

HIGHLANDS RANCH METROPOLITAN DISTRICT
STUDY SESSION ADDENDA

August 23, 2017

Addendum documents can also be viewed at
<http://highlandsranch.org>

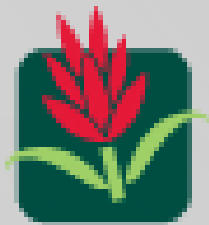
or

<http://intranet.highlandsranch.org/default.aspx>

- LFR Update – 2018 Budget
- Compensation Review

LFR Update

2018 Budget



HIGHLANDS RANCH
Metro District



Major Budget Requests / Priorities

1. Full Time Battalion Chief
 - Priority #7 in 2015 Master Plan
2. Two additional Fire Inspectors
3. Miscellaneous increases
 - Uniforms
 - PPE
4. Capital
 - Apparatus
 - Equipment



Battalion Chiefs

Priority #7 in 2015 Emergency Services Master Plan

- “Span of control is 8:1, which is a significant supervisory workload”
- “The geographic size of the service area can limit the effectiveness of this position”
- “In more complex incidents, having more than one qualified incident commander available is very beneficial”

Battalion Chiefs

Option #1 - Hire 3 FTE's		
	Salaries per HR	
\$	149,364	BC#1
	149,364	BC#2
	149,364	BC#3
	83,160	Add OT for Backfill
	(30,000)	EMT vs. Paramedic *3
	(200,000)	Overtime
\$	301,252	True Costs
City's Share		
28.21%	\$	84,983 City's Share of Increased Costs
		9 Weeks
		63 Days
		1,512 Hours
\$	83,160	\$ for Vacation Backfill

Option #2 - Fill with OT		
Current OT to Fill BC's for 12 hours per day		
\$	240,900	
OT to Fill BC's for 24 hours per day		
\$	481,800	
\$	206,000	Current OT in Budget
\$	275,800	Needed Increase to Budget
\$	77,803	City's Share of Increased Costs

*** Dispatch savings could pay for this additional resource**



Fire Inspectors

Proposal

- Additional inspectors requested to ensure fire inspections are completed at proper intervals to ensure Fire Code Compliance
- It was requested to generate a plan to pay for these additional FTE positions

Inspections by Risk Assessment

Total Occupancies By Risk				
	High	Moderate	Low	Total
COL	836	141	1,011	1,988
LFPD	490	82	725	1,297
HRMD	436	125	648	1,209
Total	1,762	348	2,384	4,494

Current Inspection Capacity

Total Occupancies by Risk	COL	LFPD	HRMD	TOTAL	# Complete	# incomplete
High-Risk Occupancy	836	490	436	1762	408	1354
Moderate-Risk Occupancy	141	82	125	348	3	345
Low-Risk Occupancy	1011	725	648	2384	249	2135
Total number of inspections	1988	1297	1209	4494	660	3834

Fire Inspections by Comparison

	# of Inspections	Inspection Cycle	% Completed
Aurora	8,000	2 years	100%
Littleton	4,500	1 year	15%
South Metro	6,000	3 year	100%
West Metro	6,000	1 year	100%

“Proposed” Fee Schedule

Assumptions

High	3.5 hours	1 year cycle	\$262.50
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Moderate	2 hours	2 year cycle	\$150.00
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Low	1.5 hour	3 year cycle	\$112.50
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		2018	2019	2020	2021	2022
		Year 1	Year 2	Year 3	Year 4	Year 5
Prev Year's Balance		\$ -	\$ 9,275	\$ 37,065	\$ 52,151	\$ 46,592
Revenues						
Fees						
High-Risk		\$ 462,525	\$ 471,776	\$ 481,211	\$ 490,835	\$ 500,652
Moderate-Risk		\$ 26,100	\$ 26,622	\$ 27,154	\$ 27,698	\$ 28,251
Low-Risk		\$ 89,400	\$ 91,188	\$ 93,012	\$ 94,872	\$ 96,769
Fire Partner Capital Reimb		\$ 24,500	\$ -	\$ -	\$ -	\$ -
		\$ 602,525	\$ 589,586	\$ 601,377	\$ 613,405	\$ 625,673
Expenses						
Operating						
Personnel - 4 Inspectors		\$ 458,700	\$ 477,048	\$ 496,130	\$ 515,975	\$ 536,614
Billing - 1 Admin Coord		\$ 60,000	\$ 61,800	\$ 63,654	\$ 65,564	\$ 67,531
Uniforms		\$ 3,200	\$ -	\$ 3,200	\$ -	\$ 3,200
Training, Certs, Supplies		\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Computers/Phones		\$ 13,750	\$ -	\$ -	\$ 13,750	\$ -
Fleet (Maint, Fuel, Insurance)		\$ 11,600	\$ 11,948	\$ 12,306	\$ 12,676	\$ 13,056
		\$ 558,250	\$ 561,796	\$ 586,290	\$ 618,964	\$ 631,401
Capital						
Vehicle		\$ 35,000	\$ -	\$ -	\$ -	\$ -
Net Revenues/Expenses		\$ 9,275	\$ 27,790	\$ 15,087	\$ (5,560)	\$ (5,728)
Ending Balance		\$ 9,275	\$ 37,065	\$ 52,151	\$ 46,592	\$ 40,864
		Assumptions				
					\$75	
		High	3.5 hours	1 year cycle		\$262.50
		Moderate	2 hours	2 year cycle		\$150.00
		Low	1.5 hour	3 year cycle		\$112.50

Prevention Bureau Workload

Average annual work load Hours:		
Permit/Plan Review		1438
Construction Inspections		1091
Primary Fire Inspections		6341
Non-Permit Appointments		228
Follow-up Inspections		226
Fire Investigations		247
Pre-Plans		1040
Public Education		2350
Office Time - 1.5 hr per day x 5 days		2730
Insp data entry, phone calls, scheduling, etc.		
Minimum CEU hrs per year - 8 hrs		56
Training hours per year		56
New recruit academy training hours		56
Total work hours per year		15859.6
Work hours per year = 2080 hours		
Subtract: 40 hr Fl Hx, 128 hrs Vac, 96 hrs Sick = 264 hrs of time off (1816 hrs worked)		
To complete annual work load of 15859.6 hours divided by 1816 work hours = 8.7 FTE min.		
Currently the Fire Prevention Bureau has 6 FTE's to completed the work load listed above		



Proposed 2018 Budget

- ~~1. Full Time Battalion Chief~~
- ~~2. Two additional Fire Inspectors~~
3. Miscellaneous increases
 - ~~■ Uniforms~~
 - ~~■ PPE~~
4. Capital
 - ~~■ Apparatus~~
 - Equipment



Battalion Chiefs

NOT INCLUDED in 2018 Proposed Budget

PLAN

- “Peak Hour” BC’s will continue to operate utilizing OT funds and existing staff

IMPACT

- Only 1 supervisor on duty between 2000-0800
- Limited span of control
- Lack of Incident Commander if more than one incident occurs



Fire Inspectors

NOT INCLUDED in 2018 Proposed Budget

PLAN

- Continue inspections based on priority and “risk assessment” with current staff

IMPACT

- Approximately 85% of inspections will not be completed
- Inspection schedule does not follow best practices or NFPA recommendations



Capital

- All replacement apparatus was removed at the request of the Review Committee Partners
- HRMD wishes purchase a Wildland apparatus on their own
 - Logistics Division is working with vendor and HRMD regarding timeline, costs etc.
- Capital Equipment remains in the current proposed budget



Compensation Review

Compensation Goals

Compensation Process & Timeline

Compensation Plan Guide

Structure Adjustment

Wage Matrix



Compensation Goals

Ensure market competitiveness to attract and retain employees

Recognize proficiency and reward good performance

Be consistent throughout the process



Process and Timeline

- August
 - Staff determines placeholder number for preliminary budgets
 - Guidance for reviewing requests and establishing water rates
- October
 - Compensation plan reviewed at board meeting
 - Salary survey, grade changes etc.
- November/December
 - Boards workshop and public hearing
 - Review total budget proposal and determine final number
 - Board action
 - Confirm compensation plan calculation or
 - Determine another number based on data provided by staff



Compensation Plan

The Districts annually adopt the Compensation Plan Guide so that:

1. The Districts' stakeholders can understand the practices used in providing for increases in compensation of employees which represents a significant portion of the operating budget;
2. Management has a framework to use to calculate the adjustments.



Compensation Plan

The Plan provides for the following to be prepared for the Board to review.

- Exhibit 1 - structure adjustment – Aug.
- Exhibit 2 - wage matrix – Aug.

- Exhibit 3 – historic graph of changes – Oct.
- Exhibit 4 – highlights of survey results – Oct.



Comp Plan – Exhibit 1 and 2

- Percentage increases determined by:
 - Structure Adjustment

PLUS

- Performance allowance to move employees across ranges over time
 - Non-exempt employees reach market in 7 years
 - Exempt employees reach market in 9 years



Exhibit 1 - Structure Adjustment

- Based on MSEC survey “Average % Increase in Pay Structure”
- Most accurately reflects available survey data with corrections to annual market “survey”
- Adjustment based on the sum of the following components:

2016						
	PRIOR revised adjustment				1.70%	
	ACTUAL adjustment				1.50%	
						-0.20%
2017						
	INITIAL PROJECTED adjustment				1.80%	
	REVISED adjustment				1.50%	
						-0.30%
2018						
	ORIGINAL projection					1.80%
	<i>Our range & matrix change will be</i>					<u>1.30%</u>



Preliminary Budget - Compensation

- Used plan calculation of 3.3% increase based on:
 - 1.3% structure
 - 2.0% performance
- Mountain States Survey projected increases

2018 Projected August 2017 Average or Typical Employee	
	Without zeros
Denver/Boulder	3.1%



Comp Plan - Exhibit 2

- Percentage increase based on matrix
 - In relation to employee's rating compared to peers
 - The employee's position within a salary range



Exhibit 2 - Matrix

	Below Midpoint			Above Midpoint		
Upper 25%	4.30%	4.80%	5.30%	3.05%	3.68%	4.30%
Middle 50%	3.05%	3.80%	4.55%	2.30%	2.80%	3.30%
Lower 25%	2.55%	2.93%	3.30%	1.30%	1.80%	2.30%
		3.83%			2.77%	
			3.30%			

Assumes equal number of employees above and below midpoint



QUESTIONS