



RODEO-HERCULES FIRE PROTECTION DISTRICT
1680 REFUGIO VALLEY ROAD, HERCULES, CALIFORNIA 94547
(510) 799-4561 FAX: (510) 799-0395

REGULAR BOARD MEETING MINUTES

May 10, 2023

1. **CALL TO ORDER/ROLL CALL** – Meeting called to order at 6:00 p.m. Directors Bowman, Hill, Davidson and Mikel present. Director Doss is not present in person.
2. **PLEDGE OF ALLEGIANCE** (0:28)
3. **PUBLIC COMMUNICATION-CLOSED SESSION ITEM** (1:11)
4. **ADJOURN TO CLOSED SESSION** (1:11)
5. **RECONVENE IN OPEN SESSION/CLOSED SESSION REPORT OUT** (1:35) Nothing to report.
6. **ANNOUNCEMENTS OF DISTRICT EVENTS** None.
7. **CONFIRMATION OF THE AGENDA**

Motion made by Chair Bowman to Approve Agenda with amendment to February 8 minutes meeting to include roll call. Seconded by Director Hill.

ROLL CALL VOTE (4-0)

Bowman: Yes
Hill: Yes
Davidson: Yes
Mikel: Yes

8. **REVIEW OF CORRESPONDENCE TO THE BOARD** None.
9. **PUBLIC COMMUNICATIONS ON ITEMS NOT ON THIS AGENDA** (4:00) None.
10. **CONSENT CALENDAR**
11. **APPOINTMENT OF INTERIM FIRE CHIEF AND APPROVAL OF INTERIM FIRE CHIEF EMPLOYMENT AGREEMENT** (4:50)

Motion made by Director Davidson to approve appointment of interim Chief Rebecca Ramirez. Seconded by Director Hill.

ROLL CALL VOTE (4-0)

Bowman: Yes
Hill: Yes
Davidson: Yes
Mikel: Yes

12. **RESOLUTION NO. 2023-03: A RESOLUTION DECLARING INTENTION TO CONTINUE TO LEVY A FIRE SUPPRESSION ASSESSMENT AND SUPPLEMENTAL FIRE SUPPRESSION ASSESSMENT ON ALL PARCELS OF REAL PROPERTY FOR FISCAL YEAR 2023-23 FOR THE RODEO HERCULES FIRE PROTECTION DISTRICT (7:54)**

Board must adopt resolution annually in order to continue levy. If the board chooses not to adopt, District projected to lose around \$1.3 million to general fund in fiscal year 2023-24.

Motion by Director Hill to adopt resolution. Seconded by Director Mikel.

ROLL CALL VOTE (4-0)

Bowman: Yes

Hill: Yes

Davidson: Yes

Mikel: Yes

13. **RESOLUTION NO. 2023-04: RESOLUTION APPROVING AN AGREEMENT WITH M.E.D. ENTERPRISES INC. TO PROVIDE STRATEGIC PLAN CONSULTANT SERVICES; FIRE DISTRICT ANALYSIS AND OPTIONS FOR PROTECTING SERVICE LEVELS (10:00)**

Motion made by Director Davidson to adopt resolution. Seconded by Director Mikel.

ROLL CALL VOTE (4-0)

Bowman: Yes

Hill: Yes

Davidson: Yes

Mikel: Yes

14. **RESOLUTION NO. 2023-05: A RESOLUTION OF THE RODEO-HERCULES FIRE PROTECTION DISTRICT AUTHORIZING PARTICIPATION IN AND APPROVING THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT OF THE FIRE RISK MANAGEMENT SERVICES JOINT POWERS AUTHORITY (13:27)**

Motion made by Director Mikel to adopt resolution. Seconded by Director Hill.

ROLL CALL VOTE (4-0)

Bowman: Yes

Hill: Yes

Davidson: Yes

Mikel: Yes

15. **REVIEW OF DRAFT STRATEGIC PLAN AND BUSINESS/IMPLEMENTATION PLAN (16:00)**

Directors Bowman and Mikel may present at next month's meeting.

16. **FIRE CHIEF'S REPORT (16:45)**
 - District is at full staffing with 18 firefighters.
 - Should hear back regarding countywide radio grant later this year.
 - May need to consider replacing reserve Quint 76 with an engine. 2-3 year wait for new engine.
 - Wildland apparatus are approaching replacement date.
17. **STAFF REPORTS** None.
18. **BOARD MEMBER REPORTS (18:19)**
 - Budget ad hoc committee will be reviewing report submitted by Measure O Oversight Committee.
19. **MEASURE O (19:35)** None.
20. **LOCAL 1230 COMMENT (20:35)**
 - Jonathan Bischoff welcomes Chief Ramirez. 15/18 RHFD Firefighters participated in Fill The Boot, raising around \$6,000.
21. **DISCUSSION-REQUESTS FOR FUTURE AGENDA ITEMS (21:44)**
 - Discussion on Measure O funds
 - Budget workshop and budget approval
 - Measure O final report
 - Possible appointment of MSR O member
 - Strategic plan ad-hoc committee update
 - Link agenda items to document on website
 - Ad hoc committee Directors Doss and Hill to determine performance process
22. **ADJOURNMENT** Meeting adjourned at 7:25 p.m.

Board Vice Chair

AGENDA ITEM 8B

8:57 AM
06/07/2023

Date	Num	Name	Memo	Account	Amount
05/01/2023	W4102379XE	American Messaging	May 2023	2110 · Communications	-38.04
05/01/2023	May 2023	The Standard	May 2023	1060 · Group Insurance	-551.00
05/01/2023	June 2023	American River Benefit Administrators	June 2023	1060 · Group Insurance	-703.80
05/01/2023	84941798	Bound Tree	medical supplies	2140 · Medical Supplies	-999.25
05/01/2023	13344	Precision IT Consulting	June 2023	2310 · Professional/Specialized Servic	-2,394.53
05/02/2023	307		18-19 SPT	9011 · Property Tax-Supplemental	606.17
05/02/2023	307		19-20 SPT	9011 · Property Tax-Supplemental	760.38
05/02/2023	307		20-21 SPT	9011 · Property Tax-Supplemental	4,017.70
05/02/2023	307		21-22 SPT	9011 · Property Tax-Supplemental	28,811.53
05/02/2023	307		17-18 SPT	9011 · Property Tax-Supplemental	320.17
05/02/2023	307		22-23 SPT	9011 · Property Tax-Supplemental	109,119.25
05/02/2023	308		2021 SPT	9011 · Property Tax-Supplemental	-103.05
05/02/2023	311		21/22 SPT H/O APPN	9385 · Homeowner Property Tax Relief	186.79
05/02/2023	311		19/20 SPT H/O APPN	9385 · Homeowner Property Tax Relief	3.06
05/02/2023	311		20/21 SPT H/O APPN	9385 · Homeowner Property Tax Relief	40.32
05/03/2023		Cal OES	Strike Team Reimbursement	1011 · Permanent Salaries	32,155.02
05/04/2023	250049	J.W. Enterprises	May 2023	2310 · Professional/Specialized Servic	-359.00
05/05/2023	FASIS-2023-0598	FASIS	2021-22 Payroll adjustment	1070 · Worker's Compensation Insurance	-33,076.00
05/08/2023	4216	Rodeo Sanitary District	22-23 Commercial Sewer Service Fee	2120 · Utilities	-520.80
05/09/2023	306		OFA Balance Hercules	9010 · Property Taxes-Current Secured	48,986.98
05/09/2023	194615	Cooke & Associates	Phase 1-Pre-employment background check	2310 · Professional/Specialized Servic	-364.40
05/10/2023	842003923-0001	Verizon Wireless	04/11-05/10	2110 · Communications	-19.54
05/10/2023	June 2023	Health Care Dental	June 2023	1060 · Group Insurance	-2,046.33
05/11/2023	95820	Vallejo Fire Extinguisher	76-Annual Maintenance	2270 · Repairs & Services of Equipment	-636.36
05/11/2023	95821	Vallejo Fire Extinguisher	75-Annual Maintenance	2270 · Repairs & Services of Equipment	-134.00
05/12/2023	184-1098864	Goodyear	759-flat repair	2273 · Central Garage-Tires	-625.36
05/12/2023	76-4017223667-May	P.G.&E.	76-04/10/23-05/09/23	2120 · Utilities	-310.04
05/12/2023	75-5183799518-May	P.G.&E.	75-04/11/23-05/10/23	2120 · Utilities	-291.80
05/17/2023	75-188892092-JUN	P.G.&E.	75-04/12-05/11/23	2120 · Utilities	-29.81

AGENDA ITEM 8B

05/18/2023	79330835	Concentra	Pre-Employment Medical Screen	2310 · Professional/Specialized Servic	-610.00
05/18/2023	03-23-411	Municipal Resource Group	Jan-March 2023	2310 · Professional/Specialized Servic	-10,800.00
05/19/2023	205184	Meyers Nave	April 2023	2310 · Professional/Specialized Servic	-7,332.48
05/21/2023	9935438452	Verizon Wireless	04/22-05/21	2110 · Communications	-668.28
05/22/2023	2022-23-350	Alameda County Fire Department	T76-fuel tank leak repairs	2271 · Central Garage Maintenance	-1,732.42
05/22/2023	2022-23-351	Alameda County Fire Department	376-service and repairs	2271 · Central Garage Maintenance	-4,421.65
05/22/2023	2022-23-352	Alameda County Fire Department	T776-fuel systeminspection and repairs	2271 · Central Garage Maintenance	-341.79
05/22/2023	2022-23-353	Alameda County Fire Department	T76-repairs	2271 · Central Garage Maintenance	-5,345.16
05/22/2023	2022-23-354	Alameda County Fire Department	776-repairs	2271 · Central Garage Maintenance	-539.91
05/22/2023	2833-120726	O'Reilly	auto supplies	2272 · Central Garage Gas/Oil	-25.80
05/23/2023	75-25344-May	EBMUD	75-03/24-05/24/23	2120 · Utilities	-293.20
05/23/2023	84965794	Bound Tree	medical supplies	2140 · Medical Supplies	-218.29
05/24/2023	RDO2023-1	Firestats	02/27/23-04/07/23	2310 · Professional/Specialized Servic	-4,562.50
05/24/2023	75-9173373209-JUN	P.G.&E.	75-04/25-05/23	2120 · Utilities	-53.49
05/25/2023	19412	Red Cloud	Portable Radio batteries	2276 · Maintenance-Radios & Electronic	-2,955.21
05/25/2023	965664324-237	Sprint	04/23-05/22	2110 · Communications	-434.13
05/26/2023	309		June 2023 RPTTF residual distribution	9010 · Property Taxes-Current Secured	152,622.08
05/26/2023	309		FY 2022-23 RDA supplemental pass thru	9010 · Property Taxes-Current Secured	6,165.03
05/26/2023	309		June 2023 RDA pass throughs	9010 · Property Taxes-Current Secured	175,066.21
05/26/2023	312		22/23 SPT Pass Thru	9591 · RDA Non Property Tax Pass Thru	31,285.39
05/26/2023	312		22/23 RDA Pass Thru	9591 · RDA Non Property Tax Pass Thru	262,255.08
05/31/2023	310		PY UNS 1%	9035 · Property Tax-Prior Unsecured	373.88
05/31/2023	75-538431-May	EBMUD	75-03/24-05/24/23	2120 · Utilities	-56.15
05/31/2023	120	Greg Kennedy	May 2023	2310 · Professional/Specialized Servic	-3,000.00

RODEO-HERCULES FIRE PROTECTION DISTRICT**MEMORANDUM**

TO: Board of Directors, RODEO HERCULES FIRE DISTRICT

FROM: Rebecca Ramirez, Interim Fire Chief

DATE: June 14, 2023

RE: Fiscal Year 2023-24 Preliminary Budget

BACKGROUND:

CA H&S § 13890 requires that on or before June 30 of each year, a district board shall adopt a preliminary budget which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with Section 1031.1) of, and Article 1 (commencing with Section 1121) of Subchapter 4 of, Chapter 2 of Division 2 of Title 2 of the California Code of Regulations. If the board cannot adopt a budget before that deadline, the previous fiscal year budget will remain until a budget is adopted. Before the current fiscal year-end, a preliminary budget is adopted and utilized based on anticipated revenues.

The Rodeo-Hercules Fire Protection District (RHFD) is an autonomous special district under CA H&S §13800. Revenue to the Fire District is primarily derived from ad valorem property tax with an average established tax rate of 11% annually. In addition, there are property-based special benefit assessment, a supplemental benefit assessment, and one tax measure. The Fire District's financial position has improved with the revenue provided by Measure O. Without this parcel tax, the Fire District would return to a single-station model. Fully funding two fire stations and providing uninterrupted emergency service is the continued primary focus when creating this budget. The anticipated annual revenue from these funding sources is approximately \$9.2 million dollars for this fiscal year.

At present, the fiscal year 2023-24 proposed revenues are expected to be \$9,255,124 and expenditures are anticipated to be \$9,024,069. The result is a year-end fund balance of \$231,055^[1]. We estimate the District's fund balance will be \$7,590,092 as of July 1, 2024.

While the FY 2023-24 recurring budget is a balanced budget based on current and predicted revenue and expenditure projections, reserve funds will be required if much needed capital projects and purchases are to be accomplished and claim obligations are to be met. It is important to note that this budget is preliminary. It is anticipated that several additions and adjustments will occur between now and the adoption of the final budget.

EFFICIENCIES:

An analysis is underway to develop options for maintaining or improving current service levels provided by RHFD. This would be expected to encompass a review of all administrative responsibilities or workload and provide a gap analysis matrix, including an analysis of all reasonable proposed partnerships. Additionally, it will seek options for more consistent and reliable methods to generate revenue.

^[1] This figure does not include fund balances carried over from prior years, and excludes Capital expenditures. **RHFD006**

The Fire District will continue to work with its Battalion 7 partners to provide service to the community regarding emergency operations.

The Fire District enjoys a cooperative relationship with the United Professional Firefighters of Contra Costa County. The current MOU with District represented employees expires June 30, 2024.

In cooperation with neighboring agencies, the District was a partner in the application process for grant (Assistance for Firefighter Grant “AFG”) and Measure X funds for communications equipment (radios).

PRELIMINARY BUDGET:

The staff has prepared the budget based on fiscal forecasting, revenue projections, and audited fund balances.

Revenue

Property taxes, the benefit assessment, and Measure O equal 90% of the revenues received annually, while miscellaneous/other revenues equal 10% of total revenue:

• Property taxes	\$4,342,886	47%
• Benefit Assessment	\$1,361,582	15%
• Measure O	\$2,645,510	28%
• Miscellaneous other	<u>\$ 905,146</u>	<u>10%</u>
	\$9,255,124	100%

Expenditures

The budget includes the following assumptions and significant expenditures:

- Increases in medical benefits costs for current and retired employees (\$70,031)
- Increase in FLSA (\$62,000)
- Budgeting apparatus lease costs in the General Fund (\$200,000)
- Deferred facilities and equipment maintenance (\$600,000) assigned fund balance/capital.
- Settlement of FLSA claim (\$280,000)
- Four months of salary for Financial Stabilization Fund (\$1,300,000)
- Contra Costa County Employees' Retirement Agency (CCCERA) retirement system costs for current employees' ongoing payments and the unfunded liabilities (UAAL) incurred for the pensions for current and retired employees. These two costs total \$2,259,896.

Regular and routine increases to compensation and benefits as agreed upon in the MOU with Local 1230 are also included, along with matching increases to administrative compensation and benefits.

Additional increases in the areas of overtime, communications equipment (radios) and contract services will be evaluated and may be included in the final budget. Similar to capital requests, due to time constraints and the lack of sufficient data, more time is needed to thoroughly assess and provide accurate estimates.

Total expenditures for fiscal year 2023-24 are \$9,024,069.

RECOMMENDATION:

Staff is recommending approval of a preliminary budget of \$9,024,069. Changes identified by the Board of Directors during the budget presentation and subsequent meetings will be reflected in the final budget, which will be brought before the board at the September 13, 2023 regular meeting.

Rodeo-Hercules Fire Protection District



2023-24 PRELIMINARY BUDGET

I. MISSION STATEMENT**Rodeo-Hercules Fire Protection District****Mission Statement**

This organization's mission is to provide the highest level of service to the community; mitigate the devastating effects of fires and other disasters, deliver emergency medical services; educate the public, and maintain a constant state of readiness.

Core Values

To that end, we value:
Service to the Community
Public Trust
Professionalism
Educated Work Force
Compassion
Teamwork
Safety, Health & Welfare of the Organization

Board of Directors

The Board of Directors is the elected policy-making body for the Rodeo-Hercules Fire Protection District. The Directors provide financial oversight and strategic policy direction to maximize the public value of Fire District services

Marie Bowman (Board Chair)

Delano Doss (Vice Chair)

Steve Hill

Charles Davidson

Robyn Mikel

Interim Fire Chief

Rebecca Ramirez

The Fire Chief is the Chief Executive Officer of the Fire District. In collaboration with the Board of Directors and partnership with all members of the organization, the Fire Chief provides direction, protection, and order to the Fire District.

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II. Executive Summary

A. Transmittal Letter

June 14, 2023

Board of Directors
Rodeo-Hercules Fire Protection District
1680 Refugio Valley Road
Hercules, CA 94547

Members of the Board of Directors:

As your new Interim Fire Chief, I am pleased to present the Fiscal Year 2023-24 Budget for the Rodeo-Hercules Fire Protection District. The creation of this budget wouldn't have been possible without the support of the Fire District Board of Directors. Its continued leadership has allowed the Fire District to provide a Budget with complete financial transparency. With the assistance of the Board of Directors, budget ad hoc committee, the firefighters, administrative staff, and the Fire District's financial advisor ("MRG"), District staff provide this budget.

The budget is developed based upon the needs and priorities of the Fire District with consideration of historical spending, trend analysis, present and forecasted needs and staff capacity. The development, approval, and implementation of the budget are critical to proper management the district's finances.

This Fire District has faced many challenges over the years, and 2023-24 is no exception. However, under Board direction significant progress to identify and address these challenges are well underway. While the challenges will be addressed within this document, let's take a moment to identify and celebrate the significant accomplishments which have taken place during the 2022-23 FY:

- ✓ Completion and acceptance of the 2022-2027 Strategic Plan
- ✓ Completion and acceptance of Management/Administrative Assessment
- ✓ Adoption of the 2022 Uniform Fire Code
- ✓ Hiring of an Interim Fire Chief
- ✓ Execution of agreement for services with M.E.D Enterprises for continued analysis
- ✓ Purchase of Command Vehicle
- ✓ Hiring of one firefighter to obtain full staffing level

These accomplishments would not have been possible without the tireless efforts of personnel and staff and the support of our Board and community.

Background

In spring of 2022 and at the direction of the Fire District Board of Directors, staff entered into a contract with Fitch & Associates to update their Strategic Plan (SP) and conduct a Management/Administrative Assessment plan (MAP) to help identify challenges to the District and help provide a roadmap for the future of the District.

To ensure the process was community driven, the team of consultants, led by retired fire chief Micheal Despain, in collaboration with staff, met with stakeholders for several months to gather information. The plans were completed and received by the Board in fall of 2022 and accepted as to findings. At the direction of the Board, staff began developing, implementing, and tracking portions of the plans that were achievable within the constraints of the 2022-23 budget and the capacity of staff. The findings will serve to inform the budget recommendations contained within this document.

In spring of 2023 a process for interim Chief occurred and a new Interim Fire Chief was selected by the Board. The appointment was made in mid-May 2023.

Concurrently, at the direction of the Board, staff executed an agreement with retired Fire Chief Micheal Despain to assist with an analysis of options for maintaining or improving current service levels provided by RHFD. This would be expected to encompass a review all administrative responsibilities or workload and provide a gap analysis matrix including an analysis of all reasonable proposed partners. Additionally, it will seek options for more consistent and reliable methods to generate revenue.

The Strategic Plan ad hoc committee will serve to provide direction and collaboration with Chief Despain. Because this process is underway, no additional staff are included within this budget document. These efforts are intended to address the significant long-term challenges of sustainability which will not be deeply addressed within this document.

Several areas of near-term challenges which will be addressed in this budget document have been identified including inadequate funding of personnel overtime and capital expenditures.

Personnel

The personnel budget is a portion of the budget where there is minimal flexibility. Much of the budget is set by outside parties and formulas are inserted, i.e. health care costs set by CalPERS, payroll taxes, workers compensation rates, and personnel compensation as dictated by the Firefighters MOU. Based on the "constant staffing" model that the RHFD has employed, every time a line employee is off duty it necessitates overtime which accounts for a significant portion of the personnel budget.

The methodology by which the personnel budget lines have been developed to ensure personnel staffing, compensation, and benefits allocations align with expected costs needs to be evaluated and adjusted in two distinct areas, overtime and FLSA.

To properly account for the causes of overtime and to specifically understand overtime needed for shift replacement (filling a seat as minimum staffing on a fire apparatus) vs. administrative overtime (which does not have a direct operational nexus, such as: training, medical follow ups, special meetings and community events). Due to time constraints and the lack of sufficient data more time is needed to provide accurate estimates. Some assumptions related to a high likelihood of exposure to overtime overages are not included in this preliminary budget but are anticipated to be included in the final budget.

In the past, Fair Labor and Standards Act (FLSA) calculations have not been accurately calculated. Staff and counsel have worked collaboratively with Labor (Local 1230) to come to an agreement on back pay owed and methodology for accurate calculations going forward. The new rates as well as the payout for backpay owed are included within the budget.

Regular and routine increases to compensation and benefits, as agreed upon in the MOU with Local 1230, are also included along with matching increases to administrative compensation and benefits.

Facilities

Forecasting and budgeting for capital expenditures including facilities has been inadequate as to funding and staff capacity. The District has relied heavily upon line staff to address these overarching needs in a manner that is not consistent with their roles and places undue burden on the firefighters to complete large projects between other duties or on their off-duty days, all of which cause further delays and an increase to overtime.

Deferred maintenance in both station 75 and 76 have led to health and safety issues as well as operational deficiencies and should be addressed during this fiscal cycle. The amounts placed within the budget for capital expenditures are preliminary and will require adjustment once bids are obtained.

Equipment

Supply chain issues and inflation have led to 2-3 year build times and significant cost increases on apparatus. While the department have two heavy apparatus that are nearing replacement the process by which apparatus is evaluated needs to be updated.

The Department does not have an adopted apparatus replacement plan which includes a regular recurring process of holistic evaluation or a funding mechanism. The department does have an apparatus replacement spreadsheet which identifies expected replacement needs and a method for evaluation, however the equipment has not been evaluated in approximately five years. Prior to replacing any apparatus, a full evaluation of all equipment as well as evaluation of deployment options will need to be conducted. Additionally, market lease and interest rates are high and economic indicators suggest some settling of rates in 2024. Therefore, no apparatus

needs are in the preliminary budget but may be requested and/or included during the final or mid-year budget processes.

Additional expenditure for communications equipment (radios) will be evaluated and may be included in the final budget. Similar to capital requests, due to time constraints and the lack of sufficient data, more time is needed to thoroughly assess, provide accurate estimates, and allow grant applications in process to come to fruition.

I am pleased to report that with the efforts and dedication of this Board, the Budget for FY 2023-24 is balanced. The District is currently maintaining both of its fire stations at full staffing. However, recommended capital improvements, if approved, as well as the payout for any FLSA agreement will require funds from the fund balance to be accessed and placed in assigned and committed funds respectively.

We estimate the District's fund balance is \$7,374,034 as of July 1, 2023.

During this budget preparation process, we have continued to review existing practices and identify and implement cost saving opportunities while seeking to expand high demand services. As always, the District will continue to be diligent in its fiscal responsibilities to the public.

This budget will enable the District to maintain high-quality fire and emergency response while maintaining a top priority on the health and safety of the public and our personnel.

In summary, I would like to express appreciation to the Board of Directors for their continued support, direction, and dedication to public safety.

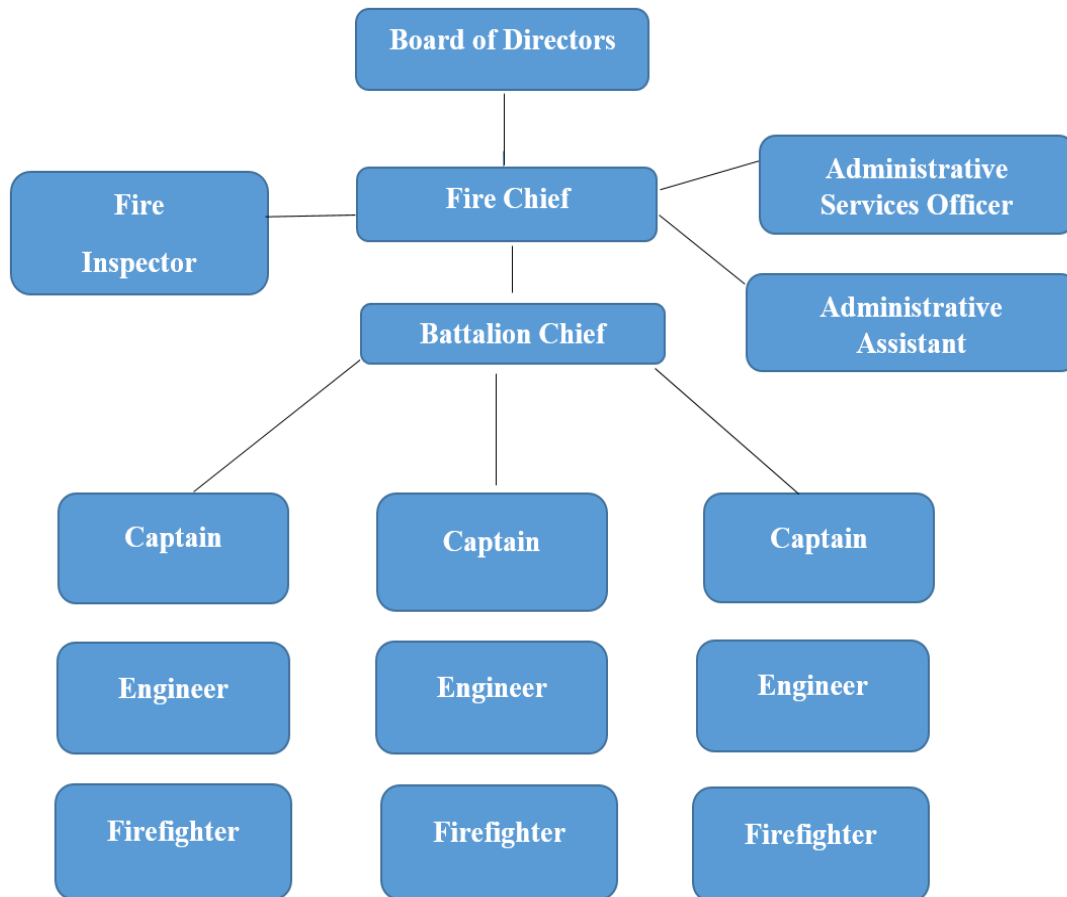
In continued dedicated service,



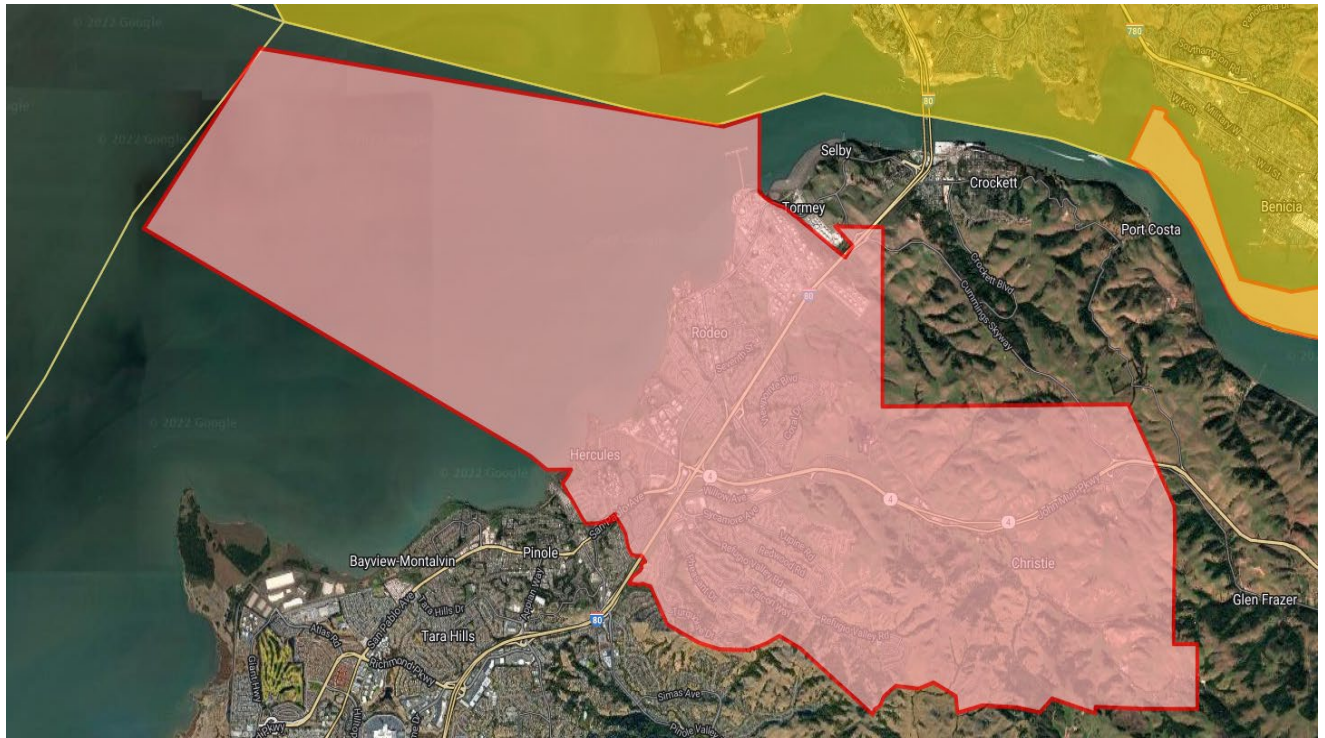
Rebecca Ramirez
Interim Fire Chief

B. District Overview

Organizational Chart



District Boundaries



III. FIRE OPERATIONS

Rodeo-Hercules Fire Protection District is a two-station all-risk department operating individual fire companies specially trained to respond to residential and commercial fires, refinery and industry-related incidents, wildland fires, vehicle extrication, technical rescue, and hazard materials first responder duties. Engine companies are also tasked with determining the origin and cause of fires and providing rescue and advanced life support services. The Fire District provides a minimum of one advanced life support paramedic on duty 365 days a year in the Town of Rodeo and the City of Hercules.

Rodeo-Hercules Fire Protection Fire District operates within Battalion 7, a jointly operated Battalion with Pinole Fire Department and the Contra Costa County Fire Protection Fire District. Each participating entity provides a single Battalion Chief to ensure the consistent establishment of incident command, firefighter safety, and judicious resource management at emergencies. The Battalion also serves the outlying communities of Rodeo-Hercules, including Pinole, Tara Hills, Bayview, Montalvan Manor, Montara Bay, East Richmond Heights, San Pablo, El Sobrante, unincorporated Contra Costa County, and Martinez. Each of these areas presents a unique set of complex hazards, and the rapid establishment of fire ground command is essential to the successful resolution of an array of calls for service.

The Fire District also responds to automatic aid (additional unit response on a call regardless of jurisdictional boundaries) and mutual aid (request for additional resources for large incidents or due to multiple simultaneous incidents). Citizens of participating communities benefit from this sharing of resources and a regionalized approach. These extended responses have included the Contra Costa County Fire Protection Fire District, Crockett-Carquinez Fire Protection Fire District, Pinole Fire

Department, Richmond Fire Department, El Cerrito Fire Department, Moraga/Orinda Fire Protection Fire District, and Vallejo Fire Department.

The Fire District also participates in the California Fire Assistance Agreement for the State of California and Federal Fire Agencies. This agreement, which the Office of Emergency Services manages, has called upon RHFPD to provide Mutual Aid resources throughout California, Oregon, and Nevada.

Strategic Plan

In February 2022, the Fire District entered into a contract with Fitch & Associates to produce a five-year strategic plan. This plan will provide administrative as well as an operational roadmap for success of the District moving forward. Completion of the plan was achieved in September 2022.

Fire Prevention:

Engine companies conduct fire and life safety inspections of all schools and Businesses within the Fire District. Engine companies also conduct an inspection of public and private properties for hazardous and/or combustible fuels, unabated annual grasses, urban blight and give notifications to abate said hazards.

The inspection of residential care facilities, licensed childcare, and adult care facilities, commercial tenant improvements, new construction is addressed with an independent contractor. Construction plan review and compliance with Fire District, local and state requirements, meetings with developers and contractors are addressed with district staff.

Apparatus:

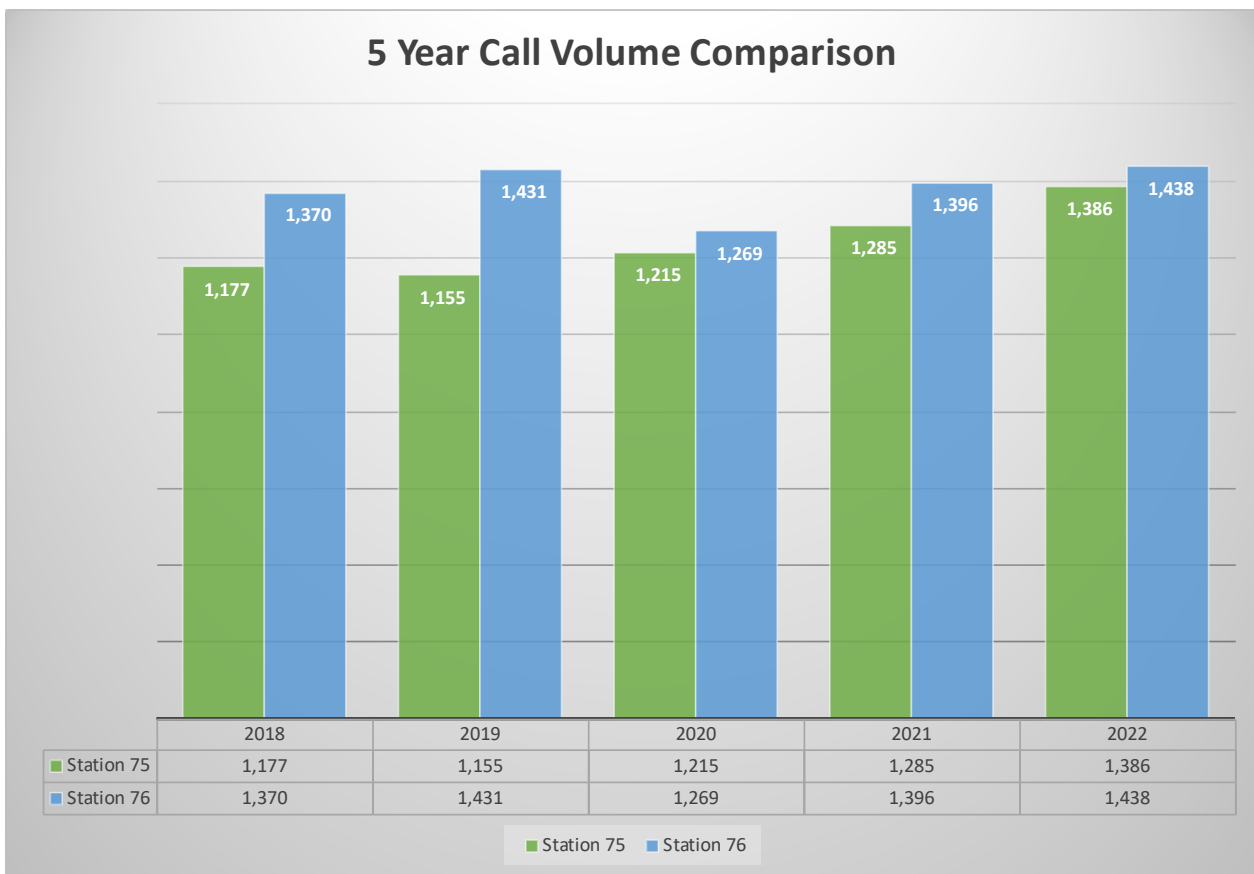
The Fire District operates a variety of Fire Apparatus* including:

- One 100-foot Quint Ladder Truck
- One Type 1 Rescue Pumper
- Two Type 3 Wild Land Engines
- One Type 1 Rescue Pumper (Reserve)
- One 75-foot Quint Ladder Truck (Reserve)

**Fire apparatus is identified into standard category typing within the Incident Command System to organize multiagency resources through the National Interagency Fire Center and the Office of Emergency Services.*

The Fire District maintains a variety of fire apparatus and equipment to meet the public safety needs of our service area, including major highways and streets, undeveloped wildland, developed urban residential, and refinery/industrial areas.

Incident Calls-2022			
Incident Type	Number of Calls		Total
	Station 75	Station 76	
Fire	97	56	153
EMS/Rescue	907	836	1743
Hazardous Condition	19	34	53
Service Call	96	109	205
Good Intent	221	283	504
False Call	45	119	164
Other	1	1	2
TOTALS	1386	1438	2824



A. Budget Overview and Summary

Structure for Budgeting and Accounting:

As a single-purpose fire authority, the Fire District maintains one governmental account. Within this single account are four separate funds. They are the General Fund, Measure O Fund, Capital Fund, and the Fire Facilities Fees Fund. The Fire District reports the majority of its financial activities in the General Fund. Revenues and expenditures are reported in accordance with government accounting standards. Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when funds are available if the revenues are collected within 60 days after year-end; expenditures are recorded when the related liability is incurred.

Budget Control and Amendments:

The Fire Chief is responsible for ensuring expenses are within program allocations and shall adopt budget policies necessary to carry out that responsibility within his authority. Except in prescribed emergencies, no expenditure of funds shall be authorized unless enough funds have been appropriated by the Board of Directors as outlined in this budget. The Fire District has three distinct formal budgetary review and approval cycles within a given fiscal year: Preliminary, Final, and Mid-Year (Amended) Budget if needed. The final budget is approved after holding a public hearing and formal adoption by the Fire District Board of Directors. The budget includes the proposed expenditures of the Fire District and the means of financing them. The Board reviews total budgeted appropriations and any necessary amendments throughout the year. Formal budgetary integration at the fund level is employed as a management control device to monitor budget-to-actual performance throughout the fiscal year. Quarterly budget financial reports are also provided to the Board and are available to the general public. The Fire District's Budget is adopted on a basis consistent with the Governmental Accounting Standards Board method (GASB).

Budget Goals for Fiscal Year 2023-24:

As the Board and community are aware, the Fire District has struggled in the past to maintain solid financial footing. The much-needed replacement revenue from Measure O has improved the Fire District's finances, adding some financial stability to the Fire District. In preparing the Budget, Fire District staff has developed a budget that recognizes the Fire District's current obligations and provides accurate information on the fiscal realities and the global economic impacts faced by the Fire District. The Fire District will continue its efforts to secure additional revenue sources to stabilize its financial future and provide for the health and safety of the community and firefighters.

Projected Revenues:

The FY 2023-24 budget projects a total revenue of 9,255,124, an increase of 5.3% from the prior-year budget. This revenue projection is based on the following assumptions: \$4,342,886 in Property Tax

revenues, \$2,645,10 in Measure O revenue, 1,361,582 in Benefit Assessment revenue, and \$905,146 in Intergovernmental Revenue. Unfortunately, due to uncertainties in new development and when building permits will be issued within the Fire District, it is unknown the amount of Developer Impact Fees that may be realized.

In November 2016, the Fire District successfully passed a parcel tax measure for maintaining emergency services within the Fire District. Measure O revenues are allocated for Fire District operations and fully expended to provide emergency services during the budget year. We have experienced some reductions in the total Measure O revenues due to the provision for senior exemptions. The total projected revenue factoring in expected senior exemptions is \$2,645,510.

Fiscal Year 2023-24 Projected Expenditures

Budget expenditures include full staffing for two stations. Full staffing compliment for FY 2023-24 includes:

- One Fire Chief
- One Battalion Chief
- Six Captains
- Six Engineers
- Six Firefighters
- One Part-Time Fire Inspector
- One full-time Administrative Services Officer
- One full-time Administrative Assistant

A constant staffing configuration has reduced the Fire District's overtime costs while providing permanent employees to staff the two-station configuration. However, this model can lead to an increase in firefighter fatigue, injuries, and burn out which may, in turn, lead to higher workers compensation costs.

The budget includes the following assumptions and significant expenditures:

- Increases in medical benefits costs for current and retired employees. (\$70,031).
- Increase in FLSA. (\$62,000)
- Budgeting apparatus lease costs in the General Fund (\$200,000).
- Deferred facilities and equipment maintenance (\$600,000) assigned fund balance/capital.
- Settlement of FLSA claim(\$280,000)
- Four months of salary for Financial Stabilization Fund (\$1,300,000)
- Contra Costa County Employees' Retirement Agency (CCCERA) retirement system costs for current employees' ongoing payments and the unfunded liabilities (UAAL) incurred for the pensions for current and retired employees. These two costs total \$2,259,896.
- Regular and routine increases to compensation and benefits, as agreed upon in the MOU with Local 1230, along with matching increases to administrative compensation and benefits.

RHFD has hired consultant Chief Despain to assist the Board in reviewing possible options identified in the Strategic Plan developed by Fitch and Associates. Options include adding new staff, training existing staff, identifying possibilities to subcontract work, or a combination of the above, to enhance District services to the community while maintaining financial sustainability.

B. Fire District Financial Position

While the FY 2023-24 recurring budget is a balanced budget based on current and predicted revenue and expenditure projections, reserve funds will be required if much needed capital projects and purchases are to be accomplished and claim obligations are to be met. It is important to note that this budget is preliminary. It is anticipated that several additions and adjustments will occur between now and the adoption of the final budget.

The Fire District's financial position has improved with the revenue provided by Measure O. Fully funding for two fire stations and providing uninterrupted emergency service is the continued primary focus when creating the budget. The development, implementation, establishment of an industry-standard budgeting and accounting system have streamlined processes and built a budget based on actual revenue and expenses. Despite the welcome influx which Measure O has brought, the projections forecast increasing reliance on the reserve fund to meet the capital needs and growing costs of compensation and benefits for both present and retired employees.

Financial Issues

Most of the financial issues faced by the Fire District originate externally and are difficult or impossible to control. A number of these involve actions by outside agencies, or results from past economic conditions outside the Board's control. The information below is preliminary and may need modification prior to finalizing the budget.

These issues include the following:

- Within the dissolved Hercules Redevelopment, property development is excluded from allocating the total ad-valorem property tax 'pass through' funds to the Fire District.
- High-density rental development within the City of Hercules is causing service demands without corresponding revenue. Multi-story high-density residential and commercial projects require additional equipment and resources to protect. Although the Fire District was successful in increasing its Fire Facilities Impact Fee schedule, it was not to the full extent necessary to provide adequate funding to acquire all additional equipment needed to provide suitable fire and emergency response to these areas.
- Although the Fire District's represented personnel contribute 3.75% of their base salary toward the Fire District's Other Post Employee Benefits (OPEB), the ongoing and accruing

unfunded liability for the Fire District's retiree medical program has and will continue to rise as medical insurance costs increase over time. Due to the increases in capital and increases to FLSA, and settlements pending, no contributions are recommended within this budget cycle, but should be considered in future budget cycles.

This budget document contains several Budget Management, Control, and Reserve Policies (see *Section V. Budget Policies* for details). These policies describe important fiscal control areas to ensure that the Board's financial decisions are implemented thoroughly and professionally, and that detailed and transparent financial reporting is provided to the Board and public on an ongoing basis. Due to time constraints the review of policies and evaluation of previous recommendations will need to be completed prior to finalizing the budget.

The information below is preliminary and may need modification prior to finalizing the budget.

IV. Statement of Unfunded Liabilities: CCCERA & OPEB UAALS

The Fire District provides two benefit programs to employees that require ongoing contributions to be sustainable. These are: (1) the pension benefits provided through contracts with the Contra Costa County Employees' Retirement Association (CCCERA) and (2) "other post-employment benefits" (medical insurance) for qualifying retirees (OPEB program). The costs of these programs are funded through two types of contributions: the current or 'normal' costs and the contributions required to fund the Unfunded Actuarial Accrued Liability (UAAL). This calculation is the difference between the actuarially stated amount needed to pay for future benefits and the current funding set aside for those benefits. The two programs treat those two components differently, as described below.

The Fire District's Other Post Employment Benefit (OPEB) Program funds retiree medical insurance. The Fire District pays the cost of qualifying retiree medical insurance based on an agreement with the employees. The Fire District is currently paying the full cost of that coverage to retirees—the 'normal' costs of the OPEB program. For FY 2023-24, \$360,000 is budgeted for this program. The CERBT Fund is a Section 115 trust fund dedicated to pre-funding Other Post-Employment Benefits (OPEB) for all eligible California public agencies. By joining this trust fund, California public agencies can help finance future costs from investment earnings provided by CalPERS. As of March 31, 2023, the District's balance in the CERBT Fund is \$2,788,511.

While unfunded liability for pension and retiree healthcare are significant obligations of the District, we continue to pay down and manage these liabilities in accordance with Board direction.

V. BUDGET POLICIES

The following Budget policies were adopted by the Board of Directors during the FY 2017-2018 budget adoption and currently remain in place with no additions or deletions.

A. Policy for Reserves and Fund Balances and Goals for Reserves and Fund Balance Maintenance

Fund Balance and Reserve Policy

A Fund Balance is defined as the Fire District's balance sheet assets less liabilities, which equals a Fund Balance. There are varieties of defined fund balances that are based on the extent to which the Fire District is bound to honor specific spending constraints.

The Rodeo-Hercules Fire Protection Fire District utilizes the following definitions for its Budgetary Practices:

Unassigned Fund Balance

An **Unassigned Fund Balance** is defined as any Fund Balance amounts not classified as a Restricted Fund Balance, Committed Fund Balance, or an Assigned Fund Balance.

Assigned Fund Balance

An **Assigned Fund Balance** is intended to be used by the Fire District for a specific purpose; however, the activity does not meet the criteria to be classified as restricted or committed.

Committed Fund Balance

A **Committed Fund Balance** is defined as funds that can only be used for a specific purpose, as determined by formal action of the Fire District's Board of Directors.

Restricted Fund Balance

A **Restricted Fund Balance** is defined as funds that can only be spent for specific purposes for which the funds were intended. These typically include expenditures controlled by outside agencies such as the State and Federal Government, employee retirement, medical and other funds, as well as funds required for surety for debt obligations.

The establishment and maintenance of the Fire District's financial stability and sustainability are of primary importance to the Board of Directors. The Board has established the following policies for the Fire District to implement:

Financial Stabilization Fund —the key financial stabilization objective is to build the District's Reserve. The reserve is to provide the Fire District with the needed flexibility to provide for unanticipated changes in revenues or expenditures and to assure the provision of stable services to the Fire District's residents and businesses.

It was previously recommended that the Board establish the goal of having funds for four months of operations as Unassigned Fund Balance for economic uncertainty. Therefore, the initial contribution for four months of salary fully loaded is approximately \$1.3 million and is included within this budget under the financial stabilization fund.

General Fund Committed Fund Balance—The Fair Labor Standards Act (FLSA) requires employers to pay overtime at one and one-half times the employee’s overtime rate of pay. Incentive/premium pays, such as the paramedic pay at issue, must be included in the regular rate of pay for the purposes of calculating overtime, which was not being calculated accurately, prompting a claim from Local 1230, which has now reached preliminary settlement. Therefore, \$280,000 has been allocated in the FY2023-2024 budget to settle the claim.

Assigned Fund Balance—included in the assigned fund balance are funds for specific program activities that benefit from a protected source of funding. These are generally specific programs that include high-cost items that last for many years. Fire apparatus, equipment, and buildings are examples.

Capital Facilities (buildings and facilities) maintenance is a major Fire District obligation that includes higher cost periodic funding. These are expenditures that are less frequent and require planning to accomplish. The budget does include a capital replacement reserve to handle expected capital expenditures outlined as follows:

FY 2023-24 CAPITAL EXPENDITURE LIST

TASK	ESTIMATED COST	PRIORITY LEVEL
STATION 76 ROOF	\$ 35,000	1
ALERTING SYSTEM 75/76	\$ 220,000	1
STATION 76 BATHROOM REMODEL	\$ 35,000	1
STATION 76 PAINT INTERIOR	\$ 15,000	2
CONCRETE FLOOR REHAB 75	\$ 9,000	2
CONCRETE FLOOR REHAB 76	\$ 9,000	2
CARPET REPLACEMENT 75	\$ 7,500	2
CARPET REPLACEMENT 76	\$ 7,500	2
STATION 76 KITCHEN REMODEL	\$ 35,000	2
STATION 75 KITCHEN REMODEL	\$ 35,000	2
REPLACE CONCRETE/TANK 76	\$ 90,000	2
STATION 76 APP BAY PAINTING	\$ 12,000	3
TRAINING ROOM PAINTING/FLOORING	\$ 25,000	3
COST OVERRUN	\$ 65,000	
	\$ 600,000	

At the direction of the board of directors via the budget ad hoc committee, \$600,000 is recommended for Capital Expenditure to maintain the health and safety of its employees and achieve greater efficiency and effectiveness in the District operations with an understanding that modification of either the list and/or amounts will likely need to be adjusted once bids and estimates are obtained.

Replacement of Fire District equipment is another major Fire District obligation. The Fire District owns several pieces of equipment that have a replacement cost of more than \$5,000 per unit. These are expenditures that are less frequent and require planning to accomplish.

Prior to replacing any apparatus, a full evaluation of all equipment as well as evaluation of deployment options will need to be conducted. Additionally, market lease and interest rates are high and economic indicators suggest some settling of rates in 2024. Therefore, no apparatus needs are in the preliminary budget but may be requested and/or included during the final or mid-year budget processes.

The Board will annually review the status of the Fire District’s reserves—including the General Fund Unassigned Fund Balance, the General Fund Committed Fund Balance, the Assigned Fund Balances for Apparatus, Capital Equipment, and UAAL for the Fire District’s Retirement and OPEB obligations. The Board will designate funding levels for each as the Board determines its priorities for the Fire District’s short and long term commitments. The Board will conduct its review based on staff’s third quarter financial review, which will include the estimated year-end fund balances in all the Fire District’s reserves.

VI. FIRE DISTRICT REVENUES, EXPENDITURES & FUND BALANCES

A. Fire District Revenues

The Fire District has historically received most of its revenue from property taxes generated within its service boundary. There are several components to the property tax income, but the largest source of that category has been the Fire District's share of the ad valorem (1% of assessed value) property tax collected by the County and distributed to qualifying agencies.

The Fire District historically received a "pass-through" of 100% of the ad valorem property tax received by the County in the Rodeo redevelopment project area and a portion in the City of Hercules redevelopment project areas. The dissolution of the Redevelopment Agency has reduced the pass-through. The state's requirement that property tax collected in the former Hercules redevelopment project areas cannot be distributed to qualified agency recipients until the Recognized Obligation Payments have been completed.

Other revenue sources are generated through voter-approved special taxes, including two long-standing fire district benefit assessments and the 2016 Measure O parcel tax that became effective on July 1, 2017.

Property taxes, the Benefit Assessment, and Measure O equal 90% percent of the revenues received annually, Miscellaneous/other revenues equal 10% of total revenue:

• Property taxes	\$4,342,886	47%
• Benefit Assessment	\$1,361,582	15%
• Measure O	\$2,645,510	28%
• Miscellaneous other	<u>\$ 905,146</u>	<u>10%</u>
	\$9,255,124	100%

Property tax and Fire District Benefit Assessment revenues have been in place since the Fire District incorporated, and the voters approved the Measure O funding in 2016. These three sources of

revenue will provide a stable long-term revenue stream for the Fire District. While the Fire District Benefit Assessment and Measure O revenues are based on set annual amounts, the property tax is "ad valorem" based on commercial property and residential dwellings. The annual revenue from property tax varies year to year, depending on the general economic conditions and assessed value of the real property.

Total proposed revenues for all funds in FY 2023-24 are \$9,255,124.



2023-24 ESTIMATED REVENUE

	GL	ADOPTED BUDGET	ACTUAL AUDITED	ADOPTED BUDGET	PROJECTED ACTUALS	PROPOSED BUDGET
DESCRIPTION	CODE	FY2021-22	FY2021-22	FY2022-2023	FY2022-2023	FY2023-2024
Prop. Taxes-Current secured	9010	4,211,244	3,855,500	3,855,500	4,097,930	3,971,165
Prop. Tax-Supplemental	9011	105,584	163,410	85,000	181,557	181,557
Prop. Tax-Unitary	9013	74,000	78,900	78,900	83,712	84,000
Prop. Tax-Current Unsecured	9020	130,000	130,339	137,000	134,833	135,000
Prop Tax-Prior-Secured	9030	(5,361)	(14,285)	(14,285)	(17,614)	(17,614)
Prop Tax-Prior-Supplemental	9031	(4,981)	(5,860)	(5,860)	(10,406)	(10,406)
Prop Tax-Prior-Unsecured	9035	(1,000)	1,643	590	(816)	(816)
TOTAL PROPERTY TAXES		4,509,486	4,209,647	4,136,845	4,469,196	4,342,886
Benefit District	9066	1,361,249	1,362,081	1,362,081	1,361,582	1,361,582
TOTAL BENEFIT DISTRICT		1,361,249	1,362,081	1,362,081	1,361,582	1,361,582
H/O Prop Tax Relief	9385	29,956	27,760	29,956	29,956	29,000
Other In Lieu Taxes	9580	192	171	-	183	183
RDA NonProp-Tax Pass Thru	9591	427,275	523,503	523,503	555,796	639,165
Earnings on Investment	9181	14,000	5,679	6,000	35,374	18,000
Fire Prevention Plan Review	9741	20,000	17,311	17,000	11,943	11,887
Misc. Current Services	9980	23,109	22,041	23,000	11,283	15,000
Other Revenue/Measure H	9895	85,592	85,504	92,161	92,161	92,161
TOTAL INTERGOVERNMENTAL		600,124	681,969	691,620	736,696	805,396
Measure O	9066	2,519,748	2,513,864	2,584,204	2,584,565	2,645,510
TOTAL MEASURE O		2,519,748	2,513,864	2,584,204	2,584,565	2,645,510
Grant Funds	9980	-	100,000	-	99,750	99,750
Stale Dated Check	9975		1,495		3,988	0
Misc. State Aid	9435		276,087			0
Indemnifying Proceeds	9969		4,910			0
Development Impact Fee	9980		14,706		-	0
TOTAL OTHER REVENUE		-	397,198	-	103,738	99,750
TOTAL REVENUE		8,990,607	9,164,759	8,774,750	9,255,777	9,255,124

Measure O

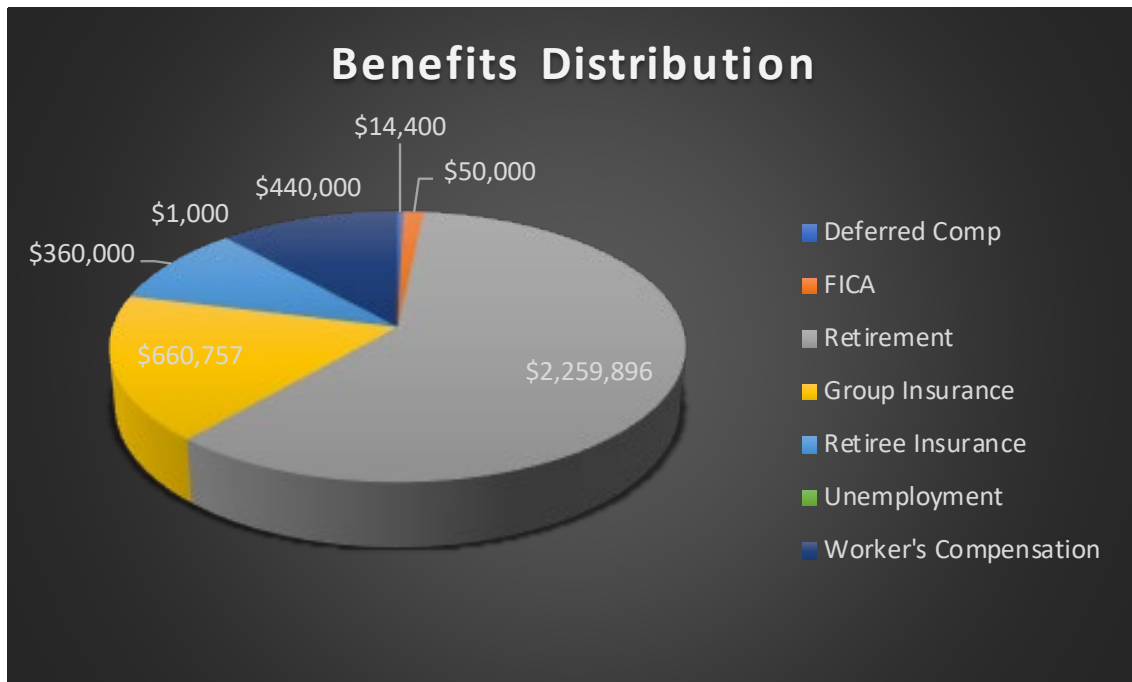
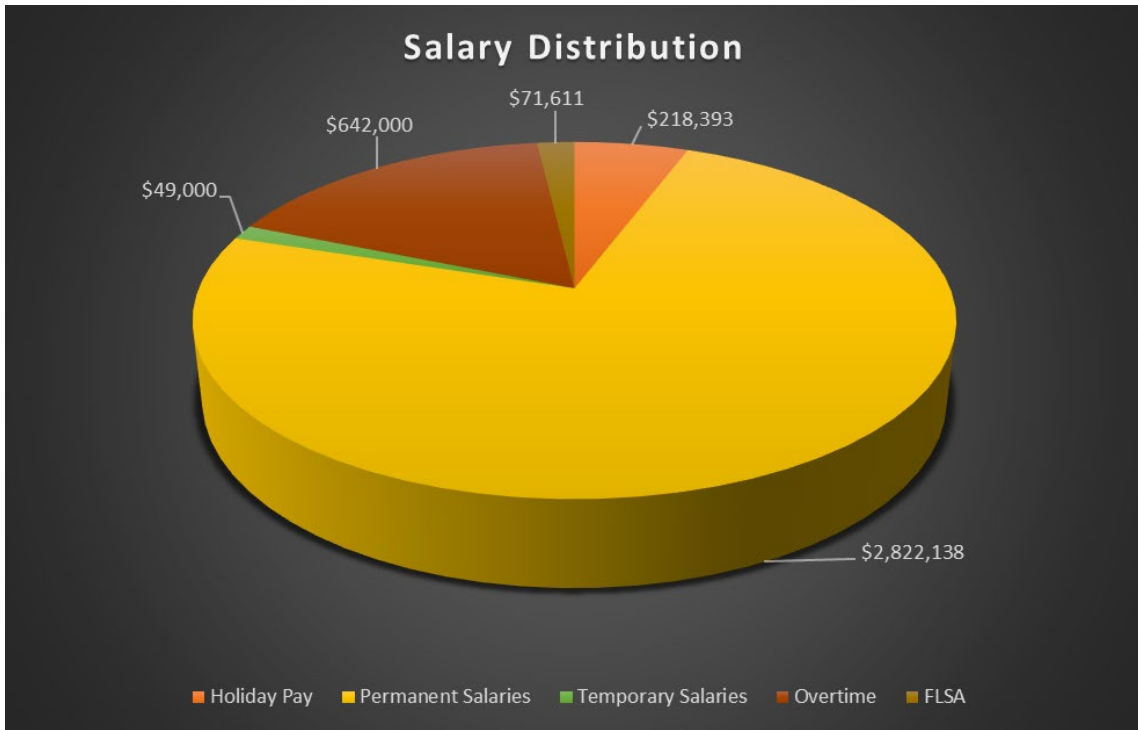
The Fire Chief intends to meet with the Measure O Oversight Committee and Legal Counsel to better understand the legal parameters by which the Measure O funds can be utilized and work collaboratively with the Board and the Measure O Oversight Committee to stay within the scope of those parameters. Allocations for Measure O funds as listed are consistent with previous budget allocations and will be reviewed prior to the final budget adoption and the expenditures as listed below may be modified.

RODEO HERCULES FIRE PROTECTION DISTRICT
FISCAL YEAR 2023-24 REVENUE BUDGET (MEASURE "O")

DESCRIPTION	GL CODE	ADOPTED BUDGET FY2020-21	AUDITED ACTUAL FY 2020-21	ADOPTED BUDGET FY 2021-22	AUDITED ACTUAL 6/30/2022	ADOPTED BUDGET FOR FY2022-23	PROPOSED BUDGET FOR FY2023-24
Beginning Fund Balance:		802,156		834,148		880,680	904,349
REVENUE		2,500,704	2,502,195	2,519,748	2,513,864	2,584,204	2,645,510
TOTAL MEASURE "O" REVENUE		2,500,704	2,502,195	2,519,748	2,513,864	2,584,204	2,645,510
Group Insurance Health Active Employee	1060	433,504	452,926	468,184	491,869	505,639	505,639
Group Insurance - Retiree	1061	303,170	303,323	327,424	285,934	360,000	360,000
Group Insurance-OPEB Matching Funds	1060	70,000	64,507	92,635	31,129	-	-
CCCERA-UAAL payment	1044	1,639,704	1,639,704	1,684,896	1,684,896	1,684,896	1,684,896
County Collection Fee	3530	10,000	9,743	10,000	10,005	10,000	10,000
Total Expenditures		2,456,378	2,470,203	2,583,139	2,503,833	2,560,535	2,560,535
NET Change in Measure 'O' Funds		44,326	31,992	(63,391)	10,031	23,669	84,975

B. Fire District Expenditures

As discussed within this document, the Preliminary Budget for FY 2023-24 is based on maintaining the Fire District's two station configuration, is fully staffed, and accounts for and provides no increases in salaries or benefits. It 'holds the line' on expenses to the extent possible. The total projected expenditures for FY 2023-24 are \$9,024,069.



**RODEO HERCULES FIRE PROTECTION DISTRICT
EXPENDITURES for All FUNDS
FY2023-2024 BUDGET**

GL	ADOPTED BUDGET	ACTUAL AUDITED	ADOPTED BUDGET	PROJECTED ACTUALS	PROPOSED BUDGET
DESCRIPTION	FY2021-22	FY2021-22	FY2022-23	FY2022-23	FY2023-24
Holiday Pay	1001 174,648	166,731	198,190	163,490	218,393
Permanent Salaries	1011 2,724,066	2,355,302	2,592,837	2,462,098	2,822,138
Drill/Temporary Salaries	1013 54,960	46,649	33,280	48,294	49,000
Overtime	1014 660,413	998,321	700,000	1,037,611	713,611
Strike Team	1014				0
Strike Team Reimbursement	1014				0
Deferred Compensation	1015 10,800	10,800	10,200	8,700	14,400
FICA	1042 40,000	57,844	60,000	57,775	50,000
Retirement-Normal	1044 500,000	561,968	575,000	613,250	575,000
Retirement-UAAL	1044 1,684,896	1,684,896	1,684,896	1,684,896	1,684,896
Group Insurance	1060 530,667	610,181	628,122	518,311	660,757
Group Insurance-Retiree	1061 420,059	314,893	360,000	373,776	360,000
Unemployment Insurance	1063 1,000	-	1,000	-	1,000
Worker's Compensation Ins.	1070 320,000	321,653	402,600	435,676	440,000
TOTAL SALARIES AND BENEFITS	\$ 7,121,509	\$ 7,129,238	\$ 7,246,125	\$ 7,403,877	\$ 7,589,195
Office Expenses	2100 22,850	18,466	22,850	13,945	30,550
Books/periodicals/subscriptions	2102 2,485	3,214	2,485	3,971	4,000
Communications	2110 225,375	209,478	225,375	215,624	230,575
Utilities	2120 36,323	38,333	36,323	40,896	34,826
Small Tools and Equipment	2130 23,500	1,259	18,000	2,578	9,500
Medical supplies	2140 78,000	10,599	48,000	14,367	26,500
Food	2150 4,420	2,651	4,420	435	4,420
Clothing &personal supplies	2160 13,440	13,106	13,440	12,600	13,440
Household expenses	2170 16,500	11,578	16,500	11,560	16,500
Publications and legal notices	2190 1,300	803	1,300	910	1,300
Memberships	2200 5,312	4,606	5,312	3,158	5,835
Rents and leases	2250 272,774	280,435	203,360	101,450	203,660
Repair & service equipment	2270 34,458	12,466	34,458	6,055	41,920
Vehicle repair services	2271 80,000	127,141	80,000	49,408	40,000
Gas & oil supplies	2272 8,100	4,615	15,000	25,776	32,100
Vehicle maintenance-tires	2273 10,000	9,359	10,000	17,059	10,000
Maint. Radio& electrical equip.	2276 57,380	550	57,380	56	57,380
Maintenance building & grounds	2281 151,450	44,142	139,050	8,170	31,500
Employee travel expenses	2303 4,560	3,152	4,560	1,831	4,560
Professional/Specialized service	2310 293,088	364,934	405,776	434,797	372,565
Data processing service	2315 960	731	960	4,242	4,200
Data processing supplies	2316 323	-	323	-	323
Information security	2326 2,194	1,919	2,194	4,564	4,620
Insurance	2360 60,832	56,750	70,394	66,990	97,509
Firefighting supplies	2474 56,770	72,854	56,770	67,105	96,958
Recreation/Physical Fitness	2476 2,000	-	1,300		2,600
Educational Supplies & Courses	2477 19,763	7,790	22,163	7,101	29,263
Other Special Departmental Exp	2479 3,420	4,560	3,420	10,669	4,270
Interest on Notes & Warrants	3520 1,000	-	1,000	-	1,000
Tax Assessments	3530 23,000	21,240	23,000	11,269	23,000
Total Services & Supplies Expenses	1,511,577	1,326,731	1,525,113	1,136,584	1,434,874
Total Operational Expenses	\$ 8,633,086	\$ 8,455,969	\$ 8,771,238	\$ 8,540,461	\$ 9,024,069

C. Fire District Fund Balances

Fund	Assigned Amount
Committed	\$ 280,000
Assigned	\$ 600,000
Unassigned	\$ 5,410,092
Fiscal Stabilization	\$ 1,300,000
TOTAL FUND BALANCE 07/01/2024:	\$ 7,590,092

VII. GENERAL FUND EXPENDITURES

The Proposed Budget expenditures assume the Fire District is operating at full staffing. The Fire District is currently at full staffing and anticipates a full staffing complement to provide permanent employees to the two-station configuration for the 2023-24 fiscal year.

VIII. DEVELOPMENT IMPACT FEES:

A development impact fee is a monetary fee that a local government agency charges to an applicant in connection with the approval of a development project for defraying all or a portion of the cost to mitigate impacts created by new development adequately. The legal requirements for the enactment of the development impact fees program are outlined in Government Code §66000 under the Mitigation Fee Act. The City of Hercules and Contra Costa County Department of Conservation and Development currently collect fees on behalf of the Fire District. The Fire District's current adopted fee structure established by a Fire Facilities Impact Fee Study is as follows: Single Family Homes: \$1,817, Multi-Family Home: \$1120.00, Accessory Dwelling Unit: \$849.00, Commercial: \$0.91 per square foot, Office \$01.21 per square foot, Industrial \$0.52 per square foot and Hotel \$110.00 per room. Fees that are collected by the Fire District must be held in a separate account and accounted for in a different revenue and expense balance sheet.

Annual report: §66006 (b)(1) requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each separate account established to receive impact fee revenues. No Developer fees are anticipated for the 2023-24 budget cycle. This may be adjusted if projects come to fruition earlier than anticipated. Some DIF fees remain within the fund balance and are anticipated to be utilized as shown on the following page.

2023-2024 DEVELOPMENT IMPACT FEE EXPENDITURES

FY 2023-24 FIRE FACILITIES FEE REVENUES AND EXPENDITURES			
DESCRIPTION	ADOPTED	PROJECTED	
	BUDGET	ACTUAL	PROPOSED
	FY 2022-23	FY 2022-23	2023-24
OPENING FUND BALANCE JULY 1, 2023			
Hercules DIF	233,125		
Rodeo DIF	20,612		
	<u>253,737</u>		
EXPENDITURES			
Purchase of new emergency staff vehicle	48,091	48,091	
Outfitting of new emergency staff vehicle	50,000		50,000
TOTAL	98,091	48,091	50,000

IX. FIVE YEAR REVENUE & EXPENDITURE PROJECTIONS

Preparation of the Proposed Budget included creating Five-Year Revenue and Expenditure Projections to provide the Board and Staff with a roadmap for financial decisions and policy.

The district prepares a 5-year financial forecast which shall be updated from time to time with unexpected changes in economic conditions or other circumstances.

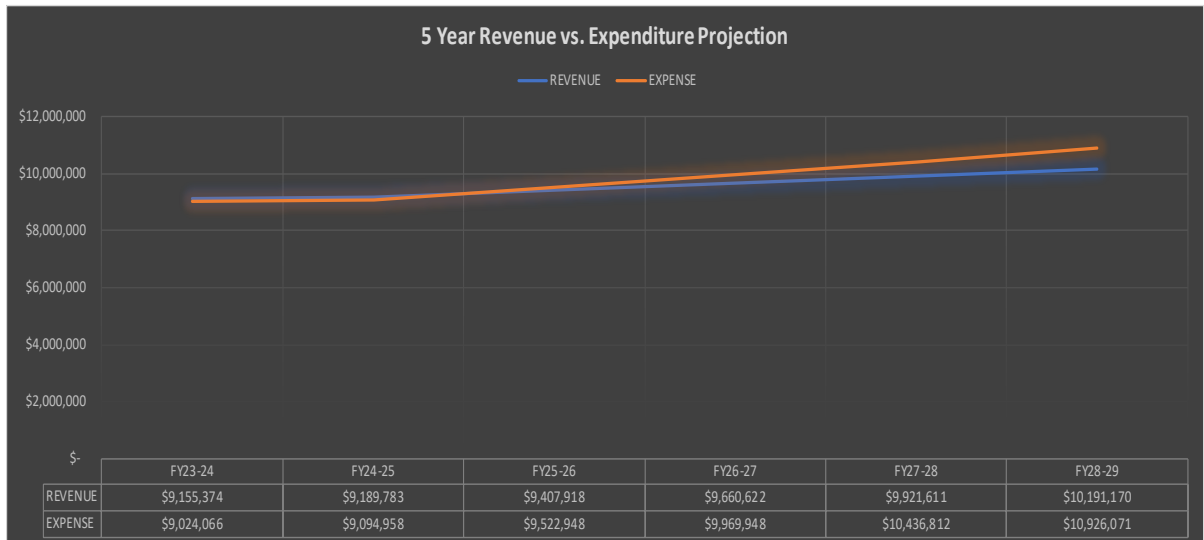


FIGURE A:

RODEO-HERCULES FIRE PROTECTION DISTRICT
Five-Year Projections for Revenue and Expenditures

	AdopBUD- FY2023-24	Proje Rev FY2024-25	Proje Rev- FY2025-26	Proje Rev- FY2026-27	Proje Rev- FY2027-28	ProjectRev- FY2028-29
Property taxes	4,342,886	4,342,886	4,473,173	4,607,368	4,745,589	4,887,956
Homeowners Tax Relief	29,000	29,956	29,956	30,855	31,780	32,734
Measure H EMS	92,161	92,161	92,161	92,161	92,161	92,161
Special Tax/Fire (Benefit Assess)	1,361,582	1,362,081	1,362,081	1,362,081	1,362,081	1,362,081
Total General Fund Revenue	5,825,629	5,827,084	5,957,371	6,092,464	6,231,611	6,374,932
RDA Nonprop tax Pass Thru	639,165	671,123	704,679	739,913	776,909	815,755
Measure "O"	2,645,510	2,645,510	2,698,420	2,779,373	2,862,754	2,948,637
Earning on Investment	18,000	18,540	19,096	19,669	20,259	20,867
Other District Revenue	15,183	15,638	16,108	16,591	17,089	17,601
Fire prevention plan review	11,887	11,887	12,244	12,611	12,989	13,379
TOTAL Other Revenue	3,329,745	3,362,699	3,450,547	3,568,157	3,690,000	3,816,238
TOTAL GRAND REVENUE	9,155,374	9,189,783	9,407,918	9,660,622	9,921,611	10,191,170
Expenditures	-	-	-	-	-	-
Salaries and Benefits	7,589,195	7,608,431	7,988,853	8,388,295	8,807,710	9,248,096
Services and Supplies Expenditur	1,434,871	1,486,526	1,534,095	1,581,652	1,629,102	1,677,975
TOTAL EXPENDITURES	9,024,066	9,094,958	9,522,948	9,969,948	10,436,812	10,926,071
Change in Revenue and Exper	131,308	94,825	(115,030)	(309,326)	(515,201)	(734,900)

Assumptions:

Property Tax Revenue for FY2024-2025 will remain flat because of slower economic growth and high interes rate

Starting FY 2025-26 Proprety Tax will increases by 3% each year.

Special Tax/Benefit Assessment will remain flat

Measure "O" will remain flat in FY2024-25 and increase by 2% and. 3% susquent yeas

Salary and Benefit increases by 5% becasuse of MOU change and other benefit increases

Services and Supplies Increases by 3.6% in 2024-25, 3.1% 2025-26 and 3.1% susquent years (Sourcee U.S Bureau Labor Statistic CPI)

Note:

If high inflation persists longer than expected or if the Federal Reserve policy causes greater pullback by business or individuals, the economy could tip into a mild recession. This could lead to steeper decline in the housing market which has negaive effect in the districts major source of revenue which is the property tax.

RESOLUTION 2023-07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES
FIRE PROTECTION DISTRICT ADOPTING A PRELIMINARY BUDGET FOR THE
2023-24 FISCAL YEAR**

WHEREAS, the CA H&S § 13895 requires that on or before June 30th of each year, a district board shall adopt a preliminary budget which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with Section 1031.1) of, and Article 1 (commencing with Section 1121) of Subchapter 4 of, Chapter 2 of Division 2 of Title 2 of the California Code of Regulations. If the Board is unable to adopt a budget before the deadline, the previous fiscal year budget will remain in place until a preliminary budget is adopted.

WHEREAS, the preliminary for the 2023-24 fiscal year has been prepared in compliance with the Health and Safety Code of the State of California; and

WHEREAS, the Rodeo Hercules Fire Protection District has determined that the preliminary 2023-24 Budget is balanced and there will be sufficient revenue to meet the amount of expenditures needed to protect life and property for the 2023-24 fiscal year; and

WHEREAS, a final budget will be brought to the Board in September 2023; and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS: The Preliminary Budget for the Rodeo Hercules Fire Protection District for the fiscal year beginning July 1, 2023 and ending June 30, 2024, is hereby adopted by the Board of Directors of the Rodeo Hercules Fire Protection District as set forth and shall serve as the Preliminary Budget.

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IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsections, sentences, clauses or phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 14th day of June 2023, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie Bowman, Chairperson

ATTEST:

Kimberly Corcoran, Clerk of the Board

**Rodeo Hercules
Fire Protection
District**

MEMORANDUM

To: BOARD of DIRECTORS, Rodeo Hercules Fire District
From: Rebecca Ramirez, Fire Chief
Subject: FIRE CHIEF'S REPORT
Date: June 14, 2023

Labor Relations /Personnel

All shifts are fully staffed.

Reporting: Battalion Chief Johnson

Operations

Incident Activity- Crews responded to several vehicle accidents, medical calls and vehicle fires throughout the district and Battalion 7.

Reporting: Battalion Chief Johnson

Training

Multi-company training is continuing. Communications, active shooter, and EMS training conducted.

Reporting: Battalion Chief Johnson

Facilities/Equipment

Alerting systems experiencing more failures and should be replaced.. Portable and mobile radios are experiencing significant issues and are being evaluated.

Reporting: Chief Ramirez

Fleet Management

Reserve Quint 76 is out of service and in the shop. The new staff vehicle has arrived, still needs to be upfitted. Should be in service by August 1st.

Grants/Reimbursements

RHFD is participating in a county wide radio grant to replace outdated radios. Should hear something back later this year. Matching funds and/or replacement funds will need to be considered.

Reporting: Chief Ramirez

Community Risk Reduction

Company inspections are continuing. All companies have been assigned inspections for the months of June and July. The Fire District encourages community members to visit rhfd.org for any updates.

Reporting: Chief Ramirez

Community /Wildfire Prevention

Weed abatement inspections have begun. Fire trail grading has begun and should be completed by June 30th. Chief Ramirez and Chair Bowman met with Contra Costa Fire Safe Council and submitted support for evacuation planning request.

Reporting: Chief Ramirez

Fiscal Stabilization – Staff continues to monitor the current Fiscal Year budget. Preliminary budget for 2023/2024 has been completed.

Reporting: Chief Ramirez

Community Activities/Meetings –Attended RMAC, Phillips 66 renewable fuels. Attended Hercules cultural festival on June 4.

Reporting: Chief Ramirez

Commendations/Awards/Notables – The fire district will be hosting badge pinning and service years recognition on June 17th 11am at station 76.

Reporting: Chief Ramirez

Upcoming New Development –Fire District staff met with the city of Hercules Community Development Department to receive an update on projects within the city of Hercules’ jurisdiction. Construction of the 40-unit single-family housing project known as Owl Ranch will begin this summer. Plans for the construction of an America’s Tire store in the Sycamore Plaza have been approved. Hampton Inn is moving forward with possible construction commencing this summer. The district is working with civil engineers with the Franklin Canyon RV project to determine water flow requirements. District may possibly receive plans for various projects before the end of the year including: building on the island between west and eastbound lanes of Highway 4; the next phase of the M&P projects; a 3-story building proposed for Parker Ave.; a small housing development near the bay trail in Rodeo; and a second senior housing facility on Parker Ave. Phillips 66 solar project and bio fuels facility continue to progress. All other projects slated to begin this year are on hold due to the economy.

Reporting: Chief Ramirez

Strategic Plan: Progress Report

Interim Chief hired; consultant contract has been executed and analysis is underway. Consultant Mike Despain will reach out to the ad hoc committee for a future meeting.

Reporting: Chief Ramirez

Incident Type Count Report

Date Range: From 5/1/2023 To 5/31/2023

Selected Station(s): All

Incident

<u>Type</u>	<u>Description</u>	<u>Count</u>	
Station:			
	Incident Type is blanks	61	22.34%
	Total - incident type left blank	61	100.00%
	Total for Station	61	22.34%
Station: 75			
	118 - Trash or rubbish fire, contained	3	1.10%
	Total - Fires	3	3.23%
	321 - EMS call, excluding vehicle accident with injury	65	23.81%
	322 - Vehicle accident with injuries	4	1.47%
	324 - Motor vehicle accident with no injuries	3	1.10%
	Total - Rescue & Emergency Medical Service Incidents	72	77.42%
	412 - Gas leak (natural gas or LPG)	1	0.37%
	Total - Hazardous Conditions (No fire)	1	1.08%
	510 - Person in distress, other	1	0.37%
	553 - Public service	1	0.37%
	554 - Assist invalid	1	0.37%
	Total - Service Call	3	3.23%
	611 - Dispatched & cancelled en route	6	2.20%
	6610 - EMS call cancelled	3	1.10%
	Total - Good Intent Call	9	9.68%
	700 - False alarm or false call, other	4	1.47%
	743 - Smoke detector activation, no fire - unintentional	1	0.37%
	Total - Fals Alarm & False Call	5	5.38%
	Total for Station	93	34.07%
Station: 76			
	321 - EMS call, excluding vehicle accident with injury	77	28.21%
	322 - Vehicle accident with injuries	5	1.83%
	Total - Rescue & Emergency Medical Service Incidents	82	68.91%
	411 - Gasoline or other flammable liquid spill	1	0.37%
	412 - Gas leak (natural gas or LPG)	1	0.37%
	444 - Power line down	1	0.37%
	Total - Hazardous Conditions (No fire)	3	2.52%
	511 - Lock-out	1	0.37%
	520 - Water problem, other	1	0.37%
	531 - Smoke or odor removal	1	0.37%
	550 - Public service assistance, other	3	1.10%
	554 - Assist invalid	2	0.73%
	Total - Service Call	8	6.72%
	611 - Dispatched & cancelled en route	20	7.33%
	651 - Smoke scare, odor of smoke	1	0.37%

Incident

<u>Type</u>	<u>Description</u>	<u>Count</u>	
Station: 76 - (Continued)			
	Total - Good Intent Call	21	17.65%
700 -	False alarm or false call, other	3	1.10%
735 -	Alarm system sounded due to malfunction	1	0.37%
736 -	CO detector activation due to malfunction	1	0.37%
	Total - Fals Alarm & False Call	5	4.20%
	Total for Station	119	43.59%
		273	100.00%

Measure O Oversight Committee report:

The current Measure O Oversight Committee has rejected the mid-year Measure O budget report as presented by Chief Johnson in January 2023. By a unanimous vote, we wish to state that the Measure O parcel tax is not being used according to the language of Measure O ordinance, and thus not being used according to the will of the voters in this District. We recommend that the Board include items described in Measure O, such as EMS service enhancement, and/or fire-prevention service and staffing, and discontinue the use of the money for Pensions, Health-care, and County fees. Historically the fund was never intended to be used for day-to-day operations, and was supposed to be a “separate” fund, not lumped together into the general fund. This practice should stop. During this upcoming year of transition, we recommend a minimum 50% of Measure O money goes to items listed above, and the remaining portion is used at the discretion of the budget committee.

Measure O Oversight Committee:

Maureen Brennan

Frank Grimsley

Elizabeth Genai

Angie Noble



RODEO-HERCULES FIRE PROTECTION DISTRICT

MEASURE O OVERSIGHT COMMITTEE
MEMBERSHIP APPLICATION

COMMITTEE'S PURPOSE

The purpose of the Measure O Oversight Committee is to receive, review, and advise the Board upon the Annual Report.

APPLICATION INSTRUCTIONS

Please complete and submit this Membership Application with a current resume and a personal statement why you want to serve on the Oversight Committee and what special areas of expertise or experience you think would be helpful to the Committee. Please submit Membership Application and supporting documents to: Clerk of the Board, Kimberly Corcoran, Rodeo Hercules Fire Protection District, 1680 Refugio Valley Road, Hercules, CA 94547.

Name <i>Tara Shaia</i>	Home Address <i>Rodeo CA</i>
Home Phone	Mobile Phone
Email	

GENERAL MEMBERSHIP REQUIREMENTS	YES	NO
Do you live within the boundaries of RHFPD?	<input checked="" type="checkbox"/>	
Are you an elected official?		<input checked="" type="checkbox"/>
Are you an employee or official of RHFPD? (No employee or official shall be appointed to the Oversight Committee)		<input checked="" type="checkbox"/>
Are you a vendor, contractor or consultant of the RHFPD?		<input checked="" type="checkbox"/>
Can you serve a minimum of a two year term?	<input checked="" type="checkbox"/>	
Can you attend meetings that occur within the District?	<input checked="" type="checkbox"/>	
Do you know of any reason such a potential conflict of interest, which would adversely affect your ability to serve on the Oversight Committee?		<input checked="" type="checkbox"/>

SIGNATURE OF APPLICANT

By signature, the Membership Application answers, current resume, including experience, how you feel you would contribute to the Oversight Committee and personal statement are true and complete to the best of my knowledge.

NAME: *Tara Shaia*

SIGNATURE: *[Signature]*

DATE: *4/23/23*

TARA SHAIA

QUALIFICATION HIGHLIGHTS

- Extensive diverse experience in the culinary industry.
- Collaborative worker with colleagues, clients, supervisors, and volunteers.
- Efficient and effective leader, trainer, and instructor; lead by example.
- Independent worker; resourceful and informed decision maker.
- Excellent organizational and time management skills.
- Various Career Specific Certifications, Health & Safety

PUBLIC SERVICE

- Community Advocate for Seniors & Senior Health and Local Environment Issues
- Community Advisory Panel, Phillips 66 (Conoco Phillips) Rodeo Refinery, Past Member
- College Advisory Board, Contra Costa College Culinary Arts, Past Member
- Community Involvement: Rodeo Creek Watershed Vision Planning Group, Past Participant

EXPERIENCE

Dec 2022-Mar 2023
Candidate for Appointment, Board of Directors
Rodeo-Hercules Fire District

Aug 2022-Nov 2022
Candidate for Election, Board of Directors
Rodeo-Hercules Fire District

2017-present
Chef
City of Pinole, Senior Center Pinole, CA

Tara Shaia
Measure O Committee
Personal Statement

I am interested in serving on the Measure O Committee because I believe that the tax revenue from Measure O must be allocated and spent responsibly and in accordance with the Measure O guidelines.

I am a lifelong resident of Rodeo with a strong belief our community deserves the highest level of safety and well-being for our people and our environment. Our Fire District must be well supported and well prepared to address both ongoing safety and health concerns of the community, as well as the additional unique circumstances that exist with the presence of the active refinery industry.

My professional experience with interpreting and executing requirements of large corporate budgets provides additional qualification for my appointment to this committee.

If appointed, I promise to pay close attention to the decisions and expressed needs of the Fire District and all who are served by our Fire District.

I look forward to working with the Committee toward efficient, effective communication and oversight of fiscal responsibility for this most important community resource.