,028	27,786	62,700	(34,914)	44%	9,968	17,818
Property tax revenue Totals	809,387	17,928,755	31,791,296	(13,862,541)	56%	16,563,207	1,365,548
Contract revenue							
Current services	1,113,115	5,909,763	10,770,454	(4,860,691)	55%	6,584,308	(674,545)
Contract revenue Totals	1,113,115	5,909,763	10,770,454	(4,860,691)	55%	6,584,308	(674,545)
Other revenue							
Permit and inspection fees	94,832	905,040	1,300,000	(394,960)	70%	774,421	130,619
Weed abatement	-	3,121	30,000	(26,879)	10%	28,053	(24,932)
Other sales	765	1,360	3,000	(1,640)	45%	2,566	(1,206)
Other revenue	6,145	34,792	110,000	(75,208)	32%	30,111	4,681
Mutual aid recoveries	37,034	125,888	500,000	(374,112)	25%	441,255	(315,367)
Grants	-	-	30,000	(30,000)	0%	30,215	(30,215)
Sale of fixed assets	1,100	10,100	-	10,100	+++	2,808	7,292
Donations	-	-	1,000	(1,000)	0%	1,179	(1,179)
Interest revenue	66,813	171,204	350,000	(178,796)	49%	177,559	(6,355)
Other revenue Totals	206,689	1,251,505	2,324,000	(1,072,495)	54%	1,488,167	(236,662)
<b>REVENUE TOTALS</b>	<b>\$ 2,129,191</b>	<b>\$ 25,090,023</b>	<b>\$ 44,885,750</b>	<b>\$ (19,795,727)</b>	<b>56%</b>	<b>\$ 24,635,682</b>	<b>\$ 454,341</b>



# Chino Valley Fire District Monthly Financial Report

As of January 31, 2020

Account Description	Monthly Actual Amount	Year-to-date Actual Amount	Annual Budget Amount	Variance From Budget	% of Budget	Prior Year Year-to-date Actual Amount	Variance From Prior Year
<b>EXPENSE</b>							
Salaries and benefits							
Salaries regular	\$ 1,892,697	\$ 9,163,995	\$ 18,168,154	\$ 9,004,159	50%	\$ 9,310,044	\$ (146,049)
Salaries - part time	10,557	48,946	93,466	44,520	52%	54,389	(5,443)
Uniform allowance	44,600	45,600	46,150	550	99%	46,800	(1,200)
Coverage - training and support	68,080	381,856	573,042	191,186	67%	173,986	207,870
Coverage - emergency response and leave	519,005	2,723,791	3,899,698	1,175,907	70%	2,863,726	(139,935)
Coverage - worker's compensation	112,680	594,078	450,000	(144,078)	132%	228,135	365,943
Call back or standby	1,092	5,157	9,490	4,333	54%	5,122	35
Separation payments	244,981	329,026	450,000	120,974	73%	73,130	255,896
Special compensation	75,225	379,354	737,490	358,136	51%	377,746	1,608
Annual leave buyback	163,162	163,162	600,000	436,838	27%	24,626	138,536
PERS retirement	356,187	4,664,665	6,179,459	1,514,794	75%	3,967,862	696,803
Survivor's benefits	373	1,715	11,836	10,121	14%	1,606	109
Long term disability	1,498	10,483	28,020	17,537	37%	10,640	(157)
Unemployment insurance	15,722	16,437	17,017	580	97%	15,545	892
Health and dental insurance	177,151	1,374,522	3,262,187	1,887,665	42%	1,284,818	89,704
Social security medicare	40,759	197,824	289,783	91,959	68%	183,461	14,363
State disability insurance	3,816	13,506	26,737	13,231	51%	11,188	2,318
Worker's compensation expense	81,653	998,333	1,100,000	101,667	91%	772,811	225,522
Life insurance	9,123	43,955	84,567	40,612	52%	43,992	(37)
Deferred comp benefit	65,307	314,263	612,000	297,737	51%	227,978	86,285
Tuition reimbursement	-	-	67,500	67,500	+++	-	-
Salaries and benefits Totals	3,883,668	21,470,668	36,706,596	15,235,928	58%	19,677,605	1,793,063



# Chino Valley Fire District Monthly Financial Report

As of January 31, 2020

Account Description	Monthly Actual Amount	Year-to-date Actual Amount	Annual Budget Amount	Variance From Budget	% of Budget	Prior Year Year-to-date Actual Amount	Variance From Prior Year
Services and supplies							
Clothing	(610)	30,204	265,979	235,775	11%	31,681	(1,477)
Telephone	14,801	132,871	244,199	111,328	54%	144,190	(11,319)
Cellular phones	16,205	45,617	94,200	48,583	48%	29,933	15,684
Electronic equipment maintenance	5,698	230,274	446,659	216,385	52%	149,984	80,290
Food	-	4,083	15,000	10,917	27%	5,913	(1,830)
Memberships	1,038	14,715	24,473	9,758	60%	15,957	(1,242)
Publications	693	6,960	11,220	4,260	62%	3,937	3,023
Legal postings	-	3,031	7,600	4,569	40%	1,056	1,975
Small tools and equipment	4,555	46,264	152,504	106,240	30%	23,436	22,828
Inventory equipment	-	19,973	49,021	29,048	41%	24,297	(4,324)
Non-inventory equipment	1,102	25,133	338,926	313,793	7%	76,000	(50,867)
Special department expenses	600	24,530	67,930	43,400	36%	22,734	1,796
Training	7,423	96,250	299,680	203,430	32%	73,449	22,801
Utilities	15,822	135,671	257,280	121,609	53%	125,153	10,518
General liability insurance	2,932	209,127	203,000	(6,127)	103%	158,576	50,551
Office supplies	966	20,312	51,500	31,188	39%	22,698	(2,386)
Postage	542	8,941	12,500	3,559	72%	7,285	1,656
Printing	1,000	2,735	57,300	54,565	5%	12,039	(9,304)
Services - auditing	-	8,000	18,765	10,765	43%	17,020	(9,020)
County services	-	-	250,000	250,000	0%	-	-
Services - legal	1,141	101,053	350,000	248,947	29%	57,597	43,456
Services - dispatch	-	664,014	1,037,423	373,409	64%	465,195	198,819
Services - other	39,622	384,987	1,227,032	842,045	31%	358,814	26,173
General household expense	5,846	20,092	38,400	18,308	52%	19,361	731
Medical supplies	3,382	54,009	145,176	91,167	37%	21,460	32,549
Vehicle maintenance	39,354	336,032	506,300	170,268	66%	229,651	106,381
Equipment maintenance	4,947	27,436	94,600	67,164	29%	24,083	3,353
Fuel	8,934	107,472	225,000	117,528	48%	102,313	5,159
Structure maintenance	28,266	123,402	313,420	190,018	39%	95,796	27,606
Services and supplies Totals	204,259	2,883,188	6,805,087	3,921,899	42%	2,319,608	563,580



# Chino Valley Fire District Monthly Financial Report

As of January 31, 2020

Account Description	Monthly Actual Amount	Year-to-date Actual Amount	Annual Budget Amount	Variance From Budget	% of Budget	Prior Year Year-to-date Actual Amount	Variance From Prior Year
Capital outlay							
Capital - land	-	-	-	-	+++	-	-
Capital - structure improvements	8,625	57,754	205,500	147,746	28%	8,935	48,819
Capital - equipment	-	39,416	168,122	128,706	23%	286,039	(246,623)
Capital - vehicles	580,241	757,496	1,105,650	348,154	69%	219,427	538,069
Capital - lease purchase equipment	-	-	-	-	+++	-	-
Capital outlay Totals	<u>588,866</u>	<u>854,666</u>	<u>1,479,272</u>	<u>624,606</u>	<u>58%</u>	<u>514,401</u>	<u>340,265</u>
<b>EXPENSE TOTALS</b>	<b>\$ 4,676,793</b>	<b>\$ 25,208,522</b>	<b>\$ 44,990,955</b>	<b>\$ 19,782,433</b>	<b>56%</b>	<b>\$ 22,511,614</b>	<b>\$ 2,696,908</b>
Funds <b>100/500</b> - Totals							
<b>REVENUE TOTALS</b>	\$ 2,129,191	\$ 25,090,023	\$ 44,885,750	\$ (19,795,727)	56%	\$ 24,635,682	\$ 454,341
<b>EXPENSE TOTALS</b>	4,676,793	25,208,522	44,990,955	19,782,433	56%	22,511,614	2,696,908
Fund <b>100/500</b> - Net Gain (Loss)	<u>\$ (2,547,602)</u>	<u>\$ (118,499)</u>	<u>\$ (105,205)</u>	<u>\$ (13,294)</u>	<u>113%</u>	<u>\$ 2,124,068</u>	<u>\$ (2,242,567)</u>
<b>Transfers In - Capital Replacement</b>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 89,000</u>	<u>\$ 54,000</u>	<u>39%</u>		



# Chino Valley Fire District Monthly Financial Report

As of January 31, 2020

Account Description	Monthly Actual Amount	Year-to-date Actual Amount	Annual Budget Amount	Variance From Budget	%	Prior Year Year-to-date Actual Amount	Variance From Prior Year
<b>Fund 800 - Restricted Assets</b>							
<b>REVENUE</b>							
Other revenue							
Restricted - Sec115 Trust Interest	(12,020)	249,721				(4,702)	254,423
<b>REVENUE TOTALS</b>	<u>\$ (12,020)</u>	<u>\$ 249,721</u>				<u>\$ (4,702)</u>	<u>\$ 254,423</u>
<b>EXPENSE</b>							
Services and supplies							
Restricted - Sec115 Trust Admin Expense	750	4,500				5,320	(820)
<b>EXPENSE TOTALS</b>	<u>\$ 750</u>	<u>\$ 4,500</u>				<u>\$ 5,320</u>	<u>\$ (820)</u>
<b>Fund 800 - Restricted Assets Totals</b>							
<b>REVENUE TOTALS</b>	\$ (12,020)	\$ 249,721				\$ (4,702)	\$ 254,423
<b>EXPENSE TOTALS</b>	750	4,500				5,320	(820)
<b>Fund 800 - Restricted Assets Net Gain (Loss)</b>	<u>\$ (12,770)</u>	<u>\$ 245,221</u>				<u>\$ (10,022)</u>	<u>\$ 255,243</u>
<b>Grand Totals, All Funds</b>							
<b>REVENUE TOTALS, INCL. TRANSFERS IN</b>	\$ 2,117,171	\$ 25,374,744	\$ 44,974,750	\$ (19,600,006)		\$ 24,630,980	\$ 743,764
<b>EXPENSE TOTALS</b>	4,677,543	25,213,022	44,990,955	19,777,933		22,516,934	(2,696,088)
<b>Grand Total Net Gain (Loss)</b>	<u>\$ (2,560,372)</u>	<u>\$ 161,722</u>	<u>\$ (16,205)</u>	<u>\$ 177,927</u>		<u>\$ 2,114,046</u>	<u>\$ (1,952,324)</u>