

# Five Cities Fire Authority

Budget

Fiscal Year 2022-23



Five Cities Fire Authority  
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[fivocitiesfireauthority.org](http://fivocitiesfireauthority.org)

## **Our Vision**

The Five Cities Fire Authority is committed to serving our communities by providing emergency response, fire prevention and public education. We strive to accomplish this vision by ensuring that we will provide for all Fire Authority needs and professional development through a stable revenue source. We honor the respect we hold within our communities and are committed to maintaining that trust.

## **Our Mission**

The Mission of the Five Cities Fire Authority is to provide the highest level of service possible by mitigating threats to life, property and the environment while meeting the growing needs of our communities.

## **Our Core Values**

Serve with pride, professionalism and integrity;  
Treat all people with respect and honor;  
Maximize community service through efficient resource management; and  
Strive for constant improvement.



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## Five Cities Fire Authority at a Glance



In 2004, the cities of Arroyo Grande and Grover Beach collaboratively entered into an agreement to share one fire chief and training officer. This agreement was expanded over the next several years to include equipment sharing, a consolidation of the reserve firefighter program and the introduction of "boundary drops," meaning that the closest fire resource would be dispatched to a 9-1-1 call without consideration of community boundary. In 2009, the Oceano

Community Services District joined the other communities and on July 9 2010, a complete fire department consolidation took place, resulting in the creation of the Five Cities Fire Authority (FCFA).

As was anticipated in 2010, the communities have increased their demand for service, commercial and residential development projects have continued with multiple projects being three stories in height. Needed investment required to keep pace with the increased demand for service have placed an increased financial challenge upon the member communities. A third amendment to the Joint Powers Agreement is in place, essentially "locking" community member funding allocations potentially through June 30, 2023. This amendment will allow the Oceano Community Services District time to place a revenue measure on the June 2022 ballot.

**Area Served:** 10 square miles, encompassing the communities of Arroyo Grande, Grover Beach and Oceano

**Population Served:** 37,000

**Number of Stations:** 3

**Call Volume (2021):** 4,154 (includes Automatic and Mutual Aid responses outside of service area)  
4.4% Increase over 2020 (adjusted for Automatic/Mutual Aid response)  
Average Response Time – 7 minutes

Fire:	113	3.0%
Rescue and Emergency Medical Services:	2,064	49.6%
Hazardous Conditions:	75	1.8%
Service and Good Intent:	1,748	42.0%
False Alarm:	146	3.5%
Other:	8	0.1%

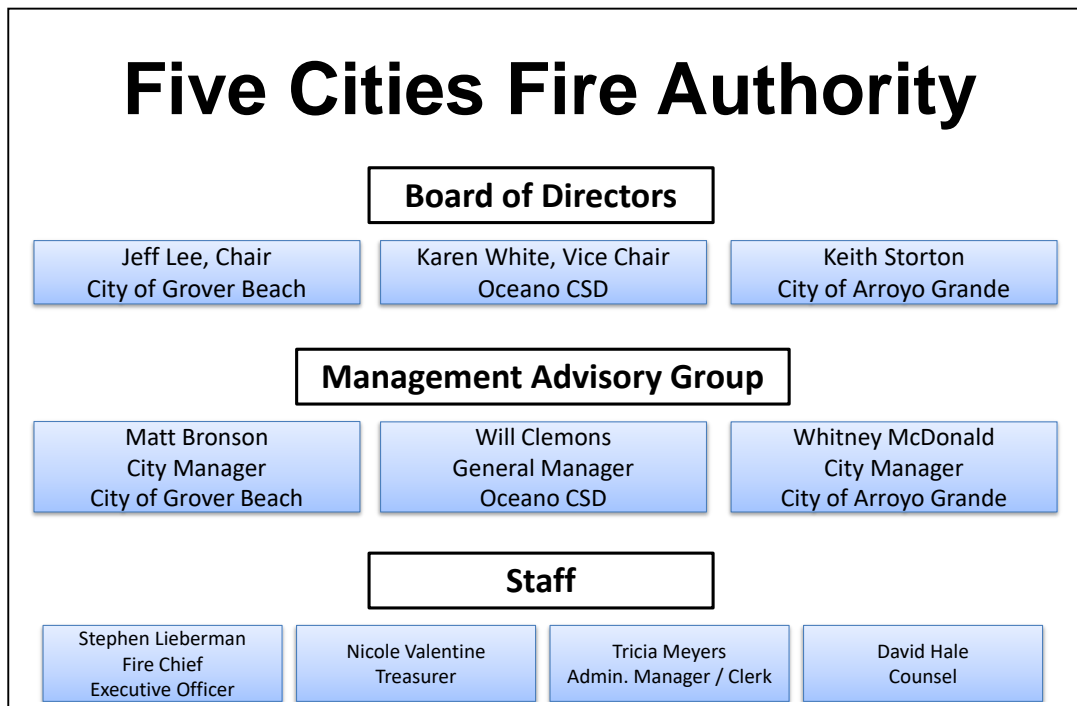
## Organizational Structure

On July 9, 2010 the Five Cities Fire Authority was created. The Authority is administered by the Board of Directors, comprised of one Councilmember or alternate from the City of Arroyo Grande, one Council member or alternate from the City of Grover Beach, and one Board member or alternate from the Oceano Community Services District. Individuals serving as alternates must be elected officials from the participating communities.

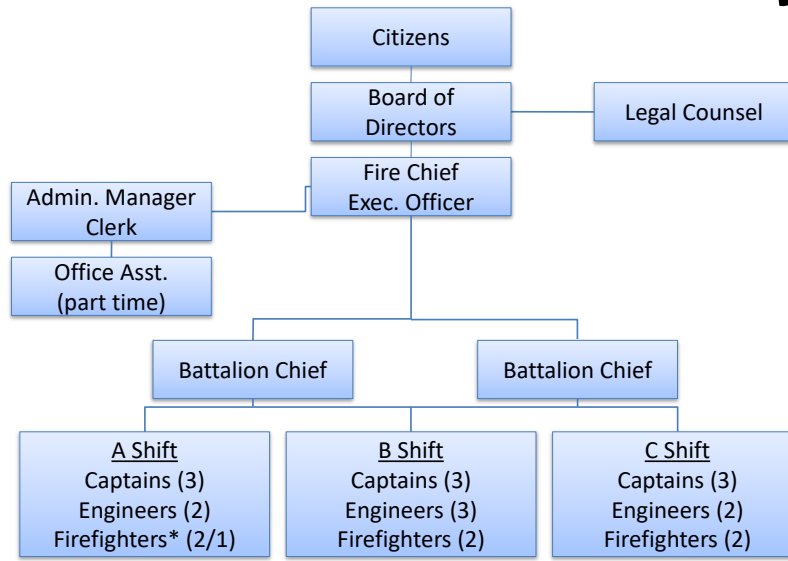


The Fire Chief reports to the Board of Directors and also serves as the Executive Officer for the Five Cities Fire Authority. The Administrative Services Director for the City of Arroyo Grande serves in the capacity of Treasurer to the Authority, and the Administrative Assistant for the Five Cities Fire Authority serves as Secretary/Clerk to the Board.

The Fire Chief may consult with the Executive Team, comprised of the managers from Arroyo Grande, Grover Beach and Oceano in order to discuss matters relevant to the communities or the Authority, and the managers may make recommendations to their Board members, based on matters discussed.



# Five Cities Fire Authority



\* Career/Reserve Firefighters

March 2022

## Total Budgeted Headcount

Full Time	26
Part Time	2
Reserve Firefighters	<u>1</u>
Total	29

## Fire Chief's Budget Message



Honorable members of the Board of Directors, the employees of the Five Cities Fire Authority are pleased to present the draft budget for Fiscal Year 2022-23. An operating budget is typically based upon a series of assumptions, driven by community expectation, policy direction, operational need, all balanced by available funding. This draft budget is based on a third amendment to the Five Cities Fire Authority Joint Powers Authority agreement. The most recent amendment limits member community funding levels to those identified in the Fiscal Year 2019-20 budget. The Fire Chief has made every effort to manage operating costs while acknowledging that some costs (i.e. insurance, worker's compensation, fuel and vehicle

maintenance) can be "uncontrollable." A previously approved replacement Type III Wildland fire engine is reflected in the draft budget with the initial debt service payment due in October 2022.

The COVID-19 pandemic continued to impact the member communities along with FCFA employees and their families. FCFA staff took every available precaution to minimize the impact to all personnel in an effort to maintain response readiness, yet the physical and emotional toll responding to sick patients was unprecedented. In March of 2022, FCFA received reimbursement for supplies for approximately \$10,000.

2021 also produced the worst wildland fire season in California history (2020 was the prior "worst fire season"). FCFA staff and equipment were deployed across California multiple times. Nearly \$700,000 was received to offset direct labor, equipment and administrative costs. \$144,000 of this amount was allocated to future fleet vehicle replacement.

Drought conditions have continued with little precipitation to date. Low vegetation moisture levels, combined with weather patterns have resulted in several vegetation fires starting as early as March of 2022. Fire Season 2022 looks to be a busy one.

## Accomplishments

Listed below is a summary of accomplishments for the 2021-22 fiscal year:

- Successfully maintained response capacity with aggressive COVID-19 safety precautions.
- Responded to 6 large scale wildland fire incidents across California (multiple deployments to several incidents).
- Reclassification of Administrative Operations Manager.
- Addition of Fire Engineer position.
- Promotions – Fire Captain, Engineer (2), and Firefighter.
- Installation of Wi-Fi at all stations.
- Ordered Type III Wildland Fire Engine
- Ordered replacement Utility Pick-up Truck – (significant delivery delay)
- Administered Weed Abatement and Fourth of July Fireworks Program for all three jurisdictions





## Budget Assumptions

Listed below are key assumptions applied to the development of the proposed 2022-23 fiscal budget:

- Maintain professional fire safety, emergency medical, and public assistance services
- Present a 12-month operating budget based on the third amendment to the Joint Powers Authority (JPA) agreement
- Maintain “Flat” Services, Supplies, Equipment Replacement, and Debt Service expenditures as possible (25% assumption for fuel cost increase, 20% assumption for liability insurance increase)
- Replace Battalion Chief Command Vehicle - \$52,200
- Cost Increase for Dispatch Services (based on increased calls for service and increased contract labor/benefit costs) - \$61,600
- Annual Lease Payment #1 for Type III Wildland Engine - \$52,700
- Anticipate fiscal impact of labor negotiations (one-year Memorandum of Understanding),
- Equipment, Maintenance, Firefighter Recruitment, and Furniture - \$27,100



## Goals & Objectives

Listed below is a summary of goals and objectives for fiscal year 2022-23:

- Keep our communities safe and prepared.
- Maintain adequate staffing levels.
- Support Board deliberation and member community goals related to Joint Powers Authority agreement revisions, revenue enhancement measures, and potential reorganization based on outcome of June 2022 Oceano election.
- Complete 5-year Strategic Plan.
- Retain third party to assist with update of Master Fee Schedule and utilize third party for enhanced cost recovery.
- Design and order replacement truck/aerial.
- Pursue grant opportunities for needed equipment.



# Budget Summary

**FIVE CITIES FIRE AUTHORITY**  
**BUDGET SUMMARY**  
 For the Fiscal Year Ending June 30, 2023

	ACTUALS		Approved Budget	Adjusted Budget	Proposed Budget	Variance Approved vs Proposed Better/(Worse)
	FY 2019-20	2020-21	2021-22	2021-22	2022-23	
Beginning Fund Balance	\$ 604,982	\$ 1,005,267	\$ 1,387,744	\$ 1,387,744	\$ 1,157,393	\$ (230,351)
Revenues	5,945,434	6,789,777	5,849,718	6,553,318	5,849,718	\$ -
Expenditures:						
Salaries & Benefits	4,620,501	5,254,729	5,182,700	5,681,300	5,522,800	\$ (340,100)
Services & Supplies	657,644	905,228	959,672	950,972	1,089,075	\$ (129,403)
Equipment Replacement	165,807	146,147	47,800	50,200	100,000	\$ (52,200)
Debt Service	101,197	101,197	101,197	101,197	153,897	\$ (52,700)
Total Expenditures	<u>5,545,149</u>	<u>6,407,300</u>	<u>6,291,369</u>	<u>6,783,669</u>	<u>6,865,772</u>	<u>(574,403)</u>
Change in Fund Balance	<u>400,285</u>	<u>382,477</u>	<u>(441,651)</u>	<u>(230,351)</u>	<u>(1,016,054)</u>	
Ending Fund Balance	<u>\$ 1,005,267</u>	<u>\$ 1,387,744</u>	<u>\$ 946,093</u>	<u>\$ 1,157,393</u>	<u>\$ 141,339</u>	2.06%
Designated Reserve	\$ -	\$ -	\$ -	\$ 196,000	\$ 99,800	
Undesignated Fund Balance	<u>1,005,267</u>	<u>1,387,744</u>	<u>946,093</u>	<u>961,393</u>	<u>41,539</u>	
Total Fund Balance	<u>\$ 1,005,267</u>	<u>\$ 1,387,744</u>	<u>\$ 946,093</u>	<u>\$ 1,157,393</u>	<u>\$ 141,339</u>	0.61%

# Revenue Detail

**FIVE CITIES FIRE AUTHORITY**  
**BUDGET**  
 For the Fiscal Year Ending June 30, 2023

ACT	ACCOUNT NAME	FY 2019-20	FY 2020-21	Approved Budget	Adjusted Budget	Proposed Budget	Variance Approved vs Proposed
		Actual	Actual	2021-22	2021-22	2022-23	Better/(Worse)
	<b>REVENUES</b>						
4301	INTEREST	\$ 10,159	\$ 2,812	\$ 700	\$ 700	\$ 700	\$ -
4422	ARROYO GRANDE FIRE REIMBURSEMENT	2,580,955	2,580,955	2,580,955	2,580,955	2,580,955	-
4428	FEMA REVENUE	-	-	-	-	-	-
4443	GROVER BEACH FIRE REIMBURSEMENT	2,015,115	2,015,115	2,015,115	2,015,115	2,015,115	-
4444	OCEANO FIRE REIMBURSEMENT	1,138,148	1,138,148	1,138,148	1,138,148	1,138,148	-
4458	STATE GRANT	-	28,520	3,800	3,800	3,800	-
4491	SAFER GRANT	-	-	-	-	-	-
4462	LOCAL GRANT	15,485	18,354	-	5,500	-	-
4705	INSPECTIONS	80,746	111,429	87,000	87,000	87,000	-
4726	FIRE IMPACT FEES	3,784	3,892	-	-	-	-
4729	FIRE-FIRST RESPONDER SUPPORT	24,331	24,993	24,000	24,000	24,000	-
4730	STRIKE TEAM REIMBURSEMENT	58,617	742,033	-	688,200	-	-
4803	SALES-EQUIPMENT/MATERIALS	-	41,500	-	-	-	-
4807	EXPENSE RECOVERY	2,447	82,026	-	-	-	-
4809	DONATIONS	15,647	-	-	9,900	-	-
4816	PROCEEDS FROM DEBT ISSUANCE	-	-	-	-	-	-
	<b>GRAND TOTAL REVENUES</b>	<b>\$ 5,945,434</b>	<b>\$ 6,789,777</b>	<b>\$ 5,849,718</b>	<b>\$ 6,553,318</b>	<b>\$ 5,849,718</b>	<b>\$ -</b>

# Expenditure Detail

**FIVE CITIES FIRE AUTHORITY**  
**BUDGET**  
 For the Fiscal Year Ending June 30, 2023

ACT	ACCOUNT NAME	FY 2019-20	FY 2020-21	Approved Budget	Adjusted Budget	Proposed Budget	Variance Approved vs Proposed
		Actual	Actual	2021-22	2021-22	2022-23	Better/(Worse)
<b>EXPENDITURES</b>							
5101	SALARIES FULL-TIME	1,847,424	1,803,998	2,452,400	2,513,300	2,789,900	(337,500)
5102	SALARIES PERMANENT PART-TIME	16,857	10,097	31,400	15,700	32,100	(700)
5103	SALARIES TEMPORARY PART-TIME	150,367	120,294	147,500	161,000	51,400	96,100
5105	SALARIES OVERTIME	771,370	790,173	708,600	708,600	667,000	41,600
5106	SALARIES - STRIKE TEAM OVERTIME	63,237	488,621	-	445,500	-	-
5108	HOLIDAY PAY	108,086	116,038	116,600	116,600	117,900	(1,300)
5109	SICK LEAVE PAY	13,190	55,131	-	-	-	-
5110	ANNUAL LEAVE BUY BACK	8,307	8,307	9,000	9,000	9,000	-
5111	VACATION BUY BACK	30,451	43,926	40,000	40,000	56,700	(16,700)
5112	SICK LEAVE BUY BACK	1,247	2,703	2,000	2,000	2,000	-
5113	VACATION LEAVE PAY	50,806	58,905	-	-	-	-
5114	COMPENSATION PAY	48,621	118,456	-	-	-	-
5115	ANNUAL LEAVE	11,657	29,791	-	-	-	-
5121	PERS RETIREMENT	608,829	526,763	501,500	501,500	518,200	(16,700)
5122	SOCIAL SECURITY	222,111	260,144	208,500	208,500	215,900	(7,400)
5123	PARS RETIREMENT	309	151	500	500	1,300	(800)
5126	STATE DISABILITY INS. (SDI)	22,277	24,811	21,200	21,200	23,600	(2,400)
5127	DEFERRED COMPENSATION	3,019	3,009	3,000	3,000	3,000	-
5128	UAL (UNFUNDED ACCRUED LIABILITY)	-	123,920	188,900	152,800	185,400	3,500
5131	HEALTH INSURANCE	394,297	408,057	452,800	452,800	499,900	(47,100)
5132	DENTAL INSURANCE	23,285	23,304	25,200	25,200	25,600	(400)
5133	VISION INSURANCE	6,424	6,428	6,800	6,800	7,000	(200)
5134	LIFE INSURANCE	2,932	2,925	3,200	3,200	3,300	(100)
5135	LONG TERM DISABILITY INSURANCE	8,913	8,876	9,200	9,200	9,200	-
5136	RETIRES HEALTH INSURANCE	12,607	12,660	13,000	13,000	13,000	-
5141	WORKERS COMPENSATION	193,152	206,611	235,600	235,600	235,600	-
5142	UNEMPLOYMENT INSURANCE	-	-	5,000	5,000	5,000	-
5143	UNIFORM ALLOWANCE	-	-	-	30,500	50,000	(50,000)
5147	EMPLOYEE ASSISTANCE PROGRAM	727	630	800	800	800	-
	<b>Subtotal Salaries &amp; Benefits</b>	<b>4,620,501</b>	<b>5,254,729</b>	<b>5,182,700</b>	<b>5,681,300</b>	<b>5,522,800</b>	<b>(340,100)</b>

# Expenditure Detail

**FIVE CITIES FIRE AUTHORITY**  
**BUDGET**  
 For the Fiscal Year Ending June 30, 2023

ACT	ACCOUNT NAME	FY 2019-20	FY 2020-21	Approved Budget	Adjusted Budget	Proposed Budget	Variance Approved vs Proposed
		Actual	Actual	2021-22	2021-22	2022-23	Better/(Worse)
<b>EXPENDITURES</b>							
5201	SUPPLIES - OFFICE	6,431	6,403	7,140	7,140	7,140	-
5206	SUPPLIES - EMS	17,987	15,164	18,800	18,800	20,600	(1,800)
5208	POSTAGE/MAILING	3,063	3,657	3,000	3,000	3,000	-
5255	SPECIAL DEPARTMENT SUPPLIES	40,943	20,040	18,480	18,480	18,480	-
5272	PROTECTIVE/SAFETY CLOTHING	50,529	55,135	38,100	38,100	35,983	2,117
5273	SMALL TOOLS	4,112	2,792	3,060	3,060	3,060	-
5276	UNIFORMS	25,026	28,535	30,500	-	5,000	25,500
5301	ADVERTISING	-	415	-	-	-	-
5303	CONTRACTUAL SERVICES	161,181	272,057	320,000	320,000	395,772	(75,772)
5306	PRINTING SERVICES	1,810	2,553	3,000	3,000	3,000	-
5315	PRE-EMPLOYMENT PHYSICALS	1,787	1,741	11,220	11,220	30,520	(19,300)
5316	JOB RECRUITMENT EXPENSE	1,902	-	-	-	-	-
5324	FORENSIC MANDATE SERVICES	46	-	1,000	1,000	1,000	-
5325	HAZMAT/SAFETY PROGRAM	14,055	14,504	15,800	15,800	15,800	-
5401	UTILITIES	55,467	55,381	50,000	50,000	50,000	-
5403	TELECOMMUNICATIONS	25,894	26,416	25,000	25,000	25,000	-
5501	CONFERENCE/TRAINING	4,173	15,850	14,240	14,240	14,240	-
5503	MEMBERSHIPS & SUBSCRIPTIONS	2,488	3,395	3,000	3,000	3,000	-
5504	PUBLIC RELATIONS	2,316	3,334	5,100	5,100	5,100	-
5508	MISC EXPENSE	1,193	2,021	2,000	2,000	12,000	(10,000)
5512	TRAVEL	2,620	15,994	2,100	2,100	2,100	-
5553	RENT-BUILDING AND LAND	15,000	15,000	15,000	15,000	15,000	-
5555	BANK CHARGES	4	1,473	1,006	1,006	1,006	-
5576	LIABILITY INSURANCE-JPA SHARE	13,947	23,051	19,300	41,100	49,320	(30,020)
5599	WEED ABATEMENT	5,103	24,747	12,240	12,240	12,240	-
5601	MAINTENANCE - VEHICLES	118,917	133,554	125,000	125,000	125,000	-
5602	MAINTENANCE - OFFICE EQUIPMENT	2,811	2,236	3,672	3,672	5,000	(1,328)
5603	MAINTENANCE - MACH & EQUIP	17,639	15,571	61,100	61,100	90,400	(29,300)
5604	MAINTENANCE - BUILDINGS	13,808	9,960	9,500	9,500	10,000	(500)
5605	MAINTENANCE - GROUNDS	320	408	1,000	1,000	1,000	-
5606	MAINTENANCE - RADIO COMMUNICATIONS	7,894	18,651	8,364	8,364	8,364	-
5607	MAINTENANCE - COMPUTER SOFTWARE	-	44,330	55,150	55,150	55,150	-
5608	GAS & OIL	39,179	44,029	40,800	40,800	50,800	(10,000)
5702	DATA PROCESSING EQUIPMENT	-	26,831	36,000	36,000	15,000	21,000
<b>Subtotal Services &amp; Supplies</b>		<b>657,644</b>	<b>905,228</b>	<b>959,672</b>	<b>950,972</b>	<b>1,089,075</b>	<b>(129,403)</b>

# Expenditure Detail

**FIVE CITIES FIRE AUTHORITY**  
**BUDGET**  
 For the Fiscal Year Ending June 30, 2023

ACT	ACCOUNT NAME	FY 2019-20	FY 2020-21	Approved	Adjusted	Proposed	Variance Approved vs Proposed Better/(Worse)
		Actual	Actual	Budget 2021-22	Budget 2021-22	Budget 2022-23	
	<b>EXPENDITURES</b>						
5803	LEASE PURCHASE PAYMENTS	101,197	101,197	101,197	101,197	153,897	(52,700)
	Subtotal Debt Service	101,197	101,197	101,197	101,197	153,897	(52,700)
6101	DATA PROCESSING EQUIPMENT	5,432	-	-	-	-	-
6103	COMPUTER LICENSING SOFTWARE	43,092	7	-	-	-	-
6201	MACHINERY & EQUIPMENT	61,823	45,112	-	-	-	-
6301	VEHICLES	55,461	101,028	47,800	50,200	100,000	(52,200)
	FUTURE VEHICLE REPLACEMENT						-
	Subtotal Equip Replacement	165,807	146,147	47,800	50,200	100,000	(52,200)
	GRAND TOTAL EXPENDITURES	\$ 5,545,149	\$ 6,407,300	\$ 6,291,369	\$ 6,783,669	\$ 6,865,772	\$ (574,403)

## Cost Allocation - Based on 3<sup>rd</sup> Amendment to the JPA Agreement

2019-20 Expenditure Budget	\$5,855,468
less costs recovered through fees/charges	(\$121,250)
less HazMat costs (allocate directly)	(\$12,000)
less debt service 2nd engine (allocate directly)	<u>(\$34,830)</u>
Expenditure budget to allocate to jurisdictions	\$5,687,388

33.3% of budget to allocate \$1,895,796

### Funding Formula:

#### 1) 33% based on proportion of population

Arroyo Grande	17,839	46.17%
Grover Beach	13,517	34.98%
OCSD	<u>7,286</u>	18.86%
Total Population	38,642	

#### Allocation:

Arroyo Grande	\$875,198
Grover Beach	\$663,140
OCSD	\$357,458

#### 2) 33% based on current staffing levels

Arroyo Grande	37.5%
Grover Beach	37.5%
OCSD	25.0%

#### Allocation:

Arroyo Grande	\$710,924
Grover Beach	\$710,924
OCSD	\$473,949



## Cost Allocation - Based on 3<sup>rd</sup> Amendment to the JPA Agreement

3) 33% based on proportion of service calls		
Arroyo Grande	1,845	52%
Grover Beach	1,145	32%
OCS D	544	15%
Total service calls	<u>3,534</u>	
Allocation:		
Arroyo Grande	\$989,834	
Grover Beach	\$614,108	
OCS D	\$291,854	
Haz Mat direct allocation		
Arroyo Grande	\$5,000	
Grover Beach	\$5,000	
OCS D	\$2,000	
Debt service - 2nd engine allocation		
Arroyo Grande	-	
Grover Beach	\$21,943	
OCS D	\$12,887	
<b>Total Allocation</b>		<b>Allocation</b>
<b>Arroyo Grande</b>	<b>2,580,955</b>	<b>45.01%</b>
<b>Grover Beach</b>	<b>2,015,115</b>	<b>35.14%</b>
<b>OCS D</b>	<b><u>1,138,148</u></b>	<b>19.85%</b>
	<b>5,734,218</b>	