



**CONFIRE**

STAFF REPORT

**DATE: 03/16/23**

**FROM: Nathan Cooke, Interim Director  
Karen Hardy, Interim Chief Financial Officer**

**TO: CONFIRE Board of Directors**

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**SUBJECT: ALLOCATION OF FY2021-22 FUND BALANCE**

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**RECOMMENDATION**

Approve the proposed audited fund balance allocation plan for FY 2021-22 as listed below:

1. General Operating Fund (5008) FY 2022 Year End Fund Balance \$2,695,737
  - a. Hold an available fund balance of \$1,390,237 remaining in compliance just above the Board policy to retain at least 10% of the Operating Budget.
  - b. Transfer \$305,500 to General Reserve Fund (5010) in compliance to Fund Policy to have at least 25% fund balance of operating budget.
  - c. Transfer \$1,000,000 to Emergency Medical Services (5020) for startup funding of new enterprise fund.
2. Equipment Reserve Fund (5009)

Retain the current fund balance \$2,235,360 for the use to procure information technology equipment, software, and/or services for CONFIRE and Agencies.
3. General Reserve Fund (5010)
  - a. Retain the fund balance of \$6,151,643 increased with this authorization of this motion to transfer of \$305,500 from Fund 5008 retaining \$6,457,143 balance for the following needs:
    - i. Per Board policy to retain at least 25% of the Operating Budget (5008) cost in the amount of \$3,207,143
    - ii. EMD Optimization (ECNS) Project = \$250,000
    - iii. \$3,000,000 currently reserved for CIP funding

4. Employee Term Benefits Reserve (5011)
  - a. Retain the current fund balance of \$1,610,781 in for the following:
    - i. Per Board policy maintain restricted funding for Compensated Absences in the amount of \$534,982 as of the June 30, 2021 current liability.
    - ii. Leave remaining balance of 1,392,702 from unfunded liability of pensions or other employee benefit liabilities.
5. CAD-to-CAD Project Special Revenue Fund (5019)

Retain the restricted fund balance \$904,203 for implementation and operational tasks of the regional computer aided dispatch Inland Empire Public Safety Operations Platform (IE PSOP).
6. Emergency Medical Services Division Fund Enterprise Fund (5020)

Receive the transfer in from Fund 5008 of \$1,000,000 for funding source for financial operations of the Emergency Medical Services Division of CONFIRE.

## **BACKGROUND**

The FY 2021-22 audited fiscal records indicates that CONFIRE Operation Fund (5008) ended the fiscal year with revenue over expenditures of \$654,301. Savings are primary from the anticipation budgeting for the increase of the Memorandum of Understanding (MOU) potential increases and salary savings from unfilled vacancies.

The increase needed in General Reserves (5010) would follow the approved Board Policy 4.002 to have an excess of the 25% contingency in the General Reserves when appropriate along with Board approved \$3,250,000 reserved built for Restricted Fund balance for future capital projects (CIP).

The Term Benefit Reserve Fund (5011) are a result of assessing contract agencies a contract fee that is intended to bolster this fund for potential future pension and employee leave balance liability issues.

The new Emergency Medical Services Department (5020) enterprise fund approved at January's Board is to account for the business-type activities including services primarily funded by user charges. This would allow CONFIRE JPA to transfer \$1,000,000 for start-up funding for the new Emergency Medical Services Enterprise Fund.

**ATTACHMENT:** Audited Fund Balance Report 6/30/2022