


Volunteer Fire & EMS System Budget Policy


June 19, 2018

Public Safety Committee and
Finance, Audit and Budget
Committee Meetings

Purpose

- To provide an overview of the significant changes in the Volunteer Fire and Rescue (VF&R) funding policy – from performance based to a needs-based system.
 - To propose a policy providing guidance for staff and Volunteer Fire & Rescue (VF&R) leadership's work.
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Where We Were

- Since 2012, VF&R has been funded on a performance based system.
 - Under a comprehensive review of the Fire and Rescue System, it was determined that this funding strategy did not promote recruitment and retention, or provide equitable opportunities across the VF&R stations.
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FY2019 Proposed Budget

- The VF&R FY19 Proposed Budget was prepared as a zero-based budget.
- It did not provide for parity across the stations.
- FY19 proposed at \$484,025, a savings of \$63,322 over prior year.
 - Savings were used to provide funding for the Volunteer Coordinator Position.
- Staff was directed to come back to the Board with a budget proposal within the constraints of \$484,025 that provided greater parity, encouraged and retained volunteers, and was presented in a format that detailed financial data on the investment in volunteer stations.

Policy

- Staff worked with VF&R leadership to develop a funding policy and method providing for:
 - Annual operating costs to be recorded in station expenses for tracking and analysis. (Including utility costs which were previously reported within the general Fire and Rescue Department budget);
 - Volunteer system training and incentives funding to ensure that quality of operations remained across the organization;
 - One time funding to ensure the maintenance and repair of facilities.
- This policy is before you today for consideration and recommendation to the full Board.

Funding Strategy

FY2019 Proposed Budget	Amount
FY2019 Proposed Budget - Station Performance / Zero Based Funding	\$484,025
FY2019 Utilities (previously in F&R Budget)	\$223,960
Volunteer Coordinator Position	\$65,000
Department Wide Funding - Career & Volunteer (fuel, insurance, workers comp, etc.)	N/A
Total	<u>\$772,985</u>


Proposed Operating Expenditures under draft Policy	Amount
FY2019 Operating (includes \$223,960 for Utilities)	\$485,960
New System Wide Training Program	\$68,000
System Wide Length of Service Awards Program	\$20,000
One Time Station Expenses (maintenance, repairs & equipment replacement)	\$134,025
Volunteer Coordinator Position	\$65,000
Department Wide Funding - Career & Volunteer (fuel, insurance, workers comp, etc.)	N/A
Total	<u>\$772,985</u>

Set Aside One-Time Capital Funding	Amount
Station Repair & Replacement	\$150,000
Future Station Capital Projects Reserve	\$503,009
Total	\$653,009

Organizational Investments

- In addition to Operating, Volunteer System Training and Incentive Funding, and One Time Costs, the County's Fire and Rescue Department Budget includes:
 - Apparatus Purchase, Repairs, Fuels, & Maintenance
 - Property, Liability, & Vehicle Insurance
 - Personal Protective Equipment
 - Orientation and Fire/EMS Certification Training
 - Communications Systems and Technology
 - Medical, Durable, & Expendable Supplies/Equipment

Volunteer Station Assessments

- VF&R station conditions across the system are indicative of significant future capital improvements needs.
 - A facilities assessment is in place and is anticipated to be completed in late summer.
 - This assessment will provide a ranked list of priority major capital needs.
 - In anticipation of funding needs, strategies to fund these capital needs have been put into place.
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Additional Commitments to the VF&R System

- The Adopted FY2019 Budget includes one time funding for Volunteer Station repairs of \$150,000.
- The Proposed CIP includes cash funding for Volunteer Station repairs of \$330,000.
- End of year unspent funding of \$173,009 was held in fund balance at the end of FY2017 to meet the capital needs of the VF&R system.
- If the CIP is adopted as proposed, these funding sources will provide \$653,009 to meet the major capital needs of the VF&R system.

Conclusion

- Attached is the updated VF&R FY2019 budget and draft policy for your consideration.
- This represents a considerable improvement in providing transparency to the Board, public and stakeholders.
- Throughout the annual budget process, more work will be done to normalize budgets and to create opportunities to promote and retain volunteers while communicating across the system, to the citizens and to the Board.

Questions