

Rancho Adobe Fire Protection District

Five-Year Plan



Mission Statement

Rancho Adobe Fire Protection District is committed to protecting lives and property through emergency response, preparedness, community education, and fire prevention.

Rancho Adobe Fire Protection District: Background

- 89 square miles
- 28,000 residents
- 9,500 students at Sonoma State University, of which 3,200 live on campus
- FY 2017/2018 budget: \$4.1M
- Three fire stations: Cotati, Penngrove, Liberty Valley
- 13 full-time firefighters, 3 Battalion Chiefs, 1 full-time administrative manager, 19 part-time firefighters
- Part-time Fire Chief shared with City of Petaluma

Goals and Objectives

- Maintain financial health
- Prevent station closures
- Retain and add quality firefighters
- Pursue opportunities to better serve public
 - Add paramedic ambulance
 - Increase volunteer base
- Address capital improvements proactively, on priority basis
- Continue to find new revenue sources
- Continue communication with County for casino mitigation and other funds
- Have plan in place when future economy setbacks lead to decreased revenues
- Explore options for shared services with other districts and departments

Challenges Facing District

- **Major budget shortfall in beginning in FY 2018/19**
- **Potential loss of \$300,000 Graton Casino revenue in two years**
- **Possibility of station closures – response times can double**
- **Employee retention**
 - Engineers and Captains paid 22% less salary than neighboring departments.
 - Part-time firefighters paid minimum wage and no benefits.
 - Losing staff to larger agencies frequently.
- **Growth in Cotati, Rohnert Park and SSU**
 - Increased demand on public safety.
 - More people, more housing, taller buildings.
- **Capital improvement projects; equipment replacement**
 - Deferred maintenance long overdue.
 - Will need to replace equipment in future.
- **Current \$40 parcel tax inadequate**
 - Current measure 24 years old.. Worth \$23.02 in 1993 dollars
 - Neighboring districts pay parcel taxes from \$70 to \$520.
 - No cost of living adjustment.
 - Ballot initiatives to increase assessment have failed by narrow margin.

Budget Projections

<u>Fiscal Year</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>
Wages and Benefits	\$3,316,000	\$3,674,650	\$3,584,866	\$3,684,980	\$3,793,219
Supplies & Services	\$587,063	\$663,600	\$653,500	\$684,000	\$712,000
Other Expenses (Loan)	\$101,889	\$63,717	\$63,717	\$63,717	\$63,717
*Fixed Assets	<u>\$130,000</u>	<u>\$170,000</u>	<u>\$120,000</u>	<u>\$170,000</u>	<u>\$720,000</u>
Total Expenditures	\$4,134,952	\$4,521,967	\$4,422,083	\$4,602,697	\$5,218,936
Revenues Less Expenses	-\$215,076	-\$366,632	-\$101,711	-\$504,213	-\$1,105,866

*FY 2017/2018 deficit of -\$215,076 includes property tax loss of \$63,200 due to October 2017 firestorm.

*FY 2018/2019 assumes that four full-time staff members retire, and cash out sick and vacation time (\$224,000).

Summary

Rancho Adobe Fire Protection District has operated responsibly for many years, and has been an excellent steward of the public's trust. However, the District faces a severe financial crisis that could lead to drastic measures, including laying off personnel and closing stations.

If property values decline in the future, our financial shortfalls could be even worse.

Future needs for staff retention, new capital equipment, and overdue capital improvements to stations will impose additional strains on the budget.

RAFPD can better protect the lives and health of residents by adding paramedic ambulance service.

For all these reasons, the District must immediately explore all these options:

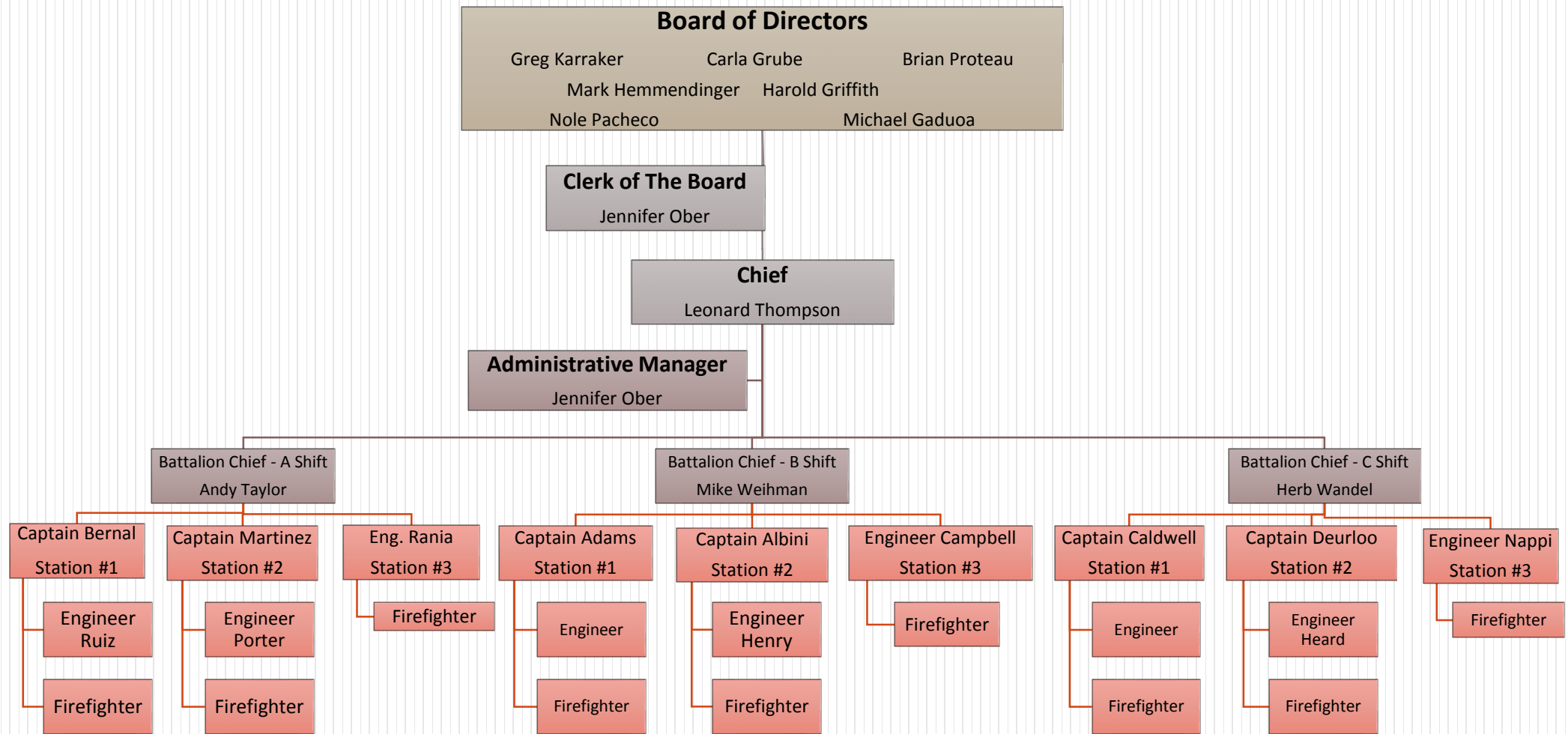
- Explore the efficiencies gained by sharing services with neighboring districts and departments.
- Work to ensure that the Graton Casino mitigation funds are continued for another five-year period.
- Ask SSU to begin paying for services it has long enjoyed at no cost.
- Ask Green Music Center to also pay its fair share for services.
- Attempt to get Sonoma County to contribute more than its current share of tax revenues.
- Propose a ballot initiative for a parcel tax increase that would help the District maintain services even if the Casino funds disappear and property values decline.

Presented by the Administrative Staff and Board of Directors, Rancho Adobe Fire Protection District, February 2018.

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Appendix

The Team



Key Issues in Next Five Years -- Details

- **Severe funding shortfall**
 - To prevent station closures, how do we ensure revenues will match expenses?
 - Is ballot measure the answer? How much should we request to remain solvent for ten years after passage?
- **Minimum wage increase**
 - Current \$11/hour.
 - From 2019 to 2023, minimum wage in will rise \$1.00/hour per year to \$15/hour.
 - Mandated increase from the current hourly wage for P/T staff.
 - Increased pay grades for all other positions.
 - RAFPD pays Engineers and Captains 22% less salary than surrounding departments and districts.
- **Property tax share:**
 - Currently, we receive a fixed percentage of property tax.
 - Can this percentage be increased without revising state law?

Key Issues in Next Five Years – Details

- **Casino payment:**
 - Last guaranteed \$300K payment in FY 2019/2020. Needed to keep all three stations open 24/7.
 - Future \$300K annual funding could disappear.
- **Staffing needs:**
 - Increasing demand for service makes it necessary to increase staffing at all three stations.
 - Need officer at Station 3.
- **Capital improvements:**
 - Urgent need of replacements and improvements.
 - Longer delay= higher cost.
- **New equipment needs:**
 - New Type 3 in 2022: \$400K.
 - Current loan through 2027: \$64K.
 - New Type 6 needed: \$200K.
 - New command vehicle: \$50K.

Key Issues in Next Five Years -- Details

- **Shared services/Integration:**
 - Efficiencies can be gained by sharing services with neighboring districts.
 - Which districts can we share services with?
 - What are the potential savings?

Property Tax Revenue Projections

<u>Fiscal Year</u>	<u>Potential Increase</u>	<u>Total Increase</u>	<u>Total Tax Revenue*</u>	<u>Total All Anticipated Revenues</u>
FY 17/18	3%	\$99,119	\$3,341,800	\$3,919,876
FY 18/19	3%	\$102,093	\$3,505,180	\$4,205,335
FY 19/20	2%	\$105,155	\$3,610,335	\$4,320,371
FY 20/21	2%	\$72,207	\$3,682,542	\$4,098,484**
FY 21/22	2%	\$73,651	\$3,756,193	\$4,183,070

*Based on revenue accts 1000, 1020, 1040, 2440 that fluctuate most with changes to economy and housing market.

**First year without guaranteed Casino mitigation funds.

Possible Solutions

- Propose ballot initiative November 2018. Ask for long overdue upgrade to parcel tax. With \$150 SRA tax repealed, chances may be more favorable.
- Persuade SSU to begin paying for services.
- Consider charges for all medical calls, whether a district resident or not, if we are not able to pass a tax measure.
- Update fee ordinance to bring in other revenue sources.
- Ask Green Music Center to add in a fee for services to their ticket charges.
- Capitalize on any available grants.