

Lincoln County Fire Protection District No. 1

BUDGET

~

2020

Rognan & Associates

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December 11, 2019

Board of Directors
Lincoln County Fire District No.1
700 E. Cherry Street
Troy, MO 63379

We have compiled the accompanying budgeted (forecasted) general purpose financial statements of revenues and expenses of Lincoln County Fire Protection District No. 1 of Lincoln County, Missouri, as of and for the year ended December 31, 2020, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Management is responsible for the budget (forecast).

A compilation is limited to presenting in the form of projected information that is the representation of management and does not include evaluation of the support for the assumptions underlying the budget (forecasted) projection. We have not audited or reviewed the budget (forecasted) projection and, accordingly, do not express an opinion or any other form for assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the budget (forecasted) projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of the report.

Management has elected to omit substantially all of the disclosures, and the balance sheets and statements of changes in fund balance, statement of changes in plan assets and statement of cash flows, required by generally accepted accounting principles. If the omitted disclosures and the balance sheets and statements of changes in fund balance, statement of changes in plan assets and statement of cash flows were included in the accompanying budgeted (forecasted) general purpose financial statements of revenues and expenses, they might influence the user's conclusions about the Fire Protection District's financial position, results of operations, and cash flows. Accordingly, this accompanying budgeted (forecasted) general purpose financial statements of revenues and expenses are not designed for those who are not informed about such matters.

This budget (forecasted) projection is presented on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting.

We are not independent with respect to Lincoln County Fire Protection District No.1.

Rognan & Associates

ROGNAN & ASSOCIATES
St. Louis, Missouri
December 11, 2019

**LINCOLN COUNTY FIRE PROTECTION DISTRICT
NO.1**

2020 BUDGET

GENERAL FUND

Signed: _____

Board of Directors Public Meeting Date: _____

Board of Director Approval Date: _____

LINCOLN COUNTY FIRE PROTECTION DISTRICT NO. 1

BUDGET WORKSHEET

GENERAL FUND	1	2	3	4	5	6
	DEC 31, 2016 ACTUAL	DEC 31, 2017 ACTUAL	DEC 31, 2018 ACTUAL	SEPT 30, 2019 ANNUALIZED	2019 BUDGET	2020 BUDGET
REVENUES						
Tax collection revenue, net	\$2,191,260	\$2,342,290	\$2,582,983	\$2,474,138	\$2,474,138	\$2,672,549
Fire Marshal permits	36,052	59,208	37,199	181,657	15,510	35,000
Training income		1,900	9,638	6,400	0	0
Interest	2,958	2,997	6,493	16,903	0	12,500
Miscellaneous revenue, net	456	1,512	10,012	21,204	0	10,000
Loan Proceeds	189,000	0	0	0	0	0
Sale Proceeds	8,000	6,711	44,660	26,000	0	0
Grants		6,124	28,565	0	0	0
TOTAL REVENUES	\$2,427,726	\$2,420,742	\$2,719,650	\$2,726,302	\$2,489,648	\$2,730,049
EXPENDITURES						
Advertising	\$602	\$433	\$586	\$880	\$1,500	\$15,000
Awards & Recognition	11,175	2,909	2,003	9,053	12,000	10,000
Building maintenance (stations)	23,621	27,544	36,328	36,343	48,500	56,500
Central Dispatching costs	12,741	16,563	15,587	30,153	18,000	0
Communication expenses - radios/sprint phones	0	0	0	0	0	20,000
Dues and subscriptions	30	100	3,717	0	0	5,000
Election expenses			18,340	0	0	20,000
Employee health (drug testing, immunization, EAP)	2,183	888	4,512	4,036	5,000	13,000
Equipment maintenance	39,167	76,178	98,357	31,521	34,000	34,000
Equipment purchases and replacement/Grant Money			13,557	34,201	24,000	100,000
Equipment - PAGERS	1,866	4,570	4,446	10,301		12,000
Fire Prevention and education	16,726	11,918	8,837	8,836	15,510	10,000
Gasoline and oil	19,825	28,487	31,959	23,669	35,000	35,000
Insurance - employee	368,741	379,074	425,738	416,195	431,000	460,000
Insurance - general	42,796	43,020	44,980	45,000	45,000	47,500
Lease payments - Buildings	152,511	152,511	152,511	152,511	152,511	152,511
Lease payments - Trucks & Vehicles	308,713	218,784	334,021	143,849	143,849	77,353
Office supplies	12,722	17,282	9,957	7,371	15,000	15,000
Payroll taxes	74,469	74,445	78,812	77,289	80,000	92,221
Professional fees	7,455	11,232	34,268	66,632	35,500	55,000
Retirement Plan - 457	69,031	69,326	75,644	76,080	75,000	85,667
Salaries	972,282	975,660	1,039,610	916,741	950,318	997,834
Salaries - OT				100,331	122,000	122,000
Supplies - support facility	22,192	27,664	11,835	8,459	22,210	15,000
Training and education	33,457	31,782	31,608	26,583	39,000	40,000
Training and education - special teams	474	1,250	1,893	465	4,750	0
Uniforms	9,727	11,225	11,461	10,105	16,000	15,000
PPE/Gear	14,441	17,863	20,595	7,340		25,000
Utilities	67,144	68,493	69,785	71,449	64,000	64,000
Vehicle maintenance	105,423	118,879	109,408	129,429	100,000	135,000
TOTAL EXPENDITURES	\$2,389,514	\$2,388,080	\$2,690,355	\$2,444,824	\$2,489,648	\$2,729,586
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	\$38,212	\$32,662	\$29,295	\$281,478	\$0	\$463
USE OF DISTRICT RESERVES	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	\$38,212	\$32,662	\$29,295	\$281,478	\$0	\$463

LINCOLN COUNTY FIRE PROTECTION DISTRICT NO. 1
BUDGET WORKSHEET

	1	2	3	4	5	6
	DEC 31, 2016 ACTUAL	DEC 31, 2017 ACTUAL	DEC 31, 2018 ACTUAL	SEPT 30, 2019 ANNUALIZED	2019 BUDGET	2020 BUDGET
GENERAL FUND						
BUILDING MAINTENANCE:						
Station 1	\$16,300	\$21,530	\$23,199	\$16,221	\$40,000	\$40,000
Station 2	4,989	3,294	7,858	1,551	3,000	10,000
Station 3	1,007	1,411	1,078	613	1,500	1,500
Station 4	1,325	1,309	4,193	17,957	4,000	5,000
TOTAL BUILDING MAINTENANCE	\$23,621	\$27,544	\$36,328	\$36,343	\$48,500	\$56,500
UTILITIES:						
Station 1	\$54,950	\$57,873	\$59,022	\$61,672	\$43,750	\$48,000
Station 2	3,714	3,347	3,453	3,373	6,750	5,000
Station 3	4,278	3,260	3,414	1,744	6,250	5,000
Station 4	4,202	4,013	3,896	4,659	7,250	6,000
TOTAL UTILITIES	\$67,144	\$68,493	\$69,785	\$71,448	\$64,000	\$64,000

LINCOLN COUNTY FIRE PROTECTION DISTRICT NO. 1
GENERAL FUND
2020 BUDGET

REVENUES

TAX REVENUE TAX COLLECTIONS

Tax revenues are anticipated to be \$2,672,549. This amount comprises the tax assessments (\$539,037,805 Post B-O-E). The budget anticipates that the District will collect \$198,411 MORE tax revenue in budget year 2020, based on a conservative collection rate. The approved tax rate for budget year 2020 is \$0.4958; same as budget year 2019's tax rate of \$0.4958.

FIRE MARSHAL PERMITS

In 2020, the District is budgeting to collect \$35,000 in fire marshal permits; \$19,490 more than budget year 2019. The District anticipates significant future growth in Lincoln County which should translate into increased fire marshal permits in future years.

INTEREST

The interest rate is slightly lower in October 2019 than the interest rate was in January 2019. Interest rates will remain slightly lower, on an average, than budget year 2019. As such, the consensus was to budget an average interest rate of 2% for budget year 2020. Hence, the District will conservatively budget to have more interest earnings from monthly invested funds in budget year 2020. Interest on investments is budgeted to be \$12,500; or, \$12,500 more than budget year 2019.

MISCELLANEOUS REVENUE, NET

Miscellaneous revenue comprises a) insurance reimbursements, b) reports, c) training revenues, d) other payments or reimbursements and e) sale of fixed assets. In budget year 2020, the District conservatively anticipates collecting \$10,000 in miscellaneous revenue; \$10,000 more than budget year 2019.

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EXPENSES

ADVERTISING/PR

The total advertising/PR appropriation for budget year 2020 is \$15,000; \$13,500 more than budget year 2019. The current budget year anticipates that the District will conservatively maintain advertising/PR expenditures. The 2020 advertising/PR budget appropriates funds for:

\$8,000 - Public education - various PR programs

\$5,000 - Newsletters

\$2,000 - Lincoln county journal - publishing tax rates, bid notices and election notices,

\$15,000

AWARDS & RECOGNITION

The total awards & recognition appropriation for budget year 2020 is \$10,000; \$2,000 less than budget year 2019. The current budget year anticipates that the District will conservatively maintain awards & recognition expenditures.

BUILDING MAINTENANCE (STATIONS)

The District is appropriating \$56,500 for building maintenance in budget year 2020; \$8,000 more than budget year 2019. The committee discussed the fact that the District is need of significant renovations at the stations. The proposal is to “maintain a proper and suitable environment” at the existing facilities. The 2020 building maintenance (bases) budget appropriates funds for:

\$40,000 - Station 1

\$10,000 - Station 2

\$ 1,500 - Station 3

\$ 5,000 - Station 4

\$56,500

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CENTRAL DISPATCHING COSTS

The District is appropriating \$0 for central dispatching costs paid to Lincoln County 911 in budget year 2020; \$18,000 less than budget year 2019. The committee discussed the fact that Lincoln County 911 is now self sufficient based on sales tax they are collecting. As such, the District will no longer be required to pay any fees or charges to Lincoln County 911.

COMMUNICATION EXPENSES - RADIOS/CELL PHONES

The District is appropriating \$20,000 for communication expenses - radios and cell phones in budget year 2020; \$20,000 more than budget year 2019 - new budget category in budget year 2020. The 2020 communication expenses - radios/cell phones budget appropriates funds for:

\$12,000 - radios
\$ 8,000 - sprint cell phones

\$20,000

DUES AND SUBSCRIPTIONS

The committee agreed to appropriate \$5,000 for dues and subscriptions in budget year 2020; \$5,000 more than budget year 2019 - new budget category in budget year 2020. The budget represents the consensus of the committee too appropriate mostly for the same organizations and subscriptions. The committee agreed that the District's information needs are currently being met through these organizations and subscriptions.

The 2020 dues and subscriptions budget appropriates for:

\$1,250 - St. Charles County Emergency Services
\$3,750 - Other dues & subscriptions & Lincoln County Commerces

\$5,000

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ELECTION EXPENSES

The committee agreed to appropriate \$20,000 in budget year 2020 for the April 2020 elections for a Board of director; \$20,000 more than budget year 2019.

EMPLOYEE HEALTH EXPENSES (PHYSICALS, DRUG TESTING, EAP)

The committee is appropriating \$13,000 for employee expenses such as administrative expenses for employee health expenses, such as physicals, drug testing, immunizations, and EAP in budget year 2020; \$8,000 more than budget year 2019. The 2020 employee health expenses budget appropriates for:

\$13,000 - Physicals, drug testing, EAP, immunizations etc.

\$13,000

EQUIPMENT MAINTENANCE

The current equipment is slowly aging. In the very near future the District will need some new equipment. In 2019, certain expenditures occurred and are not anticipated to recur. The committee preferred to be conservative, and agreed to appropriate \$34,000 for equipment maintenance in budget year 2020; same as budget year 2019. The 2020 equipment maintenance budget appropriates for:

\$24,000 - Portable equipment repairs and maintenance (gas monitors, portable power equipment, sirens, batteries, etc...)

\$ 4,500 - EMS equipment maintenance

\$ 3,500 - SCBA equipment maintenance

\$ 2,000 - Small engine maintenance

\$34,000

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EQUIPMENT PURCHASES AND REPLACEMENT

The committee discussed the fact that the District should consider paying for significant capital equipment purchases and replacement with leases - where possible. The proposal is to “properly maintain suitable equipment” and use capital lease payments, where possible. \$100,000 was budgeted in budget year 2020 for the following equipment purchases and replacement:

\$50,000 - SCBA
\$30,000 - Rescue tools - battery powered
\$ 6,000 - Gear Washer
\$ 6,000 - Water assets
\$ 8,000 - Other equipment and purchases and replacement - as needed

\$100,000

EQUIPMENT PAGERS

The committee agreed to appropriate \$12,000 in budget year 2020 for equipment - pagers; \$12,000 more than budget year 2019 - new budget category in budget year 2020.

FIRE PREVENTION AND EDUCATION

The committee agreed to appropriate \$10,000 in budget year 2020 for fire prevention and education; \$5,510 less than budget year 2019.

GASOLINE AND OIL

Conservatively, the committee agreed to continue to anticipate increases in fuel prices. Fuel prices, at this time, appears to continue to be volatile. As such, the committee appropriated \$35,000 in fuel costs for budget year 2020; same as budget year 2019.

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INSURANCE - EMPLOYEE

Conservatively, the committee agreed to anticipate an increase in group health, disability and workers comp insurance payments in budget year 2020, based on plan option changes and possible revisions. As such, the committee appropriated \$460,000 for employee health insurance, dental, disability, life insurance and workers comp insurance for budget year 2020. This represents an increase of \$29,000 from budget year 2019. The 2020 insurance - employee budget appropriates for:

\$360,000 - Group health - United Healthcare
\$ 74,000 - MO Employers Mutual - workers comp
\$ 20,000 - Dental - Delta Dental
\$ 6,000 - Vision - Dental Vision

\$460,000

INSURANCE - GENERAL

Conservatively, the committee agreed to anticipate an increase in general insurance for property and casualty. As such, the committee appropriated \$47,500 for insurance - general in budget year 2020; \$2,500 more than budget year 2019. The 2020 insurance - general budget appropriates for:

\$47,500 - Dewitt Insurance (property and casualty) package, including bonds

\$47,500

LEASE PAYMENTS - BUILDINGS

The committee agreed to appropriate \$152,511 in budget year 2020 for lease payments - buildings (Kansas State Bank); same as budget year 2019.

LEASE PAYMENTS - TRUCKS & VEHICLES

The committee agreed to appropriate \$77,353 in budget year 2020 for lease payments - trucks & vehicles (Wells Fargo); \$66,496 less than budget year 2019.

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OFFICE SUPPLIES

The committee appropriated \$15,000 for general disposable office supplies (toner cartridges, paper, postage, etc.) in budget year 2020; same as budget year 2019.

PAYROLL TAXES

Payroll taxes equal the employer's contribution to Medicare and Social Security. Federal statutes require a 7.65% contribution of the total salaries and OT paid to District employees.

PROFESSIONAL FEES

The committee appropriated \$55,000 for the following professional fees in budget year 2020; \$19,500 more than budget year 2019:

- \$ 15,600 - Legal Fees, including monthly and court cases
- \$ 15,000 - Accounting Fees, including monthly and special projects
- \$ 6,000 - Systec, LLC
- \$ 6,000 - Emergency reporting
- \$ 6,000 - Lexipol
- \$ 3,400 - Wade Stables - auditor
- \$ 2,000 - Net duty
- \$ 1,000 - Intuit payroll fees

\$55,000

RETIREMENT PLAN - 457

The committee appropriated \$85,667 for retirement plan - 457 in budget year 2020 - 8% of salaries & wages; \$10,667 more than budget year 2019.

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SALARIES

The Board and shop are in the process of “meet and confer” negotiations. As such, the District’s anticipated total salary for budget 2020 will increase \$47,516 from budget year 2019 (including probationary step-ups and proposed wages increases) Salaries are budgeted to be \$997,834.

SALARIES - OT

In 2020, salaries - OT is consistent with the aforementioned proposed “meet and confer” negotiations. Salaries - OT are budgeted to be \$122,000 for budget year 2020; same as budget year 2019.

SUPPLIES - SUPPORT FACILITY

The committee appropriated \$15,000 for supplies - support facilities in budget year 2020; \$7,210 less than budget year 2019. The budget for 2020 reflects conservative controls to offset increases in usage and price.

TRAINING AND EDUCATION

The committee agreed to appropriate \$40,000 in training and education for budget year 2020; \$1,000 more than budget year 2019 - also, includes special teams in budget year 2020. The training and education budget reflects the commitment to the residents to maintain the best possible trained professionals who are current in utilizing modern life-saving rescue techniques. The 2020 budget will allow for advanced education, training, classes, books and other training and education, including materials, considered necessary to perform job responsibilities.

UNIFORMS

The committee agreed to appropriate \$15,000 for uniforms in budget year 2020; \$1,000 less than budget year 2019. This approach reflects the conservative approach to maintain controls over costs.

PPE/GEAR

The committee agreed to appropriate \$25,000 for PPE/GEAR (approx 8 sets) in budget year 2020; \$25,000 more than budget year 2019 - new budget category in budget year 2020.

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UTILITIES

Utilities continue to be volatile. Certain utility companies have increased rates while others have been required to reduce rates, by issuing credits. Winters and summers have varied over the past few years. Winters have been extremely cold or rather mild. Summers have been very hot or mild. The committee agreed to budget \$64,000 in budget year 2020; same as budget year 2019. The 2020 utilities budget appropriates funds for:

\$48,000 - Station 1
\$ 5,000 - Station 2
\$ 5,000 - Station 3
\$ 6,000 - Station 4

\$64,000

VEHICLE MAINTENANCE

The current fleet of trucks and vehicles are slowly aging. In the very near future the District will need some several new trucks and vehicles. In 2019, certain expenditures occurred and are not anticipated to recur. The committee preferred to be conservative, and agreed to appropriate \$135,000 for vehicle maintenance in budget year 2020; \$35,000 more than budget year 2019.

SUMMARY

As it has done consistently in past, the District must continue to be conservative in its budget process; and, throughout the year when expenditures are approved. This budget represents an appropriation and not an authorization to spend. As done in budget year 2019, we must continue to strive to operate within the budget. Assessments in 2020 and 2021 will probably continue to increase slowly. This should present a positive position for the District in the near future. The District has been extremely conservative in building the reserve. Please remember, costs will continue to increase - more specifically, health insurance, workers compensation and fuel costs; at the same time, tax revenues are anticipated to increase slowly over the next several years. As such, we must prepare for the future and ensure we continue to maintain adequate reserves.