

Exhibit "A"

**TWENTYNINE PALMS FIRE DEPARTMENT
FISCAL YEAR 2006-2007**

FINAL

As Adopted by the Board of Directors

On

May 24, 2006

**TWENTYNINE PALMS FIRE DEPARTMENT
BUDGET SUMMARY
FISCAL YEAR 2006-2007**

	Fiscal 2004-05	Fiscal 2005-06	Fiscal 2006-07 Proposed	Fiscal 2007-08	Fiscal 2008-09	Fiscal 2009-10	Fiscal 2010-11
	Actual	Projected	Budget	Estimated	Estimated	Estimated	Estimated
<u>REVENUES</u>							
Operating Revenues	\$737,021	\$1,206,300	\$1,226,400	\$1,244,796	\$1,263,468	\$1,276,103	\$1,288,864
Donations and CPR Training Revenues	2,708	5,000	4,000	4,000	4,000	4,000	4,000
Grant Revenue	99,885	138,794	0	0	0	0	0
Sale of Fixed Assets	27,182	0	0	0	0	0	0
Non-Operating Revenues	119,259	86,500	56,000	56,000	56,000	56,000	56,000
Total Revenues	\$986,055	\$1,436,594	\$1,286,400	\$1,304,796	\$1,323,468	\$1,336,103	\$1,348,864
<u>EXPENDITURES</u>							
Salaries & Benefits, Paid Staff	\$347,116	\$522,000	\$590,209	622,670	656,917	693,048	731,165
Volunteer Operations	66,412	71,700	106,100	106,100	106,100	106,100	106,100
Materials and Supplies	23,230	24,200	27,450	27,999	28,559	29,130	29,713
Outside Services	44,418	800	1,000	1,020	1,040	1,061	1,082
Utilities	19,200	28,200	28,800	29,664	30,554	31,471	32,415
Dispatching Fees	77,357	87,600	94,500	99,225	104,186	109,396	114,865
Repair and Maintenance	82,726	85,500	88,900	90,678	92,492	94,341	96,228
Insurance, Bonds and Workers Compensation	40,797	56,000	81,487	83,117	84,779	86,475	88,205
Overhead Allocation	29,884	31,380	34,672	35,365	36,073	36,794	37,530
Training, Travel & Conferences, Excluding Salaries	10,329	16,400	15,100	15,402	15,710	16,024	16,345
Dues, Subscriptions, Books & Films	2,197	1,500	2,400	2,448	2,497	2,547	2,598
Legal Services and Professional Services	17,133	16,000	20,000	20,400	20,808	21,224	21,649
Allowance for Uncollectable Accounts	0	0	12,000	20,000	20,000	20,000	20,000
Total Expenses Before Debt & Capital Expend.	\$760,799	\$941,280	\$1,102,618	\$1,154,089	\$1,199,716	\$1,247,611	\$1,297,895
<u>NON-OPERATING EXPENDITURES</u>							
Capital Expenditures	-	549,500	78,400	60,500	26,500	25,500	23,500
Expenditures From Donated Funds	-	2,000	0	0	0	0	0
Total Expenditures	-	\$1,492,780	\$1,181,018	\$1,214,589	\$1,226,216	\$1,273,111	\$1,321,395
Total Revenue Less Total Expenditures	-	(\$56,186)	\$105,382	\$90,207	\$97,252	\$62,991	\$27,469
Addition (Reduction) To Contingency Reserve	-	0	0	0	0	0	0
Addition (Reduction) To Apparatus/Comm. Reserve	-	(158,465)	0	35,000	70,000	70,000	70,000
Change in Unrestricted Working Capital Balance	-	\$102,279	\$105,382	\$55,207	\$27,252	(\$7,009)	(\$42,531)

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TWENTYNINE PALMS FIRE DEPARTMENT
PROPOSED BUDGET
FISCAL YEAR 2006-2007

	Fiscal 2004-05 Actual	Fiscal 2005-06 Amended Budget	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget	
<u>REVENUES</u>					
Operating Revenues					
1	Permits & Fees	310	400	300	400
2	Fire Protection Special Tax	736,711	1,203,000	1,206,000	1,226,000
3	Total Operating Revenue	737,021	1,203,400	1,206,300	1,226,400
Non-Operating Revenues					
4	Interest Revenues	18,392	12,000	26,000	25,000
5	Penalties	122,489	30,000	60,000	30,000
6	CPR Training Revenue	2,606	3,000	3,000	3,000
7	Donations	102	3,000	2,000	1,000
8	Grant Revenue (Including Carry-overs)	99,885	143,504	138,794	0
9	Sale of Fixed Assets	27,182	0	0	0
10	Other Non-Operating Revenue	9,595	1,000	500	1,000
11	Total Non-Operating Revenue	249,034	192,504	230,294	60,000
12	Total Revenues	\$ 986,055	\$ 1,395,904	\$ 1,436,594	\$ 1,286,400

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**TWENTYNINE PALMS FIRE DEPARTMENT
PROPOSED BUDGET
FISCAL YEAR 2006-2007**

	Fiscal 2004-05 Actual	Fiscal 2005-06 Amended Budget	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget	
<u>OPERATING EXPENSES</u>					
SALARIES & BENEFITS, PAID STAFF					
13	Salaries, Paid Staff	\$ 249,034	\$ 362,242	\$ 358,000	\$ 391,796
14	Payroll Taxes	20,166	29,312	29,200	32,772
15	Group Medical/Dental/Vision/Life	30,931	73,500	55,500	76,800
16	Uniform Allowance	1,361	2,100	1,800	4,200
17	Retirement(PERS)	45,534	77,655	76,000	81,141
18	Medical Exams And Background Checks	90	3,500	1,500	3,500
19	<i>Benefits, Paid Staff</i>	98,082	186,067	164,000	198,413
20	<i>Total Salaries & Benefits, Paid Staff</i>	347,116	548,309	522,000	590,209
VOLUNTEER OPERATIONS					
21	Personnel Costs	58,590	65,410	64,000	93,100
22	Statutory Payroll Taxes	1,452	1,500	1,200	4,500
23	Uniforms and Other Reimbursements	2,300	2,000	2,000	3,500
24	Medical Exams and Background Checks	4,070	5,000	4,500	5,000
25	<i>Total Volunteer Operations</i>	66,412	73,910	71,700	106,100
FACILITIES					
26	Repairs & Maintenance	4,369	7,000	6,500	7,000
27	Cleaning Supplies	2,335	3,000	3,500	4,000
28	Telephone	5,074	6,600	6,000	6,600
29	Natural Gas & Propane	2,617	3,000	3,200	3,500
30	Electricity	8,793	13,200	12,800	12,000
31	Water	0	4,000	2,700	3,000
32	Internet Service	1,333	2,000	2,000	2,200
33	Trash Service	1,383	1,500	1,500	1,500
34	<i>Total Facilities Expenses</i>	25,904	40,300	38,200	39,800
OTHER ADMINISTRATIVE EXPENSES					

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**TWENTYNINE PALMS FIRE DEPARTMENT
PROPOSED BUDGET
FISCAL YEAR 2006-2007**

	Fiscal 2004-05	Fiscal 2005-06	Fiscal 2005-06	Fiscal 2006-07
	Actual	Amended Budget	Projected	Proposed Budget
35 Legal and Outside Professional Services	17,133	17,000	16,000	20,000
36 Outside Services, Other Governmental Agencies	44,418	1,000	800	1,000
37 Uncollectable Accounts	0	0	0	12,000
38 Office Supplies	4,020	3,000	3,000	3,000
39 Travel & Expenses	0	100	100	100
40 Insurance, Bonds & Workers Compensation	40,797	74,023	56,000	81,487
41 Printing & Postage	602	1,200	1,000	1,200
42 Dues & Subscriptions	2,197	1,500	1,500	2,400
43 Station Supplies	1,297	5,000	5,000	5,000
44 Overhead Allocation	29,884	31,380	31,380	34,672
45 Contingency Expenditures	0	3,000	0	3,000
46 Safety Material & Supplies	2,450	4,500	3,500	2,250
47 Public Information Material & Supplies	4,072	500	500	1,000
48 <i>Total Other Administrative Expenses</i>	146,870	142,203	118,780	167,109
TRAINING				
49 Schools, Course Fees & Materials	1,357	5,000	4,800	5,000
50 Conferences & Seminars	509	500	500	500
51 Travel & Expenses	1,749	1,000	1,000	500
52 Books & Films	0	250	200	250
53 Training Materials & Supplies	347	2,500	3,500	3,000
54 Live Fire Training	0	250	300	250
55 CPR and Defibrillator Training	3,997	6,500	3,000	4,000
56 Certifications and Other Expenses	2,370	3,000	3,000	1,500
57 <i>Total Training</i>	10,329	19,000	16,300	15,000

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**TWENTYNINE PALMS FIRE DEPARTMENT
PROPOSED BUDGET
FISCAL YEAR 2006-2007**

	Fiscal 2004-05	Fiscal 2005-06	Fiscal 2005-06	Fiscal 2006-07	
	Actual	Amended	Projected	Proposed	
	Actual	Budget	Projected	Budget	
LOGISTICS					
58	Communications, Materials & Supplies	1,644	500	1,200	1,000
59	Communications, Outside Repairs & Maintenance	978	500	500	500
60	Communications, Dispatch Fees & Service Agreements	77,357	87,600	87,600	94,500
61	<i>Total Logistics</i>	79,979	88,600	89,300	96,000
FIRE PREVENTION					
62	Fire Prevention Materials and Supplies	1,908	1,000	1,250	1,500
63	Public Fire Education	0	1,500	1,750	1,500
64	<i>Total Fire Prevention</i>	1,908	2,500	3,000	3,000
APPARATUS MAINTENANCE					
65	Maintenance and Repair	30,421	15,000	30,000	30,000
66	Misc Vehicle Expense	10,435	12,000	11,000	12,000
67	Fuel & Oil	20,026	23,000	23,000	25,000
68	<i>Total Apparatus Maintenance</i>	60,882	50,000	64,000	67,000

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**TWENTYNINE PALMS FIRE DEPARTMENT
PROPOSED BUDGET
FISCAL YEAR 2006-2007**

	Fiscal 2004-05 Actual	Fiscal 2005-06 Amended Budget	Fiscal 2005-06 Projected	Fiscal 2006-07 Proposed Budget
FIRE EQUIPMENT				
69	Equipment Maintenance & Repair	7,350	6,900	6,000
70	Equipment Supplies & Parts	6,812	5,000	5,000
71	EMS Consumables	6,683	5,500	4,500
71	Suppression Consumables	554	2,500	2,500
72	<i>Total Fire Equipment</i>	21,399	19,900	18,000
73	<i>Total Operating Expenses</i>	760,799	984,722	941,280
 <u>NON-OPERATING EXPENSES</u>				
CAPITAL EXPENDITURES				
74	Capital Expenditures - Structures (Incl. Carryover)		30,500	30,500
75	Capital Expenditures - Office Equipment		2,500	2,500
76	Capital Expenditures - Fire Equipment		171,000	171,000
77	Capital Expenditures - Communications		2,000	2,000
78	Capital Expenditures - Apparatus & Vehicles		343,500	343,500
79	<i>Total Capital Expenditures</i>		549,500	549,500
80	Expenditures From Donated Funds		2,000	2,000
81	<i>Total Operating and Non-Operating Expenses</i>		\$ 1,536,222	\$ 1,492,780
82	<i>Total Revenues Less Expenses</i>		\$ (140,318)	\$ (56,186)
 ADDITIONS TO RESERVE ACCOUNTS				
83	Addition (Reduction) to Apparatus & Comm. Reserve		(158,465)	(158,465)
84	Addition (Reduction) in Contingency Reserve		0	0
85	<i>Total Reserve Additions</i>		(158,465)	(158,465)
86	<i>Change in Unrestricted Working Capital Balance</i>		\$ 18,147	\$ 102,279

**TWENTYNINE PALMS FIRE DEPARTMENT
CAPITAL IMPROVEMENTS &
REPLACEMENT AND REHABILITATION BUDGET
FISCAL YEAR 2006-2007**

PROJECT:	Fiscal 2006-07 Budget	Estimated Fiscal 2007-08	Estimated Fiscal 2008-09	Estimated Fiscal 2009-10	Estimated Fiscal 2010-11
<i>a.</i> Evaporative Cooler	3,000	0	3,000	0	0
<i>b.</i> Replacement of Engine #421	0	0	0	0	0
<i>c.</i> Radios, Hose & Equipment for New Engine	30,000	0	0	0	0
<i>d.</i> Replacement Turnout Gear	12,000	12,000	12,000	12,000	12,000
<i>e.</i> Computer and Software Replacement	2,500	2,500	2,500	2,500	2,500
<i>f.</i> Repair and Seal Parking Lot, Station #422	20,000	0	0	0	0
<i>g.</i> Replacement AED's	7,400	0	0	0	0
<i>h.</i> Fitness Equipment	3,500	0	0	0	0
<i>j.</i> Replacement of Command Vehicle	0	35,000	0	0	0
<i>k.</i> Replacement Fire Hose	0	5,000	3,000	5,000	3,000
<i>l.</i> Replacement Radios	0	6,000	6,000	6,000	6,000
<i>Total Expenditures</i>	78,400	60,500	26,500	25,500	23,500

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**TWENTYNINE PALMS FIRE DEPARTMENT
ANALYSIS OF AVAILABLE CASH
FISCAL YEAR 2006-2007**

	<u>Unrestricted Balance</u>	<u>Contingency Reserve</u>	<u>Apparatus Reserve</u>	<u>Total</u>
Estimated Beginning Balance: July 1, 2006	\$ 810,831	\$ 56,713	\$ -	\$ 867,544
Total Operating Revenue	1,226,400	0	0	1,226,400
Interest Revenue	25,000	0	0	25,000
Grant Revenue	0	0	0	0
Donations and CPR Revenues	4,000	0	0	4,000
Total Other Non-Operating Revenue	31,000	0	0	31,000
Total Operating Expenditures	(1,102,618)	0	0	(1,102,618)
Capital Expenditures	(78,400)	0	0	(78,400)
Addition (Reduction) to/from Apparatus Reserve	0	0	0	0
Estimated Ending Balance: June 30, 2007	\$ 916,213	\$ 56,713	\$ -	\$ 972,926