

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.0

9:00 a.m. being the time set for Executive Office: Budget Workshop Summation.

Opening Comments - Executive Office

Bill Luna and Ed Corser.

FIRE

Chief John Hawkins presented the matter and gave a Power Point Presentation.

Supervisor Tavaglione mentioned he can't support a reduction to a 2 person ratio Nor an apparatus reduction at station #17.

Supervisor Benoit supports the Fire proposal.

Supervisor Stone supports the Fire proposal and stated that an administrative fee of \$1 million still looms and should be reviewed.

Executive Officer Bill Luna stated that there is a policy decision that the Board can move with a 2 person ratio and that the County needs a balanced budget by the Fire Department. He also mentioned that Phase 1 and 2 could be executed and Phase 3 taken off the table with regard to the 1.36% increase in administrative fee by the finance Department.

SHERIFF

Stan Sniff presented the matter.

Cont'd. to page 2.

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on April 4, 2011 of Supervisors Minutes.

WITNESS my hand and the seal of the Board of Supervisors
Dated: April 4, 2011
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

(seal)

By:  Deputy

AGENDA NO.
3.0

xc: EO

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



He stated that between 350-600 employees will need to be laid off to meet the \$2 million budget cut target. The Department will follow the Board's decision, but advised that COP grants will be in jeopardy and he would like Board direction to reduce jail capacity. Additionally they will lose 17 special teams.

Executive Officer Bill Luna recommended holding Sheriff to budget target.

DISTRICT ATTORNEY

Van Guggan presented the matter and requested that the Board not cut their budget.

Executive Officer Bill Luna recommended holding District Attorney to budget target.

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on April 4, 2011 of Supervisors Minutes.

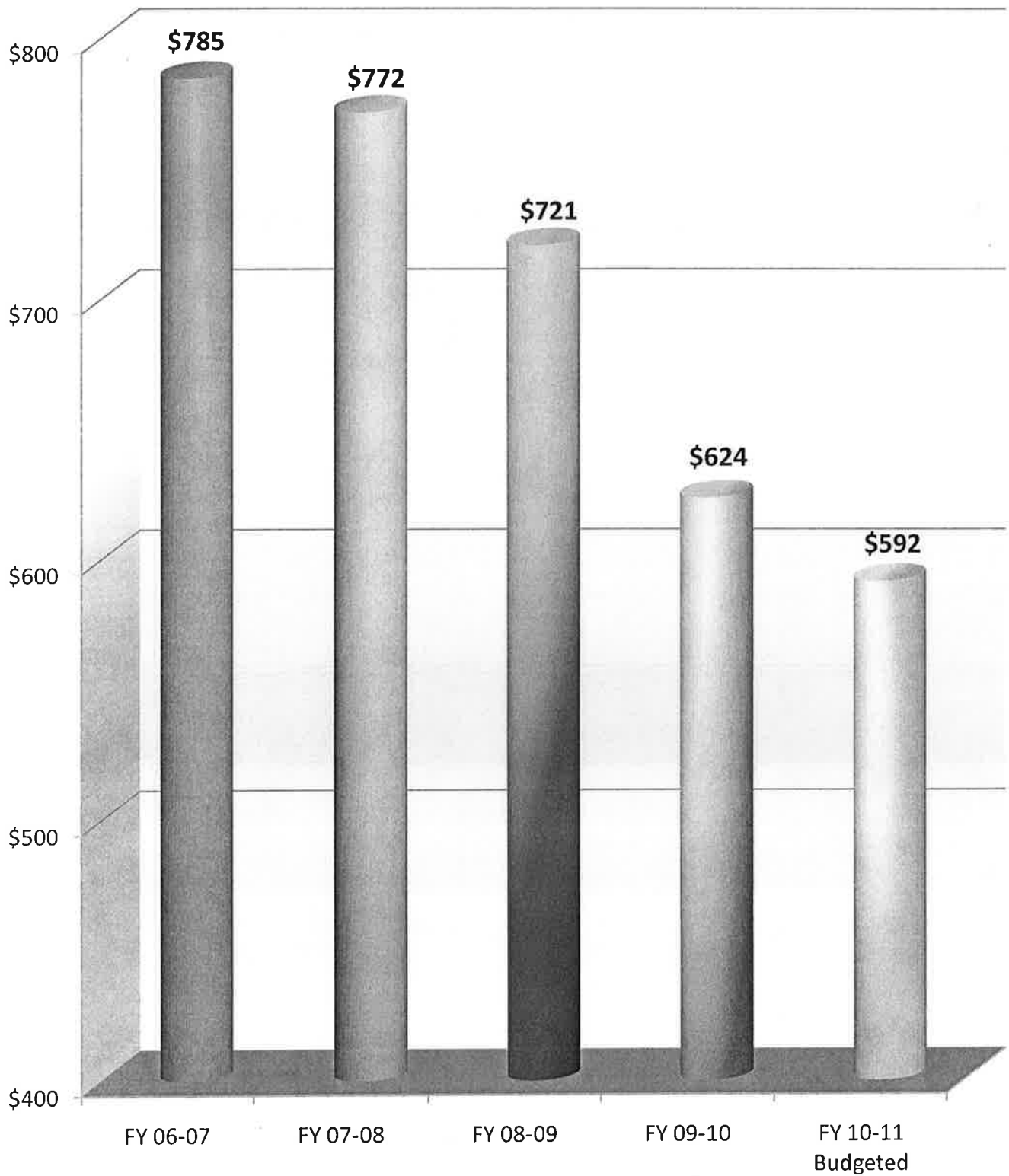
(seal) WITNESS my hand and the seal of the Board of Supervisors
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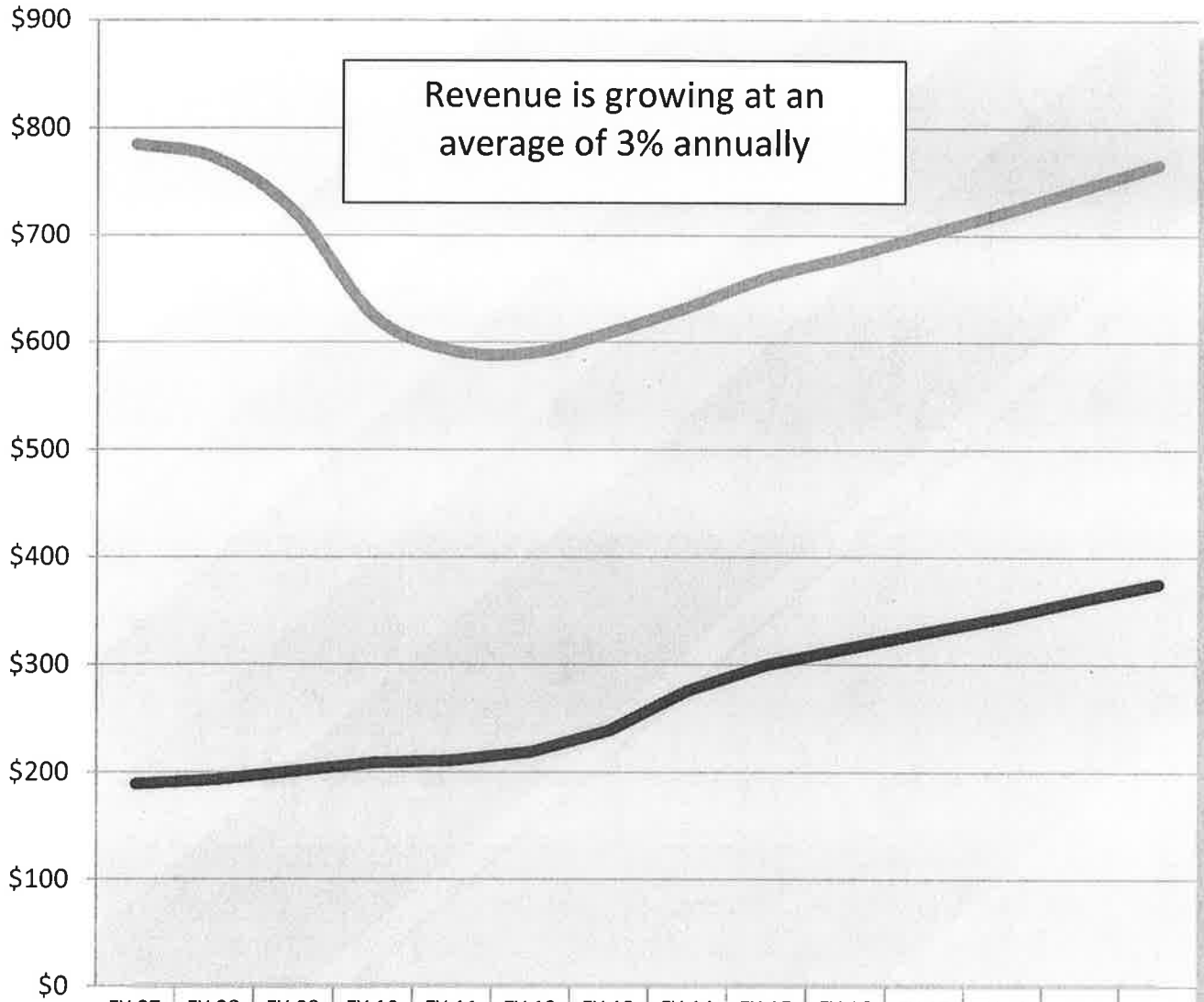
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Riverside County Revenues (in millions)



Revenue to Total Pension Cost (in millions)



	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Revenue	\$785	\$772	\$721	\$624	\$592	\$590	\$609	\$633	\$661	\$680	\$701	\$722	\$744	\$766
Total Pension Cost	\$189	\$193	\$201	\$209	\$211	\$219	\$239	\$276	\$300	\$315	\$330	\$344	\$360	\$375
	24%	25%	28%	33%	36%	37%	39%	44%	45%	46%	47%	48%	48%	49%

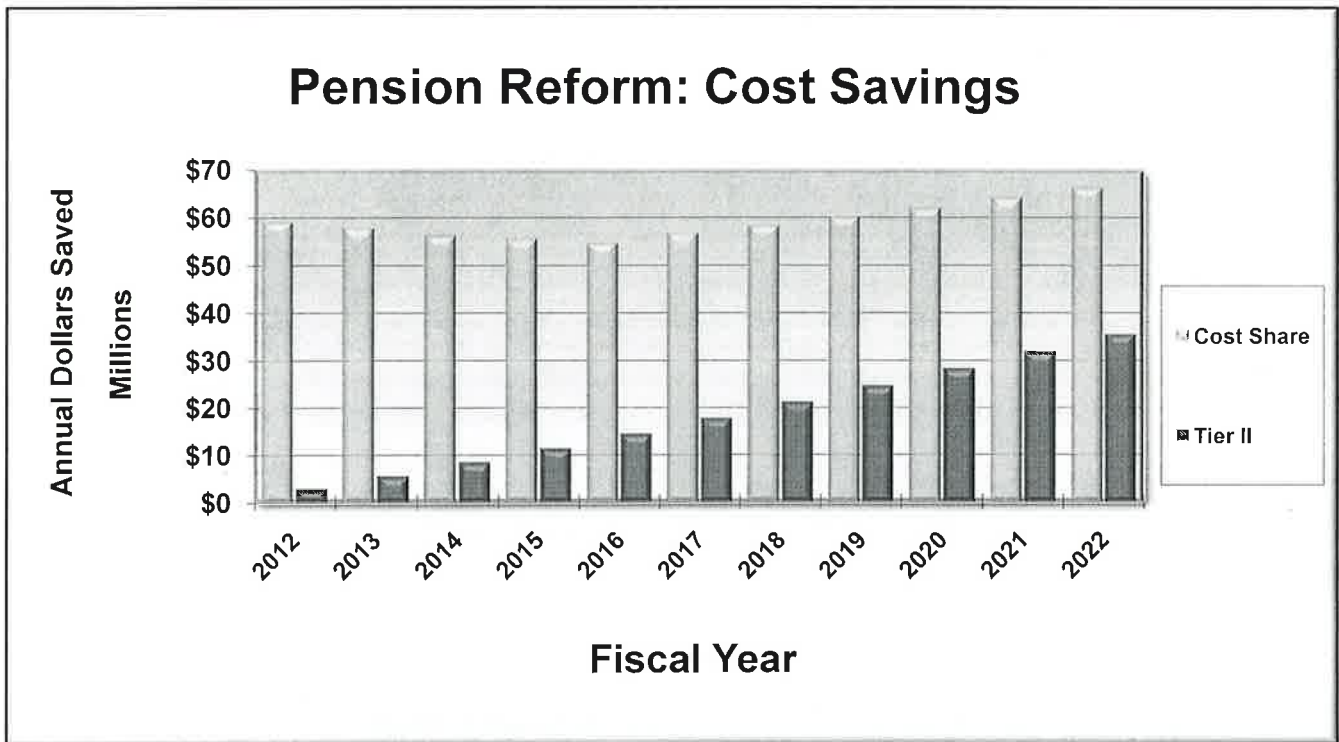
— Revenue — Total Pension Cost —

Pension Reform Cost Savings

Cost Share: Employee Contributions*

Tier II - New Employees Only

Fiscal Year	Miscellaneous	Safety	Cost Share	Miscellaneous 2		Tier II
				% @ 60	Safety 2 % @ 50	
FY 2011 / 12	\$37,811,000	\$21,227,000	\$59,038,000	\$2,358,000	\$486,000	\$2,844,000
FY 2012 / 13	\$36,612,000	\$21,059,000	\$57,671,000	\$4,484,000	\$1,106,000	\$5,590,000
FY 2013 / 14	\$35,488,000	\$20,731,000	\$56,219,000	\$6,582,000	\$1,855,000	\$8,437,000
FY 2014 / 15	\$34,288,000	\$21,143,000	\$55,431,000	\$8,782,000	\$2,577,000	\$11,359,000
FY 2015 / 16	\$32,952,000	\$21,669,000	\$54,621,000	\$11,135,000	\$3,369,000	\$14,504,000
FY 2016 / 17	\$34,319,000	\$22,345,000	\$56,664,000	\$13,568,000	\$4,201,000	\$17,769,000
FY 2017 / 18	\$35,332,000	\$22,960,000	\$58,292,000	\$16,112,000	\$5,067,000	\$21,179,000
FY 2018 / 19	\$36,422,000	\$23,694,000	\$60,116,000	\$18,608,000	\$5,937,000	\$24,545,000
FY 2019 / 20	\$37,435,000	\$24,455,000	\$61,890,000	\$21,311,000	\$6,847,000	\$28,158,000
FY 2020 / 21	\$38,764,000	\$25,307,000	\$64,071,000	\$23,943,000	\$7,748,000	\$31,691,000
FY 2021 / 22	\$40,132,000	\$26,052,000	\$66,184,000	\$26,669,000	\$8,749,000	\$35,418,000
Total	\$399,555,000	\$250,642,000	\$650,197,000	\$153,552,000	\$47,942,000	\$201,494,000

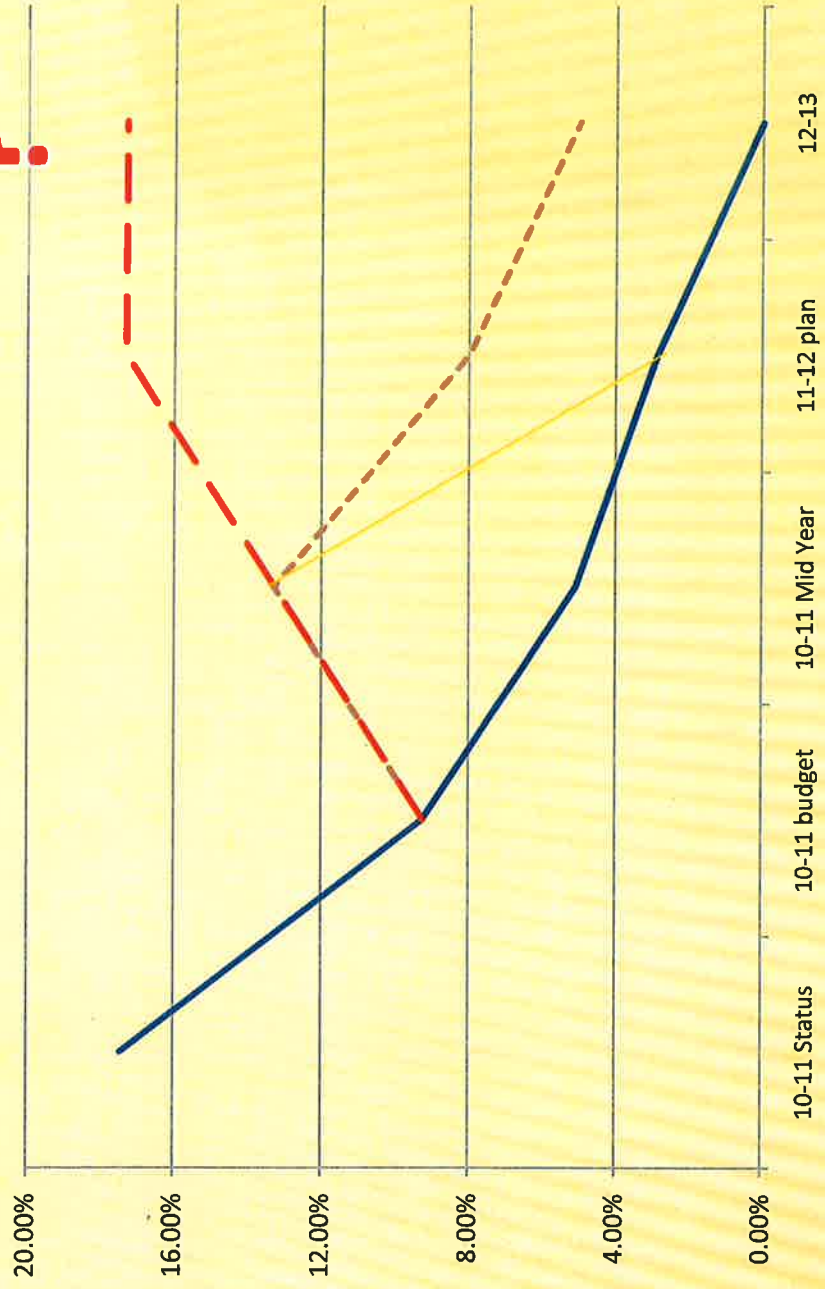


* Cost Share Employee Contributions: Require increased employee contributions to pension plan. Amounts assume County payroll growth of 3.25% per year.

①

Structural Budget Deficit Reduction

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1	TARGET CUTS	\$	55,584,667
2	ACTUAL	\$	55,584,668
3	(SHORTFALL)	\$	0



4 Note: Includes about \$6.6 million in savings associated with LIUNA agreement & the Eastvale

	Department Name	FY 11/12 Basis	BOS NCC % Adjustment	Orig. NCC % Adjustment	NCC \$ Adjustment
8	Section One: NON-Safety NCC Reductions				
10	Board Of Supervisors	\$ 3,189,172	25%	25%	\$ 797,293
11	Assessment Appeals Board	\$ 346,039	25%	25%	\$ 86,510
12	Executive Office	\$ 2,573,323	25%	25%	\$ 643,331
13	Parks	\$ 456,979	25%	25%	\$ 114,245
14	FM: deferred maintenance	\$ 1,125,000	25%	25%	\$ 281,250
15	IPTMS/CREST	\$ 2,096,716	14%	14%	\$ 292,559
16	Contrib to Other Funds	\$ 727,196	25%	25%	\$ 181,799
17	PSEC	\$ 3,261,536	48%	48%	\$ 1,565,537
18	CHA: Healthy Kids	\$ 1,603,125	25%	25%	\$ 400,781
19	Community Action Partnership	\$ 134,663	25%	25%	\$ 33,666
20	DPSS: Homeless	\$ 2,808,229	25%	25%	\$ 702,057
21	IHSS-Public Authority	\$ 683,111	25%	25%	\$ 170,778
22	Office on Aging	\$ 1,141,353	22%	22%	\$ 251,098
23	TLMA: ALUC	\$ 262,991	0%	0%	\$ -
24	TLMA: Env. Programs	\$ 879,947	25%	25%	\$ 219,987
25	TLMA: transportation litter	\$ 192,375	25%	25%	\$ 48,094
26	Legislative-Admin Support	\$ 1,800,861	10%	10%	\$ 180,086
27	Confidential Court Orders	\$ 880,019	25%	25%	\$ 220,005

Road Map to Structural Balance

	FY 10/11	FY 11/12	FY 12/13
Beginning fund balance	20,000,000	20,000,000	20,000,000
Discretionary revenue	592,154,437	589,884,851	609,180,726
Subtotal of resources	612,154,437	609,884,851	629,180,726
Ongoing net county cost (NCC)	(741,481,045)	(782,499,660)	(727,698,388)
Labor and Incorporation Savings	-	6,633,323	-
Employee Contributions - RSA	-	-	-
Employee Contributions - Other	-	-	-
Budget cuts	66,901,812	48,951,344	-
Budget deficit	(62,424,796)	(117,030,142)	(98,517,662)

REU balance ● 145,500,038
 Additions ▲ 28,469,896
 REU Floor (% of revenue): 12% 71,058,532 70,786,182 73,101,687

Public Safety NCC cut	3.8%	13,997,618	15,677,456	0.0%
Impact				
All Other GF Departments	19.2%	52,904,194	33,273,888	0.0%
Impact				

Department requests to enhance or backfill FY 11/12 operations:

	Funded	Reallocations
Sheriff	\$ 61,000,000	Public Safety \$0
Fire Services	\$ 9,900,000	Other \$0
DPSS	\$ 25,800,000	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total	\$ 96,700,000	\$ 96,700,000

Road Map to Structural Balance

	FY 10/11	FY 11/12	FY 12/13
Beginning fund balance	20,000,000	20,000,000	20,000,000
Discretionary revenue	592,154,437	589,884,851	609,180,726
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Ongoing net county cost (NCC)	(741,481,045)	(782,499,660)	(630,998,388)
Labor and Incorporation Savings	-	6,633,323	-
Employee Contributions - RSA	-	-	-
Employee Contributions - Other	-	-	-
Budget cuts	66,901,812	145,651,344	-
Budget deficit	(62,424,796)	(20,330,142)	(1,817,662)

REU balance	● 145,500,038	● 125,169,896	● 123,352,235
Additions	-	-	-
REU Floor (% of revenue):	12%	70,786,182	73,101,687

Public Safety NCC cut	3.8%	3.8%	0.0%
Impact	13,997,618	15,677,456	-
All Other GF Departments	19.2%	74.2%	0.0%
Impact	52,904,194	129,973,888	-

Department requests to enhance or backfill FY 11/12 operations:

	Funded	Reallocations
Sheriff	\$ 61,000,000	Public Safety
Fire Services	\$ 9,900,000	\$0
DPSS	\$ 25,800,000	Other
	\$ -	\$96,700,000
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total	\$ 96,700,000	\$ 96,700,000

Department of Public Social Services

Mandated Assistance Programs	4.0
NCC Reduction FY 11/12	
Anticipated Cost Increases:	
Expiration of FMAP	8.4
IHSS Wage Increase	3.9
Court Ordered Increase in Foster Care Rates	2.3
Caseload Growth	7.2
<hr/> <hr/>	
Estimated Total	25.8

Funding Sources for FY 11/12 DPSS NCC Cost Increase

5,200,000	DPSS funds in the capital improvement fund
10,800,000	Hub jail funds in the tobacco securitization fund
<u>4,000,000</u>	<u>CIP cash associated with complete projects</u>
20,000,000	total 1-time for 2012 DPSS

Road Map to Structural Balance

	FY 10/11	FY 11/12	FY 12/13
Beginning fund balance	20,000,000	20,000,000	20,000,000
Discretionary revenue	592,154,437	589,884,851	609,180,726
Subtotal of resources	612,154,437	609,884,851	629,180,726
Ongoing net county cost (NCC)	(741,481,045)	(705,799,660)	(650,998,388)
<i>Labor and Incorporation Savings</i>	-	6,633,323	-
<i>Employee Contributions - RSA</i>	-	10,000,000	-
<i>Employee Contributions - Other</i>	-	10,000,000	10,000,000
Budget cuts	66,901,812	28,951,344	-
Budget deficit	(62,424,796)	(40,330,142)	(11,817,662)

REU balance	145,500,038	125,169,896	113,352,235
Additions	-	20,000,000	-
REU Floor (% of revenue):	12%	70,786,182	73,101,687

	Impact	3.8%	13,997,618	1.4%	5,677,456	0.0%
Public Safety NCC cut						
All Other GF Departments	Impact	19.2%	52,904,194	13.3%	23,273,888	0.0%

Department requests to enhance or backfill FY 11/12 operations:

	Funded	Reallocations
Sheriff	\$ 61,000,000	Public Safety \$0
Fire Services	\$ 9,900,000	Other \$0
DPSS	\$ 25,800,000	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
Total	\$ 96,700,000	\$ 20,000,000

Riverside County Fire Department FY 11-12 Budget Proposal

FY 11-12 Budget Challenges

Revenue & Funding Challenges	FY 10-11 Deficit Carryover	\$3,733,000
	FY 11-12 5% NCC Cut	\$2,019,094
	Eastvale Structure Fire Tax Loss	\$500,000
	Cost Recovery Revenue (conservative)	\$1,000,000
	Total	\$7,252,094
Increase Cost Challenges	CAL FIRE Admin Charge, Benefits & 4% POFF Retirement Increases	\$1,581,000
	General Operating Cost Increases -Cost of fuel & related supplies -ISF increases -General maintenance	\$1,070,000
	Total	\$2,651,000
	Overall Total	\$9,903,094

WORKSHEET- as of 3/28/11

FY 09/10 NCC BASIS	\$ 231.43
CEO TARGET ADJ (\$9.3m PROP 172 + \$8.5m COLAS)	\$ 17.80
SCF EXP FORM 11- APPROVED 2/9/10 #3.52	\$ 12.61
FY 10/11 TARGET PER CEO 1/28/10	\$ 261.84
CEO ADJUSTMENT- 2/20/10	\$ (17.80)
FY 10/11 3% BOS MANDATED NCC CUT	\$ (6.90)
FY 10/11 NCC BASIS	\$ 237.14
FY 11/12 3% PROPOSED CEO CUT	\$ (7.83)
EASTVALE INCORPORATION	\$ (3.70)
FY 11/12 CEO TARGET	\$ 225.61

FY 11/12 INCREASED COSTS TO NCC

FY 10/11 STRUCTURAL DEFECIT	\$ 26.1
FY 11/12 3% CEO CUT	\$ 7.8
EST. COLA'S, PENSION AND MERIT INCREASES	\$ 10.2
NET ISF INCREASES (Workers Comp & Liab Ins)	\$ 4.3
DHS/FMH EST FOR CORRECTIONS	\$ 20.0
CORRECTIONS STAFFING & CLASS 2 COSTS	\$ 12.7
FY 11/12 RSO INCREASES TO NCC	\$ 81.10

FY 11/12 RSO SUBMITTED BUDGET **\$ 306.7**



MEMORANDUM

Riverside County Fire Department

John R. Hawkins
County Fire Chief

TO: Bill Luna, Executive Officer
April 2, 2011

DATE:

FROM: John R. Hawkins, Fire Chief

RE: **Riverside County Fire Department
Revised FY 11-12 Budget Alternatives (AMMENDED)**

AMMENDED INFORMATION:

In compliance with your directive and our phone call of mid afternoon today to submit budget reductions totaling \$9,903,094 (Fire Department FY 11-12 budget deficit), I amend this letter to add the following additional budget reductions (Phase 3) which are in addition to the Phase 1 and 2 reductions stated later in this letter:

REDUCTION	REDUCTIONS	ACCUMULATED REDUCTIONS	PERSONNEL REDUCTIONS
PHASE 3			
Eliminate 2 ladder trucks-Mira Loma & Menifee Lakes	\$2,400,000	\$2,400,000	24
Restructure 2-person medic squads at Poppet Flats, Oasis & El Cariso	\$1,080,000	\$3,480,000	9
	TOTAL	\$3,480,000	33

Explanations:

- Eliminate two aerial ladder truck companies at the Glen Avon (FS-17) and the Menifee Lakes (FS 76) fire stations:** No County funded trucks will remain in the system. The elimination will impact the ability to serve occupancies over two stories in height, impact technical rescue particularly vehicle extrications of entrapped victims and provide normal functions at all structure fires. Impacted will be the Menifee Valley Medical Center, commercial wide rise buildings in the Mira Loma commercial area and other large buildings throughout Western Riverside County. The County will rely on trucks from partner cities and non-partner cities. The truck elimination will impact reciprocal mutual aid from other fire departments since we will no longer have County funded truck companies. This is a serious reduction.
- Restructure three 3-person medic engines to three 2-person medic squads:** The reduction

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will change community service from a responding medic fire engine to a responding medic squad. The Fire Department will be able to respond to many medical emergencies but backup will be frequently required from next-in engine companies. Community service will be continued but impacted.

Phase 1, 2 and 3 reductions are summarized immediately below.

REDUCTION	REDUCTIONS	ACCUMULATED REDUCTIONS	PERSONNEL REDUCTIONS
Phases 1, 2 & 3			
Phase 1 Personnel Reductions	\$4,954,000	\$4,954,000	22
Phase 2 Operating Cost Reductions	\$1,500,000	\$6,454,000	0
Phase 3 2-Person Squads & Ladder Truck Eliminations	\$3,480,000	\$ 9,934,000	33
	TOTALS	\$9,934,000	55

Aggregate reductions exceed the budget gap of \$9,903,094. As originally written and repeated here, all reductions will have serious impacts particularly those added as Phase 3.

As you well know, I clearly understand the need for budget reductions and, as such, submit these reductions. Operationally in my professional judgment, I cannot support many of the reductions particularly the amended Phase 3 reductions. Thank you.

ORIGINAL INFORMATION:

As a follow up to our meeting on March 30, 2011 when you called me to your office to discuss the FY 11-12 Fire Department Budget and your suggestion for the reduction of services to 2-person engine company staffing, I am submitting my professional fire service budget observations and recommendations on the suggested engine company staffing reduction. I understand you will advise the Riverside County Board of Supervisors at a special budget workshop on April 4, 2011 to reduce all County fire stations to 2-person staffing. I also clearly understand your interest in the staffing reduction is based on providing structural balance to the FY 11-12 budget. I must, however, respectfully express my disagreement with such a staffing reduction and will, as I committed to you, express that concern in this letter and separately to Board members. But even with my disagreement, I am providing you alternate reductions that will continue services and not reduce individual engine company staffing. Those alternate budget actions will bring us closer to structural balance and are also included in this letter.

Fire Department needs a steady source of revenue that does not fluctuate with property values. Our levels of service, community life risk, and fire threat do not change at all based on property value but that same factor is the sole basis for our main revenue source. A structurally balanced budget will

never be a reality as long as the Fire Department's base budget relies on a percentage of structural tax revenue that fluctuates based on market value. We must find a base budget, revenue stream that does not fluctuate. We need to ask the Board to form a county wide fire district with a fixed fee per parcel that does not go up and down with property values. This would provide base funding for critical public safety services for the future with gap insurance.

I will follow final Board direction but I must ensure everyone clearly understands the serious consequences of reducing fire engine company staffing to only two on-duty firefighters. As your professionally certified Fire Chief and your subject matter expert on fire protection, please trust my judgment and recommendations. In addition to being a budget manager, I must respect the health and safety aspects of dangerous staffing reductions and, as such, report my objection to such reductions. For civilian and firefighter safety, we must first base our decisions on reasonable funding with significant consideration to the public safety demands of the Fire Department.

PROBLEMS WITH ENGINE COMPANY STAFFING REDUCTIONS

Reduction of engine company staffing from 3-persons to 2-persons will significantly and dangerously affect the health and safety of civilians and firefighters and the operational effectiveness of emergency services for the same civilians and firefighters. Firefighters assigned to fire engines have very defined duties; the reduction of one firefighter means the same duties must be spread over two firefighters instead of three firefighters during the most compressed of emergency timelines. The result will be critical duties not be accomplished and firefighters being placed at greater risk of injury or death. This applies to all of the emergencies to which fire engines respond including fires, traffic collisions, medical emergencies, technical rescues, hazardous materials discharges, etc. For me to recommend less than three members is unconscionable. I cannot recommend or support the reduction of engine company staffing to 2-person engine companies for the following reasons:

1. **National Standards:** The national standards for fire engine company staffing as developed by the National Fire Protection Association (NFPA) and the National Institute of Standards and Technology (NIST) recommend a minimum four members per engine company not three members as is the current County Fire Department standard. Reducing to two members would provide ½ of the national staffing recommendation and reduce by 1/3 the current staffing level.
2. **Fire Engine Staffing Operational Need:** A minimum of three persons are needed on each fire engine at fires. Even though the 3rd person is often needed at medical emergencies, the 3-person staffing standard is really designed for fires and traffic collisions. Operational effectiveness will be seriously compromised with less than a 3-person engine and many studies verify this statement. Standard operating guidelines have been developed to effectively utilize 3-person staffed fire engines. Currently, we send six companies to a working structure fire to mass enough personnel to perform necessary functions: primary search for victims, rescue, reduce extension of the fire to adjacent exposures, contain the fire to as small an area as possible, ventilate the building, extinguish and overhaul the fire and salvage building contents. Instead of sending 6 companies to a structure fire with a reduction to 2-person engine companies will require the dispatch of 9 companies adversely affecting surrounding communities.
3. **County Standards:** The staffing standards currently in force for the Fire Department provide for minimum of three firefighters per engine company. We do not operate an engine company or fire engine with less than three firefighters. We do operate 2-person paramedic (medic)

squads but not 2-person fire engines. The staffing standard was created for the Fire Department during FY 02-03 and is even more important today based on the recent census increase of over 210,000 residents in the unincorporated areas of the County.

4. **Risk to Firefighters:** The health and safety risks to firefighters significantly increase with only 2 members per engine company. This is particularly true at fires and traffic collisions where risks to the firefighters often arise from collateral hazards such as explosions and imposing and ongoing traffic. Sending additional fire engines due to decreased staffing will put more responding engines on the highway increasing exposure to apparatus involved accidents and to industrial disability costs. As an example, recently in the unincorporated community of Mead Valley, the first arriving engine company pulled up to the burning van, parked the fire engine and while deploying for fire attack on a burning van encountered a serious explosion with the firefighters all being knocked to the ground by the explosion and the roof of the van flying over their heads. One of the three firefighters was able to assist the injured personnel and call for additional emergency assistance for the other two firefighters. Still two firefighters transported to the hospital.
5. **Increased Disability Costs:** National studies have shown a distinct increase in industrial disability injuries, increased long term costs for the disability loss of fire fighting personnel due to industrial injuries and overtime costs related to decreased staffing levels. During FY 04-05 when the Coves Communities as part of the Riverside County Fire Department instituted 3-person staffing, industrial disability injuries reduced 57%. The following table represents industrial disability reductions when the City of Temecula moved from 3-person to 4-person engine company staffing:

	2005	2006	2007	2008
Engine Company Staffing Level	3-person	3-person	4-person	4-person
Total overtime days required to fill behind on-duty injured personnel	69 days	66 days	25 days	14 days

6. **Other Riverside County Fire Agency Staffing:** The staffing standard among other fire departments in Riverside County and for most all career departments in Southern California is a minimum 3-person staffed engine company. To provide less will impact mutual aid to and from other fire departments. Last fall, a CalEMA study of the ability of fire agencies to provide mutual aid indicated fire departments expect to reduce mutual aid response to other agencies by at least 20%. If Riverside County Fire cannot mutually assist other fire departments the same will be true for other fire departments not reciprocating aid to Riverside County. With the serious fire and earthquake risks in the County, this could be disastrous.
7. **Partner Cities & Engine Company Staffing Reductions:** If the County reduces to 2-person engine companies, many of our partner cities will follow suit seriously weakening the integrated, cooperative, regional fire protection system. If all 39 County and 11 of the partner cities are reduced to 2-person staffing, the system would lose 50 on duty, 7/24 firefighters per day and 133 total firefighters from the system. This is a very serious impact and would result in laying off at least 100 personnel to the unemployed ranks.

8. **Reduction in Surge Capacity for Major Incidents:** A staffing reduction will mean greater numbers of fire engines must be dispatched to fire incidents and will remain on scene longer eliminating available service in surrounding communities. An impact will also be greatly felt for major emergencies whether structure or wildfires, etc. This will adversely impact the current strength of the fire system.
9. **Increased Insurance Premiums:** The Insurance Services Office (ISO) will clearly recognize a reduction in fire engine staffing leading them to increase with insurance premiums for unincorporated residents. Currently, County Fire enjoys an ISO Class 4 insurance rating. With a staffing reduction, ISO could increase the unincorporated County area to Class 5 (probable 8% premium increase), Class 6 (probable cumulative 15% premium increase) or Class 7 (probable cumulative 22% premium increase). Any premium increase during this economic downturn should be of great concern to individual family budgets.
10. **Increased Fire Losses:** There is no question a reduction in staffing levels will result in greater fire losses.
11. **2-Person Medic Squad Cost:** If a 3-person engine company is reduced to a 2-person paramedic squad, we would accrue \$360,000 per fire station.

Alternative Proposal to Reduce Structural Budget Balance

Although any reduction is not desirable these are troubled economic times and, as such, we must propose alternate budget reductions. All alternative reductions are not good, either, and represent the best choices of bad alternatives. But, these reductions are far better than reducing engine company staffing. Immediately below, I am suggesting alternative budget reductions in table below and follow the tabular information with alternatives being explained with the indentified impacts. We worked hard to find the proposed budget reduction alternatives.

The Priority 1 and 2 Budget alternate reductions total \$6,454,000.

Units	Reduction	Unit Value	Reduction Value	Accumulated Reduction	Total Reductions	Cumulative Totals	Total Personnel Reduction
PRIORITY 1 REDUCTIONS							
1	Contract with the City of Corona to Protect El Cerrito (FS 15)	\$600,000	\$600,000	\$600,000			8
1	Reduce Breathing Support 90	\$425,000	\$425,000	\$1,025,000			3
1	Reduce Municipal Staffing	\$2,100,000	\$2,100,000	\$3,125,000			0
1	Restructure Blythe Stations	\$550,000	\$550,000	\$3,675,000			4
3	Reduce Truck 91 FC staffing	\$165,000	\$495,000	\$4,170,000			3
1	Restructure Health Nurse Program	\$100,000	\$100,000	\$4,270,000			1
3	Reduce Battalion Chiefs	\$228,000	\$684,000	\$4,954,000			3
				Total	\$4,954,000	\$4,954,000	22
PRIORITY 2 REDUCTIONS							
1	Reduce fuel driving costs	\$400,000	\$400,000	\$400,000			0
1	Reduce ISF BCTC	\$300,000	\$300,000	\$700,000			0
1	Increase cost recovery	\$750,000	\$750,000	\$1,450,000			0
1	Reduce travel expenses	\$50,000	\$50,000	\$1,500,000			0
				Total	\$1,500,000		0
						\$6,454,000	22

Phase 1 Budget Reduction Explanations:

- Contract with the City of Corona to protect the El Cerrito Area:** The El Cerrito area is currently covered by FS 15. We propose to close FS 15 which is in need of serious significant repairs or replacement. The City of Corona will protect the same station area from their FS 7 across Interstate 15. This will save the County \$600,000 and will have no cost or operational impact. Fire and paramedic service will not decrease.
- Reduce Breathing Support 90:** This would uncover one of the two breathing support units, increase response times for the remaining unit, rely on volunteer reserve firefighters to cover the second unit but will not cause a fire station closure. There would an operational impact but the impact can be somewhat mitigated.
- Reduce Municipal Staffing:** This reduction proposes to convert back to non-municipal staffing changing the configuration of on-duty staffing. Municipal staffing provides for an on-duty Fire Captain, Fire Apparatus Engineer and Firefighter. Non-municipal staffing provides a company officer, either Fire Captain or Fire Apparatus Engineer and 2 Firefighters. With either staffing model, one of the on-duty positions would be a paramedic. This proposal would be a leadership step backward but would keep all fire stations open, not reduce on-duty staffing or eliminate paramedic service.

4. **Restructure Blythe Fire Station Staffing Configuration:** With this proposal, we would close the downtown Blythe County fire station (FS 43) and move some personnel to adjacent fire stations (Ripley, FS 44 & Blythe Airport, FS 45). We would increase the staffing to 4-person companies at both Ripley and Blythe Airport. Most of the initial attack responses from FS 43 are to City of Blythe street addresses for which the County receives no remuneration. The fire station closure would affect a few residents with increased response times from the two next due fire stations.
5. **Reduce Truck 91 Staffing:** Currently, the County funds 3 Fire Captain positions on Truck 91 (College Park) in the City of Moreno Valley. This arrangement has existed to ensure the County contributes to a City truck company for response outside of the City. The City is currently considering the elimination of one of the three City trucks. This reduction would keep all fire stations open, not reduce on-duty staffing or eliminate paramedic service.
6. **Restructure Health Nurse Program:** The County currently funds a Nurse at the Ben Clark Training Center to administer the respiratory protection program. We can eliminate the Nurse and use a contract service for lesser cost. The reduction would keep all fire stations open, not reduce on-duty staffing or eliminate paramedic service.
7. **Reduce Battalion Chiefs:** We propose to reduce three Battalion Chief positions. We would base the reductions where personnel retirements occur. The reduction would keep all fire stations open, not reduce on-duty staffing or eliminate paramedic service.

Phase 2 Budget Reduction Explanations- None of the Phase 2 reductions will close stations open, reduce on-duty staffing or eliminate paramedic service. Anticipated savings are based on Priority 1 Reductions above:

1. **Reduce Fuel & Driving Costs:** With the FY 11-12 Budget submission, we proposed an annual increase in fuel costs of \$800,000. By tightly directing and administering department vehicle use for other than emergencies, we propose to reduce the increased fuel cost increase by \$400,000.
2. **Reduce ISF Costs at the Ben Clark Training Center (BCTC):** By working with the Sheriff and with EDA, we believe we can reduce fees by \$300,000. The reduction would require an adjustment in how services are providing. We feel by using County positions assigned to the Fire Department, we can affect this cost reduction.
3. **Increase Cost Recovery Accomplishments:** We strongly feel that with the proposed, new cost recovery authorities to be presented to the Board of Supervisors by June 1, 2011, we can increase cost recovery efforts an additional \$750,000.
4. **Reduce Travel Expenses:** By strictly controlling all travel for both State and County personnel, we feel a \$50,000 travel expense reduction is possible.

All of these proposed reductions (\$6,454,000) can be accomplished by not closing a fire station, not reducing engine company staffing or reducing paramedic service. We feel this represents a strong effort to close the \$9.9 million budget gap. We also acknowledge the budget gap but hope the importance of public safety protection will factor into the importance of maintaining the Fire Department system. This proposal maintains a very minimum level for fire protection services.

Thank you.



MEMORANDUM

EXECUTIVE OFFICE, COUNTY OF RIVERSIDE

Bill Luna

County Executive Officer

Jay E. Orr

Assistant County Executive Officer

Honorable Board of Supervisors
County of Riverside
Robert T. Anderson Administrative Center
4080 Lemon Street, 5th Floor
Riverside, California 92501-3651

April 4, 2011

Subject: Governor's Proposed Budget FY 2011/2012

Board Members:

This memo is a follow-up to my January 26th memo which provided an overview of the proposed State Budget. In addition, at last week's Budget Workshops, Supervisor Tavaglione asked that staff review the recently released Sonoma County Budget Impact Report which analyzes the potential effects of the state not passing the necessary funding for Realignment. The last page of this report includes a table that is comparable to the methodology that Sonoma followed in assessing impacts due to the state not passing a budget and indicates what existing funding/programs could be impacted.

As you recall, the State has been anxiously trying to solve its \$26.5 billion debt. The Governor's plan was to approach the budget with both cuts and tax extensions. As of this date, only cuts have been passed by the legislature. It appears that his budget has stalled as the tax extensions did not pass in time to have them placed on the June ballot. Now that the deadline for a June measure has passed, the pressure is off to find an immediate solution. The Governor is considering a range of options that include the pursuit of a majority vote to authorize a ballot measure, consideration of an initiative for the November ballot, or an all cuts budget.

The attached Executive Summary provides a brief analysis of the impact of the Governor's Proposed Budget will have on the County. Also attached is a table summarizing the impacts.

Respectfully Submitted,

BILL LUNA

County Executive Officer

04.04.2011

RIVERSIDE COUNTY
Governor's FY 2011/2012 Proposed Budget
Executive Summary of County Impact

Realignment

AB 109, the bill that includes the Governor's Phase I realignment plan, was approved by the Legislature. The bill remains on the Governor's desk, apparently because the Governor did not want to act on it until he had secured the necessary votes for a tax extension measure and a constitutional amendment designed to protect counties pursuant to the implementation of realignment. Now that neither the constitutional amendment measure nor the tax extension measure has been approved by the Legislature, the Governor has to decide whether he wants to sign AB 109 in the absence of the other measures.

CSAC, the Urban County Caucus (UCC) and various law enforcement groups have raised concerns about the governor signing the bill in the absence of both constitutional protections for counties and a dedicated funding source. Discussions over the last few days have focused on whether CSAC and the UCC should send the Governor a letter asking that he veto AB 109. No decision had been made at the time this report was being prepared, but the California State Sheriffs Association (CSSA) sent an e-mail to the Administration (March 31) asking that AB 109 be sent back to the Legislature. The CSSA stated that it is "not supportive of AB 109 as a stand-alone measure and urge, that in the absence of the constitutional protections, it be sent back to the Legislature for future consideration."

Redevelopment

The Governor's plan to eliminate redevelopment agencies as a component of his approach to balance the state budget has stalled in the Legislature. In recent weeks, a number of alternative proposals have been developed and presented to the Governor, all of which were pretty much rejected out of hand. However, those rejections have not stopped various groups and individual redevelopment agencies from continuing to work on alternatives to outright elimination.

Neither house has given any indication regarding when a vote on the Governor's redevelopment proposal will be taken up for a vote.

2

Public Safety Funding

The COPS program, Juvenile Justice Crime Prevention Act programs and other local public safety-related activities will run out of funding after June 30 unless action is taken to extend the surcharge on Vehicle License Fees (VLF) and the sales tax. These funding sources were put into place on a temporary basis in 2009. The Governor proposed to realign various public safety programs by shifting responsibility from the state to counties and included the extension of surcharges on sales tax and the VLF as a means of funding the realigned programs for a five-year period. The Governor proposed a ballot measure to allow voters to approve or reject the tax extensions, but the Governor has not garnered the necessary 2/3s vote in either house. Without the extensions on the sales tax and VLF, the programs will have no funding sources after June 30.

Defunding of the COPS program would result in the loss of \$1.7 million; defunding of Juvenile Justice Crime Prevention Act programs would result in the elimination of \$10.9 million in valuable juvenile crime prevention and diversion programs. To date, neither the Governor nor the Legislature has pursued alternatives to provide funding for these crucial programs.

Table 1 illustrates the proposed programs and funding to be realigned to Riverside County effective July 1, 2011. Riverside County is at risk of losing \$171.4 million in existing State General Fund support for a variety of human and health services and \$16.1 million in VLF for public safety programs. In addition, over \$43.9 million in new programs are proposed to be realigned in public safety, for an overall impact of \$231.4 million.

Table 1. Summary of Realignment Programs and Funding

Table 1. Summary of Realignment Programs and Funding		
Mental Health Programs		
In Progress		Amounts reflect the current State General Fund contribution to the program. This funding will be realigned to the County
DPSS		
Foster Care and Child Welfare Services	\$86.2 M	Amounts reflect the current State General Fund contribution to the program. This funding will be realigned to the County.
Adult Protective Services	2.7 M	
CalWORKs Grants	82.5 M	
Subtotal	171.4M	
Public Safety		
VLF Impacts		County currently receives this funding. If realignment is unsuccessful, then this funding is at risk.
Jail Booking Fee	3.5M	
Sheriff – COPS Program	.6M	
Probation	10.9M	
District Attorney	1.1M	
Subtotal	16.1M	
Total State Funds at risk*	187.5M	Current funding will end if Tax extensions are not approved.
New Realignment Programs		
Shift of Low-Level Offenders		AB 109 Passed, pending signature by the Governor
Sheriff Corrections	Under review	
Probation	19M	
Adult Parole Supervision	7M	
Remaining Juvenile Justice Programs	2.9M	
Court Security	15M	
CAL FIRE	\$0.0	State has not provided information to determine impact
Subtotal	\$43.9M	
Estimated Annual Shift to Riverside County	\$231.4M	



MEMORANDUM

EXECUTIVE OFFICE, COUNTY OF RIVERSIDE

Bill Luna

County Executive Officer

Jay E. Orr

Assistant County Executive Officer

TO: Board of Supervisors

FROM: Christopher Hans, Deputy Executive Officer *CH*

DATE: April 4, 2011

RE: FY 11/12 Internal Service Fund Rates (ISF)

On January 25, 2011 (item 3.30), the Board approved the county's internal service fund (ISF) rates. A table summarizing the rate changes from FY 10/11 to FY 11/12 is included later in this report.

Before they were approved by the Board, all rates were reviewed and approved by the rate review committee. The committee includes representatives from the Assessor, Auditor, DPSS, District Attorney, Executive Office, Sheriff, TLMA, and Treasurer. The rate review committee also agreed to meet again later to discuss how best ISFs can provide maximum overall value.

With two noteworthy exceptions, rates remained stable or were decreased. Human Resources (HR) reported to the Executive Office (EO) that it needed to increase the Auto/General Liability (AGL) and Workers' Compensation (WC) rates by 50 percent and 100 percent respectively. In both cases, rates were returning to approximate historic levels after departments got a partial rate holiday the previous year. The extra cash that was used to lower rates temporarily was gone; further, expenses and claims were up.

ISF Fee Name	Percent Increase (Decrease)
Human Resources	0
Workers Compensation	44
Auto General Liability	35
Medical Malpractice	0
Short Term Disability	(3.6)
Unemployment Insurance	(33)
Property Insurance	0
TAP	(33)
OASIS	0
Printing	0
Supply Services	0
Information Technology	(2.6)
Records Management	0
EDA	0

04.04.2011

3.0

FY 11/12 Internal Revenue Service Fund Rates (ISF)
April 4, 2011



HR and EO – along with the rate review committee – decided on several actions to partly mitigate the needed increases. First, HR was able to provide significant reductions to the unemployment and TAP rates. Second, the confidence levels of AGL and WC were lowered for one year. This had the effect not of eliminating the increases, but of making the increases smaller, albeit by increasing the risk of fund failure. Rates were thus held below what is needed to cover claims. This was intended to provide relief for FY 11/12.

Department managers have some control over what they pay to ISFs. Where it doesn't compromise core functions, managers can decrease service levels; this can reduce ISF payments.

Within 30 days EDA is expected to bring to the Board a F11 updating its FY 11/12 rates. The rates will not be raised, but they have been adjusted to make them compatible with the department's new ISF status (formerly they were in the general fund). Also the old maintenance rate will be split into several new maintenance options, providing departments with greater control over costs.

Riverside County Fire Department
FY 11-12 Budget Amended Proposal April 4, 2011

**Fire Department
County OES
FY 11-12 Budget Revision
April 4, 2011**



**John R. Hawkins
Fire Chief**

**Fire Department
Budget Goals**

1. Maintain effective community fire protection
2. Maintain safe firefighter staffing levels
3. Maintain paramedic service

04.04.2011
3.0

Riverside County Fire Department

FY 11-12 Budget Amended Proposal April 4, 2011

Suggestion to Reduce Staffing

- ◆ Proposal to reduce engine company staffing at all 39 County unincorporated area stations
- ◆ Proposal would reduce from 3-person to 2-person engine companies
- ◆ Would reduce 39 on-duty daily FF's & 104 FF's laid off
- ◆ Represents a significant & very dangerous public safety threat
- ◆ Better budget option exists
- ◆ Please consider Fire Chief's professional budget & operational recommendations

2-Person Engine Staffing Problems

1. National standards recommend 4-person companies; RivCo has 3-person
2. Staffing based on operational need to protect 1.5 million residents
3. 3-person engine is well established & County standard
4. 2-person company significantly increases FF safety risks

Riverside County Fire Department FY 11-12 Budget Amended Proposal April 4, 2011

2-Person Engine Staffing Problems (cont.)

5. Increased accidents, comp costs & OT costs behind injured FF's
 - When Cove Communities moved to 3-person from 2-person companies, injuries reduced 57%

2-Person Engine Staffing Problems (cont.)

- City of Temecula reduction with injuries with movement to 4-person companies not 3-person companies

	2005	2006	2007	2008
Engine Company Staffing Level	3-person	3-person	4-person	4-person
Total OT days required fill behind injured pers	69 days	66 days	25 days	14 days

Riverside County Fire Department

FY 11-12 Budget Amended Proposal April 4, 2011

2-Person Engine Staffing Problems (cont.)

6. SoCal & other county fire departments standard is 3-person company – mutual aid impact
7. Partner cities impact of 2-pers companies & system erosion
8. Loss of surge capacity for major emergencies
9. Increased insurance premiums
10. Increased fire losses

2-Person Engine Staffing Alternative

- ◆ Fire Department 2-person staffing standard is medic squad
 - Would cover many of medical emergencies
 - Would still require fire engine backup on many emergencies
 - Would not carry water for firefighting
 - Only safe alternative for 2-person response
- ◆ Represents significant reduction in service

Riverside County Fire Department FY 11-12 Budget Amended Proposal April 4, 2011

Budget Alternative

REDUCTION	SAVINGS	ACCUMULATE D SAVINGS	PERSONNEL REDUCTIONS
PHASE 1 PERSONNEL & SERVICES REDUCTIONS			
Contract with Corona El Cerrito FS 15	\$600,000	\$600,000	8
Reduce Breathing Support 90	\$425,000	\$1,025,000	3
Restructure staffing configuration	\$2,100,000	\$3,125,000	0
Restructure Blythe fire sta	\$550,000	\$3,675,000	4
Reduce Trk 91 contribution	\$495,000	\$4,170,000	3
Restructure nurse program	\$100,000	\$4,270,000	1
Reduce 3 Battalion Chiefs	\$684,000	\$4,954,000	3
	TOTALS	\$4,954,000	22

Budget Alternative (cont.)

REDUCTION	SAVINGS	ACCUMULATED SAVINGS	PERSONNEL REDUCTIONS
PHASE 2 OPERATING COSTS REDUCTIONS			
Reduce fuel expenditures	\$400,000	\$400,000	0
Restructure ISF Ben Clark Tr Ctr	\$300,000	\$700,000	0
Increase cost recovery	\$750,000	\$1,450,000	0
Reduce trav expenses	\$50,000	\$1,500,000	0
	TOTALS	\$1,500,000	0

Riverside County Fire Department FY 11-12 Budget Amended Proposal April 4, 2011

Budget Alternative (cont.)

REDUCTION	REDUCTIONS	ACCUMULATED REDUCTIONS	PERSONNEL REDUCTIONS
PHASE 3			
Eliminate 2 ladder trucks-Mira Loma & Menifee Lakes	\$2,400,000	\$2,400,000	24
Restructure 2-person medic squads at Poppet Flats, Oasis & El Cariso	\$1,080,000	\$3,480,000	9
	TOTAL	\$3,480,000	33

Budget Alternative Summary

REDUCTION	REDUCTIONS	ACCUMULATED REDUCTIONS	PERSONNEL REDUCTIONS
Phases 1, 2 & 3 SUMMARIZED			
Phase 1 Personnel Reductions	\$4,954,000	\$4,954,000	22
Phase 2 Operating Cost Reductions	\$1,500,000	\$6,454,000	0
Phase 3 2-Person Squads & Ladder Truck Eliminations	\$3,480,000	\$ 9,934,000	33
	TOTALS	\$9,934,000	55

Riverside County Fire Department FY 11-12 Budget Amended Proposal April 4, 2011

Conclusion

- ◆ Fire must retain strengths of fire system while still making significant budget reductions
- ◆ Please consider professional expertise & recommendations of Fire Chief
- ◆ Fire Department will follow Board's direction
- ◆ Thank you very much

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.52

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the recommendation from Executive Office regarding the Report Back on Fiscal Year 2010-2011 Mid Year Budget Report is continued to Monday, April 4, 2011 at 9:00 a.m.

Roll Call:

Ayes: Buster, Stone, Benoit, and Ashley
Nays: None
Absent: Tavaglione

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on March 15, 2011 of Supervisors Minutes.

(seal)

WITNESS my hand and the seal of the Board of Supervisors
Dated: March 15, 2011
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

By: Kecia Harper-Ihem Deputy

AGENDA NO.
3.52

xc: EO, COB



MEMORANDUM

EXECUTIVE OFFICE, COUNTY OF RIVERSIDE

Bill Luna
County Executive Officer

Jay E. Orr
Assistant County Executive Officer

TO: Kecia Harper-Ihem, COB
FROM: Jay E. Orr, Assistant CEO
DATE: March 8, 2011
RE: **CONTINUANCE**

Please continue the following item to April 4 2011:

Fiscal Year 2010-2011 Mid-Year Budget Report.

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SBT:NYE - R 60115-05

03.15.2011
3.52

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.33

On motion of Supervisor Stone, seconded by Supervisor Tavaglione and duly carried, IT WAS ORDERED that the recommendation from Executive Office regarding the Report Back on Fiscal Year 2010-2011 Mid Year Budget Report is continued to Tuesday, March 15, 2011 at 9:00 a.m.

Roll Call:

Ayes: Buster, Tavaglione, Stone, and Ashley
Nays: None
Absent: Benoit

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on March 1, 2011 of Supervisors Minutes.

(seal)

WITNESS my hand and the seal of the Board of Supervisors
Dated: March 1, 2011
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

By: *Kecia Harper-Ihem* Deputy

AGENDA NO.
3.33

xc: EO, COB

3.52



MEMORANDUM

EXECUTIVE OFFICE, COUNTY OF RIVERSIDE

Bill Luna

County Executive Officer

Jay E. Orr

Assistant County Executive Officer

TO: Kecia Harper-Ihem, COB

FROM: Jay E. Orr, Assistant CEO

DATE: February 23, 2011

RE: CONTINUANCE

Please continue the item below to the March 15 agenda:

Report back on Fiscal Year 2010-2011 Mid-Year Budget Report.

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MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.25

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the Fiscal Year 2010-2011 Mid Year Budget Report dated February 1, 2011, submitted by the Executive Office, is received and filed with the exception of the Sheriff Department hiring freeze and staff reductions:

IT WAS FURTHER ORDERED that the recommendations and associated budget adjustments in Attachment A are approved;

IT WAS FURTHER ORDERED that Resolution 440-8858 authorizing addition of new positions contained in Attachment B, is adopted;

IT WAS FURTHER ORDERED that Executive office come back March 1, 2011 with recommendation on reductions in pay and benefits across the board.

The following spoke on the matter:

Daryl Terrell

Gary Grant

Sheriff Sniff spoke and presented a powerpoint presentation.

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on February 1, 2011 of Supervisors Minutes.

(seal)

WITNESS my hand and the seal of the Board of Supervisors
Dated: February 1, 2011
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

By: *Kecia Harper-Ihem* Deputy

AGENDA NO.
3.25

xc: E.O., Auditor, All Depts., COB

WJ - DID NOT SPEAK
Riverside County Board of Supervisors
Request to Speak

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: RAY MARTINEZ

Address: _____
(only if follow-up mail response requested)

City: _____ Zip: _____

Phone #: 951-966-5592

Date: 4.4.11 Agenda # 3.0 County Fire Dept.

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:
_____ Support Oppose _____ Neutral

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

_____ Support _____ Oppose _____ Neutral

I give my 3 minutes to: _____

Riverside County Board of Supervisors
Request to Speak

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: DARREN HOOPINBARNE

Address: _____
(only if follow-up mail response requested)

City: _____ Zip: _____

Phone #: 951-757-4765

Date: _____ Agenda # 3.0 County Fire
840.

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:
_____ Support Oppose _____ Neutral

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

_____ Support _____ Oppose _____ Neutral

I give my 3 minutes to: _____