

Upper Captiva Fire & Rescue District
4511 Hodgepodge Lane
P.O. Box 322, Pineland, FL 33945



Serving the Community with Pride
Phone: 239-872-2263
Email: info@uppercaptivafire.org

Budget Amendment 25-3

11 July 2025

1. The proposed Budget Amendment 25-3 (BA 25-3) is pretty complicated and I thought it would be helpful to explain the details (and where the numbers come from), in writing, rather than droning on during our next meeting. I will, of course, answer any questions.
2. The first items that require adjustment are the FY25 Beginning Cash Balances:
 - a. During the FY25 budget creation in July, we create an estimate of where we think our ending cash balance will be on 30 September (which becomes our next FY Beginning Balance for the following FY).
 - b. Apparently, my estimate was low by \$12,577 (the first line on the General Fund Budget Amendment detail).
 - c. Additionally, the auditor made a couple of suggested changes that impact the beginning balance:
 - 1) First, the auditor decided to create an FY24 (last FY) Accounts Payable for the Martin lawsuit settlement that totaled \$62,251 (that reduced the dollar amount carried forward, based on that accrual)
 - 2) Second, the auditor stated that my decision to add the \$55,422 Special Assessment ending balance to the General Fund ending balance was incorrect procedure, so that needs to be reduced by that amount, as well
 - 3) Based on that, we must have an FY25 Special Assessment budget and “spend” that remaining balance on the same categories as past Special Assessment budget, so I created the budget amendment that creates a budget (and, once approved, we will create a journal entry to transfer Pay & Benefits in those amounts from the General Fund to the Special Assessment)
 - 4) The corrected ending balances would be \$710,423 for the General Fund and \$55,422 for the Special Assessment, as shown on page 13 of the FY24 Audit:

FUND BALANCE, October 1, 2023	<u>520,829</u>	<u>57,306</u>	<u>22,785</u>	<u>600,920</u>
FUND BALANCE, September 30, 2024	<u>\$ 710,423</u>	<u>\$ 55,422</u>	<u>\$ 182</u>	<u>\$ 766,027</u>

3. In BA 25-2, we added \$40,000 to Legal and Professional Services that is now reflected in the auditor-directed Accounts Payable as an FY24 obligation, rather than FY25 (and I now propose that we revert back to our original \$20K funding level for Legal Services), as well as \$26,519 in Pay and Benefits to reverse that part of BA 25-2
4. During the FY24 audit discussions, the auditor also stated that I was incorrect in assigning all of the IAN and HELENE building renovation to Capital/Building Improvements; she allowed it to remain as Construction in Progress on the audit's Balance Sheet for FY24 and said that we could correct it in FY25, as the projects conclude:
 - a. Most (or all) of the contracted work for IAN especially is not one-for-one replacement but improvements for resiliency (Hardie siding rather than T-111 plywood, impact doors and windows, etc.) and, as such, should be characterized as Repair and Maintenance, even though they are improved to current wind standards
 - b. That requires transfer of the budget from Capital/Building Improvements to Repair & Maintenance (both in this BA and in a funds transfer Journal Entry)
5. Debt Principal and Interest: The auditor identified that we incorrectly used the FY23 allocations in FY24 and FY25; she corrected FY24 and BA-3 (and a Journal Entry) will correct FY25
6. Insurance Proceeds: We've been adding estimates for the various insurance proceeds over the last 6 months, based on numbers provided to Chief Cottrell from VFIS and PGIT:
 - a. The last payment that we didn't fully account for is the \$29K check from PGIT for the Military 5 ton, jointly payable to the Forestry Service the UCFRD; Chief was able to get Forestry to endorse the check and it was deposited on 9 July .. great job Jesse!
 - b. Originally, I thought that we might receive 50% of the total payment and only added that amount in past budget amendments; this budget amendment adds the remaining 50% (\$14,500) to revenue, since it now appears that we will keep the entire amount
 - c. Chief can now make both the Military 2-1/2 and 5 ton trucks available to Forestry to barge off and then terminate those loans; the 5 ton is already off-island (to transfer the tank & pump unit from the Forestry 5 ton to our "new" 5 ton, which will be returning to the island next week)

- d. Not sure if Forestry will reimburse the \$2500 for barging their 5 ton off-island (or the \$2500 to barge the 2-1/2 ton off)
7. Our insurance is overspent and, as discussed in prior Treasurer's Reports, our insurance costs increased dramatically in mid-September 2024 when we found new coverage from PGIT after VFIS dropped us for past excessive legal liability claims (after we published our proposed budget for the 1st and 2d Budget Hearings):
 - a. But we did state in the September 2024 budget hearings/presentations that Insurance costs weren't fully known then
 - b. Chief Cottrell and I need to dig deeper into the costs as part of the FY26 budget preparation for September
 8. Hurricanes HELENE/MILTON Overtime:
 - a. We paid overtime (1.5 times hourly rates) for all hours worked after the hurricanes for 2 weeks for each storm, which means that we didn't budget for roughly 3 weeks (1/2 time pay x 4 weeks plus the days that we had more than 4 firefighters to speed up recovery and return to full service)
 - b. As discussed in past Treasurer's Reports, we need to adjust the budget limits for Pay & Benefits to cover that, since we are unlikely to receive any answer from FEMA on reimbursement before FY25 ends
 9. The Board approved purchase of the "new" 1991 Military 5 ton for \$26,000; BA 25-3 will increase the funding level to correct the overspend of \$19,349
 10. We have additional building renovations approved by past voice votes for PGIT (HELENE) funded garage doors; the deposit has been paid and awaiting completion of installation and final payment
 11. Lastly, the Special Assessment budget amendment establishes budget guidance for FY25 that spends the remaining Special Assessment Restricted Fund Balance on Pay & Benefits.

Treasurer

Bill.Fry@UpperCaptiveFire.org