

CRONOMER VALLEY FIRE DISTRICT
SPECIAL MEETING
February 24, 2020

The Special Meeting was called to order at 7:05 by Chairman Dieckmann, followed by a pledge of allegiance. The Following Commissioners were present: Messrs. Dieckmann, Greene, Rahuba, Patterson and Ostrander. Also in attendance: Mrs. Fogg, Treasurer and Mrs. Dieckmann, District Secretary.

The secretary noted that the time, date and place of this meeting has been posted in accordance with the Open Meetings Law.

Mr. Greene made a motion that the board pass a resolution (#20-10) to adopt the attached "Budget and Fund Balance Policy". The purpose of this Budget and Fund Balance Policy is to properly address, and if necessary, allocate any unassigned fund balances, from the prior budget year that may exceed the amount placed in the current year's budget. A second provided by Mr. Patterson. All in favor- Approved.

A copy of this policy is attached to and had been made a part of these minutes.

Mr. Patterson made a motion to approve the purchase of a new printer for use by the District Secretary and Treasurer. Cost approx. \$119.99. A second was provided by Mr. Rahuba. All in favor – Approved.

With no other business to discuss, the meeting was adjourned at 7:35 p.m.

Respectfully submitted,

Lucy Dieckmann
District Secretary

BUDGET AND FUND BALANCE POLICY

This Budget and Fund Balance Policy is submitted in the form of a resolution to be approved by the Board of Fire Commissioners. The purpose of this Budget and Fund Balance Policy is to properly address, and if necessary, allocate any Unassigned Fund Balances, from the Prior Budget Year that may exceed the amount placed in the Current Year's Budget.

1. Monthly Reporting

In addition to the Monthly Financial Report, the Treasurer will report monthly to the Board of Fire Commissioners (Board) on the District's financial condition, addressing the budget goals set out in the prior year budget, comments if any, on the next year's budget, the spending limitation, and will state his/her basis for the conclusion that the goals set in the budget are or are not being met.

2. Unassigned Funds Balance

2.1 On or before March 1, in each year the Board will determine if the Unassigned Fund Balance in the prior year's budget exceeds 20% of the tax levy for the prior year, minus reserve appropriations for the current year. The amount the budgets exceed 20% of the Tax levy is defined in this policy as the "threshold".

2.2 In all cases, the reasons for the determination of the board will be set forth by board resolution, and recorded in the official board minutes.

2.3 If there is an excess above the threshold, the Board shall decide one of following courses of action

- 2.3.1 Allow the Fund Balance to exceed the Threshold, or
- 2.3.2 Provide funds to reduce the tax levy for the upcoming budget period, or
- 2.3.3 Provide for a Capital Project utilizing the Threshold amount, or
- 2.3.4 Appropriate the Threshold to a Fire District Reserve Fund, or
- 2.3.5 Any other Legal Course of Action, or
- 2.3.6 Combination of any of the above

2.4 In all cases, the reasons for the determination of the board will be set forth in the minutes of the Board

3. The Budget

Annually in the adopted budget, in addition to the regular budget appropriations, the board is to develop realistic revenue and expenditure estimates, along with an accurate estimate of Available Fund Balance at year-end.

4. Estimated Fund Balance

Fund balance represents money accumulated from prior years that the board may retain as a financial cushion in the event of the following

4.1 Unforeseen Financial Circumstances

The Board is allowed to build the Fire District's Unassigned Fund Balance to ensure an adequate cushion for cash flow issues or unanticipated expenditures, or

4.2 Appropriations to Reserve Funds

Reserve funds are legally reserved to finance future costs for a specified purpose, used as a method for saving money to finance all or part of future infrastructure, equipment and other requirements. Reserve funds can provide a degree of financial stability by reducing reliance on debt for capital expenditures. Funding reserves at appropriate levels and using them for planned expenditures as intended, the Board will give voters and residents an opportunity to review its plan for funding and using reserves by including provisions to add to, or make expenditures from, reserve funds in the proposed budget. Expenditure of reserve fund money is generally guided by the specific statute authorizing the reserve fund and generally can be used only for the purpose the reserve was established.

4.3 Appropriation to Assist Financing Next Year's Budget

The Board will adopt a budget, which places enough Unrestricted Fund Balance to cover operations for next year's budget.

4.4 Contents of the Adopted Budgets

The board take steps to ensure continued progress and develop budgets that are realistic and structurally balanced. The adopted budget will contain, among other things the following factors;

4.4.1 Long-term planning for equipment acquisition and other capital asset additions, the anticipated source of funding such projects , such as the use of reserves or appropriations, and

4.4.2 Where appropriate, use of multiyear planning, which allows the Board to identify revenue and expenditure trends, set long-term priorities and goals, and avoid large fluctuations in tax rates.

The foregoing resolution was duly put to vote, and on roll call the vote was as follows:

Chairman) Dieckmann
Commissioner) Greene
Commissioner) Rahuba
Commissioner) Patterson
Commissioner) Ostrander

The resolution was thereupon duly adopted.

Dated: _____, New York
February 24, 2020

Attest: _____

District Secretary ..

Lucy Dieckmann