

MODESTO-CERES FIRE PROTECTION AGENCY  
JOINT POWERS AUTHORITY

MINUTES  
December 11, 2019

CALL TO ORDER: 3:00 PM

ROLL CALL:

Present: Toby Wells, Joe Lopez, Kevin Wise

Absent: Alan Ernst

Other Attendees: Jena Duke, DeAnna Christensen, Kassandra Mendoza, Tom Hallinan, Stacey Pratt, Rylee Silva

NEW BUSINESS:

- a) Consider making Kassandra Mendoza new Secretary  
It was motioned/seconded by Wise/Lopez

AYES: Lopez, Wise, Wells

NOES: None

- b) Approval of the April 23, 2019 meeting minutes  
It was motioned/seconded by Lopez/Wise

AYES: Lopez, Wise, Wells

NOES: None

- c) Stacey Pratt presented the following information regarding the Audited Financial Statements from Fiscal Year 2018/2019:

- Henderson, Hudson and Company audited the financial statements and related notes for the Modesto-Ceres Fire Protection Agency JPA for the period ending June 30, 2019.
- The financial statements were found to fairly present the financial position of the Agency and to be in accordance with generally accepted accounting principles.
- No material deficiencies in internal controls or instances of noncompliance were identified.
- Total Current Assets - \$268,136, an increase of \$12,342 from prior year.

- Total revenues were \$615,677, which is in an increase of \$24,945, 4%, over the prior year. This increase is primarily due to an increase in tax revenue.
- Total expenditures, not including distributions to member agencies, were \$12,447.
- There was no change to fund balance

Resolution 2019-01 accepting the Fiscal Year 2018-2019 Annual Audit Reports for the Modesto-Ceres Fire Protection Agency was motioned/seconded by Lopez/Wise.

AYES: Lopez, Wise, Wells

NOES: None

d) Stacey Pratt presented the following information regarding a budget adjustment for the Fiscal Year 2019/2020:

- Comparing the current fiscal year budgeted revenues to the prior year actual revenues shows a large difference between the two amounts.
  - Budgeted revenues and expenses FY 19/20 -\$571,509; Actuals FY 18/19 - \$615,676; Difference of \$44,167
- Anticipating a small increase in revenue from prior year actuals.(FY 17/18 - %6, FY 18/19 - %4)
- Requesting a budget adjustment to increase both revenues and expenses totals for FY 19/20, to meet prior year actuals, plus 5%.

Resolution 2019-02 approving a budget adjustment to the Fiscal Year 2019/2020 Budget was motioned/seconded by Lopez/Wells.

AYES: Lopez, Wise, Wells

NOES: None

e) Stacey Pratt presented the following information regarding adopting the 2020/2021 Operating Budget:

- The budget has previously been calculated based on a 4 year average of actuals, adjusting for any anomalies (such as 1 time revenues, etc.)
  - Revenue growth has been consistent over the past 5 years. (FY 17/18 - %6, FY 18/19 - %4)
  - Basing budget on prior years has resulted in underestimation of 10 to 15% for the past two fiscal years
- Proposed budget for FY 20-21 is based on FY 18/19 actuals, plus 8%
- Will continue to review both methods for future years to ensure that budget is in line with revenue trends

- Just as a reminder:
  - The City Administration Fee is calculated based on an estimate of administrative labor hours spent and an actual hourly cost for each staff member.
  - County Assessment fees calculated at \$.20 per assessed parcel per tax code (2 tax codes) according to parcel counts received from the County. These fees are netted out of tax revenue before received from County.
  - Any excess of revenues is distributed to each of the cities, allocated 44.45% to Ceres and 55.55% to Modesto.

There being no further business of the board, Wells adjourned the meeting at 3:07 PM.

Submitted by,

Kassandra Mendoza  
Secretary