

**ROSS VALLEY FIRE DEPARTMENT
STAFF REPORT**

For the meeting of: October 8, 2014

To: Board of Directors

From: Mark Mills, Fire Chief *MEM*

Subject: SCBA Depreciation Account

RECOMMENDATION:

That the Board directs staff to create the recommended depreciation account for purchasing Self Contained Breathing Apparatus (SCBA) replacements utilizing \$80,000 from the Undesignated Reserve fund.

BACKGROUND:

This past year staff filed a grant application for the acquisition of 34 self-contained breathing apparatus (SCBAs). The department has been awarded the grant for the acquisition of SCBAs. While the award is timely and financially needed, it does pose a future problem with the longevity of the SCBAs.

DISCUSSION:

All of the department's current SCBAs were purchased at roughly the same time 15 years ago. With the grant award, all of the current SCBAs will again be purchased at the same time. Without the grant award, the department would be facing a huge financial burden to replace critical personal safety equipment. At the direction of the Board, staff has developed a depreciation schedule for the future purchase(s) of SCBAs in order to have funding available and stagger the replacements to minimize the financial impact.

Utilizing one time money from the Undesignated Reserves will allow staff to set aside funding for future purchases of major equipment items.

FISCAL IMPACT:

Utilizing a double declining balance depreciation schedule to fund the replacement of half of the new SCBAs will require placing \$80,000 in a depreciation account followed by (5) declining deposits of \$32,000, \$19,200, \$11,520, \$6,912, and \$4,147 annually.

AGENDA ITEM # 4
Date 10/8/14