



February 19, 2026

TO: Emergency Services Advisory Committee
FROM: Ron Munds, General Manager
SUBJECT: **Agenda Item 5 – 02/19/2026 ESAC Meeting**
 Fund 301 FY 2025-26 Mid-Year Adjustments and Reserve Allocation Review

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Discussion

The following section of the report provides a summary of the requested mid-year adjustments approved by the Board on February 5, 2026.

Fund 301 – Fire

Major Adjustment Requests: There are line item increases in Services and Supplies that are being proposed which result in an increase of \$34,200.00. The increases are primarily attributed to Fire Personal Protection Equipment (PPE) (GL 6440) for the new reserve firefighters, Other Expenses (GL 7330 Misc. Operating Expenses) for fire station interior upgrades and equipment, Repairs and Maintenance (GL 6775) for a new foam system for the reserve fire truck. There have been unanticipated expenses that have been added to the Capital Outlay (GL 9006) in the amount of \$32,912.00. These expenses were for a new garage door and extractor which cleans the PPE. To help minimize the increases, there are decreases in various budget categories. Net result is a \$67,112.00 increase to the Fund 301 budget.

On the Revenue side, the budget projections remain unchanged.

Impact on Budget: The adjustment requests will increase the Fund 301 operating budget by \$67,112.00.

The following table summarizes the requested changes to the Fund 301 budget.

301 - Fire			
Fund 301 Budget Category	2025-2026 Budget	2025-2026 Mid-Year Budget	Increase/ (Decrease)
Revenue	\$3,994,910.58	\$3,994,910.58	\$0.00
Expenditures			
Total Personnel	\$304,225.00	\$304,225.00	\$0.00
Services & Supplies	\$3,644,217.00	\$3,678,417.00	\$34,200.00
Capital Outlay	\$2,000.00	\$34,912.00	\$32,912.00
Reserves	\$226,500.00	\$226,500.00	\$0.00
Transfers	\$96,004.73	\$96,004.73	\$0.00
Total Expenditure	\$4,272,946.73	\$4,340,058.73	\$67,112.00
Total Revenue	\$3,994,910.58	\$3,994,910.58	\$0.00
Net Revenue/Expenses		-\$345,148.15	

The negative Net Revenue over Expenses, \$345,148.15, will be funded through a combination of unassigned cash and reserves. If reserve funding is required this fiscal year, staff will bring back a request to the Board at a future meeting.

2024-25 Mid-Year Fund Reserve Allocation Recommendations

The Board approved updates to the Fund Reserve policies for Funds 100, 301, 500 and 650 at their December 5, 2024, meeting. Staff has analyzed these funds to look at the total cash on hand as represented on the December 31, 2024, balance sheet.

To provide the Committee with a better understanding of each funds financial position, the table below presents the information which includes “unassigned cash” for all the Districts funds. Though the District’s financials have always accounted for unassigned cash, it has never been highlighted on the balance sheet summary.

Unassigned cash refers to cash on hand or in bank accounts that is not designated, restricted, or allocated for specific purposes. It represents liquid financial resources that are freely available for general use or discretionary spending without any legal, contractual, or policy constraints. This term is commonly used in financial contexts, particularly in government or nonprofit accounting, to highlight cash reserves that can be used to address unexpected needs, emergencies, or other unrestricted operational activities.

The following table provides the cash summary for fund 301 (as of 12/31/25):

Fund	Cash Summary	Reserves	Unassigned Cash
301	\$7,196,572.65	\$3,266,870.84	\$3,929,701.81

Based on the changes the Board approved, the following fund reserves have been adjusted to reflect those changes.

Capital Outlay Reserve

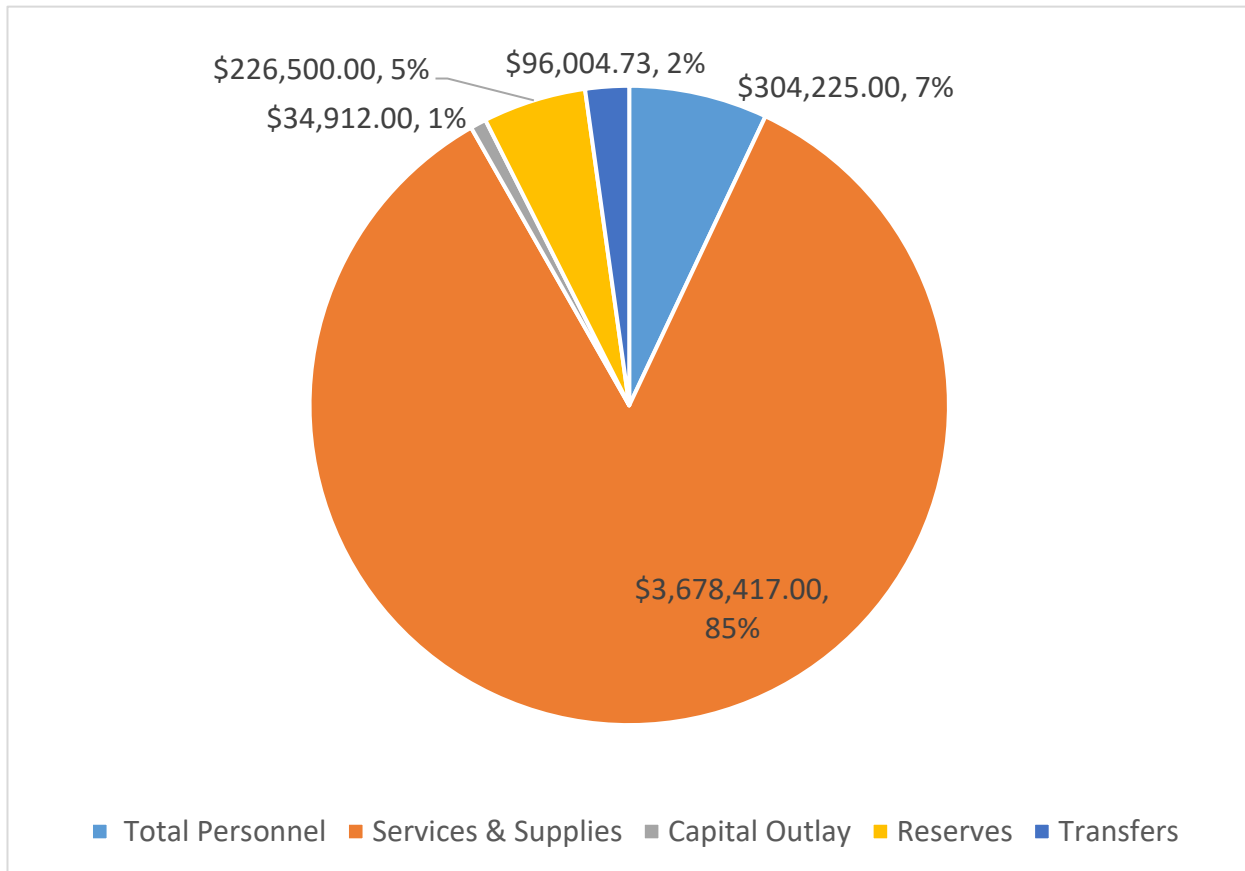
The Board approved moving \$1.734 million of unassigned cash to the Capital Outlay Reserve. This will fully fund the reserve goal and move the District closer to starting the fire station remodel project.

Fund 301 Capital Outlay	
Reserve Goal	\$ 5,000,000.00
Current Reserve Amount	\$ 3,266,870.84
Allocation (increase)	\$ 1,734,000.00
New Reserve Amount	\$ 5,000,870.84
New Unassigned Cash	\$ 2,195,701.81

Attachments

- Fund 301 Budget Detail
- Fund 301 Reserve Balances

301 - Fire			
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Total Revenue	\$3,994,910.58	\$3,994,910.58	\$0.00
Net Revenue/Expenses		-\$345,148.15	



301 - FIRE

Fiscal YTD
12/31/25

FY 2025-2026
Budget

FY 2025-2026
Mid Year
Budget

Notes

REVENUES

Property Taxes

4034	Zone A Property Tax Revenue	0.00	130,985.00	130,985.00
4037	Property Tax Zone B Received	83,184.28	249,729.58	249,729.58
4038	Property Tax Zone B Pass thru	0.00	2,676,752.42	2,676,752.42
4039	CalFIRE Sched A Prior Year Refunds	0.00	0.00	0.00
Total Property Taxes		83,184.28	3,057,467.00	3,057,467.00

Grant Revenue

4949	Govt-State Grants	0.00	0.00	0.00
4956	Govt-Other St Aids & Reimbursements	0.00	0.00	0.00
Total Grant Revenue		0.00	0.00	0.00

Special Taxes & Assessments

4015	CSA 9-I Assessments (Contract)	0.00	27,508.00	27,508.00
4050	Special Fire Tax	0.00	692,801.58	692,801.58
Total Special Taxes & Assessments		0.00	720,309.58	720,309.58

Other Revenues

4000	Ambulance Agreement	22,666.65	67,134.00	67,134.00
4040	Refunds	673.42	0.00	0.00
4930	Other Revenue	300.00	0.00	0.00
Total Other Revenues		23,640.07	67,134.00	67,134.00

Use of Money & Property

4510	Investment Income on funds	127,076.08	150,000.00	150,000.00
4511	Unrealized Change in Value	16,426.94	0.00	0.00
Total Use of Money & Property		143,503.02	150,000.00	150,000.00
Total Revenues		250,327.37	3,994,910.58	3,994,910.58

EXPENDITURES

Personnel

Salaries/Wages

8295	Resv FF-Overtime/Shift Coverage	25,430.47	38,000.00	38,000.00
8340	Resv FF-Shift Coverage	52,213.44	150,000.00	150,000.00
8345	Resv FF-Special Projects	0.00	0.00	0.00
Total Salaries/Wages		77,643.91	188,000.00	188,000.00

301 - FIRE		Fiscal YTD 12/31/25	FY 2025-2026 Budget	FY 2025-2026 Mid Year Budget	Notes
Payroll Taxes & Benefits					
5020	Social Security - Employer	4,680.13	10,000.00	10,000.00	
5030	Life Insurance - ER	1,028.00	2,500.00	2,500.00	
5035	AD & D Insurance	185.00	850.00	850.00	
5050	Medicare - ER	1,125.82	2,500.00	2,500.00	
5070	Retirement ER - Regular	31,429.02	63,000.00	63,000.00	
5102	CA Training Tax - ER	25.14	175.00	175.00	
5120	Workers Comp Insurance - ER	14,906.08	21,100.00	21,100.00	
5124	Retirement - ER - Tier 2	1,104.50	2,000.00	2,000.00	
Total Payroll Taxes & Benefits		54,483.69	102,125.00	102,125.00	
Employment Services					
5000	Medical Exams & Procedures	0.00	4,000.00	0.00	Current employees - None this FY
5100	Unemployment Insurance	603.56	6,000.00	6,000.00	
6200	Hiring, Advertising & Other Costs	0.00	100.00	100.00	
6230	Medical Exam	0.00	4,000.00	8,000.00	12 New Reserves Scheduled to have exams in January and February
Total Employment Services		603.56	14,100.00	14,100.00	
Total Personnel		132,731.16	304,225.00	304,225.00	
Services & Supplies					
Clothing & Uniform					
7246	Uniform & Gear	0.00	3,000.00	3,800.00	10-12 new hires, possibly ~\$300/ea
7248	Uniform Safety Boots	0.00	2,000.00	1,200.00	6 reserves will reach 1yr ~May '26
Total Clothing & Uniform		0.00	5,000.00	5,000.00	
Contract Services					
6100	Labor & Support-IT Services	0.00	0.00	0.00	
6110	IT Purchased Services	548.64	1,800.00	1,800.00	
7100	Copier Contract-Maint & Usage	701.01	2,500.00	2,500.00	
7202	Building Alarms & Security	420.00	1,600.00	1,600.00	
7204	Cleaning Supplies, Laundry & Towel Service	0.00	1,000.00	100.00	Most cleaning is not contract
7222	Hazardous Materials CW JPA Cost	2,210.00	2,500.00	2,210.00	Actual Cost

301 - FIRE		Fiscal YTD 12/31/25	FY 2025-2026 Budget	FY 2025-2026 Mid Year Budget	Notes
7500	Schedule A Charges Pass thru	0.00	3,358,062.00	3,358,062.00	
Total Contract Services		3,879.65	3,367,462.00	3,366,272.00	
Equipment & Tools					
6055	Radios	0.00	2,700.00	2,700.00	
6440	Fire Personal Protection Equipment	383.73	20,000.00	55,000.00	New PPE for Reserves Per Quote #251202TR7
6460	Self-Contained Breathing Apparatus	0.00	3,000.00	3,000.00	
6610	Rescue-Extrication Equipment	0.00	3,500.00	3,500.00	
6611	Water Rescue Equipment	2,020.00	1,500.00	2,020.00	Repair BT15. Actual cost
6630	Rope & Climbing Equipment	0.00	3,000.00	6,000.00	Per quote #06282025-1
7234	Oxygen Supplies & Cylinder Rent	0.00	1,800.00	900.00	Not paying for rentals, refill at ST30
7238	Paramedic & EMT Small Tools & Supplies	8,247.94	27,000.00	27,000.00	
7242	Minor Tools, Accessories & Field Machines	1,281.05	6,800.00	6,800.00	
7252	Misc Hardware	15.43	1,200.00	1,200.00	
Total Equipment & Tools		11,948.15	70,500.00	108,120.00	
Financial Services					
7309	Late Fees	0.00	10.00	10.00	
9154	Losses and Damages	0.00	50.00	50.00	
Total Financial Services		0.00	60.00	60.00	
Ins., Licenses & Regulatory Fees					
6120	Computer Hardware/Software/Licenses	1,167.60	2,000.00	1,300.00	
6345	Property Taxes & Assessments Costs	7,084.86	8,400.00	7,300.00	
7325	Insurance	82,317.44	89,500.00	89,500.00	
Total Ins., Licenses & Regulatory Fees		90,569.90	99,900.00	98,100.00	
Legal & Professional					
7320	Professional & Consulting Services	3,249.19	8,000.00	8,000.00	
7326	Legal Services	28.00	15,000.00	15,000.00	
7340	Legal Notifications & Mandated Advertising	282.54	1,500.00	1,500.00	Includes Weed Abatement notifications
Total Legal & Professional		3,559.73	24,500.00	24,500.00	

301 - FIRE		Fiscal YTD 12/31/25	FY 2025-2026 Budget	FY 2025-2026 Mid Year Budget	Notes
Office/Operations					
7140	General Supplies & Minor Equipment	2,083.62	6,000.00	6,000.00	
7160	Postage, Shipping & Mail Supplies	0.00	2,000.00	1,000.00	
7216	Fire Prevention Education Materials	0.00	0.00	0.00	
7226	Membership & Dues	0.00	300.00	300.00	
7230	Misc Small Parts & Supplies	153.32	1,000.00	1,000.00	
7240	Propane	0.00	300.00	300.00	
Total Office/Operations		2,236.94	9,600.00	8,600.00	
Other Expense					
6720	Station - Furniture	3,989.70	4,000.00	4,000.00	
7201	White Goods & Accessories - bedding, towels	1,658.68	3,000.00	2,000.00	Dryer postponed until next FY
7209	District Operating Center Expense	0.00	200.00	200.00	
7218	Cooking Products - Food, Drinks & Staples	203.50	500.00	500.00	
7224	Kitchen Cookware & Utensils	217.26	800.00	600.00	
7330	Misc Operating Expenses	52.98	1,000.00	3,870.00	Furniture, exercise equipment, etc.
Total Other Expense		6,122.12	9,500.00	11,170.00	
Rent & Utilities					
6000	Cell Phones	409.84	910.00	910.00	
6025	Telephone	1,165.91	2,400.00	2,400.00	
8610	Electric	606.32	6,000.00	6,000.00	Annual true up
8620	Gas Service	695.25	2,200.00	2,200.00	
8630	Trash Services	1,467.29	3,200.00	3,200.00	
8640	Water and Water Services	3,763.09	6,800.00	6,800.00	
8659	Utility Cable Charges	444.05	1,500.00	1,500.00	
8670	Street Lighting	65.81	135.00	135.00	
Total Rent & Utilities		8,617.56	23,145.00	23,145.00	
Repairs & Maintenance					
6400	R & M - Air Compressors	0.00	500.00	500.00	
6405	R & M - Extinguishers	493.11	800.00	500.00	annual maintenance completed
6640	R & M - Equip & Other Non-Structural Fixed Assets	0.00	3,750.00	3,750.00	
6750	R & M - Minor Tools & Equipment	516.77	1,600.00	1,600.00	

301 - FIRE		Fiscal YTD 12/31/25	FY 2025-2026 Budget	FY 2025-2026 Mid Year Budget	Notes
6775	R & M -Operation/Field Equipment	36.77	10,000.00	13,000.00	Foam system E215
6800	R & M - Grounds & Collection Systems	0.00	1,600.00	800.00	average \$200-\$800/year
6900	R & M - Buildings & Structures	746.49	15,000.00	12,000.00	To offset 6775
Total Repairs &		1,793.14	33,250.00	32,150.00	
Travel & Training					
7141	CERT Training Supplies	0.00	0.00	0.00	
7323	Books, Publications & Subscriptions	0.00	400.00	400.00	
7324	Education, Training, Seminar	0.00	400.00	400.00	
8405	Reserve FF Training Costs	0.00	500.00	500.00	
Total Travel & Training		0.00	1,300.00	1,300.00	
Total Services & Supplies		128,727.19	3,644,217.00	3,678,417.00	
Capital Outlay					
9006	Infrastructure CIP	32,911.76	0.00	32,912.00	garage door & extractor actual cost
9085	Vehicle Purchase	0.00	2,000.00	2,000.00	None until FY 28/29
Total Capital Outlay		32,911.76	2,000.00	34,912.00	
Reserves					
9504	*Vehicle Replacement Reserve	0.00	136,500.00	136,500.00	
9572	*General Contingency (Operations) Reserve	0.00	90,000.00	90,000.00	
Total Reserves		0.00	226,500.00	226,500.00	
TRANSFERS					
9511	Interfund Transfer Out	48,002.34	96,004.73	96,004.73	
Total Transfers		48,002.34	96,004.73	96,004.73	
Total Expenditures		342,372.45	4,272,946.73	4,340,058.73	

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet - Fire Reserves Balance Sheet

As of 12/31/2025

		<u>Current Period Balance</u>
LIABILITIES & EQUITY		
Other Liabilities		
Other Liabilities		
Replacement Reserve - Vehicle, Equip & Fire Engines	3110	677,300.02
General Contingency Reserve	3111	673,225.51
Public Facilities Fees Reserve	3115	40,334.00
Capital Outlay Reserve	3160	<u>1,740,562.42</u>
Total Other Liabilities		<u>3,131,421.95</u>
Total Other Liabilities		3,131,421.95
Equity		
Equity		
Fire Mitigation Fund	3161	<u>135,448.89</u>
Total Equity		<u>135,448.89</u>
Total Equity		<u>135,448.89</u>
Total LIABILITIES & EQUITY		<u><u>3,266,870.84</u></u>