

**ROSS VALLEY FIRE DEPARTMENT  
STAFF REPORT**

For the meeting of: June 10, 2015

To: Board of Directors  
From: Mark E. Mills, Fire Chief  
Subject: Fiscal Year 2015/2016 Budget

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**RECOMMENDATION:**

That the Board approves Resolution 15-0X a resolution adopting the budget for the Ross Valley Fire Department for the fiscal year commencing July 1, 2015.

**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 2015/16 budget was prepared by staff using revenue and expense projections for the next fiscal year. The total proposed operating budget for FY 2015/16 is \$8,788,476. The operating budget is funded by member contributions of \$2,023,091 from Fairfax, \$1,692,761 from Ross, \$3,520,078 from San Anselmo, and \$1,111,393 from Sleepy Hollow. There are outside revenues of \$575,041 anticipated. There are no Prior Authority Reserves left to offset the costs.

**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). 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 up 14%, from FY 2014/15 numbers. The revenue from the Ross Valley Paramedic Authority, the Marin County contract and the majority of the increase resulted from the newly adopted fee schedule.

**Expenses:** FY 2015/16 projected expenses are \$8,788,476 vs. \$8,369,062 in FY 2014/15. The budget has been prepared with a \$419,414 (5%) increase overall.

Regular salary and benefit costs are up 6.8% (\$353,660) because of the 2013 Memorandum of Understanding (MOU), the employees are now paying their entire portion (9%) of the retirement benefits. Minimum staffing costs will continue to be an issue for the department. Minimum staffing funding has been increased 20% (\$88,000), to match the 3-year average costs. Due to new Fair Labor Standards Act (FLSA) calculations being implemented, FLSA overtime increased by \$12,429 (15%).

Employee retirement costs have increased by \$110,042 (12%).

Retiree health insurance costs have increased by 4.5% (\$21,698).

The CalPERS Safety Plan employer contribution rate was modified by CalPERS to reflect a higher mortality rate for employees. Additionally, a new amortization was implemented over a fixed 30-year period. This created a new Unfunded Liability for the department in the amount of \$323,997 which only applies to the prior authority members. Staff is researching additional funding possibilities to reduce future interest costs.

Expenditures for Contract Services have been increased by \$6,685 due to dispatching increases. Office expenses have increased by \$3,000 to cover additional web services for storm related incidents and web page updates.

#### **FISCAL IMPACT:**

The total proposed operating budget for FY 2015/16 is \$8,788,476. The operating budget is funded by member contributions of \$2,023,091 from Fairfax, \$1,692,761 from Ross, \$3,520,078 from San Anselmo, and \$1,111,393 from Sleepy Hollow. There are outside revenues of \$575,041.

Member contributions for Fairfax, San Anselmo, and Sleepy Hollow are up 6.74% over FY 2014/15 numbers. The Ross contribution is up by 1.30%. The increases result from no funds being available from the Prior Authority Reserves, employee raises from the previous MOU, and the new CalPERS Unfunded Liability payment.

**ROSS VALLEY FIRE DEPARTMENT****FY 2015-16 Budget - Proposed****Fire Service Cost by Agency**

	<b>San Anselmo</b>	<b>Fairfax</b>	<b>Sleepy Hollow</b>	<b>Ross</b>	<b>Total</b>
Contribution	2,883,411	1,657,215	910,401	1,661,482	7,112,510
Side Fund	309,054	177,604	97,565		584,222
Retirement Unfunded Liability	171,394	98,495	54,107		323,997
Apparatus Replacement Fund	54,283	31,199	17,139	31,279	133,900
OPEB Prior Liability	81,717	46,960	25,797		154,475
MERA Bond	20,218	11,619	6,383		38,219
Sub Total	3,520,078	2,023,091	1,111,393	1,692,761	<b>8,347,323</b>
<b>Total</b>	<b>3,520,078</b>	<b>2,023,091</b>	<b>1,111,393</b>	<b>1,692,761</b>	<b>8,347,323</b>
14/15 Contribution	3,282,900	1,886,791	1,036,517	1,670,769	
<b>Change</b>	<b>\$ 237,178</b>	<b>\$ 136,300</b>	<b>\$ 74,876</b>	<b>\$ 21,992</b>	
	6.74%	6.74%	6.74%	1.30%	

<b>ROSS VALLEY FIRE DEPARTMENT</b>					
<b><u>FY 2015-16 Proposed Budget</u></b>			<b>2014-15</b>	<b>2014-15</b>	<b>2015-16</b>
			<b>Adopted</b>	<b>Revised</b>	<b>Estimated</b>
			<b>Budget</b>	<b>Budget</b>	<b>Actual</b>
					<b>Proposed</b>
					<b>Budget</b>
<b>Outside Revenues:</b>					
3045 - County of Marin		135,404	131,135	135,404	141,863
3056 - OES Reimbursement Out of County			163,166	163,166	
3058 - RVPA Reimb. - Medic Program		183,435	177,215	183,435	199,091
3064 - RVPA Rental		26,776	26,123	26,776	27,446
3070 - LAIF Interest		1,800	1,800	1,800	1,800
3078 - Surplus Equipment					
3093 - RVPA EMS Trng/Supply Reimb.		47,341	47,341	47,341	47,341
3095 - Plan Checking Fees		80,000	80,000	110,000	130,000
3096 - Re-sale Inspection Fees		10,000	12,006	18,000	20,000
3100 - Miscellaneous Income		2,500	2,500	2,500	2,500
3101 - Workers Comp Reimbursement			105,540	105,540	
3115 - MLFT Training Reimbursement		5,000	5,000	2,500	5,000
3125 - Grants/Donations			222,032	222,032	-
	<b>Total</b>	<b>492,256</b>	<b>973,858</b>	<b>1,018,494</b>	<b>575,041</b>
	<b>Total Income</b>	<b>8,499,328</b>	<b>8,980,930</b>	<b>8,895,469</b>	<b>8,922,376</b>
<b>EXPENSES:</b>					
<b>Salaries:</b>					
5010 - Regular Salaries		3,286,675	3,186,675	3,186,675	3,492,397
5011 - Holiday		150,538	150,538	150,538	157,391
5012 - S/L Buyback		16,000	16,000	16,000	16,000
5013 - Retired S/L Compensation					
5016 - Temporary Hire		20,000	20,000	10,000	20,000
	<b>Total</b>	<b>3,473,213</b>	<b>3,373,213</b>	<b>3,363,213</b>	<b>3,685,788</b>
<b>Benefits:</b>					
5020 - Retirement		877,641	877,641	877,641	987,683
5021 - Cafeteria Health Plan		729,943	729,943	729,943	753,949
5022 - Housing Allowance		40,500	40,500	40,500	40,800
5023 - Medicare/FICA		59,835	59,835	59,835	64,574
5024 - PERS Admin. Fee		2,500	2,500	2,500	2,500
5025 - Retiree Health Savings Match		8,950	8,950	8,950	10,948
	<b>Total</b>	<b>1,719,369</b>	<b>1,719,369</b>	<b>1,719,369</b>	<b>1,860,454</b>

<b>ROSS VALLEY FIRE DEPARTMENT</b>					
<b><u>FY 2015-16 Proposed Budget</u></b>			<b>2014-15</b>	<b>2014-15</b>	<b>2015-16</b>
			<b>Adopted</b>	<b>Revised</b>	<b>Estimated</b>
			<b>Budget</b>	<b>Budget</b>	<b>Actual</b>
					<b>Proposed</b>
					<b>Budget</b>
<b><u>Reimbursable Costs:</u></b>					
5040 - Uniform			23,340	23,340	23,264
5041 - Education			76,675	76,675	76,675
5043 - Board Member Stipend			8,000	8,000	8,000
		Total	<u>108,015</u>	<u>108,015</u>	<u>107,939</u>
					<u>109,130</u>
<b><u>Overtime:</u></b>					
5050 - OT - Minimum Staffing			450,000	550,000	616,000
5051 - FLSA			79,660	79,660	81,917
5052 - Hourly Overtime			53,000	53,000	68,900
5053 - Shift Differential			30,000	30,000	33,000
5054 - OT - Paramedic Training Overtime			16,000	16,000	8,000
5055 - OT - OES Response				117,859	117,859
5056 - OT - Training			35,000	35,000	35,000
		Total	<u>663,660</u>	<u>881,519</u>	<u>960,676</u>
					<u>764,089</u>
<b><u>Volunteers:</u></b>					
5060 - Response/Standby			3,500	3,500	3,500
5061 - CSFA Dues/Insurance			3,500	3,500	3,500
5062 - Supplies			1,200	1,200	1,200
5063 - Drills			4,000	4,000	4,000
5064 - Vol. Length of Service			5,600	5,600	5,600
5065 - Explorer Post			4,400	4,400	4,400
5066 - Volunteer Recruit Academy Expenses			4,500	4,500	4,500
			<u>26,700</u>	<u>26,700</u>	<u>26,700</u>
					<u>26,700</u>
<b><u>Retirees':</u></b>					
5070 - Health Insurance			463,378	463,378	463,378
		Total	<u>463,378</u>	<u>463,378</u>	<u>463,378</u>
					<u>485,076</u>
<b><u>Insurance:</u></b>					
6005 - Workers Comp Claims			300	300	-
6006 - Worker's Comp Insurance			420,000	420,000	432,794
6007 - Liability Insurance			24,500	24,500	20,886
		Total	<u>444,800</u>	<u>444,800</u>	<u>453,680</u>
					<u>444,800</u>
<b><u>Vehicle Maintenance:</u></b>					
6010 - Fuel			40,000	40,000	35,800
6011 - Parts			3,200	3,200	3,200
6012 - Repairs			90,000	90,000	90,000
		Total	<u>133,200</u>	<u>133,200</u>	<u>129,000</u>
					<u>133,200</u>
<b><u>Maintenance:</u></b>					
6020 - Equipment			4,275	4,275	4,275
6026 - Building and Landscaping			6,000	6,000	7,500
6028 - General Maintenance Supplies			2,600	2,600	2,600
6029 - Hydrant Maintenance			5,000	5,000	5,000
94040 - Burn Trailer Maintenance			4,000	4,000	4,000
		Total	<u>21,875</u>	<u>21,875</u>	<u>23,375</u>
					<u>21,875</u>

<b>ROSS VALLEY FIRE DEPARTMENT</b>						
<b><u>FY 2015-16 Proposed Budget</u></b>			<b>2014-15</b>	<b>2014-15</b>		<b>2015-16</b>
			<b>Adopted</b>	<b>Revised</b>	<b>Estimated</b>	<b>Proposed</b>
			<b>Budget</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
<b><u>Contract Services:</u></b>						
6040 - Dispatch			135,194	135,194	135,194	139,643
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			23,500	23,500	23,500	23,500
6044 - Payroll Service Fees			4,000	4,000	4,000	4,000
6045 - Other Contract Services			24,949	24,949	24,949	24,949
6046 - Executive Officer			3,600	3,600	3,600	3,600
6047 - Attorney/Legal Fees			3,000	15,500	15,500	3,000
6048 - Hazardous Material Contract			8,000	8,000	7,202	8,000
6049 - MERA Bond Payment -Prior Authority			38,219	38,219	38,219	38,231
6050 - MERA Operating Expense			36,654	36,654	35,237	38,878
		<b>Total</b>	<b>282,116</b>	<b>294,616</b>	<b>292,401</b>	<b>288,801</b>
<b><u>Utilities:</u></b>						
6060 - Gas & Electric			23,750	23,750	23,750	23,750
6061 - Telephone			21,500	21,500	21,500	21,500
6062 - Water			3,850	3,850	3,850	3,850
6063 - Sewer			2,000	2,000	1,540	2,500
		<b>Total</b>	<b>51,100</b>	<b>51,100</b>	<b>50,640</b>	<b>51,600</b>
<b><u>Office Expenses:</u></b>						
6070 - Publications & Dues			4,000	4,000	2,400	4,000
6072 - Computer Software/Support			12,000	12,000	12,000	12,000
6075 - Web Page Design and Maint.			3,100	3,100	3,100	6,100
6080 - Office Supplies			4,500	4,500	4,500	4,500
6081 - Postage			1,000	1,000	600	1,000
		<b>Total</b>	<b>24,600</b>	<b>24,600</b>	<b>22,600</b>	<b>27,600</b>
<b><u>Other Services &amp; Supplies:</u></b>						
6090 - General Department Supplies			20,000	20,000	16,000	20,000
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			18,000	18,000	14,000	18,000
6094 - New Hire			3,500	3,500	1,000	3,500
6100 - Emergency Medical Supply			7,500	7,500	7,500	7,500
6111 - Fire Prevention			4,500	4,500	4,500	4,500
6112 - Training and Education			35,500	35,500	35,500	35,500
6119 - Breathing Apparatus - Supplies			5,700	5,700	5,700	5,700
6121 - Breathing App. - Maint Contract			6,900	6,900	6,900	6,900
6130 - Protective Clothing			8,000	8,000	6,500	8,000
6150 - Tools/Equipment			6,500	6,500	6,500	6,500
6180 - Community Education & Preparedness			10,000	10,000	10,000	10,000
		<b>Total</b>	<b>142,100</b>	<b>142,100</b>	<b>130,100</b>	<b>142,100</b>
<b><u>Contingency:</u></b>						
6201 - Budget Contingency			30,000	17,500	17,500	30,000
6210 - Retired S/L Comp Contingency			50,000	50,000	-	50,000
			<b>80,000</b>	<b>67,500</b>	<b>17,500</b>	<b>80,000</b>



**ROSS VALLEY FIRE DEPARTMENT**

**FY 2015-16 Proposed Budget**

		2014-15	2014-15		2015-16
		Adopted	Revised	Estimated	Proposed
		Budget	Budget	Actual	Budget
<b>Expenses</b>	<b>Salaries:</b>	3,473,213		3,363,213	3,685,788
	<b>Benefits:</b>	1,719,369		1,719,369	1,860,454
	<b>Reimbursable Costs:</b>	108,015		107,939	109,130
	<b>Minimum Staffing:</b>	663,660		960,676	764,089
	<b>Volunteers:</b>	26,700		26,700	26,700
	<b>Retirees':</b>	463,378		463,378	485,076
	<b>Insurance:</b>	444,800		453,680	444,800
	<b>Vehicle Maintenance:</b>	133,200		129,000	133,200
	<b>Maintenance:</b>	21,875		23,375	21,875
	<b>Contract Services:</b>	282,116		292,401	288,801
	<b>Utilities:</b>	51,100		50,640	51,600
	<b>Office Expenses:</b>	24,600		22,600	27,600
	<b>Other Services &amp; Supplies:</b>	142,100		130,100	142,100
	<b>Contingency:</b>	80,000		17,500	80,000
	<b>Capital Outlay:</b>	81,841		446,319	81,841
	<b>Debt Service</b>	653,095		652,090	585,422
	<b>Total Expenses</b>	<b>8,369,062</b>		<b>8,858,980</b>	<b>8,788,476</b>
	<b>Personnel related costs</b>	<b>\$ 5,805,048</b>		<b>\$ 7,094,955</b>	<b>\$ 7,376,037</b>
	<b>Non-Personnel related costs</b>	<b>\$ 675,990</b>		<b>\$ 1,746,525</b>	<b>\$ 1,332,439</b>
	<b>Contingency</b>	<b>10,000</b>		<b>17,500</b>	<b>80,000</b>



**ROSS VALLEY FIRE DEPARTMENT**

**RESOLUTION 15-06**

**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, 2015**

BE IT RESOLVED that the budget of the Ross Valley Fire Department for the fiscal year commencing July 1, 2015, is hereby adopted and consisting of the following appropriations:

**Expenses:**

Salaries and Benefits	\$6,931,237
Services and Supplies	\$1,109,976
Capital Outlay	\$81,841
Contingency	\$80,000
Debt Service	\$585,422
Total:	<b>\$8,788,476</b>

**Income:**

Town of San Anselmo	\$3,514,461
Town of Fairfax	\$2,019,863
Sleepy Hollow FPD	\$1,109,620
Town of Ross	\$1,689,525
Outside Sources	\$575,041
Total:	<b>\$8,922,376</b>

I hereby certify that the foregoing resolution was passed and adopted by the Ross Valley Fire Department Board of Directors on the 8<sup>th</sup> day of June, 2015 by the following vote, to wit:

Ayes:

Noes:

Absent:

Abstain:

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John Reed, President

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JoAnne Lewis, Administrative Assistant