

ROSS VALLEY FIRE DEPARTMENT STAFF REPORT

For the meeting of: June 11, 2014

To: Board of Directors
From: Mark E. Mills, Fire Chief
Subject: Fiscal Year 2014/2015 Budget

RECOMMENDATION:

That the Board approves Resolution 14-05 a resolution adopting the budget for the Ross Valley Fire Department for the fiscal year commencing July 1, 2014.

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 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 total proposed operating budget for FY 2014/15 is \$8,369,063. The operating budget is funded by member contributions of \$1,886,790 from Fairfax, \$1,670,769 from Ross, \$3,282,900 from San Anselmo, and \$1,036,517 from Sleepy Hollow. There are outside revenues of \$492,257 anticipated. There are no Prior Authority Reserves left to offset the costs in the future.

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 slightly (3%), from FY 2013/14 numbers. The revenue from the Ross Valley Paramedic Authority and the Marin County contract contributed to the increases.

Expenses: FY 2014/15 projected expenses are \$8,369,063 vs. \$8,347,189 in FY 2013/14. The budget has been prepared with a \$21,874 (0.26%) increase overall.

Regular salary and benefit costs are down roughly 2.7% as a result several new hires that will be starting at entry level pay grades and with the implementation of the new Memorandum of Understanding (MOU) the employees are now paying an additional 3% of their employee costs, totally 6% and effective January 1, 2015 they will be paying the total 9% of employee costs. Overtime will continue to be an issue for the department due to training and minimum staffing requirements. Overtime has been increased 15% (\$75,000) to cover the anticipated costs of the two new firefighter trainees.

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. Fortunately, there was a dividend received by the department, and that was used as a one-time offset to the increase. A wellness program is being developed to potentially reduce future injuries. Fitness evaluations are the first step in the process, which increased the Physical line item by \$13,500.

Employee medical premium costs have increased by 10.8%

The CalPERS Safety Plan employer contribution rate increased from 23.397% to 23.948% and the Miscellaneous Plan rate decreased from 10.843% to 10.702%. For new hires the Safety Plan rate is 12.25% and the Miscellaneous Plan is 6.25%. We have two new hires at the 12.25% Safety Rate.

Expenditures for Capital Outlay have been increased by \$18,600 to cover the replacement of computers and exercise equipment.

Reserve Funds: Cash reserves had 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 have been used to offset the contributions by the Prior Authority members. Those funds have been expended and in the future the Prior Authority agencies will have to bear the full burden of their annual contributions.

The proposed budget includes utilizing \$133,732, from Prior Authority funds to offset San Anselmo's, Fairfax's, and Sleepy Hollow's FY 2014/15 contributions. Contributions into the Apparatus Replacement fund total \$133,900, resulting in \$291,434 in the Replacement fund. The proposed budget includes \$49,023 remaining in the Compensated Absences fund and carrying over \$262,153 in Unassigned Reserves.

FISCAL IMPACT:

The total proposed operating budget for FY 2014/15 is \$8,369,063. The operating budget is funded by member contributions of \$1,886,790 from Fairfax, \$1,670,769 from Ross, \$3,282,900 from San Anselmo, and \$1,036,517 from Sleepy Hollow. There are outside revenues of \$492,257.

Member contributions for Fairfax, San Anselmo, and Sleepy Hollow are up 4.43% over FY 2013/14 numbers. The Ross contribution is up by 3.07%. The increases result from fewer funds being available from the Prior Authority Reserves and reserve allocations from the previous year.

The estimated beginning fund balance for FY 2014/15 is \$604,042 of which \$49,023 is Compensated Absences, \$291,434 is Apparatus Replacement, and \$262,153 is Unassigned.

Attachment: FY 2014/15 Proposed Budget

Resolution 14-05 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, 2014

Ross Valley Fire Department

2014-2015 Proposed Budget - Proposed

	2013-14			2014-15
	Adopted	Revised	Estimated	Proposed
	Budget	Budget	Actual	Budget
Beginning Balance	796,892	883,285	883,285	604,042
Revenue				
Member Contributions	7,774,926	7,774,927	7,551,083	7,876,975
Outside Revenues	477,612	690,748	690,748	492,257
Total Revenue	8,252,538	8,465,675	8,241,831	8,369,232
Total Resources	9,049,430	9,348,960	9,125,116	8,973,273
Expenses				
Salaries:	3,537,074	3,443,048	3,486,268	3,473,214
Benefits:	1,798,216	1,760,350	1,768,365	1,719,369
Reimbursable Costs:	111,547	111,547	105,620	108,015
Overtime:	576,116	778,116	867,085	663,660
Volunteers:	26,700	24,350	26,700	26,700
Retirees:	463,378	463,378	463,378	463,378
Insurance:	444,800	442,545	463,300	444,800
Vehicle Maintenance:	129,000	129,000	129,000	133,200
Maintenance:	19,875	19,875	19,875	21,875
Contract Services:	271,579	273,279	271,579	282,116
Utilities:	50,640	51,014	50,640	51,100
Office Expenses:	22,600	22,600	22,600	24,600
Other Services & Supplies:	122,950	108,350	147,950	142,100
Capital Outlay:	63,241	46,400	63,241	81,841
Debt Service	635,473	635,473	635,473	653,095
Sub Total Expenses	8,273,189	8,309,325	8,521,074	8,289,063
Reserves				
Budget Contingency:	30,000	5,000	0	30,000
Retired S/L Comp Contingency	44,000	0	0	50,000
Total Exp, Res				
Total Expenses	8,347,189	8,314,325	8,521,074	8,369,063
Ending Balance	478,398	810,791	604,042	604,210
Compensated Absences	29,489	49,023	49,023	49,023
Apparatus Replacement	153,886	157,534	157,534	291,434
Unassigned	191,856	470,502	262,153	262,153
Fairfax	31,363	40,655	40,655	0
San Anselmo	54,575	70,744	70,744	0
Sleepy Hollow	17,229	22,333	22,333	0
Prior Authority Apparatus Replacement	0	0	0	0

ROSS VALLEY FIRE DEPARTMENT						
<u>FY 2014-15 Budget - Proposed</u>						
		2013-14	2013-14		2014-15	
		Adopted	Revised	Estimated	Proposed	
		Budget	Budget	Actual	Budget	Difference
<u>REVENUE:</u>						
<u>Member Contributions:</u>						
3030 - Fairfax		\$ 1,585,077	\$ 1,585,077	\$ 1,539,477	\$ 1,594,624	9,547
3035 - Ross		\$ 1,589,159	\$ 1,589,159	\$ 1,589,159	1,639,490	50,331
3040 - San Anselmo		2,757,898	2,757,898	2,678,548	2,774,501	16,603
3042 - Sleepy Hollow		870,772	870,772	845,722	876,017	5,246
3044 - Prior Authority Side Fund Payment		549,393	549,393	549,393	565,912	16,519
3048 - Prior Authority Retiree Health		168,329	168,329	168,329	168,329	-
3049 - Prior Authority MERA Bond		38,219	38,219	38,219	38,219	(0)
3054 - Debt Service Contributions		216,080	216,080	86,080	85,983	(130,097)
3062 - Apparatus Replacement		-	-	56,156	133,900	133,900
	Total	<u>7,774,926</u>	<u>7,774,927</u>	<u>7,551,083</u>	<u>7,876,975</u>	102,049
<u>Outside Revenues:</u>						
3045 - County of Marin		131,135	131,135	131,135	135,404	4,269
3056 - OES Reimbursement Out of County			100,916	100,916		-
3058 - RVPA Reimb. - Medic Program		175,713	177,215	177,215	183,435	7,722
3064 - RVPA Rental		26,123	26,123	26,123	26,776	653
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		78,000	80,572	80,572	80,000	2,000
3096 - Re-sale Inspection Fees		10,000	12,006	12,006	10,000	
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	5,600	5,600	5,000	-
3350 - Prior Year Adjustment		-	-	-	-	-
	Total	<u>477,612</u>	<u>690,748</u>	<u>690,748</u>	<u>492,257</u>	14,644
Total Income		<u>8,252,538</u>	<u>8,465,675</u>	<u>8,241,831</u>	<u>8,369,232</u>	116,693
<u>EXPENSES:</u>						
<u>Salaries:</u>						
5010 - Regular Salaries		3,128,450	3,020,316	3,060,355	3,286,675	158,225
5011 - Holiday		141,974	139,048	139,729	150,538	8,564
5012 - S/L Buyback		16,000	13,500	16,000	16,000	-
5013 - Retired S/L Compensation		230,650	250,184	250,184		(230,650)
5016 - Temporary Hire		20,000	20,000	20,000	20,000	-
	Total	<u>3,537,074</u>	<u>3,443,048</u>	<u>3,486,268</u>	<u>3,473,214</u>	(63,860)
<u>Benefits:</u>						
5020 - Retirement		1,027,126	989,260	999,987	877,641	(149,485)
5021 - Cafeteria Health Plan		658,333	658,333	658,333	729,943	71,610
5022 - Housing Allowance		48,200	48,200	42,402	40,500	(7,700)
5023 - Medicare/FICA		56,152	56,152	59,237	59,835	3,683
5024 - PERS Admin. Fee		2,500	2,500	2,500	2,500	-
5025 - Retiree Health Savings Match		5,905	5,905	5,905	8,950	3,045
	Total	<u>1,798,216</u>	<u>1,760,350</u>	<u>1,768,365</u>	<u>1,719,369</u>	(78,847)

ROSS VALLEY FIRE DEPARTMENT							
<u>FY 2014-15 Budget - Proposed</u>							
			2013-14	2013-14		2014-15	
			Adopted	Revised	Estimated	Proposed	
			Budget	Budget	Actual	Budget	Difference
<u>Reimbursable Costs:</u>							
5040 - Uniform			23,820	23,820	23,264	23,340	(480)
5041 - Education			79,727	79,727	74,356	76,675	(3,052)
5043 - Board Member Stipend			8,000	8,000	8,000	8,000	-
	Total		<u>111,547</u>	<u>111,547</u>	<u>105,620</u>	<u>108,015</u>	(3,532)
<u>Overtime:</u>							
5050 - Regular/Standby			375,000	580,000	616,000	450,000	75,000
5051 - FLSA			77,116	77,116	74,543	79,660	2,544
5052 - Hourly Overtime			53,000	53,000	53,000	53,000	-
5053 - Shift Differential			30,000	35,000	30,000	30,000	-
5054 - Reimbursed Overtime			16,000	8,000	16,000	16,000	-
5055 - OT - OES Response					52,542		-
5056 - OT - Training			25,000	25,000	25,000	35,000	10,000
	Total		<u>576,116</u>	<u>778,116</u>	<u>867,085</u>	<u>663,660</u>	87,544
<u>Volunteers:</u>							
5060 - Response/Standby			3,500	4,250	3,500	3,500	-
5061 - CSFA Dues/Insurance			3,500	3,500	3,500	3,500	-
5062 - Supplies			1,200	1,200	1,200	1,200	-
5063 - Drills			4,000	3,000	4,000	4,000	-
5064 - Vol. Length of Service			5,600	3,500	5,600	5,600	-
5065 - Explorer Post			4,400	4,400	4,400	4,400	-
5066 - Volunteer Recruit Academy Expenses			4,500	4,500	4,500	4,500	-
			<u>26,700</u>	<u>24,350</u>	<u>26,700</u>	<u>26,700</u>	
<u>Retirees':</u>							
5070 - Health Insurance			463,378	463,378	463,378	463,378	-
	Total		<u>463,378</u>	<u>463,378</u>	<u>463,378</u>	<u>463,378</u>	-
<u>Insurance:</u>							
6005 - Workers Comp Claims			300	300	300	300	-
6006 - Worker's Comp Insurance			420,000	420,000	438,500	420,000	-
6007 - Liability Insurance			24,500	22,245	24,500	24,500	-
	Total		<u>444,800</u>	<u>442,545</u>	<u>463,300</u>	<u>444,800</u>	-
<u>Vehicle Maintenance:</u>							
6010 - Fuel			35,800	35,800	35,800	40,000	4,200
6011 - Parts			3,200	3,200	3,200	3,200	-
6012 - Repairs			90,000	90,000	90,000	90,000	-
	Total		<u>129,000</u>	<u>129,000</u>	<u>129,000</u>	<u>133,200</u>	4,200
<u>Maintenance:</u>							
6020 - Equipment			4,275	4,275	4,275	4,275	-
6026 - Building and Landscaping			4,000	4,000	4,000	6,000	2,000
6028 - General Maintenance Supplies			2,600	2,600	2,600	2,600	-
6029 - Hydrant Maintenance			5,000	5,000	5,000	5,000	-
94040 - Burn Trailer Maintenance			4,000	4,000	4,000	4,000	-
	Total		<u>19,875</u>	<u>19,875</u>	<u>19,875</u>	<u>21,875</u>	2,000

ROSS VALLEY FIRE DEPARTMENT						
<u>FY 2014-15 Budget - Proposed</u>						
		2013-14	2013-14		2014-15	
		Adopted	Revised	Estimated	Proposed	Difference
		Budget	Budget	Actual	Budget	
<u>Contract Services:</u>						
6040 - Dispatch		126,872	126,872	126,872	135,194	8,322
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	4,000	3,000	3,000	-
6048 - Hazardous Material Contract		7,202	7,902	7,202	8,000	798
6049 - MERA Bond Payment -Prior Authority		38,219	38,219	38,219	38,219	(0)
6050 - MERA Operating Expense		35,237	35,237	35,237	36,654	1,417
	Total	<u>271,579</u>	<u>273,279</u>	<u>271,579</u>	<u>282,116</u>	10,537
<u>Utilities:</u>						
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		1,540	1,914	1,540	2,000	460
	Total	<u>50,640</u>	<u>51,014</u>	<u>50,640</u>	<u>51,100</u>	460
<u>Office Expenses:</u>						
6070 - Publications & Dues		2,400	2,400	2,400	4,000	1,600
6072 - Computer Software/Support		12,000	12,000	12,000	12,000	-
6075 - Web Page Design and Maint.		3,100	3,100	3,100	3,100	-
6080 - Office Supplies		4,500	4,500	4,500	4,500	-
6081 - Postage		600	600	600	1,000	400
	Total	<u>22,600</u>	<u>22,600</u>	<u>22,600</u>	<u>24,600</u>	2,000
<u>Other Services & Supplies:</u>						
6090 - General Department Supplies		16,000	16,000	16,000	20,000	4,000
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	4,500	18,000	13,500
6094 - New Hire		3,350	3,350	28,350	3,500	150
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	2,000	5,700	5,700	-
6121 - Breathing App. - Maint Contract		6,900	1,000	6,900	6,900	-
6130 - Protective Clothing		6,500	6,500	6,500	8,000	1,500
6150 - Tools/Equipment		6,500	1,500	6,500	6,500	-
6180 - Community Education & Preparedness		10,000	10,000	10,000	10,000	-
	Total	<u>122,950</u>	<u>108,350</u>	<u>147,950</u>	<u>142,100</u>	19,150
<u>Contingency:</u>						
6201 - Budget Contingency		30,000	5,000	-	30,000	-
6210 - Retired S/L Comp Contingency		44,000		-	50,000	6,000
		<u>74,000</u>	<u>5,000</u>	<u>0</u>	<u>80,000</u>	6,000

[illegible]

ROSS VALLEY FIRE DEPARTMENT						
FY 2014-15 Budget - Proposed						
		2013-14	2013-14		2014-15	
		Adopted	Revised	Estimated	Proposed	
		Budget	Budget	Actual	Budget	Difference
Income						
	Contract:	5,774,851		7,551,083		
	Non-Contract Reimbursements:	479,688		690,748		
	Total Income	6,254,539		8,241,831	-	
Expenses						
	Salaries:	3,537,074		3,486,268	3,473,214	(63,860)
	Benefits:	1,798,216		1,768,365	1,719,369	(78,847)
	Reimbursable Costs:	111,547		105,620	108,015	(3,532)
	Overtime:	576,116		867,085	663,660	87,544
	Volunteers:	26,700		26,700	26,700	-
	Retirees':	463,378		463,378	463,378	-
	Insurance:	444,800		463,300	444,800	-
	Vehicle Maintenance:	129,000		129,000	133,200	4,200
	Maintenance:	19,875		19,875	21,875	2,000
	Contract Services:	271,579		271,579	282,116	10,537
	Utilities:	50,640		50,640	51,100	460
	Office Expenses:	22,600		22,600	24,600	2,000
	Other Services & Supplies:	122,950		147,950	142,100	19,150
	Contingency:	74,000		-	80,000	6,000
	Capital Outlay:	63,241		63,241	81,841	18,600
	Debt Service	635,473		635,473	653,095	17,623
						-
	Total Expenses	8,347,189		8,521,074	8,369,063	21,874
						-
	Personnel related costs	\$ 5,805,048		\$ 7,180,716	\$ 6,899,136	1,094,088
	Non-Personnel related costs	\$ 675,990		\$ 1,340,358	\$ 1,389,927	713,937
	Contingency	10,000		-	80,000	70,000

ROSS VALLEY FIRE DEPARTMENT

RESOLUTION 14-05

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, 2014

BE IT RESOLVED that the budget of the Ross Valley Fire Department for the fiscal year commencing July 1, 2014, is hereby adopted and consisting of the following appropriations:

Expenses:

Salaries and Benefits	\$6,427,636
Services and Supplies	\$1,126,491
Capital Outlay	\$81,841
Contingency	\$80,000
Debt Service	\$653,095
Total:	\$8,369,063

Income:

Town of Fairfax	\$1,886,790
Town of Ross	\$1,670,769
Town of San Anselmo	\$3,282,900
Sleepy Hollow FPD	\$1,036,517
Outside Sources	\$492,257

Prior Authority Reserves:

Fairfax	\$40,654
San Anselmo	\$70,744
Sleepy Hollow	\$22,333

Total: **\$8,502,963**

I hereby certify that the foregoing resolution was passed and adopted by the Ross Valley Fire Department Board of Directors on the 11th day of June, 2014 by the following vote, to wit:

Ayes:

Noes:

Absent:

Abstain:

Carla Small, President

JoAnne Lewis, Administrative Assistant