

September 16, 2021

To: Board of Fire Commissioners, Eastchester Fire District  
From: Jamie Hedstrom, Treasurer  
Subject: Proposed Budget Workshop

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### **Tax Cap Data**

The Eastchester Fire District can levy taxes of up to \$18,368,285 in 2022 without exceeding the tax cap, which includes available carryover and represents a 3.8% increase from our 2021 tax levy of \$17,695,499.70.

2021 Tax Levy	\$ 17,695,499.70
2021 Appropriation of 2020 Surplus	\$ 922,971.25
<b>Total 2021 Anticipated Expenditures</b>	<b>\$ 18,618,470.95</b>
<b>2022 Allowable Tax Levy</b>	<b>\$ 18,368,285.00</b>

### **Budget Considerations**

**Net result:** *The current proposed budget as drafted proposes a tax increase of \$353,910, or 2%. This proposed tax levy does not exceed the tax cap. As with our 2021 budget, Appropriated Fund Balance will be used to cover the difference between the estimated expenditures and the tax levy. Assuming a 2% tax increase, the amount of Appropriated Fund Balance needed is \$640,253. **The ultimate breakdown between the Tax Levy and Appropriated Fund Balance is at the Board's discretion and is a key item for discussion and determination at tonight's Budget Workshop.***

### **Income Adjustments:**

- 2401 Interest Earnings- Exclude as source of revenue as earnings continue to be de minimis in current economic climate.

### **Expense Adjustments:**

**Salary and Related Expenses-** Per the negotiated CBA, salaries are increasing 2.5% in 2021; related costs including Holiday Pay, Overtime, Social Security, etc. are impacted accordingly.

- 3410.15 Uniformed Firefighters salary- no increase needed due to 2021 retirements and rate of pay differential for new hires

**9010.8 New York State and Local Retirement System** - As of 9/15/21, projected invoices are not yet available from NYSLRS. However, NYSLRS has released its 2023 rate schedule by Tier which we can use to estimate our 2022 liability. Per the rates provided, our contribution percentages are decreasing in all tiers except Tier 6. Additionally, our pensionable earnings in Tier 2 will decrease based on the 2021 retirements. As such, we can expect our overall NYSLRS liability to decrease in 2022, which is reflected in the budget accordingly.

**9060.81 Hospital/Medical Benefits-** NYSHIP has indicated that it is no longer providing estimates of future premiums, and the actual 2022 premiums will not be released until November. However, after accounting for 2021 new hires, our current budgeted amount for NYSHIP costs can withstand an approximate 6% increase in premiums. As such, the proposed budget does not include an increase to this line item.

### **3410.2 Fire Equipment and Capital Outlay**

- In the 2019, 2020, and 2021 budgets, this account was budgeted at \$160K for various anticipated construction costs and/or apparatus purchases, in place of funding a reserve account.
- The 2022 proposed budget for this line item is increased to \$300K, which would cover the cost of replacing all Air Paks in 2022. Per the Chief, we will be applying for a grant to cover this cost in the upcoming months. If we receive the grant, the \$300K can be put toward a future apparatus purchase.

### **Other**

- 9060.82 Dental
  - Increase \$5K per CBA negotiations
- 3115.4 Emergency Equipment
  - 2022 budget includes \$100K for general expenses and \$50K for a new bailout system
- 3070.2 Telephone
  - Increase based on experience plus addition of phones, tablets, and internet service to each firehouse
- 3220.3 Radio Equipment & Maintenance
  - Reduce \$100K for VHF upgrade which was budgeted for in 2021; increase \$36,000 to purchase 12 additional radios needed per Chief
- 1190.5 Recruitment- new line item added as requested by Board

### **Budget Timeline:**

The 2022 proposed budget needs to be adopted by the board by September 28, 2021.