



**CONFIRE**

## STAFF REPORT

**DATE:** February 24, 2025

**FROM:** Nathan Cooke, Interim Executive Director

**BY:** Damian Parsons, Finance/Administrative Director  
Erika Torres-Murillo, Staff Analyst II

**TO:** CONFIRE Board of Directors

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**SUBJECT: Revised 2025-26 - Budget and Budget Adjustments**

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### Recommendation

1. Approve the revised 2025-26 budget for Operations Fund 5008 as per attachment A.
2. Approve the following adjustments to the revised 2025-26 Operations Fund 5008 budget as follows:

<b>Fund Center</b>	<b>Commitment Item</b>	<b>Description</b>	<b>Action</b>	<b>Amount</b>
8831005008	51001010	Salaries & Benefits	Decrease	\$22,466
8836005008	52002115	Software	Increase	\$22,466

3. Approve the addition of one (1) Finance Manager position, funded in the current year using salary and benefit savings, and authorize the inclusion in the proposed 2026-27 budget.

### Background Information

During review and implementation of the Operations Fund 5008 2025-26 budget, staff found that the budget Excel worksheet had formula and rounding errors that resulted in inaccurate cost calculations. Specifically, costs for the XBO Chief were duplicated and misallocated to non XBO agencies and some formulas were not capturing all cells resulting in an under reporting of expenses. These errors and corrections have an impact on each agency's amount-due to CONFIRE as revenues. As a result of the revised budget, some agencies will be due a credit and may opt to receive the credit in their fourth quarter billing or have the amount credited to their equipment replacement fund. For agencies reflecting an increase in costs CONFIRE will absorb these costs within the revised budget.

To mitigate the recurrence of budgeting errors in the upcoming 2026-27 budget cycle, staff has created new budget worksheets. For budget cycles after 2026-27, staff will utilize the new Oracle NetSuite Enterprise Planning Module, which is scheduled to go-live in August 2026.

During the current budget year, several staff positions in Operations Fund 5008 remained vacant for longer than anticipated, resulting in savings in salary and benefits costs.

The department received notice from the San Bernardino County Real Estate Services department that the lease costs for Rackspace at both CONFIRE facilities had not been paid since November 2021. The total outstanding amount was \$209,186. The unpaid lease costs resulted from Real Estate Services not invoicing CONFIRE as required by the lease agreement.

In addition to the above unplanned costs, the department needed additional licenses for Tablet Command software usage. The updated pricing, change in license counts and types were not available during the budget creation.

The majority of these unanticipated costs will be absorbed in the budget; however, staff is recommending an increase in expenditure authority for Services and Supplies in the amount of \$22,466. This increase will be offset by a decrease in Salary and Benefits expenditure authority in the same amount of \$22,466.

The scope and complexity of the Finance section have increased significantly over the past year. In addition to routine financial operations, staff are supporting multiple high-priority initiatives that require sustained financial oversight, project management and cross-departmental coordination. Key drivers of this workload growth include:

- Expansion and sustainment planning for the Emergency Communication Nurse System
  - Implementation of a countywide non-emergency transportation pilot project
- An evaluation and modification of financial processes and procedures to align with the use of Oracle NetSuite
- Increased grant administration, cost recovery analysis, and inter agency coordination
- A growing volume of special projects, requiring dedicated financial leadership and continuity
- Multiple financial audits

At the same time, the Finance section has experienced periods without consistent supervisory coverage due to competing demands and project-based work. This has created challenges in maintaining workflow momentum, providing real-time staff support, and ensuring timely completion of complex initiatives.

The proposed Finance Manager position is intended to provide present, day-to-day supervisory leadership within the Finance section while also serving as the project lead for major initiatives. This position would:

- Provide direct supervision, mentorship and operational support to finance staff.
  - Ensure continuity and forward progress on complex, multi-departmental projects
  - Reduce bottlenecks caused by competing executive level demands and senior leadership
- Improve staff capacity, morale and responsiveness during periods of elevated workload

The absence of a mid-level management position has increasingly required senior leadership to divide time between strategic responsibilities and day-to-day operational oversight. Establishing a Finance Manager role allows for appropriate delegation while strengthening internal controls and project executive. It also better positions the department for succession planning.

### **Fiscal Impact**

The revised budget results in an \$85,393 decrease in Expenditure Authority and a \$108,398 decrease in Revenues for a Net change of \$23,005. See Attachment A.

The impact of the revised budget changes revenue amounts due from each agency, with the majority of agencies being due a credit. No agency will incur additional costs as a result of the budget change. For those agencies due to receive a credit, staff will work with each agency to determine how they would like to receive their credit.

The budget adjustment is increasing Software appropriations by of \$22,466 and will be funded through a corresponding decrease of \$22,466 to Salary and Benefits. The available amount in Salary and Benefits is the result of salary savings realized by vacant positions throughout the year. There will be no additional costs for CONFIRE member or contract agencies.

The estimated current year salary and benefits cost for the Finance Manager is \$54,607 (fully encumbered) and will be funded by salary and benefits savings resulting from vacancies. The total cost of \$224,981 will be included in the 2026-27 budget.

### **Attachments**

- Attachment A – Revised 2025-26 Budget