

Village Fire Department



Serving the Villages of Bunker Hill, Piney Point, Spring Valley,
Hunters Creek, Hilshire, and Hedwig

2025 Proposed Budget



VFD 2025 Proposed Budget Highlights

In accordance with the terms of the Interlocal Agreement, the Village Fire Department's 2025 Budget is hereby submitted for consideration and approval by the Contracting Cities. Pursuant to Section 5.02 of the Interlocal Agreement, by a unanimous vote of Commissioners, the Board has approved and recommended this budget. Please place this item on your council's agenda for consideration, and within the time and manner specified in the Interlocal, then advise the department of your City Council's action.

COMMISSIONERS 2025

City of Bunker Hill Village	Keith Brown, Chair
City of Piney Point Village	Henry Kollenberg, Vice Chair
City of Spring Valley Village	Allen Carpenter, Treasurer
City of Hunters Creek Village	Rob Adams, Secretary
City of Hilshire Village	Mike Garofalo, Member
City of Hedwig Village	Matt Woodruff, Member

ALTERNATES 2025

City of Bunker Hill Village	Clara Towsley
City of Piney Point Village	Aliza Dutt
City of Spring Valley Village	John Lisenby
City of Hunters Creek Village	Fidel Sapien
City of Hilshire Village	Mayor Robert (Bob) Buesinger, Member
City of Hedwig Village	Patrick Breckon

This budget includes a 3.5% salary increase, allowances for step increases anticipated in 2025, continues a 2% base salary contribution to the employees' 457(b) Plan, and a \$200,000.00 contribution to the Capital Replacement Fund. The budget also includes additional funds for training to catch up on training that was not done during the COVID-19 pandemic and to ensure the department has an adequate depth of personnel trained in certain specialized areas. All of this will be discussed in greater detail in the following pages.

The VFD is requesting an overall budget of **\$10,075,920** which is \$162,433, or 1.64%, over the FY 2024 budget.

The budget is broken down in overarching categories as follows:

GENERAL FUND – CAPITAL – \$146,600 (Page 3)

GENERAL FUND – PERSONNEL – \$8,528,535 (Page 3 - Page 4)

GENERAL FUND – OPERATING – \$1,200,785 (Page 4 - Page 5)

CAPITAL REPLACEMENT FUND – \$200,000 (Page 5)

TOTAL – \$10,075,920

The following is a comparison between these categories from 2023 amended through the proposed 2025 budget:

	FY 2023 amended Budget	FY 2023 Actual (audited)	FY 2024 Original Budget	FY 2025 Proposed
Capital	507,810	483,588	193,033	146,600
Personnel	7,737,862	8,268,375	8,268,375	8,528,535
Operating	1,036,453	956,771	1,052,080	1,200,785
Total Expenditures	9,272,125	9,061,049	9,513,488	9,875,920
Equipment Contribution	10,000			
\$ for Cap. Replacement Plan	200,000	200,000	400,000	200,000
		200,000	400,000	200,000
Total Assessed		9,261,049	9,913,488	10,075,920
EMS Contribution				250,000
Total assessments & contributions				10,325,920

Below is a breakdown of the cost to each city for this budget. The total cost for city assessments is **\$10,075,920**.

City	Pro-Rata Share	\$ Funded by End of 2025	January 2025 Payment	February – November 2025 monthly Payment	December 2025 Payment
Bunker Hill Village	19%	\$1,914,424.80	\$239,303.10	\$159,535.40	\$79,767.70
Hedwig Village	18.5%	\$1,864,045.20	\$233,005.65	\$155,337.10	\$77,668.55
Hilshire Village	3%	\$302,277.60	\$37,784.70	\$25,189.80	\$12,594.90
Hunters Creek Village	22.25%	\$2,241,892.20	\$280,236.53	\$186,824.35	\$93,412.18
Piney Point Village	21%	\$2,115,943.20	\$264,492.90	\$176,328.60	\$88,164.30
Spring Valley Village	16.25%	\$1,637,337.00	\$204,667.13	\$136,444.75	\$68,222.38
Total	100%	\$10,075,920			

2025 Budget Highlights

GENERAL FUND – CAPITAL – \$146,600

The general fund - capital has a 24% reduction from 2024. This decrease is due to no major facility project or repairs being anticipated. This category includes:

- *Physical Plant/Facility - \$10,000* – unanticipated building repairs
- *Misc. Tools & Equipment FIRE - \$86,000* – various tools needed for apparatus
- *Misc. Tools & Equipment EMS - \$12,800* – scheduled EMS replacement
- *Protective Gear - \$22,400* – Bunker Gear for new hires and various other protective gear
- *Office Computers - \$10,000* – scheduled replacement
- *Radios - \$5,400*– scheduled replacement & radios for reserve apparatus

GENERAL FUND – PERSONNEL – \$8,528,535.00

The Village Fire Department currently has fifty-three full-time employees. The breakdown will be forty-five Fire and EMS personnel, one Fire Chief, one Fire Marshal, one administrator, one administrative specialist, and four communication specialists (dispatchers). By 2025 the department plans to also employ part-time dispatcher(s)

This category includes salary, overtime (regular, CPR, events, & EMS/Fire training), professional certification, TMRS contributions at 2:1, 2% employer contribution to 457b, health benefits cost, and meal allowance.

Payroll:

SALARIES - \$5,789,000

This category includes the base annual pay for 53 full-time employees. It also reflects the 3.5% base salary adjustment for all employees and anticipated step increases. By 2025 the department plans to also employ part-time dispatcher(s)

EMPLOYER 457B CONTRIBUTION - \$115,780

This category includes a 2% employer contribution of full-time employees after 12 months of continued employment of base salary and thereafter.

LONGEVITY & HIGHER CLASS - \$48,335

This category includes employees with 1 year or more of service who will be paid \$4.00 per month per year of service. The maximum annual earning is reached after 25 years of service and equates to \$1,200 annually. Higher class is paid to an employee working a “grade” higher than their regular current job position. This rate of pay is the difference between the higher-grade hourly rate and the employee’s regular hourly rate.

OVERTIME (regular, CPR, & training) - \$369,140.

The requested overtime cost takes into consideration the historical costs of operating the department. The category is broken down into sub-categories to include all areas of overtime for the department. There has been concern in the past as to whether the overtime budget allowed sufficient authority for the department to call in additional staff for extraordinary events, such as major fires, floods, hurricanes, and the like. It should be noted that the cost of doubling department manpower by calling in an extra shift costs approximately \$25,000 *each day*. This budget allows approximately \$50,000.00 in overtime for unknown but anticipatable events during the year. If there is a major hurricane (or more than one) or similar events

that deplete this allowance, a budget amendment will be necessary to ensure the department has sufficient funds to complete the year.

FICA TAX EMPLOYER - \$488,980

The 7.65% tax on the combination of base salary, employer 457B contribution, longevity, higher class, overtime, & professional certification.

Benefit:

RETIREMENT (TMRS) CONTRIBUTION - \$428,260

The Village Fire Department provides a 2:1 ratio with the **2024** employee contribution rate of 7% and the employer contribution rate of 6.7%. The department will know the 2025 rate in June.

HEALTH INSURANCE & LIFE/LTD - \$1,079,800

Medical/Dental/Vision/BAC Insurance estimate: \$1,054,600 2025 employer contribution. A 15% increase from 2024 projected for all eligible full-time employees. The department provides employee term life, AD&D, and long-term disability coverage to its employees; \$25,200 is a 15% increase from the 2024 projected.

WORKER'S COMPENSATION - \$93,600

The employer's contribution rates for workers' compensation (WC) are based on the rates with Deep East Texas Self Insurance Fund (DETSIF)- Higginbotham. (DETSIF) - Higginbotham provides the department with a proposal after a worker compensation audit is performed annually. The department receives bids for WC annually. Increased 18% from 2024 (cost difference between 2023 and 2024)

GENERAL FUND – OPERATING – \$1,052,079.53

This category includes “red trucks and saving lives,” dispatch, fire prevention - fire marshal's office, fire station, office, professional services, training, maintenance, and events/other (The budget categories have been reorganized for 2024, which can make year-to-year comparisons difficult but should result in greater visibility in the future as to where costs are being incurred.)

RED TRUCKS & SAVING LIVES - \$344,630.00

This category provides operating tools for “red trucks and saving lives.” In this category, there is a 16.78% increase due to uniform replacement, fuel, EMS equipment, and technology.

DISPATCH - \$11,2000

This category covers the needs of the dispatch. In this category, there is a 5.45% increase from the 2024 budget due to the increased annual maintenance cost for the dispatch alerting system.

FIRE PREVENTION - FIRE MARSHAL OFFICE - \$5,600

This category covers the needs of the fire Marshal's office. In this category, there is a 37.78% reduction from the 2024 budget.

FIRE STATION - \$215,010

This category covers the needs of the fire station. In this category, there is a 24.97% increase from the 2024 budget. (Fixed Rate \$10.00 - Rent) due to increased costs in the maintenance of the station and supplies.

OFFICE - \$57,550

This category covers expenses for items pertaining to administration. In this category there is 9.28% increase from the 2024 budget due to the price increase of office supplies and software.

PROFESSIONAL SERVICES - \$164,115

This category covers expenses for all outsourced services. In this category, there is a 43.33% from the 2024 budget. The addition of accounting services and salary survey were both not budgeted in 2024. Increase in IT, health insurance consultant, and annual audit.

TRAINING – 91,300

This category exhibits an increase of 2.93% reduction from 2024 budget.

MAINTENANCE - \$270,800

This category provides funding for expected maintenance. In this category, there is a 10.76% increase from the 2024 budget. The increase is due to expected vehicles, bunker gear, and fuel system maintenance.

EVENTS/OTHER - \$40,580

This category covers various event expenses and provides a small contingency for unknown costs. In this category, there is a 31.89% reduction from the 2024 budget. The reduction is due to the removal of employee team-building dollars and reduced CPR supplies.

Capital Replacement Fund – \$200,000

The Capital Replacement strategic plan was developed to provide an instrument to aid the recommended replacement timeline for apparatus and equipment. Our vehicle maintenance officer reviews the cost of the vehicle, its age, and the miles and time it has on the engine. Industry standards and practices are used to determine the replacement of apparatus and equipment. Additionally, there is a section for SCBA (Self-Contained Breathing Apparatus) equipment for 2025. The current equipment is soon outdated and no longer covered under warranty. The department will meet the new standards with the purchase of the equipment. The Strategic Plan has been estimated to be a multiyear plan. There is a vehicle replacement for the deputy chief in 2025.

The commission has evaluated the current needs of the long-term plan. The vehicle costs were updated with a 10% inflation rate due to recommendations from VFD's insurance carrier and vehicle manufacturers. The Commission believes that while the \$200,000 allocation, the 2025 EMS contribution, and the surplus allocation for 2025 are appropriate, there will be continued review to ensure the fund will be adequate. Upon the conclusion of this analysis, the Commission will make appropriate recommendations for future-year contributions to ensure the long-term health of this fund.

The following additional documents are attached:

- 2025 Proposed Budget Highlights
- 2025 Proposed Budget Chair Letter
- 2025 Proposed Budget
- Capital Replacement Fund Schedule Spreadsheet

Village Fire Department



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Protecting and Serving the Cities of:
Bunker Hill Village
Hedwig Village
Hilshire Village
Hunters Creek Village
Piney Point Village
Spring Valley Village

June 3, 2024

The Honorable Robert Lord

Mayor, City of Bunker Hill Village

The Honorable Marcus Vajdos

Mayor, City of Spring Valley Village

The Honorable Aliza Dutt

Mayor, City of Piney Point Village

The Honorable Jimmy Pappas

Mayor, City of Hunters Creek Village

The Honorable Robert (Bob) Buesinger

Mayor, City of Hilshire Village

The Honorable Tom Jinks

Mayor, City of Hedwig Village

Dear Mayors:

In accordance with the terms of the Interlocal Agreement, the Village Fire Commission has unanimously approved and is forwarding for the consideration and approval of each city the following documents (along with additional supporting schedules and documents):

- **2023 Audit Surplus in the amount of \$238,054.** This Fire Commission is requesting the 2023 audit surplus in the amount of \$238,054 be placed in FUND 2, Capital Replacement Fund.
- **EMS Revenue to the end of 2025.** The Fire Commission is requesting the 2025 EMS revenue to be placed in FUND 2, Capital replacement fund. This matter will be reevaluated each year to determine the allocation of EMS funds.

- **Proposed 2025 Budget.** The budget is explained in some detail in the attached documents. Please note the budget has been presented in terms of major categories and subcategories to simplify ease of presentation. The itemized budget “worksheet” containing line-by-line estimates for different costs such as TMRS, health insurance, etc. under benefits is still available to the cities to review upon request. To briefly summarize, the budget represents an assessment increase of 1.64% from the 2024 budget. The overall 4.15% increase over the 2024 budget contains the EMS revenue contribution being allocated to FUND 2. It provides a 3.5% across-the-board salary increase for personnel and anticipated step increases. A reduction in the contribution toward the Capital Replacement Fund from \$400,000 to \$200,000 due to the allocation of funds; the 2023 surplus and the 2025 EMS revenue contribution. The Fire Commission will continue to assess the unprecedented increase in the cost of fire apparatus, properly evaluating the expected life of current apparatus and recommending the proper investment vehicles for the sums in the fund. Future-year contributions to this fund may need to be adjusted to ensure the long-term solvency of this fund.

Throughout this process, it has been our goal to provide the cities with a realistic and achievable budget. Though some items were moved from the budget in 2025. The fire commission is continuing to evaluate and reassess the year to ensure the budget is meeting the needs of the fire department and providing the best service to the residents of Memorial Villages. While we all must recognize unforeseeable events could result in the need for additional funds, we must also recognize that some unknown events over the course of a year are foreseeable and should be accounted for in a realistic budget. Your Commissioners and VFD personnel are prepared to answer your questions regarding this proposed budget.

We ask that you place the three items above on your council’s agenda for consideration within the time and manner specified in the Interlocal, then advise the department of your City Council’s action.

Respectfully submitted,


Keith Brown, Chair

Village Fire Department Board of Commissioners

Attachments

cc: Village Fire Department Commissioners and Alternates

City Administrators/Secretaries

Village Fire Department 2025 Proposed Budget

CAPITAL EXPENDITURES:

Capital Expenditures TOTAL

\$146,600.00

PERSONNEL EXPENDITURES:

Payroll 6,880,875

Benefit 1,647,660

Personnel Expenditures TOTAL

\$8,528,535.00

OPERATIONAL EXPENDITURES

Red Trucks & Saving Lives 344,630

Dispatch 11,200

Fire Prevention - Fire Marshal's Office 5,600

Fire Station 215,010

Office 57,550

Professional Services 164,115

Training 91,300

Maintenance 270,800

Events & Other 40,580

Operating Expenditures TOTAL

\$1,200,785.00

Subtotal

\$9,875,920

CAPITAL REPLACEMENT ASSESSMENT

200,000

\$200,000

TOTAL BUDGET TO BE ASSESSED

\$10,075,920.00

EMS Revenue Contribution

250,000

Total Assessments and Contributions to Village Fire Department

\$10,325,920.00

Village Fire Department 2025 Proposed Budget

<u>CAPITAL EXPENDITURES:</u>	% change from 2024 to 2025	% change from 2023 to 2024
Capital Expenditures TOTAL	-24%	-60%
 <u>PERSONNEL EXPENDITURES:</u>		
Payroll	6.41%	
Benefit	-8.55%	
Personnel Expenditures TOTAL	3%	8%
 <u>OPERATIONAL EXPENDITURES</u>		
Red Trucks & Saving Lives	16.78%	
Dispatch	5.45%	
Fire Prevention - Fire Marshal's Office	-37.78%	
Fire Station	24.97%	
Office	9.28%	
Professional Services	43.33%	
Training	-2.93%	
Maintenance	10.76%	
Events & Other	-31.89%	
Operating Expenditures TOTAL	14.13%	9.96%
Subtotal	3.81%	4.99%
 <u>CAPITAL REPLACEMENT ASSESSMENT</u>	 -100%	 100%
 <u>TOTAL BUDGET TO BE ASSESSED</u>	 1.64%	 7.04%
 Total % change from the 2024 budget assessed to the 2025 total assessment and contributions	 4.16%	

Village Fire Department 2025 Proposed Budget

	2025 Proposed Budget	# Delta from 2024 Budget to Proposed 2025	# Delta from 2023 Budget to 2024 Budget
<u>CAPITAL EXPENDITURES:</u>			
Capital Expenditures TOTAL	\$146,600.00	\$193,033.25	\$483,588.07
<u>PERSONNEL EXPENDITURES:</u>			
Personnel Expenditures TOTAL	\$8,528,535.00	\$8,268,375.07	\$7,620,690.00
<u>OPERATIONAL EXPENDITURES</u>			
Operating Expenditures TOTAL	\$1,200,785.00	\$1,052,079.53	\$956,771.00
SUBTOTAL	\$9,875,920	\$9,513,487.85	\$9,061,049.07
<u>CAPITAL REPLACEMENT ASSESSMENT</u>	\$200,000	-\$200,000	\$200,000
<u>TOTAL BUDGET TO BE ASSESSED</u>	\$10,075,920.00	\$9,913,487.85	\$9,261,049.07
<u>EMS Revenue Contribution</u>	\$250,000		
<u>Total Assessments and Contributions to Village Fire Department</u>	\$10,325,920.00		

Village Fire Department Budget History

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Approved	FY 2025 Budget Proposed
General Fund Expenditures:									
Capital	12,925.00	0.00	169,366.00	49,123.00	100,364.00	159,620.00	483,588.07	193,033.25	146,600.00
Personnel	4,624,866.00	4,771,328.00	5,412,322.00	5,549,532.00	6,126,081.00	6,742,766.00	7,620,690.00	8,268,375.07	8,528,535.00
Operating	590,598.00	707,724.00	610,682.00	783,740.00	700,656.00	953,900.00	956,771.00	1,052,079.53	1,200,785.00
Total Expenditures	5,228,389.00	5,479,052.00	6,192,370.00	6,382,395.00	6,927,101.00	7,856,286.00	9,061,049.07	9,513,487.85	9,875,920.00
Annual % change year-to-year		4.79%	13.02%	3.07%	8.53%	0.00%	-2.28%	4.99%	3.81%
Capital Replacement Fund:									
\$ for Cap. Replacement Plan	160,000.00	130,000.00	160,000.00	160,000.00	180,000.00	180,000.00	200,000.00	400,000.00	200,000.00
Total to Fund	160,000.00	130,000.00	160,000.00	160,000.00	180,000.00	180,000.00	200,000.00	400,000.00	200,000.00
Cost to Cities	5,388,389.00	5,609,052.00	6,352,370.00	6,542,395.00	7,107,101.00	8,036,286.00	9,261,049.07	9,913,487.85	10,075,920.00
Annual % change year-to-year including the CRF		4.10%	13.25%	2.90%	8.63%	13.07%	15.24%	7.04%	1.64%

Capital Replacement Fund Schedule

Option to show \$200,000 contribution for 2025, then increasing 85,000 each year beginning 2026

Vehicles	Life (years)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
2017 Ladder	15										4,400,000.00
2020 Pumper 1	20										
2008 Pumper 2	20					1,950,635.07					
2014 Deputy Chief's Vehicle	10		150,000.00								
2019 Fire Chief's Vehicle	10						90,000.00				
2020 Utility Vehicle	10							75,000.00			
2023 Medic 1	10	186,710.00									
2023 Medic 2	10	186,710.00									
2014 Medic 3	10					300,000.00					
2012 Reserve Medic			sell (see below)								
2017 Fire Marshal's Vehicle	10					90,000.00					
Total to be spent for Vehicles		373,420.00	0.00	150,000.00	0.00	2,040,635.07	300,000.00	90,000.00	75,000.00	0.00	4,400,000.00

SCBA Equipment		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SCBA Equipment	10			225,000.00							
Total to be spent for SCBA Equipment		0.00	0.00	225,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Balance		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Cash -AP		220,314.00	128,969.00	841,982.79	953,181.97	1,513,039.72	194,678.53	643,256.07	1,368,574.23	2,209,557.26	3,224,097.60
Planned Budgeted Annual Contribution		200,000.00	400,000.00	200,000.00	285,000.00	370,000.00	455,000.00	540,000.00	625,000.00	710,000.00	795,000.00
Additional Contributions		0.00	238,054.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EMS Revenue				250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00
Interest Income		3,946.00	21,959.79	36,199.18	24,857.76	17,273.88	8,577.54	20,318.16	35,983.03	54,540.34	32,462.68
Revenue from sale or trade-in		0.00	57,000.00	0.00	0.00	85,000.00	35,000.00	5,000.00	5,000.00	0.00	100,000.00
Disbursements		(295,291.00)	(4,000.00)	(375,000.00)	0.00	(2,040,635.07)	(300,000.00)	(90,000.00)	(75,000.00)	0.00	(4,400,000.00)
Ending Cash		128,969.00	841,982.79	953,181.97	1,513,039.72	194,678.53	643,256.07	1,368,574.23	2,209,557.26	3,224,097.60	1,560.28

\$85,000 annual increase beginning in 2026