



Administrative Report

Commission Action Date: July 11, 2019

To: CHAIRMAN AND MEMBERS OF THE BUDGET AND FINANCE COMMISSION

From: MARNI RUHLAND, FINANCE DIRECTOR

Subject: COUNTY FIRE FEASIBILITY STUDY FISCAL IMPACT

RECOMMENDATION

Receive and file the report on the fiscal impact of the County fire feasibility study.

EXECUTIVE SUMMARY

At its April 16, 2019 meeting, the City Council discussed a report on the feasibility study for the provision of fire protection, paramedic, marine and incidental services for the City of Redondo Beach provided by the Consolidated Fire Protection District of Los Angeles County. The Budget and Finance Commission made a referral to staff to discuss the fiscal impacts of the County proposal. Additionally, it was requested that a projected comparison be made beyond FY 2018-19.

The fiscal impact to the City was described as follows (with updates reflecting the information provided to the City Council via blue folder and discussed the night of the meeting).

The annual budget for the Redondo Beach Fire Department in FY 2018-19 is \$22,104,854. This budget includes various expenditure obligations and allocations assigned to the Fire Department that will remain the City's obligation even if the City enters into a contract for service with the County, such as legacy PERS, workers compensation costs and lost revenue. The calculated "Costs Remaining with the City" that are associated with the Fire Department (see Attachment 1) are approximately \$5,799,406. The costs identified in the Costs Remaining calculation are not addressed by the County in their study.

To properly compare estimated County costs to City costs, the "Costs Remaining" figure must be subtracted from the Redondo Beach Fire Department's FY 2018-19 Budget as the City would continue to have these expenses under all fire service scenarios.