

2017-18 Budget Study Session

- REVENUE

- Taxes
- Roll-over
- Other

- EXPENDITURES

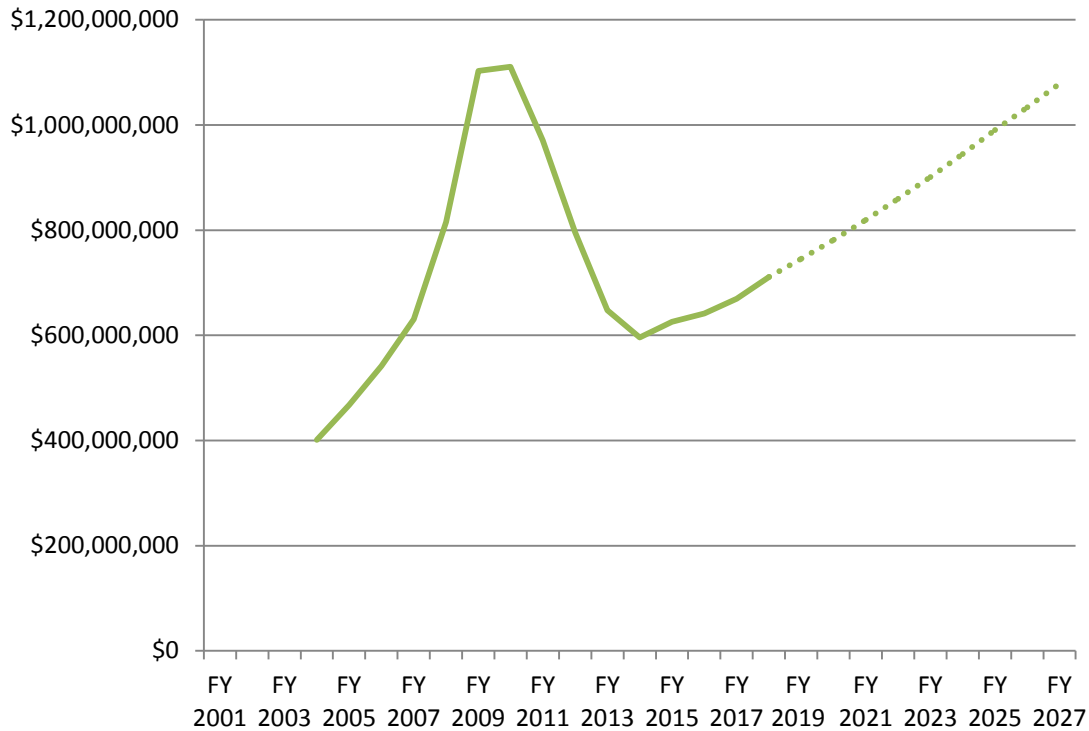
- M&O
- Contingency
- Capital

BIG PICTURE



Assessed Value History and Forecast

CAFMA combined Net Assessed Value



Past NAV Forecasting vs. Actual

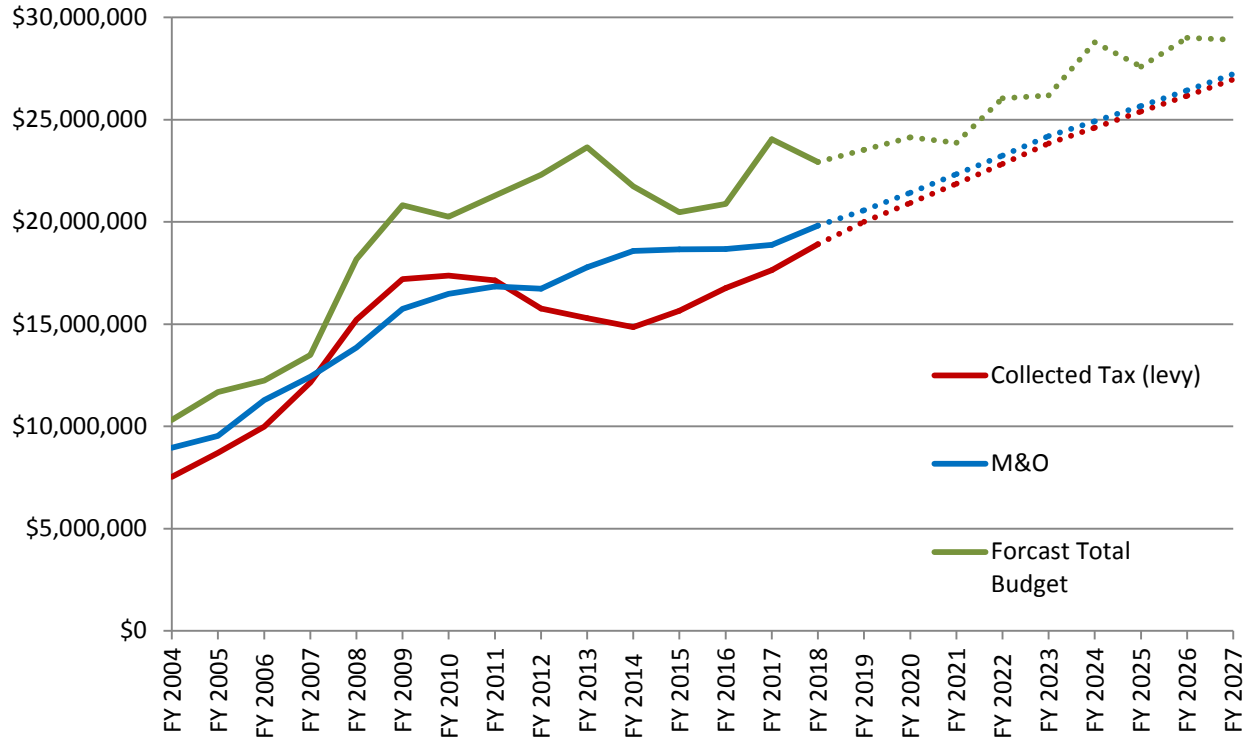
- FY 2015 Forecast = 4% Actual = 6.545 (CYFD)
- FY 2016 Forecast = 4% Actual = 2.530 (CYFD)
- FY 2017 Forecast = 3% Actual = 4.3650 (CAFMA)
- FY 2018 Forecast = 3% Actual* = 6.2336 (CAFMA)

*The 2018 actual NAV increase contains approximately 1% of new growth attributed to the use of a new aerial photograph tool used by the County Assessors office. This is a one time bump that we should not expect to be repeated in following years.

Future NAV Forecasting

- NAV increases
 - CYFD = 4 % increases for existing + 1% new growth
 - CVFD = 3 % increases for existing + 1% new growth
 - Combined forecast = about 4.8%. This is purposefully conservative.
- High/Low cycle is gone.
- The NAV forecast numbers are based heavily on information received by Chief Tharp from the County Assessors office.

Expenditure History and Projections (current 2017)



Expenditure Projection Basis

- Includes
 - Ongoing/regular increase in costs for equipment, services, and wages (step scale)
 - PSPRS increases
 - Slow shift in Capital Reserve funding
- May include:
 - Room for some COLA's and/or workforce expansion. This depends on what we actually see for increases in the other cost areas.

Expenditures in CAFMA vs. alone

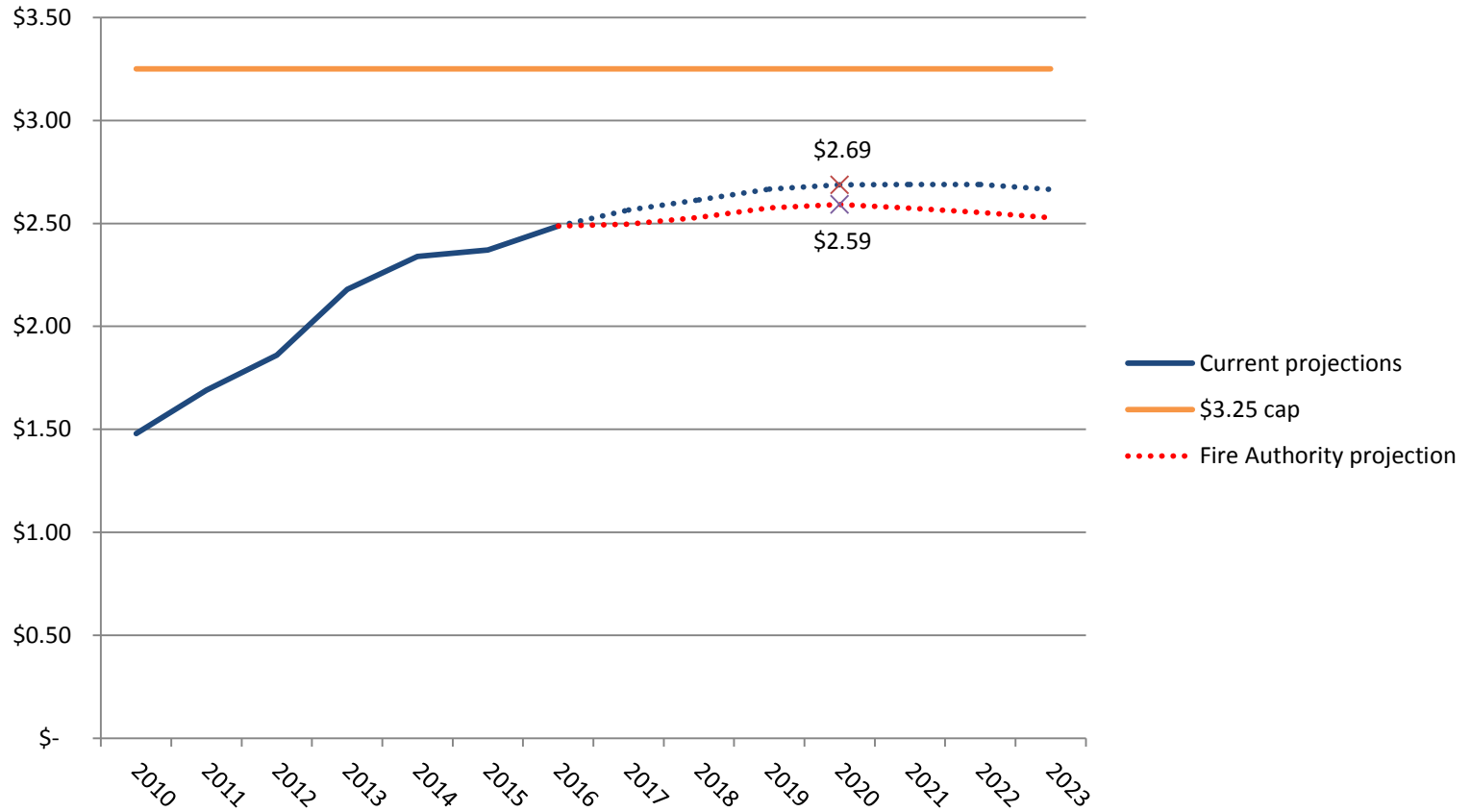
- Wages: CVFD are unfrozen
- Workmans comp rate: CYFD on its own would be experiencing a 38%+ increase in rate. Combination of CVFD influence and new comp pool are keeping things level.
- Health care: Lower costs overall due to CVFD influence and new health pool
- PSPRS: at least a 4% lower rate than CYFD on own.

Bottom line on CAFMA advantage

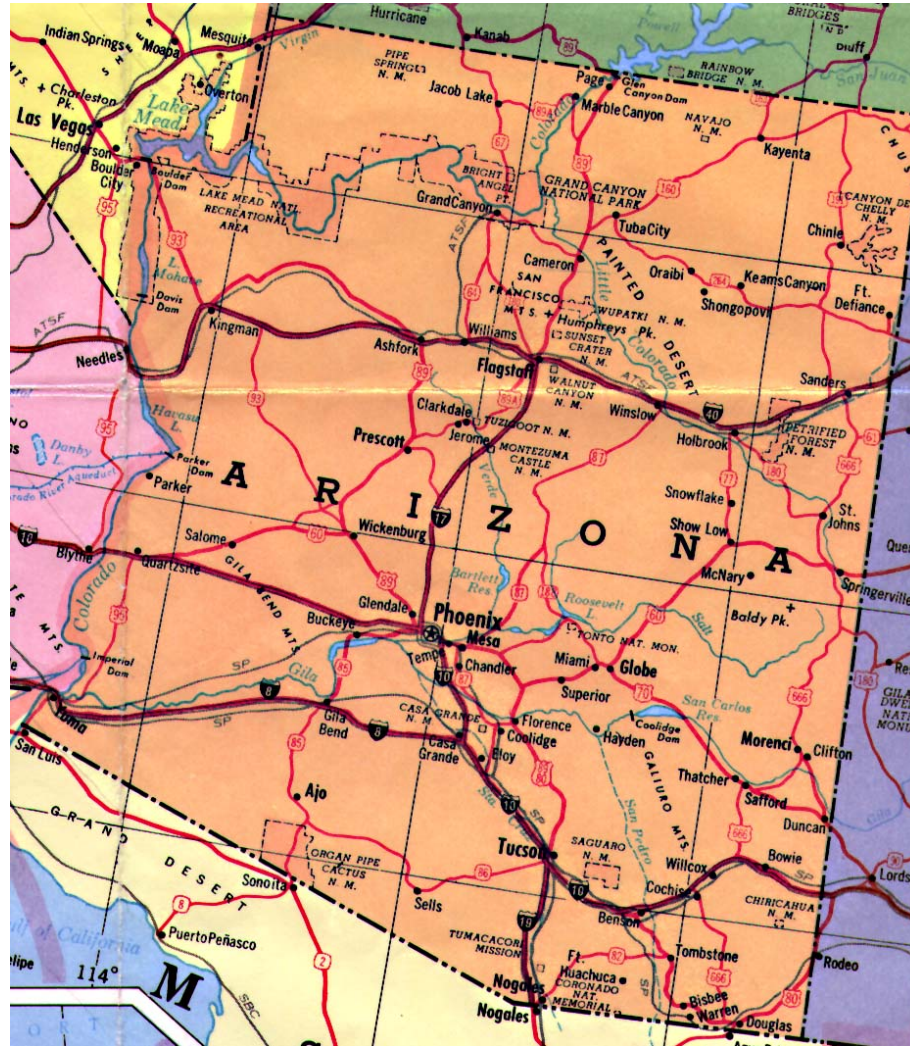
- CVFD is part of a bigger organization. More stability, more options.
- CYFD is collecting approximately \$400,000 a year less next fiscal year from CYFD taxpayers than it would on its own.
 - \$200,000 savings on PSPRS
 - \$150,000 savings on workman's comp rate
 - \$50,000 savings on healthcare

CYFD Tax Rate Projection

(From 2015 data and presentation)



FY 2018 BUDGET



Budget Format

- The Summary and Revenue pages are the most helpful for general overview.
 - CAFMA : Pages 2 and 3
 - CVFD: Pages 25 and 26
 - CYFD: Pages 28 and 29
- Changes over \$1000 (up or down) in the detail pages are in red.

FY 2018 Budget

- Good: NAV increased by 6.2336% overall
- Bad: Expenses increased by \$975,738
 - The majority of this are PSPRS costs which increased by approximately \$750,000. A 29.37% increase over FY 2017.
 - Fortunately other cost increases were relatively low. Health care and workman's comp costs are minimal due to CAFMA structure and efforts of Chief Tharp with Risk Pools.

FY 2018 Budget

- Ugly: Decreased roll over (-\$500,000)
 - Because of high OT costs associated with injuries, roll over is not as high as past years resulting in the need to tax an additional \$250,000 for a total collections increase of \$1,227,580 (6.71% overall). The \$500,000 shortfall was cushioned by a decision to pull more out of the Savings fund for Capital purchases than had been previously planned for. This approach could be used for an additional \$200,000 if necessary but will impact the long term Savings fund further.

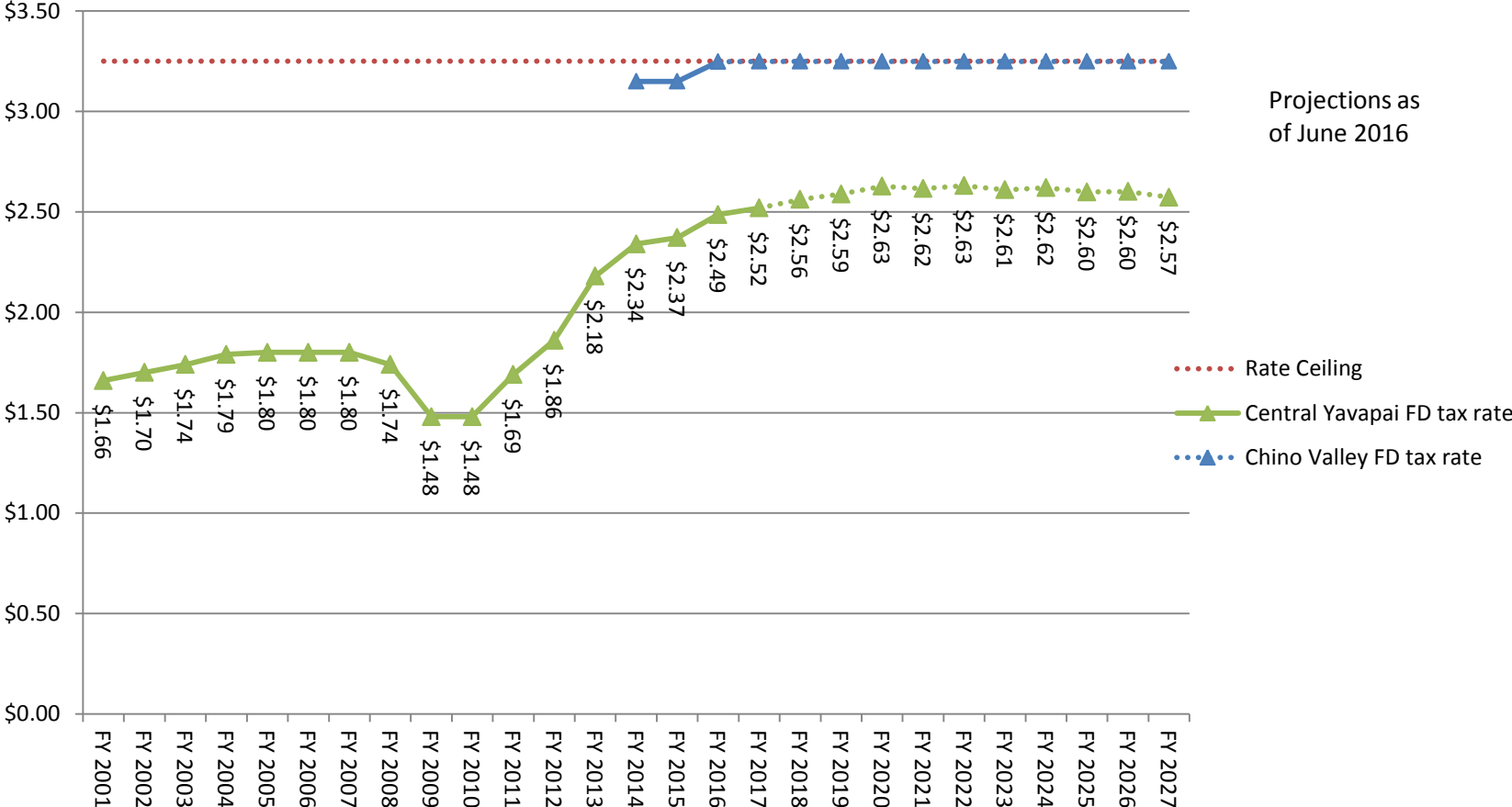
Other Expense changes for FY 2018

(Items of note)

- Health care = \$59,160
- Employee Health = \$13,174
- Dispatch Services = \$24,528
- Fleet Maintenance accounting fix = \$24,000
- In-House printing = \$8000
- LPG = -\$10,725
- Electric = -\$5,000

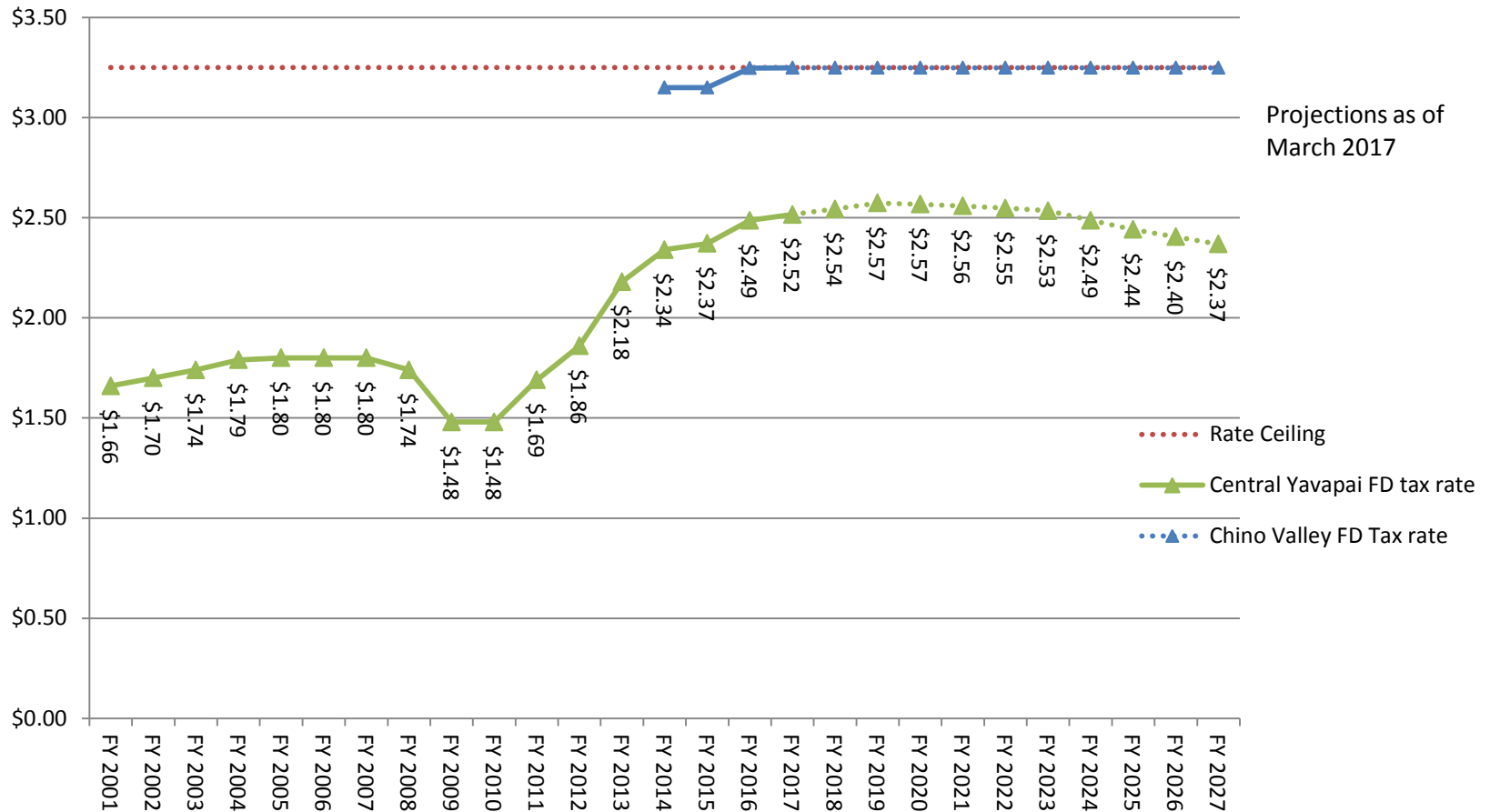
Last Years Tax Rate Projections

Projections as of June 2016

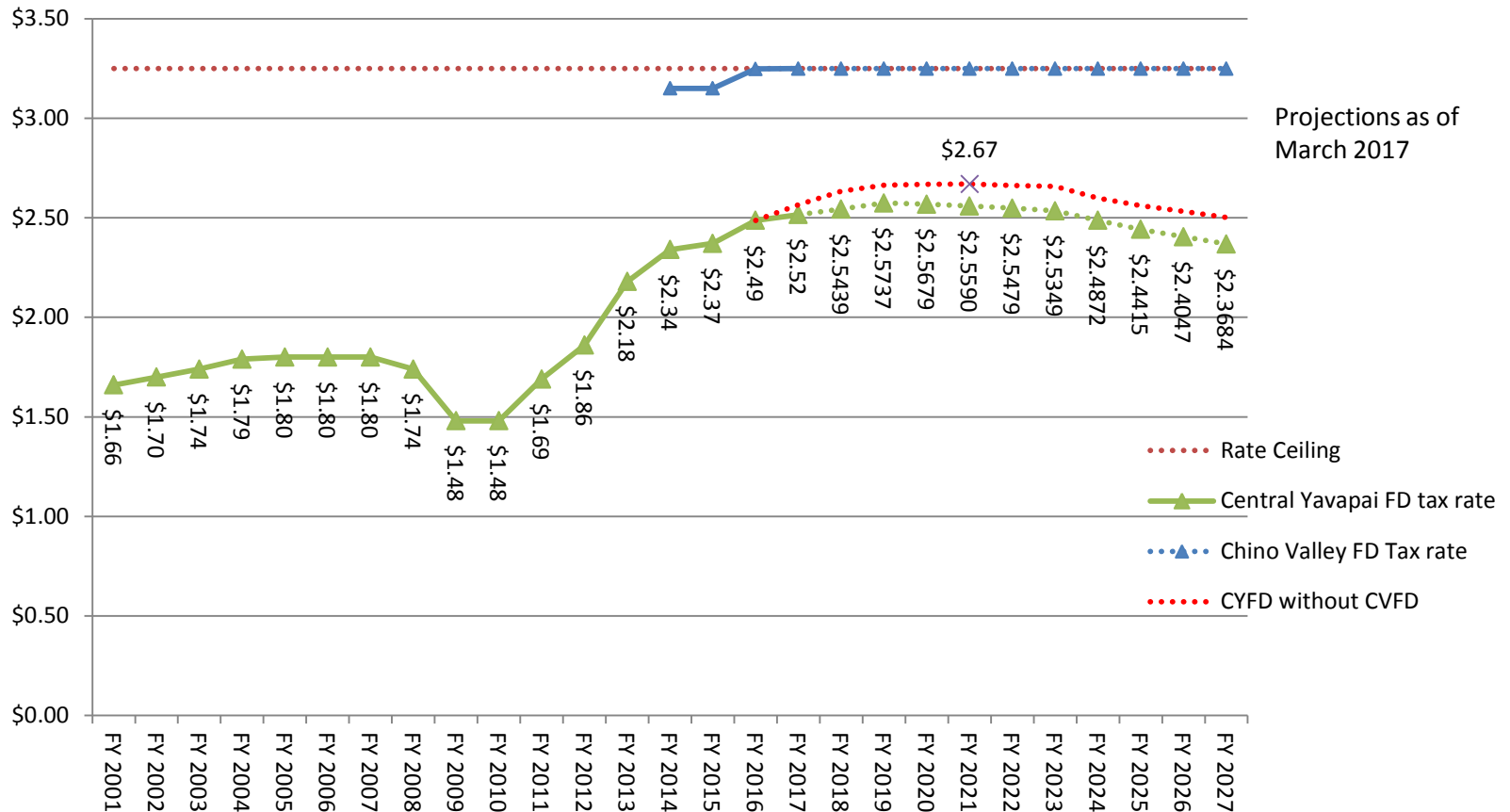


Updated Tax Rate Projections

(using actual 2018 NAV and updated assumptions)

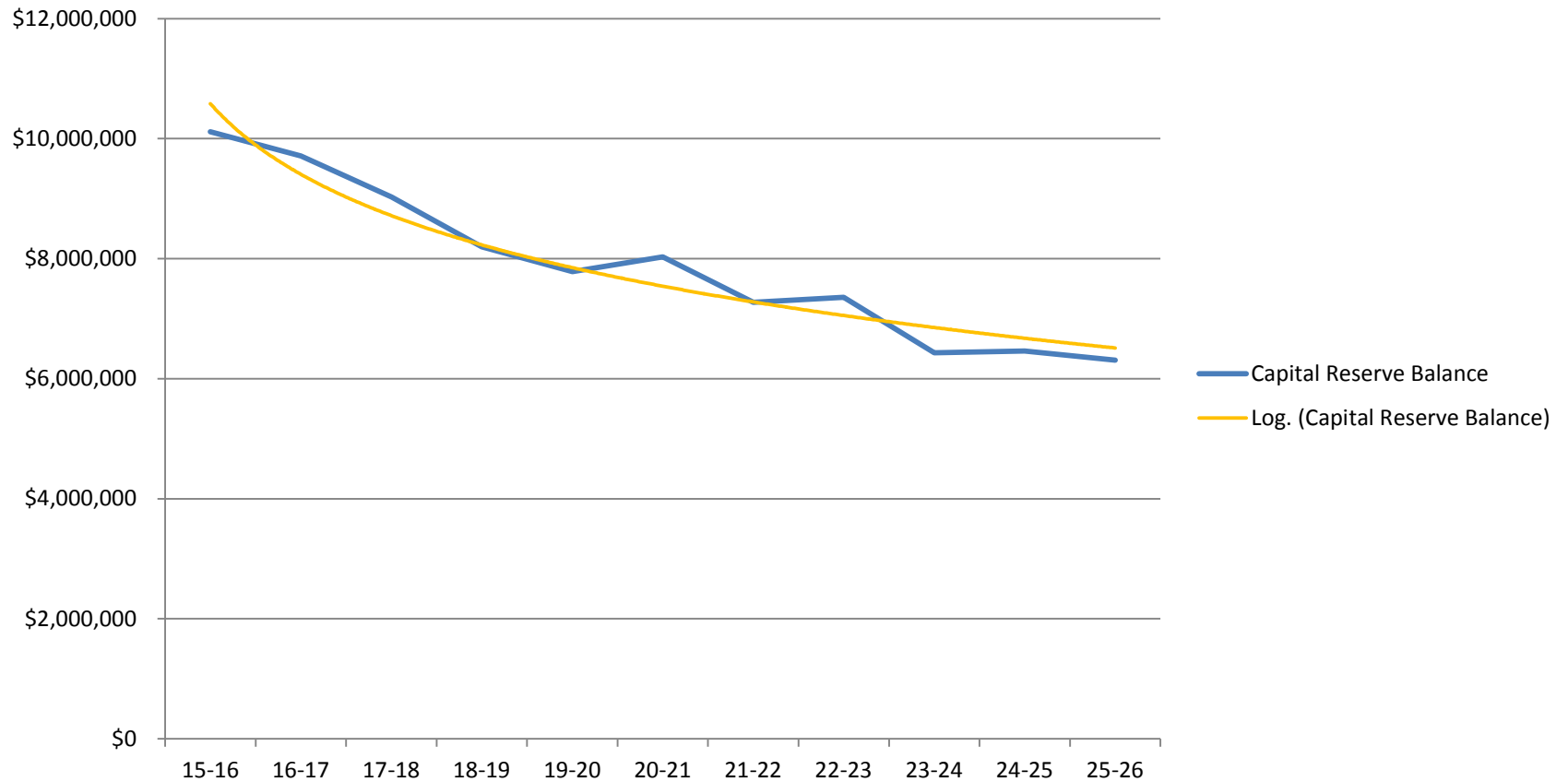


Previous Tax Rate projections vs. Adjusted Forecast Tax Rate



2016 Capital Reserve Balance projections

Capital Reserve Balance



2017 Capital Reserve Balance Projections

Capital Reserve Balance (November 2016)

