# ROSS VALLEY FIRE DEPARTMENT STAFF REPORT

For the meeting of: May 8, 2013

To: Board of Directors

From: Reger Meagor, Fire Chief

Subject: Fiscal Year 2013/14 Draft Budget

#### RECOMMENDATION:

That the Board review and consider the proposed Fiscal Year 2013/14 budget and provide recommendations to staff. Recommended changes by the Board will be incorporated into the budget that will be submitted for approval at the June meeting.

### **DISCUSSION/ANALYSIS:**

The JPA requires, no later than June 1st of each year, that the Executive Officer and the Fire Chief recommend to the Board a budget for the ensuing fiscal year. No later than June 15<sup>th</sup> of each year, the Board shall adopt a budget for the ensuing year.

As part of this year's budget document, we have included a summary page. This summary page includes income, expenses, and reserves; as well as beginning and ending fund balances.

The FY 2013/14 budget was prepared by staff using revenue and expense projections for the next fiscal year. The draft budget does not account for any changes that may be associated with labor negotiations. The labor agreements for Ross Valley Firefighters Association and The Ross Valley Fire Chief Officers Association are set to expire on June 30, 2013.

The total proposed operating budget for FY 2013/14 is \$8,347,188. The operating budget is funded by member contributions of \$1,803,293 from Fairfax, \$1,619,527 from Ross, \$3,137,615 from San Anselmo, and \$990,647 from Sleepy Hollow. There are outside revenues of \$477,612. Transfers from reserves include: \$244,650 from Compensated Absences and \$223,844 from Prior Authority reserves; \$130,000 will be added to Apparatus Replacement.

**FY 2012/13 Budget**: Based on expected revenues and expenses for the current fiscal year, we are projecting an increase in the Unassigned fund balance of \$104,531. These are preliminary estimates; staff will continue to refine the estimated actual for inclusion in the proposed budget to be presented for adoption at the June meeting.

**Revenues:** The budget document separates revenues into two main categories, Member Contribution and Outside Revenues

**Member Contributions:** In previous years the member contributions consisted of a general contribution and a debt service contribution. With the expansion of the JPA in July 2012, the Member contributions were separated into several additional line items to account for previous liabilities of the Prior Authority (Ross Valley Fire JPA prior to July 1, 2012) and the Ross Firefighter Apprentice Program. The budget document includes a detailed breakdown of the cost by agency, which includes contribution categories and amounts.

**Outside Revenues:** Outside Revenues are all revenues which are not provided by the member agencies. Total outside revenues are down slightly from FY 2012/13 numbers. We are projecting revenue increases for fire prevention services and the auto aid agreement with Marin County Fire Department.

**Expenses:** FY 2013/14 projected expenses are \$8,347,188 vs. \$8,303,110 in FY 2012/13. The budget has been prepared, for the most part, a status quo budget, with no major changes. There are multiple items however, which have impacted expense projections for the next fiscal year:

Regular salary and benefit costs are down as a result several new hires that will be starting at entry level pay grades, and the budget does not include apprentice firefighter positions.

Workers compensation costs have increased. Ross Valley Fire participates in a self insurance pool, Fire Agencies Self Insurance System (FASIS). The premium increase is the result of overall rate increases for all members in the pool and the result of the Department's recent loss history.

Employee medical premium cost have increased by 9.5%

The CalPERS Safety Plan employer contribution rate increased from 22.744% to 23.397% and the Miscellaneous Plan rate increased from 9.526% to 10.843%. For new hires the Safety Plan rate is 12.25% and the Miscellaneous Plan is 6.25%. We expect at least one new hire at the 12.25% Safety Rate.

In FY 2013/14 we expect three retirements, which will require the payoff of earned vacation and sick leave benefits. Reserves have been set aside and will be used for the payoff of those benefits.

Expenditures for Capital Outlay have been reduced.

**Reserve Funds:** Cash reserves have been placed in several assigned funds and one unassigned fund. Four of the assigned funds (San Anselmo, Fairfax, Sleepy Hollow, and Prior Authority Apparatus Replacement) were created to account for cash reserves of the Prior Authority and are to be used to offset future contribution by the Prior Authority members.

The proposed budget includes utilizing \$223,844, from Prior Authority funds to offset San Anselmo's, Fairfax's, and Sleepy Hollow's FY 2013/14 contributions, with \$73,844 from the Prior Authority Apparatus Replacement fund.

Other funds include Compensated Absences and Apparatus Replacement. The proposed budget includes the transfer of \$244,650 from Compensated Absences to expense line item 5013 – Retired S/L Compensation. The proposed budget also includes member contributions which will add \$130,000 to the Apparatus Replacement fund.

**Firefighter Apprentice Program:** The Firefighter Apprentice program provides a third person on the Ross fire engine (Engine 18). The Joint Powers Agreement provides for the Town of Ross to pay the entire cost of the program. The Agreement also provides that the Town of Ross may terminate the program upon a written request prior to the adoption of the upcoming fiscal year budget.

On June 4, 2012, a Town of Ross municipal services tax measure failed to get the required two-thirds vote needed to pass. As a result of the failure of the tax measure, the Town of Ross requested, and the Board of Directors approved, a modified Firefighter Apprentice Program. The modification reduced the number of apprentices from three to two and eliminated the remaining two positions if they were to become vacant. Another tax measure was placed on the ballot in November 2012; this measure received the required two-thirds vote to pass, the new tax restored funding to previous levels starting July 2013.

On April 15, 2013, both of the Apprentice Firefighters were hired as Firefighter/ Engineers and in keeping with the direction of the Ross Town Council, the Program was eliminated. On April 30, the Town of Ross held a budget workshop. The FY 2013/14 budget as presented did not include the continuation Apprentice Program. There was a lengthy discussion on whether, and how, to fund the Apprentice Program in FY 2013/14. No decision was made on whether the Apprentice Program would continue.

Because the Program was terminated in April of this year and there is no clear indication that the Town of Ross will fund the Program in FY 2013/14, the Apprentice Program is not included in the proposed budget.

### **FISCAL IMPACT:**

The total proposed operating budget for FY 2013/14 is \$8,347,188. The operating budget is funded by member contributions of \$1,803,293 from Fairfax, \$1,619,527 from Ross, \$3,137,615 from San Anselmo, and \$990,647 from Sleepy Hollow. There are outside revenues of \$477,612. Transfers from reserves include \$244,650 from the Compensated Absences, \$223,844 from Prior Authority reserves; \$130,000 will be added to Apparatus Replacement.

Member contributions for Fairfax, San Anselmo, and Sleepy Hollow are up 1.85% over FY 2012/13 numbers. The Ross contribution is down by 3.12% as a result of the removal of the Firefighter Apprentice Program from the budget.

The estimated beginning fund balance for FY 2013/14 is \$699,567 of which \$254,139 is Compensated Absences, \$23,886 is Apparatus Replacement, \$104,531 is Unassigned, and \$134,011 is Prior Authority reserves.

Estimated ending fund balance is \$381,073 of which \$29,489 is Compensated Absences, \$153,866 is Apparatus Replacement, \$104,531 is Unassigned, and \$93,167 is Prior Authority reserves.

Attachment: FY 2013/14 Proposed Budget

# Ross Valley Fire Department 2013-2014 Proposed Budget

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	Adopted	Revised	Estimated	Proposed	
	Budget	Budget	Actual	Budget	
Beginning Balance	632,728	727,472	727,472	699,567	
Revenue					
Member Contributions	7,737,481	7,642,414	7,642,414	7,774,926	
Outside Revenues	478,630	697,951	708,384	477,612	
Total Revenue	8,216,110	8,340,365	8,350,798	8,252,538	
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Total Resources	8,848,838	<u>9.067.837</u>	9,078,270	<u>8,952,105</u>	
Expenses		Per a with a city than in a monthly command a money consensus proper proper property and property of the city of t		And the state of t	
Salaries:	3,547,717	3,445,053	3,374,296	3,537,074	
Benefits:	1,833,154	1,765,207	1,765,207	1,798,216	
Reimbursable Costs:	94,379	107,985	110,118	111,547	
Overtime:	570,077	841,388	836,388	576,116	
Volunteers:	23,900	23,900	17,300	26,700	
Retirees:	452,110	448,792	448,792	463,378	
Insurance:	375,149	403,443	393,963	444,800	
Vehicle Maintenance:	116,000	116,000	121,000	129,000	
Maintenance:	20,875	20,875	20,875	19,875	
Contract Services:	268,734	271,289	271,289	271,579	
Utilities:	47,140	49,640	49,640	50,640	
Office Expenses:	22,600	22,600	23,500	22,600	
Other Services & Supplies:	125,250	125,250	118,750	122,950	
Capital Outlay:	68,426	68,426	68,426	63,241	
Debt Service	620,940	608,918	608,918	635,473	
Sub Total Expenses	8,186,450	8,318,766	8,228,462	8,273,188	
Reserves					
Budget Contingency:	30,000	30,000	0	30,000	
Retired S/L Comp Contingency	86,660		eran a recentrar a persona persona persona persona persona persona de presenta esperante persona de persona de O persona de persona persona persona persona persona persona persona de persona persona persona de persona pers	44,000	
Total Exp, Res	en e				
Total Expenses	8,303,110	8,348,766	8,228,462	8,347,188	
Ending Balance	395,486	568,830	699,567	381,073	
Compensated Absences	73,000	188,382	254,139	29,489	
Apparatus Replacement		23,886	23,886	153,886	
Unassigned	0	39,551	104,531	104,531	
Fairfax	75,587	73,923	73,923	28,323	
San Anselmo	131,532	128,635	128,635	49,285	
Sleepy Hollow	41,523	40,609	40,609	15,559	
Prior Authority Apparatus Replacement	73,844	73,844	73,844	10,000	

	Adopted	Davised	The second secon	
	Muchien	Revised	Estimated	Proposed
	Budget	Budget	Actual	Budget
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	\$ 1,553,525	\$ 1,553,525	\$ 1,553,525	\$ 1,585,077
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		2,703,000		2,757,898
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				168,329
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Total	7,737,481	7,642,414	7,642,414	7,774,920
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	2,300			2,500
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Total	478,630	697,951	708,384	5,000 477,612
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Total Income	8,216,110	8,340,365	8,350,798	8,252,538
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	3,307,707	3,138,760	3,138,760	3,128,450
Total Control of the	155,169	145,427	145,427	141,974
The second secon	19,500	14,269	14,269	16,000
	50,340	121,597	55,840	230,650
A CONTRACTOR OF THE PROPERTY O	15,000	25,000	20,000	20,000
Total	3,547,717	3,445,053	3,374,296	3,537,074
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	Geter member han er er er er er en		Control from a control of the contro	56,152
	A GARAGO ANTONO PARAMENTO A TRANSPORTANTA DE LA PROPERTO DE LA PROPERTO DE LA PAREMENTA DE LA PROPERTO DE LA P			2,500
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Total	1,833,154	1,765,207	1,765,207	1,798,216
	Total Income	Total Income 3,307,707 155,169 19,500 50,340 15,000	\$ 1,557,525 \$ 1,557,525 \$ 2,703,000 \$ 2,703,000 \$ 853,438 \$ 853,438 \$ 207,880 \$ 112,572 \$ 534,768 \$ 522,746 \$ 50,000 \$ 50,000 \$ 150,768 \$ 163,031 \$ 38,194 \$ 38,194 \$ 88,383 \$ 88,383 \$ 88,383 \$ 38,383 \$ 177,324 \$ 25,500 \$ 25,500 \$ 2,000 \$ 47,494 \$ 47,494 \$ 68,000 \$ 7,700 \$ 9,500 \$ 2,500	\$ 1,557,525 \$ 1,557,525 \$ 1,557,525 \$ 2,703,000 2,703,000 2,703,000 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,438 853,468 522,746 522,746 50,000 50,000 50,000 50,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 170,001 170,043 127,043 127,043 127,043 127,043 173,065 173,06

FY 2013-14 Proposed Budget		White browning of the old for an a service of the old processing and	2012-13		2013-14
		Adopted	Revised	Estimated	Proposed
		Budget	Budget	Actual	Budget
Dalashawa aki Canta					
Reimbursable Costs: 5040 - Uniform			00 400	00.400	00.000
	the Colombia of the Colombia o	24,840	23,190	23,190	23,820
5041 - Education 5043 - Board Member Stipend		61,539	76,795	78,928	79,727
5043 - Board Wernber Stipend		8,000	8,000	8,000	8,000
	Total	94,379	107,985	110,118	111,547
Overtime:					
5050 - Regular/Standby		375,000	490,000	495,000	375,000
5051 - FLSA		81,577	77,547	77,547	77,116
5052 - Hourly Overtime		49,000	53,000	53,000	53,000
5053 - Shift Differential	The first term of the commence and the commence are also as a second of the commence and th	24,500	40,000	40,000	30,000
5054 - Reimbursed Overtime		20,000	20,000	10,000	16,000
5055 - OT - OES Response		20,000	135,841	135,841	10,000
5056 - OT - Training		20,000	25,000	25,000	25,000
3000 - O I - Haiting	Total	570,077	<u>25,000</u> 841,388	836,388	25,000 576,116
	I Ulai	370,077	041,300	030,300	3/0,110
Volunteers:					
5060 - Response/Standby		4,000	4,000	2,500	3,500
5061 - CSFA Dues/Insurance		4,100	4,100	3,500	3,500
5062 - Supplies		1,200	1,200	1,200	1,200
5063 - Drills		4,600	4,600	2,500	4,000
5064 - Vol. Length of Service	en en en en 20 des en la classe de check al en la recheck de la recheck de la recheck de l'anne de l'anne de l	5,600	5,600	5,600	5,600
5065 - Explorer Post		4,400	4,400	2,000	4,400
5066 - Volunteer Recruit Academy Expenses	- in and installed the section of th		.,		4,500
	The transfer of the same of th	23,900	23,900	17,300	26,700
			O TO ACCIO CONTRACTO CONTRACTO A CONTRACTO CON		
Retirees':					
5070 - Health Insurance		452,110	448,792	448,792	463,378
	Total	452,110	448,792	448,792	463,378
Insurance:					The first thinks are not a white an arter that here are the same
6005 - Workers Comp Claims		300	300		300
6006 - Worker's Comp Insurance	and the state of t	349,249	377.543	370.563	420.000
6007 - Liability Insurance	THE RESIDENCE OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON OF THE	25,600	25,600	23,400	24,500
	Total	375,149	403,443	393,963	444,800
				para como de entre en especial de entre de entre en entre en	MEGEORALISMA AND AND AND AND AND AND AND AND AND AN
<u>Vehicle Maintenance:</u>					
6010 - Fuel		32,800	32,800	32,800	35,800
6011 - Parts		3,200	3,200	3,200	3,200
6012 - Repairs		80,000	80,000	85,000	90,000
	Total	116,000	116,000	121,000	129,000
Maintenance:					
6020 - Equipment		4,275	4,275	4,275	4,275
			and a transfer from the control of t	rena tonor en	ris influire con come a a contractiva activa con contractiva in contractiva contractiva con contractiva con contractiva con contractiva con contractiva con contractiva contra
6026 - Building and Landscaping		4,000	4,000	4,000	4,000
6028 - General Maintenance Supplies		2,600	2,600	2,600	2,600
6029 - Hydrant Maintenance		6,000	6,000	6,000	5,000
94040 - Burn Trailer Maintenance	out to a delignoristic to the tobacteristic or second to the contraction	4,000	4,000	4,000	4,000
	Total	20,875	20,875	20,875	19,875

FY 2013-14 Proposed Budget			2012-13		2013-14
		Adopted	Revised	Estimated	Proposed
		Budget	Budget	Actual	Budget
Contract Services:					
6040 - Dispatch		129,999	129,999	129,999	126,872
6041 - Radio Repair		4,000	4,000	4,000	4,000
6042 - Hazardous Material Removal		1,000	1,000	1,000	1,000
6043 - Audit and Bookkeeping services		19,000	19,000	19,000	23,500
6044 - Payroll Service Fees		4,000	4,000	4,000	4,000
6045 - Other Contract Services		25,593	25,593	25,593	24,949
6046 - Executive Officer	to a frame of the state of the	3,600	3,600	3,600	3,600
6047 - Attorney/Legal Fees		3,000	3,000	3,000	3,000
6048 - Hazardous Material Contract	in di kasila sali di dancamala sali sa di kasila mina, sininali kamisini a sali sali sali sali sali sali sali	6,717	7,202	7,202	7,202
6049 - MERA Bond Payment -Prior Authority	errorra de començamente acuma acuarea, a errora acuatema	38,194	38,194	38,194	38,219
6050 - MERA Operating Expense		33,631	35,701	35,701	35,237
	Total	268,734	271,289	271,289	271,579
				the company of the co	
Utilities: 6060 - Gas & Electric		22,750	22,750	22,750	23,750
6061 - Telephone		19,000	21,500	21,500	
6062 - Water		3,850	3,850	3,850	21,500 3,850
6063 - Sewer		1,540	1,540	1,540	1,540
	Total	47,140	49,640	49,640	50,640
				**************************************	
Office Expenses:					
6070 - Publications & Dues		2,400	2,400	2,400	2,400
6072 - Computer Software/Support	***************************************	12,000	12,000	12,000	12,000
6075 - Web Page Design and Maint.	And the state of t	3,100	3,100	3,900	3,100
6080 - Office Supplies		4,500	4,500	4,500	4,500
6081 - Postage		600	600	700	600
	Total	22,600	22,600	23,500	22,600
Other Services & Supplies:			agi an ay mayannag ariyang mananan ya magin ay kamananan danaiyyiy, a iyayinag		
6090 - General Department Supplies		18,000	18,000	18,000	16,000
6091 - Emergency Response Supplies		4,000	4,000	4,000	4,000
6092 - Paramedic Response Supplies		12,000	12,000	12,000	12,000
6093 - Physicals	- 7/4-1 14/4 1- 1- 1- 1- 1- 1- 1- 1- 1- 1- 1- 1-	4,500	4,500	3,000	4,500
6094 - New Hire	ann ann air agus an an an an an an an ann an ann an ann an	3,350	3,350	3,350	3,350
6100 - Emergency Medical Supply	And the second s	7,500	7,500	7,500	7,500
6111 - Fire Prevention	er em tra film em a rara em trans en em	4,500	4,500	3,500	4,500
6112 - Training and Education		35,500	35,500	35,500	35,500
6119 - Breathing Apparatus - Supplies		5,800	5,800	5,800	5,700
6121 - Breathing App Maint Contract		6,100	6,100	6,100	6,900
6130 - Protective Clothing		6,500	6,500	6,500	6,500
6150 - Tools/Equipment		6,500	6,500	6,500	6,500
6180 - Community Education & Preparedness		11,000	11,000	7,000	10,000
	Total	125,250	125,250	118,750	122,950
Continganous				10.2 × 1.2 (10.000) × 10.0 × 1	The second secon
Contingency: 6201 - Budget Contingency		30,000	30,000	Assistant and the state of the	30,000
6210 - Retired S/L Comp Contingency		86,660	86,660	V	44,000
		116,660	116,660		74,000

ROSS VALLEY FIRE DEPARTMENT				Prof. Communication	
FY 2013-14 Proposed Budget	2012-13				
	Adopted	Revised	Estimated	Proposed	
	Budget	Budget	Actual	Budget	
Capital Outlay:		ligh (a 1998). (a harrinda an 1975 da afair 1974 an dh'ann ann is faille da a'inn an a na marain bhail			
7012 - Appliances	2,000	2,000	2,000	2.000	
7013 - Furnishings	2,500	2,500	2,500	2,500	
7014 - Office Equipment	8,000	8,000	8,000	8,000	
7030 - Apparatus and Equipment	15,000	15,000	15,000	15,000	
7040 - Hydrants	13,600	13,600	13,600	13,600	
7050 - Communications Equipment	10,000	10,000	10,000	6,400	
7055 - Exercise Equipment	1,600	1,600	1,600	1,500	
7060 - Turnout Gear	15,726	<u>15,726</u>	<u>15,726</u>	14,241	
	68,426	68,426	68,426	63,241	
Debt Service				And the state of t	
8010 - Principal Payments - Fire Engine	78,166	78,166	78,166	81,433	
8020 - Interest Expense - Fire Engine	8,006	8,006	8,006	4,647	
8011 - Principal - Prior Authority Pension Bond	460,216	447,629	447,629	488,597	
8021 - Interest - Prior Authority Pension Bond	73,352	73,917	73,917	59,596	
8030 - Fees - Prior Authority Pension Bond	1,200	1,200	1,200	1,200	
	620,940	608,918	608,918	635,473	
Tota	I Expenses	kan Principal ett skill vitte i transformation til skill		al en	
	8,303,110	8,435,426	8,228,462	8,347,188	

# **ROSS VALLEY FIRE DEPARTMENT**

### FY 2013-14 Proposed Budget

# Fire Service Cost by Agency

	San Anselmo	Fairfax	Sleepy Hollow	Ross	Total
Contribution	2,757,898	1,585,077	870,772	1,589,159	6,802,905
Side Fund	290,629	167,015	91,749		549,393
Debt Service	45,536	26,168	14,375		86,080
Apparatus Replacement Fund	52,702	30,290	16,640	30,368	130,000
OPEB Prior Liability	89,046	51,172	28,111		168,329
MERA Bond	20,218	11,619	6,383		38,219
Sub Total	3,256,029	1,871,341	1,028,029	1,619,527	7,774,926
From Prior Authority Reserves	(118,413)	(68,049)	(37,382)		(223,844)
Total	3,137,615	1,803,293	990,647	1,619,527	7,551,082
12/13 Contribution	3,079,707	1,770,007	972,361	1,670,097	7,492,172
Change	\$ 57,908	\$ 33,286	\$ 18,286	\$ (50,571)	MACHINET STORE OF THE STORE OF T
	1.85%	1.85%	1.85%	-3.12%	