

# 2012 BUDGET



Agate Fire Protection District

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## Agate Fire Protection District 2012 Budget

The following pages include the Agate Fire Protection District 2012 budget. The District has specific budgeting strategies to ensure financial responsibility and soundness. Outlined below are the District's budgeting strategies, checks and balances for fiscal responsibility, and some technical aspects of the budget.

### Budgeting Strategy

The books of record of the Agate Fire Protection District are kept on the modified accrual basis of accounting. The 2012 budget is prepared on the same basis. The District's budgeting directly correlates with its short and long term planning. The short term planning needs are identified through the day-to-day management of the organization. The management team meets on a monthly basis to discuss the needs of the District and identify internal and external service issues that need attention. The issues that need financial attention are then marked for review for the next year's budget. If necessary, a plan is put in place to accommodate those needs in the current year by substituting expenses in the current year.

In an effort to ensure the District's long term financial health and to continue to expand the organization, the District has a Reserve Fund. This fund is used to accrue the money necessary to meet the District's current and future strategic funding needs. These needs may include, but are not limited to, enabling the District to finance the replacement of vehicles and firefighting apparatus, the funding of various capital projects that fall outside the scope of the normal operating budget. The projected Reserve Fund balance as of December 31, 2012 is \$33,594.00.

The District is committed to funding this account at appropriate levels prior to establishing the overall operating budget. In the 2012 budget, 15% of the total General Property Tax Levy revenue is allocated to this fund.

### Fiscal Responsibility

The District is keenly aware that a majority of the total funding for Fire and Rescue services is derived from property taxes of the landowners within the District. The District has several processes in place to ensure these tax dollars are spent wisely. Following are some examples of checks and balances the District has in place to ensure fiscal responsibility:

Monthly Variance Reports: Each month, the Fire Chief will be asked to review their actual spending vs. their budget for the month and the fiscal year-to-date. The Chief will be required to report to the Board of Directors on any line item that is over budget by more than \$100.00. With this process, the Fire Chief reviews all transactions within their budget to ensure expenses are posted correctly.



## Agate Fire Protection District

Review of Recurring Costs: Periodically, recurring costs will be re-evaluated to ensure that the District is getting the best possible rate.

Spending Authority: For all expenses over \$1,000.00, formal approval is required by the Board of Directors. This allows the District to have greater control over larger expenditures, and to ensure compliance with the Budget.

### Technical Aspects of the Budget

The Agate Fire Protection District uses a combination of governmental fund accounting and business accounting practices to keep the books in line with auditing requirements and allow for financial reporting that is easy to read.

### Revenue

Revenue is primarily generated from property tax levied upon all property within the District. For the 2012 budget year property tax revenue is estimated at \$61,515.00 with an additional \$2,500.00 special use collection from Metro Grow. The District anticipates the operation of a self-sustained Ambulance service that is projected to provide \$32,500.00 in revenue. Miscellaneous revenue from grants, fees, and donations is estimated at \$10,500.00. A carryover from 2011 estimated at \$42,443.00 will provide total estimated resources for 2012 of \$149,458.00

### General Fund

For the 2012 budget year the Agate Fire Protection District will have one General Fund. Main operating expenses for the District, including: 911 dispatch costs; fire equipment and personal protective equipment; communication tools; fire equipment maintenance; ambulance maintenance; billing and collections; ambulance supplies; firefighter and EMS training; loan repayments; legal services and other professional fees; membership fees; station maintenance expenses; all tangible items purchased for the operation of the District; other operating expenses required for the operation of the District such as postage, internet fees, telephone and other utilities, insurance, and travel expenses; and any capital expenses that are small enough in cost to be covered by the annual operating budget.

The 2012 budget includes the purchase of a 4,000 gallon tender to replace the 1,400 gallon tender that required extensive repairs/replacement of the tank. The negotiated cost of the replacement tender is \$40,000.00 to be paid in two equal installments during the 2012 budget year.

### Determining the General Fund Operating Budget

The budgeting process started with projecting revenues. The County provides the District with a final assessment for the following year, but these numbers are not



## Agate Fire Protection District

available until mid-November. Since the budgeting process was begun in August, it was necessary to estimate the property tax revenue for 2012.

We anticipated no increase in Property Tax, and we projected no increase in Property Tax revenue from 2011. This established the revenue threshold for the 2012 Budget.

We then determined that 15% of the projected Property Tax Levy to be held as a Reserve Fund. The remaining revenue was deemed to be available for appropriation to the General Fund Operating Budget.

The next step in the process was to request that the Fire Chief to prepare a preliminary budget for review by the Budget Committee. This preliminary budget was totaled and compared to projected revenues. This gave the Budget Committee the required information to allow for adjusting expenditures against the projected revenue. This collaborative effort resulted in finalizing and balancing the overall General Fund budget.

**2012 Budget Overview** - The approved Budget for 2012 is balanced. We anticipate total available resources to be \$149,458.00. This includes a carryover of \$42,443.00 from the 2011 budget. The General Fund budget expenditures, including the funding of the Reserve, equals \$149,458.00.

Property tax revenue estimate is based on the County's provided Property Tax assessed valuation of \$7,689,419.00 made available to the Board Of Directors on November 22, 2011, thus the final budget presented at the December 13, 2011 Board of Directors meeting reflects the latest projected Property Tax Levy.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry Hollembeak".

Barry Hollembeak  
President  
Agate Fire Protection District



## AGATE FIRE PROTECTION DISTRICT BUDGET PROPOSED 2012

SUMMARY	ACTUAL	BUDGETED
<b>Beginning Balance</b>		42,443.00
<i>Total Revenue</i>		107,015.00
<i>Total expenses</i>		149,458.00

REVENUE DETAILS	ACTUAL	BUDGETED	NOTES
<i>General Property Tax Levy</i>		61,515.00	
<i>Metro Grow</i>		2,500.00	
<i>Highway Claims</i>		3,000.00	
<i>Donations</i>		2,500.00	
<i>Ambulance Call Revenue</i>		32,500.00	
<i>Grants</i>		5,000.00	
<b>Total Revenue:</b>		107,015.00	

<b>TOTAL AVAILABLE RESOURCES</b>		149,458.00	
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EXPENSE DETAILS	ACTUAL	BUDGETED	NOTES
<i>Building Loan</i>		3,750.00	
<i>Insurance</i>		7,195.00	
<i>Fuel (Fire Dept)</i>		4,300.00	
<i>Propane</i>		3,000.00	
<i>Certifications/Training</i>		3,000.00	
<i>License Plates</i>		25.00	
<i>Electric</i>		1,200.00	
<i>Truck Lease</i>		200.00	
<i>Legal Fees</i>		500.00	
<i>Advertisement Legal Notices</i>		250.00	
<i>Phone/DSL</i>		100.00	
<i>Fire Equipment/PPE</i>		6,000.00	
<i>ECCA</i>		1,398.00	
<i>Fire Prevention Education</i>		200.00	
<i>Association Fees</i>		1,000.00	
<i>Subscriptions</i>		100.00	
<i>Technology (Radios/Tower)</i>		2,500.00	
<i>Apparatus Maint/Repair</i>		7,500.00	
<i>Treasure Fees (3%)</i>		2,075.00	
<i>Office Supplies</i>		150.00	
<i>Postage</i>		50.00	
<i>Station Maint/Repair</i>		800.00	
<i>Water</i>		240.00	
<i>Capital Purchase (Tender Truck)</i>		40,000.00	
<i>Depreciation Building</i>		2,080.00	

# Agate Fire Protection District



<i>Depreciation Capital Assets</i>	2,000.00
<i>EMT (WIBS) Billing</i>	3,250.00
<i>Fuel (Ambulance)</i>	2,000.00
<i>Medications</i>	1,400.00
<i>EMT Disposable Supplies</i>	1,900.00
<i>Equipment (EMT)</i>	8,000.00
<i>Equipment Repairs (EMT)</i>	2,000.00
<i>Legal Fees (EMT)</i>	500.00
<i>Insurance (EMT)</i>	480.00
<i>Ambulance Certification</i>	240.00
<i>Ambulance Inspection</i>	100.00
<i>Ambulance Consultation Fees (Start-Up)</i>	1,000.00
<i>EMT Training</i>	5,000.00
<i>Misc</i>	381.00
<i>Reserve Fund</i>	33,594.00
<b><i>Total expenses:</i></b>	<b>149,458.00</b>