

**To: Wendy Baimbridge, City of Hedwig Village  
 Gerardo Barrera, City of Bunker Hill Village  
 Bobby Pennington, City of Piney Point Village  
 Zachary Meadows, City of Spring Valley Village  
 Tom Fullen, City of Hunters Creek Village  
 Cassie Stephens, City of Hilshire Village**

**CC:** Village Fire Department Commissioners and Alternates

**From:** Marlo Longoria

**Date:** May 30, 2023

**Re:** 2023 Budget Amendment 2023-04

During a special fire commission board meeting on May 30, 2023, the Village Fire Department Board of Commissioners unanimously approved amendment 4 to the 2023 budget, adjusting the following line items:

- Salaries from \$4,836,388.24 to \$5,093,943.84
- 457 Plan Contribution from \$95,728.00 to \$101,091.23
- Salaries – OT from \$418,098 to \$504,000
- Professional Certification - \$46,000 to \$57,000
- Retirement - \$361,546 to \$372,991.07
- Workers Compensation - \$59,776 to \$66,964
- Insurance/Casualty - \$52,253 to \$67,576
- Office Expenses - \$120,400 to \$130,400
- Professional Services - \$126,150 to \$173,650

<b>Cities' Responsibility</b>	<b>Share</b>	<b>Proposed 2023-04</b>
Bunker Hill Village	19.00%	85,742.61
Hedwig Village	18.50%	83,486.23
Hilshire Village	3.00%	13,538.31
Hunters Creek Village	22.25%	100,409.11
Piney Point Village	21.00%	94,768.15
Spring Valley Village	16.25%	73,332.50
<b>Total</b>	<b>100.00%</b>	<b>\$451,277</b>

The Commission does not anticipate further 2023 amendments except for customary true-ups in early 2024 following the audit. The bulk of this increase is for salary and other salary-dependent expenses. This is necessary due to a calculation error in the formulation of the original 2023 budget, which erroneously understated the expense of paying the workforce in 2023.

Overtime has been increased to reflect the actual experience of the department through the first third of 2023 and ensure that there will be sufficient resources, absent a major event, to carry the department through the end of the year. To have an entire shift stay on duty, as might occur during a hurricane or similar event, will cost the department approximately \$25,000 each day. A prolonged emergency, such

as was experienced in Hurricane Harvey will necessitate a further budget amendment.

Other adjustments include increases to worker's compensation and casualty insurance to reflect the actual 2023 cost of these items. \$10,000 has been added to provide for a family day in 2023.

The increase in professional fees is due to a number of factors. The department has had its periodic ISO audit and, as is customary, hired a consultant to assist in ensuring the department is properly rated and to identify any steps necessary to ensure that rating is as high as possible. This was not included in the original 2023 budget. The Commission also authorized a salary survey to ensure that our wages remain competitive in the area marketplace. The Commission has also allocated additional funds to its auditor to explore and explain inconsistencies between what was budgeted and authorized in 2022 and what was ultimately spent. The goal is to inform on any control or policy changes needed to ensure future budget compliance. The commission also seeks authority to expend sums for new accounting and human resources management software. Finally, the Commission wishes to migrate the department's email and productivity software to Microsoft 365. This is recommended by the department's IT consultant to enhance the department's cybersecurity posture.

Please place this budget amendment on your agenda for consideration and advise us on your council's action in writing.

Thank you,

Marlo Longoria

**Village Fire Department  
Proposed 2023-04 Budget Amendment**

Approved Original	Approved 2023-01 Budget Amendment	Approved 2023-02 Budget Amendment	Approved 2023-03 Budget Amendment	Proposed 2023-04 Budget Amendment	\$ Delta Approved Original 2023 to 2023-04	% Delta Approved Original 2023 to 2023-04	Explanation of 2023 Amendment(s)
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**GENERAL FUND**

**CAPITAL EXPENDITURES:**

CONTINGENCY - FACILITY	10,000.00	16,000.00	16,000.00	200,000.00	200,000.00	190,000.00	1900.00%	\$10,000 - Approved Original \$16,000 - Approved Amendment 2023-01 Increase Line Item by \$6,000 \$200,000 - Approved Amendment 2023-03 Increased Line Item by \$184,000
MISC. TOOLS & EQUIP./HOSE:	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	-	0.00%	
PROTECTIVE GEAR	55,000.00	55,000.00	125,000.00	125,000.00	125,000.00	70,000.00	127.27%	\$55,000 - Approved Original \$125,000 - Approved Amendment 2023-02 Increased Line Item by \$70,000
SCBA	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	-	0.00%	
COMPUTER/RADIO EQUIPMENT	29,000.00	29,000.00	100,000.00	100,000.00	100,000.00	71,000.00	245%	\$29,000 - Approved Original \$100,000 - Approved 2023-02 Increased Line Item by \$71,000 ProPhoenix server & station server & 2 computers \$58,000 - Radios \$13,000 - Accountability Software
<b>Total Capital Expenditures</b>	<b>\$151,000</b>	<b>\$157,000</b>	<b>\$298,000</b>	<b>\$482,000</b>	<b>\$482,000</b>	<b>\$331,000</b>	<b>219.21%</b>	

**PERSONNEL EXPENDITURES:**

Salaries	4,836,388.47	4,836,388.24	4,836,388.24	4,836,388.24	5,093,943.84	257,555.37	5.33%	Estimate using ending annual salaries for everyone \$257,555.60 budget shortfall Salaries number includes 2023 projected salaries for all current employees projected out through end of year with promotions \$5,043,943.84 - Base Pay \$22,000 - Longevity \$28,000 - Higher Class
457 Plan Contribution	95,727.77	95,728.00	95,728.00	95,728.00	101,091.23	5,363.46	5.60%	
Salaries - Overtime	418,098.00	418,098.00	418,098.00	418,098.00	504,000.00	85,902.00	20.55%	OT based on actual Q1 numbers projected out the the year as currently staffed
Professinal Certification	46,000.00	46,000.00	46,000.00	46,000.00	57,000.00	11,000.00	23.91%	Total for 2023 - \$14,250 (Q1) multiplied by 4
FICA	412,810.39	412,810.39	412,810.39	412,810.39	412,810.39	-	0.00%	\$14,250*4
Life/Disability Insurance	26,432.00	26,432.00	26,432.00	26,432.00	26,432.00	-	0.00%	
Retirement	361,546.35	361,546.00	361,546.00	361,546.00	372,991.07	11,444.72	3.17%	2023 TMRS - Update to actual rate 6.48
Hospitalization	1,120,284.00	1,120,284.00	1,120,284.00	1,120,284.00	1,120,284.00	-	0.00%	
Meal Allowance	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	-	0.00%	
Workers Compensation	59,775.55	59,776.00	59,776.00	59,776.00	66,964.00	7,188.45	12.03%	Increased due to the proposal received after the approval of the orinigal budget \$59,776 + \$7,188.00 = \$66,964
<b>Total Personnel Expenditures</b>	<b>\$7,417,063</b>	<b>\$7,417,063</b>	<b>\$7,417,063</b>	<b>\$7,417,063</b>	<b>\$7,795,517</b>	<b>\$378,454</b>	<b>5.10%</b>	

Approved Original	Approved 2023-01 Budget Amendment	Approved 2023-02 Budget Amendment	Approved 2023-03 Budget Amendment	Proposed 2023-04 Budget Amendment	\$ Delta Approved Original 2023 to 2023-04	% Delta Approved Original 2023 to 2023-04	Explanation of 2023 Amendment(s)
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**OPERATIONAL EXPENDITURES**

Ambulance Medical Supplies	62,000.00	62,000.00	62,000.00	62,000.00	62,000.00	-	0.00%	
Building Supplies & Maintenance	45,000.00	45,000.00	45,000.00	45,000.00	45,000.00	-	0.00%	
Emergency Contingency	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	-	0.00%	
Dues/Subscriptions	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	-	0.00%	
Fire Prevention/Public Relations	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	-	0.00%	
GAS & OIL	55,000.00	55,000.00	55,000.00	55,000.00	55,000.00	-	0.00%	
INSURANCE - CASUALTY	52,253.25	52,253.00	52,253.00	52,253.00	67,576.00	15,322.75	29.32%	Increase due to the proposal received after the approval of the budget \$52,253 + \$15,323 = \$67,576
Miscellaneous	6,200.00	6,200.00	6,200.00	6,200.00	6,200.00	-	0.00%	
Office Expenses/Postage/Printing/Stationary	120,400.00	120,400.00	120,400.00	120,400.00	130,400.00	10,000.00	8.31%	\$10,000 - Family Day - 2023
Professional Services	126,150.00	126,150.00	126,150.00	126,150.00	173,650.00	47,500.00	37.65%	The commission approved to use two consultants to provide expertise over the ISO and Salary Survey \$22,000 - ISO consultant \$5,000 - Salary Survey \$7,500 - Additional Audit per commission meeting on 5/24/2023 \$6,000 for Accounting & HRIS software \$7000 Microsoft 365
Public Utilities	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	-	0.00%	
Rent	10.00	10.00	10.00	10.00	10.00	-	0.00%	
State Certification Fees	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	-	0.00%	
Training Programs	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	-	0.00%	
EMS Training	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	-	0.00%	
Uniforms	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	-	0.00%	
Maintenance of Equipment	285,272.00	285,272.00	285,272.00	285,272.00	285,272.00	-	0.00%	
<b>Total Operational Expenditures</b>	<b>\$921,785</b>	<b>\$921,785</b>	<b>\$921,785</b>	<b>\$921,785</b>	<b>\$994,608</b>	<b>\$72,823</b>	<b>7.90%</b>	

**GF TOTAL**      **\$8,489,848**      **\$8,495,848**      **\$8,636,848**      **\$8,820,848**      **\$9,272,125**      **\$782,277**      **9.21%**

**CAPITAL REPLACEMENT FUND 2**

Escrow	200,000	380,000	380,000	380,000	380,000		
<b>CR TOTAL</b>	<b>\$200,000</b>	<b>\$380,000</b>	<b>\$380,000</b>	<b>\$380,000</b>	<b>\$380,000</b>		

\*Note for 2023-01: \$180,000 moved from 2022 to 2023 to purchase Medics.

**FACILITY FUND 4**

Escrow	0	0	0	0	0		
<b>FF TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		

\*Note for 2023-01: \$6,000 moved from FF balance to "Contingency - Facility" Line item in GF.

**TOTAL BUDGET WITH ADMENDMENT**      **\$8,689,848**      **\$8,875,848**      **\$9,016,848**      **\$9,200,848**      **\$9,652,125**      **\$962,277**      **11.07%**

**Sequential budget change due to BA**      **\$186,000**      **\$141,000**      **\$184,000**      **\$451,277**

**2022 Surplus to Fund 2023-02 (PENDING AUDIT)**      **-\$91,040**

\*Note for 2023-01: No increase to city assessments.      **\$49,960**

**Total Assessments Owed by Cities**      **\$8,689,848**      **\$8,689,848**      **\$8,739,808**      **\$8,923,808**      **\$9,375,085**      **\$685,237**

Cities' Responsibility	Share	Proposed 2023-04
Bunker Hill Village	19.00%	85,742.61
Hedwig Village	18.50%	83,486.23
Hilshire Village	3.00%	13,538.31
Hunters Creek Village	22.25%	100,409.11
Piney Point Village	21.00%	94,768.15
Spring Valley Village	16.25%	73,332.50
<b>Total</b>	<b>100.00%</b>	<b>\$451,277</b>

Cities' Responsibility	Share	Total Budget Amendments FY 2023
Bunker Hill Village	19.00%	130,195.01
Hedwig Village	18.50%	126,768.83
Hilshire Village	3.00%	20,557.11
Hunters Creek Village	22.25%	152,465.21
Piney Point Village	21.00%	143,899.75
Spring Valley Village	16.25%	111,351.00
<b>Total</b>	<b>100.00%</b>	<b>\$685,237</b>