FITCH Study:
Report to the Board of Directors

Contra Costa
Fire Protection District

Jim Broman
Guillermo Fuentes
“Determine optimal EMS First Response and Fire Response coverage within fiscal limitations.”
Project Challenges

- Expenses > Revenue
  - Dependent upon reserve funds
  - Fiscally unsustainable
- ✖️ Capital $$
  - Facilities & apparatus
- Station closures; public criticism
- Administration / Support short-staffed
ConFire Overview

Incident Volume

<table>
<thead>
<tr>
<th>EMS</th>
<th>Fire</th>
</tr>
</thead>
<tbody>
<tr>
<td>78%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Time on Task

2012

- EMS: 44%
- FIRE: 56%

Average Time to Clearance

<table>
<thead>
<tr>
<th>Service</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMS</td>
<td>18 minutes</td>
</tr>
<tr>
<td>FIRE</td>
<td>30 minutes – 18 hours</td>
</tr>
</tbody>
</table>

February 2014
District Demographics
Observations: Organization

- Current, generally well organized and fairly efficient
- Under resourced *(NFPA Staffing Profile 2012)*
- Contemporary, efficient prevention system
- Marginal staffing for support services
- New leadership *(2013)*
- Grand Jury Report *(2012)*
- LAFCO MSR *(2009)*
Observations: Response

- Response time performance (2013 data; 90th percentile)
  - NFPA® 1710 6:45 | ConFire 10:42 (Total time; includes dispatch)
  - EMS 8:59 | ConFire 10:23 (Total time; includes dispatch)
- External aid = 18% of ConFire response time
  - Net provider
- Major incidents ≠ service degradation
- Station closure impacts
  - Fire response times + 18 seconds
  - EMS response times + 6 seconds
Observations: Fiscal

- Measure Q (2012) rejected
- Citizen Input
  - Improved service model and efficiencies
- Increased property value assessments (*October 2013*)
  - 5% annual versus previous 2%
- Need for another tax initiative (*2 – 3 years*)
- ✖ Capital
  - Estimated $4 million annual shortfall (*near term*)
Facilities | 30 Stations
- 17 (57%): 1950's and 1960’s
- 2 stations: 1970’s
- 6 stations: 1990’s; 2 stations in 2000 (newest)
- 3 stations 1930's & 1940’s
- 5 stations listed in the MSR for “replacement”

Apparatus
- 66 response apparatus
  - Most circa 2003 manufacture
  - $28 million (replacement value)
- 77 light fleet vehicles
Fiscal Overview
Let’s talk money!
Fiscal Overview

ConFire Structural Deficit:
Annual Revenues Less Annual Expenses

- $10.2 MM
- $7.9 MM
- $6.2 MM
- $5.2 MM
- $4.2 MM
- $4.0 MM
- $2.3 MM

FY08/09: +$1.3 MM
FY09/10: +$1.2 MM
FY10/11
FY11/12
FY12/13
FY13/14
FY14/15
FY15/16
FY16/17

February 2014
## Projections (Status Quo)

<table>
<thead>
<tr>
<th>23 Companies</th>
<th>13/14</th>
<th>14/15</th>
<th>15/16</th>
<th>16/17</th>
<th>17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$91.3</td>
<td>$95.7</td>
<td>$100.2</td>
<td>$105.0</td>
<td>$110.2</td>
</tr>
<tr>
<td><em>Property Tax + Other</em></td>
<td>+ 5%</td>
<td>+ 5%</td>
<td>+ 5%</td>
<td>+ 5%</td>
<td>+ 5%</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td>$95.3</td>
<td>$105.8</td>
<td>$108.1</td>
<td>$109.2</td>
<td>$110.3</td>
</tr>
<tr>
<td><em>Expense Increase</em></td>
<td>+ 11%</td>
<td>+ 2%</td>
<td>+ 1%</td>
<td>+ 1%</td>
<td>+ 1%</td>
</tr>
<tr>
<td><strong>Deficit</strong></td>
<td>($4.0)</td>
<td>($10.2)</td>
<td>($7.9)</td>
<td>($4.2)</td>
<td>($0.1)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beginning Reserves</th>
<th>$20.7</th>
<th>$19.3</th>
<th>$11.7</th>
<th>$6.4</th>
<th>$4.8</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Stabilization Reserves</em></td>
<td>$2.6</td>
<td>$2.6</td>
<td>$2.6</td>
<td>$2.6</td>
<td>$2.6</td>
</tr>
<tr>
<td><strong>Current Year Reserves</strong></td>
<td>$23.3</td>
<td>$21.9</td>
<td>$14.3</td>
<td>$9.0</td>
<td>$7.4</td>
</tr>
</tbody>
</table>

*Assumptions include 5% revenue increase and ≤ 1% expense increases.*

*No long term capital funding.*
Fiscal Overview

ConFire Fixed Assets/Capital Actual Expenditures & Budgets

February 2014
Moving Forward...

What are our options!
In context of significantly improved revenue forecast, how can ConFire:

- Manage through to financial equilibrium
- Adjust service delivery for efficiency
- Address station closings (current & potential)
- Avoid further loss of personnel resources
- Respond to citizen interests and issues
Options

- **Option 1 – Status Quo**
  - Maintain current deployment; minimal change
  - Anticipate favorable tax measure

- **Option 2 – Three / Two Response Staffing**
  - Convert select 3-person companies to 2-person companies
  - Quick Response Vehicles (*QRVs* = *capital expense*)
  - Reopen some closed stations / companies

- **Option 3 – “Single Patch” EMS Personnel**
  - Lower personnel expense
  - Reduces fire response capacity
Report Review & Comment

- Public Managers’ Briefing
  - Thursday, January 9th
- Public Release of Draft Report
  - Monday, January 13th
    - Three-week comment period
- Public Town Hall Meeting
  - Wednesday, January 22nd
- Public Comment Period Closed
  - Friday, January 31st
- Final Report Presentation
  - Tuesday, February 25th
Public Comment: CHANGES

- Response Summary Tables; *(Attachment H, end of report)*
- Material Report Changes
  - Items added in; noted in table of Q & A
    - 3-person vs. 4-person staffing history
    - Auto / Mutual Aid
    - Reserve / Volunteer Resources
- Comment Themes
  - Report focus *(narrow)*
  - Report window; i.e., 3-year
  - ⊗ wages, benefits & revenue sources
  - Responder workload

February 2014
Narrow report focus
- **FITCH** Scope:
  - How to maintain service (*response times*); 2 – 3-year window

3-year strategy versus long-term solution
- Convergence of financial circumstances
- Multiple scenarios; need to narrow the field
Public Comment: THEMES

- Wages, benefits & revenue sources
  - Outside FITCH purview
  - Matter of collective bargaining
  - Pension costs; one-year anomaly
  - Revenue: other options ⊗ substantial or reliable

- FF Workload
  - Disparate perceptions
  - FITCH: Within acceptable boundaries
Questions / Discussion

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