



MEMORANDUM

DATE: August 8, 2022
TO: Honorable Mayor and City Councilmembers
FROM: Dave Perrault, City Administrator
SUBJECT: Lake Johanna Fire Department Long Range Planning Discussion

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	N/A	N/A

For Council Consideration

The City Council received information regarding the Lake Johanna Fire Department’s Long Range Plan at its July 11th, 2022 special work session, this is an opportunity to provide further direction to Staff.

Background

Attachment A is the memo from the previous work session. It includes background information on the plan, the fire department’s presentation and City implications. The fire department is primarily looking for Council’s informal approval of proceeding with Option #2 should the department receive the SAFER Grant. Should the department not receive the SAFER Grant, more discussion will need to be had by both the fire department’s board of directors and the three City Councils.

Budget Impact

Attachment A has a thorough breakdown of budget impacts to the City. The two tables on page 2 of this memo show a high-level impact of the funding issues for the City. The first table represents the spending impacts if we receive the SAFER Grant and begin construction of a new station in 2025. The second table shows the impacts if we do not receive the SAFER Grant, hire new captains in 2024 and 2026, and begin construction of a new station in 2025. It should be noted that the City has already been increasing its levy for Public Safety Capital to offset the \$195,000 projected in 2025 and beyond for the new station, but no changes have been made for any future additional staffing. Both tables show “unplanned spending” and one example of an incremental increase to offset the Captains. It is worth noting that even if the new station were not pursued, the \$195,000 would still not be enough to cover the new captains. These tables are only the spending needed to offset the new captains; Attachment B provides a more thorough analysis of the total fire department impacts to the City including updated capital estimates. In either scenario, in 2030 the

City would need to have a levy increase of approximately 19% over 2022 to pay for all fire department costs.

With SAFER Grant								
Cost Drivers	2023	2024	2025	2026	2027	2028	2029	2030
Operating Costs	757,809	795,699	835,484	877,259	921,122	967,178	1,015,537	1,066,313
Capital Costs	39,386	77,813	423,674	204,573	236,401	168,947	223,353	25,000
New Station Construction (2025)	-	-	195,000	195,000	195,000	195,000	195,000	195,000
New Captains	-	-	-	260,000	267,800	275,834	284,109	292,632
Total	797,195	873,512	1,454,158	1,536,832	1,620,323	1,606,959	1,717,999	1,578,946
Unplanned Spending	-	-	-	260,000	267,800	275,834	284,109	292,632
Incremental Levy Increase Over 7 Years	75,000	100,000	125,000	150,000	150,000	225,000	262,743	292,632

Without SAFER Grant								
Cost Drivers	2023	2024	2025	2026	2027	2028	2029	2030
Operating Costs	757,809	795,699	835,484	877,259	921,122	967,178	1,015,537	1,066,313
Capital Costs	39,386	77,813	423,674	204,573	236,401	168,947	223,353	25,000
New Station Construction (2025)	-	-	195,000	195,000	195,000	195,000	195,000	195,000
New Captains	-	122,500	126,175	260,000	267,800	275,834	284,109	292,632
Total	797,195	996,012	1,580,333	1,536,832	1,620,323	1,606,959	1,717,999	1,578,946
Unplanned Spending	-	122,500	126,175	260,000	267,800	275,834	284,109	292,632
Incremental Levy Increase Over 7 Years	125,000	125,000	175,000	200,000	225,000	225,000	261,418	292,632

Attachments

Attachment A: July 11th Memo to the City Council

Attachment B: Sources and Uses Tables