


**ROSS VALLEY FIRE DEPARTMENT
STAFF REPORT**

For the meeting of: June 12, 2013

To: Board of Directors
From:  Roger Meagor, Fire Chief
Subject: Fiscal Year 2013/14 Proposed Budget

RECOMMENDATION:

That the Board approves Resolution 13-04 a resolution adopting the budget for the Ross Valley Fire Department for the fiscal year commencing July 1, 2013.

DISCUSSION/ANALYSIS:

The JPA requires, no later than June 15th 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 taking into consideration revenue and expense projections for the next fiscal year. The proposed budget does not account for any changes that may be associated with labor negotiations. The labor agreements for The 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: \$224,650 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 \$191,856.

Revenues: The budget document separates revenues into two main categories, Member Contributions 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, as 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 program.

Worker's 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 costs 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 these 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.

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 \$224,650 from the Compensated Absences, \$223,844 from Prior Authority reserves. The Apparatus Replacement Reserve will increase by \$130,000.

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 \$796,892 of which \$254,139 is Compensated Absences, \$23,886 is Apparatus Replacement, \$191,856 is Unassigned, and \$317,011 is Prior Authority reserves.

Estimated ending fund balance for FY 2013/14 is \$478,398 of which \$29,489 is Compensated Absences, \$153,866 is Apparatus Replacement, \$191,856 is Unassigned, and \$93,167 is Prior Authority reserves.

Attachment: FY 2013/14 Proposed Budget

Resolution 13-04, adopting the budget for the Ross Valley Fire Department for the fiscal year commencing July 1, 2013

Ross Valley Fire Department

2013-2014 Proposed Budget

	2012-13			2013-14
	Adopted Budget	Revised Budget	Estimated Actual	Proposed Budget
Beginning Balance	632,728	727,472	727,472	796,892
Revenue				
Member Contributions	7,737,481	7,642,414	7,642,414	7,774,926
Outside Revenues	478,630	697,951	761,159	477,612
Total Revenue	8,216,110	8,340,365	8,403,573	8,252,538
Total Resources	<u>8,848,838</u>	<u>9,067,837</u>	<u>9,131,045</u>	<u>9,049,430</u>
Expenses				
Salaries:	3,547,717	3,445,053	3,352,150	3,537,074
Benefits:	1,833,154	1,765,207	1,715,315	1,798,216
Reimbursable Costs:	94,379	107,985	105,355	111,547
Overtime:	570,077	841,388	881,968	576,116
Volunteers:	23,900	23,900	12,925	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	131,000	129,000
Maintenance:	20,875	20,875	18,875	19,875
Contract Services:	268,734	271,289	269,689	271,579
Utilities:	47,140	49,640	47,625	50,640
Office Expenses:	22,600	22,600	23,885	22,600
Other Services & Supplies:	125,250	125,250	109,700	122,950
Capital Outlay:	68,426	68,426	63,752	63,241
Debt Service	620,940	608,918	608,918	635,473
Sub Total Expenses	<u>8,186,450</u>	<u>8,318,766</u>	<u>8,183,912</u>	<u>8,273,188</u>
Reserves				
Budget Contingency:	30,000	30,000	0	30,000
Retired S/L Comp Contingency	86,660		0	44,000
Total Exp, Res				
Total Expenses	<u>8,303,110</u>	<u>8,348,766</u>	<u>8,183,912</u>	<u>8,347,188</u>
Ending Balance	395,486	568,830	796,892	478,398
Compensated Absences	73,000	188,382	254,139	29,489
Apparatus Replacement		23,886	23,886	153,886
Unassigned	0	39,551	191,856	191,856
Fairfax	75,587	73,923	76,963	31,363
San Anselmo	131,532	128,635	133,925	54,575
Sleepy Hollow	41,523	40,609	42,279	17,229
Prior Authority Apparatus Replacement	73,844	73,844	73,844	0

ROSS VALLEY FIRE DEPARTMENT

FY 2013-14 Proposed Budget

		2012-13		2013-14	
		Adopted	Revised	Estimated	
		Budget	Budget	Actual	
				Proposed	
				Budget	
REVENUE:					
Member Contributions:					
3030 - Fairfax		\$ 1,553,525	\$ 1,553,525	\$ 1,553,525	\$ 1,585,077
3035 - Ross		\$ 1,557,525	\$ 1,557,525	\$ 1,557,525	1,589,159
3040 - San Anselmo		2,703,000	2,703,000	2,703,000	2,757,898
3042 - Sleepy Hollow		853,438	853,438	853,438	870,772
3043 - Ross Apprentice Program		207,880	112,572	112,572	
3044 - Prior Authority Side Fund Payment		534,768	522,746	522,746	549,393
3047 - Prior Authority Compensated Absences		50,000	50,000	50,000	
3048 - Prior Authority Retiree Health		150,768	163,031	163,031	168,329
3049 - Prior Authority MERA Bond		38,194	38,194	38,194	38,219
3054 - Debt Service Contributions		88,383	88,383	88,383	216,080
	Total	<u>7,737,481</u>	<u>7,642,414</u>	<u>7,642,414</u>	<u>7,774,926</u>
Outside Revenues:					
3045 - County of Marin		127,043	127,043	127,043	131,135
3056 - OES Reimbursement Out of County			173,065	191,765	
3058 - RVPA Reimb. - Medic Program		193,393	177,324	177,324	175,713
3064 - RVPA Rental		25,500	25,500	25,486	26,123
3070 - LAIF Interest		2,000	2,000	1,800	1,800
3078 - Surplus Equipment				10,000	
3093 - RVPA EMS Trng/Supply Reimb.		47,494	47,494	47,341	47,341
3095 - Plan Checking Fees		68,000	78,000	85,000	78,000
3096 - Re-sale Inspection Fees		7,700	9,500	14,500	10,000
3100 - Miscellaneous Income		2,500	2,500	2,000	2,500
3101 - Workers Comp Reimbursement			50,525	75,500	
3115 - MLFT Training Reimbursement		5,000	5,000	3,400	5,000
	Total	<u>478,630</u>	<u>697,951</u>	<u>761,159</u>	<u>477,612</u>
	Total Income	<u>8,216,110</u>	<u>8,340,365</u>	<u>8,403,573</u>	<u>8,252,538</u>
EXPENSES:					
Salaries:					
5010 - Regular Salaries		3,307,707	3,138,760	3,117,277	3,128,450
5011 - Holiday		155,169	145,427	146,764	141,974
5012 - S/L Buyback		19,500	14,269	14,269	16,000
5013 - Retired S/L Compensation		50,340	121,597	55,840	230,650
5016 - Temporary Hire		15,000	25,000	18,000	20,000
	Total	<u>3,547,717</u>	<u>3,445,053</u>	<u>3,352,150</u>	<u>3,537,074</u>
Benefits:					
5020 - Retirement		1,085,506	1,037,304	1,010,683	1,027,126
5021 - Cafeteria Health Plan		646,041	626,296	605,029	658,333
5022 - Housing Allowance		47,004	47,004	45,000	48,200
5023 - Medicare/FICA		52,103	52,103	52,103	56,152
5024 - PERS Admin. Fee		2,500	2,500	2,500	2,500
5025 - Retiree Health Savings Match		-	-	-	5,905
	Total	<u>1,833,154</u>	<u>1,765,207</u>	<u>1,715,315</u>	<u>1,798,216</u>

ROSS VALLEY FIRE DEPARTMENT					
<u>FY 2013-14 Proposed Budget</u>					
			2012-13	2012-13	2013-14
			Adopted	Revised	Estimated
			Budget	Budget	Actual
					Proposed
					Budget
<u>Reimbursable Costs:</u>					
5040 - Uniform		24,840	23,190	23,190	23,820
5041 - Education		61,539	76,795	75,365	79,727
5043 - Board Member Stipend		8,000	8,000	6,800	8,000
	Total	<u>94,379</u>	<u>107,985</u>	<u>105,355</u>	<u>111,547</u>
<u>Overtime:</u>					
5050 - Regular/Standby		375,000	490,000	536,500	375,000
5051 - FLSA		81,577	77,547	76,461	77,116
5052 - Hourly Overtime		49,000	53,000	57,000	53,000
5053 - Shift Differential		24,500	40,000	38,000	30,000
5054 - Reimbursed Overtime		20,000	20,000	3,273	16,000
5055 - OT - OES Response			135,841	145,734	
5056 - OT - Training		20,000	25,000	25,000	25,000
	Total	<u>570,077</u>	<u>841,388</u>	<u>881,968</u>	<u>576,116</u>
<u>Volunteers:</u>					
5060 - Response/Standby		4,000	4,000	2,500	3,500
5061 - CSFA Dues/Insurance		4,100	4,100	2,075	3,500
5062 - Supplies		1,200	1,200	1,000	1,200
5063 - Drills		4,600	4,600	2,500	4,000
5064 - Vol. Length of Service		5,600	5,600	3,850	5,600
5065 - Explorer Post		4,400	4,400	1,000	4,400
5066 - Volunteer Recruit Academy Expenses		-	-	-	4,500
		<u>23,900</u>	<u>23,900</u>	<u>12,925</u>	<u>26,700</u>
<u>Retirees':</u>					
5070 - Health Insurance		452,110	448,792	448,792	463,378
	Total	<u>452,110</u>	<u>448,792</u>	<u>448,792</u>	<u>463,378</u>
<u>Insurance:</u>					
6005 - Workers Comp Claims		300	300	-	300
6006 - Worker's Comp Insurance		349,249	377,543	370,563	420,000
6007 - Liability Insurance		25,600	25,600	23,400	24,500
	Total	<u>375,149</u>	<u>403,443</u>	<u>393,963</u>	<u>444,800</u>
<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	95,000	90,000
	Total	<u>116,000</u>	<u>116,000</u>	<u>131,000</u>	<u>129,000</u>
<u>Maintenance:</u>					
6020 - Equipment		4,275	4,275	4,275	4,275
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		4,000	4,000	2,000	4,000
	Total	<u>20,875</u>	<u>20,875</u>	<u>18,875</u>	<u>19,875</u>

ROSS VALLEY FIRE DEPARTMENT		2012-13			2013-14
<u>FY 2013-14 Proposed Budget</u>		Adopted	Revised	Estimated	Proposed
		Budget	Budget	Actual	Budget
<u>Contract Services:</u>					
6040 - Dispatch		129,999	129,999	129,999	126,872
6041 - Radio Repair		4,000	4,000	2,000	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	3,500	4,000
6045 - Other Contract Services		25,593	25,593	25,593	24,949
6046 - Executive Officer		3,600	3,600	3,600	3,600
6047 - Attorney/Legal Fees		3,000	3,000	3,900	3,000
6048 - Hazardous Material Contract		6,717	7,202	7,202	7,202
6049 - MERA Bond Payment -Prior Authority		38,194	38,194	38,194	38,219
6050 - MERA Operating Expense		33,631	35,701	35,701	35,237
	Total	<u>268,734</u>	<u>271,289</u>	<u>269,689</u>	<u>271,579</u>
<u>Utilities:</u>					
6060 - Gas & Electric		22,750	22,750	20,775	23,750
6061 - Telephone		19,000	21,500	21,500	21,500
6062 - Water		3,850	3,850	4,074	3,850
6063 - Sewer		1,540	1,540	1,276	1,540
	Total	<u>47,140</u>	<u>49,640</u>	<u>47,625</u>	<u>50,640</u>
<u>Office Expenses:</u>					
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.		3,100	3,100	4,285	3,100
6080 - Office Supplies		4,500	4,500	4,500	4,500
6081 - Postage		600	600	700	600
	Total	<u>22,600</u>	<u>22,600</u>	<u>23,885</u>	<u>22,600</u>
<u>Other Services & Supplies:</u>					
6090 - General Department Supplies		18,000	18,000	16,000	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		4,500	4,500	3,700	4,500
6094 - New Hire		3,350	3,350	5,500	3,350
6100 - Emergency Medical Supply		7,500	7,500	8,600	7,500
6111 - Fire Prevention		4,500	4,500	4,000	4,500
6112 - Training and Education		35,500	35,500	25,000	35,500
6119 - Breathing Apparatus - Supplies		5,800	5,800	3,800	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	8,000	10,000
	Total	<u>125,250</u>	<u>125,250</u>	<u>109,700</u>	<u>122,950</u>
<u>Contingency:</u>					
6201 - Budget Contingency		30,000	30,000	-	30,000
6210 - Retired S/L Comp Contingency		86,660		-	44,000
		<u>116,660</u>	<u>30,000</u>	<u>-</u>	<u>74,000</u>

ROSS VALLEY FIRE DEPARTMENT							
<u>FY 2013-14 Proposed Budget</u>				2012-13		2013-14	
				Adopted	Revised	Estimated	Proposed
				Budget	Budget	Actual	Budget
<u>Capital Outlay:</u>							
7012 - Appliances			2,000	2,000	2,119	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	5,000	6,400	
7055 - Exercise Equipment			1,600	1,600	1,600	1,500	
7060 - Turnout Gear			15,726	15,726	15,933	14,241	
			68,426	68,426	63,752	63,241	
<u>Debt Service</u>							
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	
Total Expenses							
			8,303,110	8,348,766	8,183,912	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)	
	1.85%	1.85%	1.85%	-3.12%	

ROSS VALLEY FIRE DEPARTMENT

RESOLUTION 13-04

A RESOLUTION OF THE ROSS VALLEY FIRE DEPARTMENT BOARD OF DIRECTORS
ADOPTING THE BUDGET FOR THE ROSS VALLEY FIRE DEPARTMENT
FOR THE FISCAL YEAR COMMENCING
JULY 1, 2013

BE IT RESOLVED that the budget of the Ross Valley Fire Department for the fiscal year commencing July 1, 2013, is hereby adopted and consisting of the following appropriations:

Expenses:

Salaries and Benefits	\$6,486,331
Services and Supplies	\$1,088,144
Capital Outlay	\$63,241
Contingency	\$74,000
Debt Service	\$635,473
Total:	\$8,347,188

Income:

Town of Fairfax	\$1,803,293
Town of Ross	\$1,619,527
Town of San Anselmo	\$3,137,615
Sleepy Hollow FPD	\$990,647
Outside Sources	\$477,612

Reserves:

Compensated Absences:	\$224,650
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Prior Authority Reserves:

Fairfax	\$45,600
San Anselmo	\$79,350
Sleepy Hollow	\$25,050
Apparatus Replacement	\$73,844

Total:	\$8,477,188
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I hereby certify that the foregoing resolution was passed and adopted by the Ross Valley Fire Department Board of Directors on the 12th day of June, 2013 by the following vote, to wit:

Ayes:

Noes:

Absent:

Abstain:

Jeff Kroot, President

JoAnne Lewis, Administrative Assistant