

Emergency Communications Executive Board

ECD Executive Board Action 24-001

Date: October 12, 2023

Presented by: John Vaught **On behalf of:** County of Monterey ECD

Action:

1. Direct ECD staff in the use of the Fiscal Year (FY) 2022-23 fiscal surplus of \$491,428.

Summary/Discussion

FISCAL YEAR 2022/23 SURPLUS

The Emergency Communications Department ended FY 2022-23 with an operating surplus in Fund 028 of \$491,428 that is available for use at the direction of this Board. The primary drivers of this surplus are:

- \$85,092 of Investment Income from interest on fund balance (\$77,892 over budget).
- \$28,437 of unbudgeted late fees collected on Dispatch Billing (nothing budgeted).
- \$20,451 recovery of FY2019-20 Public Safety Sales Tax (Prop 172) shortage vs budget.
- \$248,786 refund in Perimeter Fence (\$325,187 total under budget and \$76,401 is being retained for possible use in FY24. The Department will return to this board if an FY24 appropriations increase is required. If this can be absorbed, then it will be returned in FY25)
- \$64,077 under budget in personnel costs due to management vacancies.
- \$38,838 under budget in equipment maintenance/replacement contingency costs.

ECD DISPATCH RESERVE STATUS

- \$2,040,717 balance at the end of FY23 (this does not include the surplus being discussed in this Action Item). This is 16.2% of the FY23 operating budget and 14% of the FY24 operating budget.
- \$2,369,717 projected balance at the end of FY2023-24 (\$329,000 budgeted contribution) This is 16.4% of the FY24 operating budget.

Target balance is 15% of the operating budget.

OPTIONS FOR SURPLUS USE

The ECD Executive Board is being asked to provide direction on the use of this surplus. The options for it's use are:

1. ECD holds the surplus and uses it to offset billable costs in FY 2024-25. *(Staff Recommendation)*
2. ECD credits the surplus against Quarter 3 invoices in FY 2023-24.

- 3. ECD adds the surplus to the Fund 028 Dispatch Reserve.

Staff Recommendation:

The Department recommends the ECD Executive Board direct staff to proceed with Option 1 – hold the surplus and use it to offset billable costs in FY 2024-25. Presumably, all Parties have budgeted adequate funding to pay the full costs in the current year.

By applying the surplus to the FY2024-25 billing costs, all parties will be able to create budgets that includes this offset allowing all parties to optimize available funding.

Executive Board Action

Modification to requested action: Yes Motion to proceed with Option #1 as recommended by Staff.

Vote Date 10/12/2023

Motion by Pia 2nd Norgaard

/s/ Chair _____ Date Signed: _____

Yeas: Guertin, Norgaard, Pia,
De La Rosa, Sargenti

Nays: None