

2015 FIRE DISTRICT BUDGET

Narrative and Information Section

2015 FIRE DISTRICT BUDGET MESSAGE & ANALYSIS

Lower Township District 3

FISCAL YEAR: January 1, 2015 to December 31, 2015

Answer all questions below. Attach additional pages and schedules as needed.

1. Complete a brief statement on the 2015 proposed Annual Budget and make comparison to the 2014 adopted budget. Explain any variances over +/-10% for each line item. Explanations of variances should include a description of the reason for the increase/decrease in the budgeted line item, not just an indication of the amount and percent of the change. Attach any supporting documentation that will help to explain the reason for the increase/decrease in the budgeted line item.
Significant changes from current year 2014 budget is only expending restricted fund balance
2. Complete a brief statement on the impact the proposed Annual Budget will have on the Amount to be Raised by Taxation to support the district budget and on the Restricted and Unrestricted Fund Balance(s). Explain increases or decreases in the tax rate and utilization of fund balances. If Unrestricted Fund Balance is reduced by more than 10%, explain the projected impact on the following year's budget.
There is no tax increase to the tax payers. Unrestricted fund balance utilized is comparable with past years budgets
3. Include a statement explaining how the Fire District is complying with the Property Tax Levy Cap. The statement must explain reasons for exceeding the Levy Cap and identify the appropriations that caused the Fire District to exceed the Levy Cap, and how they are being addressed by a referendum.
District spending is stable to comply with cap
4. If the Fire District plans to pass a Resolution for the Release of Restricted Fund Balance, explain the reason and purposes of the appropriation.
Restricted fund balance proposed for release is for engineering and design of specifications and bid documents to present to Local finance board for bonding of building upgrades
5. Complete a brief statement on the Annual Budget's proposed capital appropriations and payment methods, including debt service for the proposed budget year and for future years.
Capital appropriation for future capital outlay is for building upgrades and new fire apparatus
6. If the proposed Annual Budget contains an amount for a Cash Deficit of the Preceding Year pursuant to N.J.S.A. 40A:14-78.6, then explain the reasons for the occurrence of the deficit.
None
7. Does the Annual Budget appropriate such sums as it may deem necessary for the purchase of first aid, ambulance, rescue, or other emergency vehicles, equipment, supplies and materials for use by a duly incorporated association, pursuant to N.J.S.A. 40A:14-85.1? If so, provide the organization's incorporated name and amounts.
None

8. Complete the following based on the municipal assessor's latest information pursuant to N.J.S.A. 54:4-35:

Total Assessed Valuation of District	\$1,318,141,600
Proposed Tax Rate per \$100 of Assessed Valuation	\$0.056

9. Is the Fire District providing for a first year funding appropriation to establish a length of service award program (LOSAP) in this year's budget subject to public referendum thereof?

No	xx	Yes		If yes, how much is appropriated?	\$
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If the public question is defeated, is the Board of Commissioners aware that the budget must be amended to delete the LOSAP appropriation amount and that the Amount to be Raised by Taxation to Support the Budget must be reduced by a like amount?

No		Yes	xx
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FIRE DISTRICT CONTACT INFORMATION 2015

Please complete the following information regarding this Fire District. All information requested below must be completed.

Name of Fire District:	Lower Township Fire District 3		
Address:	P O Box 162		
City, State, Zip:	Rio Grande	NJ	08242
Phone: (ext.)	609-602-6307	Fax:	609-884-7578

Preparer's Name:	Gary Douglass		
Preparer's Address:	891 Myrna Road		
City, State, Zip:	Erma	NJ	08204
Phone: (ext.)	609-602-6307	Fax:	609-884-7578
E-mail:	mldouglass@comcast.net		

Chairman:	David Lepor		
Phone: (ext.)	609-886-7407	Fax:	609-884-7578
E-mail:	Dlepor217@comcast.net		

Secretary/Treasurer:	Steven Douglass		
Phone: (ext.)	609-231-8340	Fax:	609-884-7578
E-mail:	Sdouglass67@comcast.net		

Name of Auditor:	Leon Costello		
Name of Firm:	Ford, Scott & Associates		
Address:	PO Box 538		
City, State, Zip:	Ocean City	NJ	08226
Phone: (ext.)	609-399-6333	Fax:	609-399-3710
E-mail:	ford-scott.com		

FIRE DISTRICT INFORMATIONAL QUESTIONNAIRE

Lower Township District 3

FISCAL YEAR: January 1, 2015 to December 31, 2015

Answer all questions below completely and attach additional information as required.

- 1) Provide the number of regular voting members of the governing body: 5
- 2) Provide the number of alternate voting members of the governing body: 0
- 3) Did any current or former commissioner or officer have a family or business relationship with any other current or former commissioner or officer during the current fiscal year? Yes-- Currently serving elected commissioners Gary Douglass, Treasurer and Steven Douglass, Secretary are brothers
- 4) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year because of their relationship with the Fire District file the form as required? Yes
- 5) Does the Fire District have any amounts receivable from current or former commissioners, officers, or employees? No
- 6) Was the Fire District a party to a business transaction with one of the following parties:
 - a. A current or former commissioner, officer, or employee? No
 - b. A family member of a current or former commissioner, officer, or employee? No
 - c. An entity of which a current or former commissioner, officer, or employee (or family member thereof) was an officer or direct or indirect owner? No

If the answer to any of the above is "yes," attach a description of the transaction including the name of the commissioner, officer, or employee (or family member thereof) of the Fire District; the name of the entity and relationship to the individual or family member; the amount paid; and whether the transaction was subject to a competitive bid process.

- 7) Did the Fire District provide any of the following to or for a commissioner, officer, or any other employee of the Fire District:
 - a. First class or charter travel NO
 - b. Travel for companions NO
 - c. Tax indemnification and gross-up payments NO
 - d. Discretionary spending account NO
 - e. Housing allowance or residence for personal use NO
 - f. Payments for business use of personal residence NO
 - g. Vehicle/auto allowance or vehicle for personal use NO
 - h. Health or social club dues or initiation fees NO
 - i. Personal services (i.e.: maid, chauffeur, chef) NO

If the answer to any of the above is "yes," attach a description of the transaction including the name and position of the individual and the amount expended.

FIRE DISTRICT INFORMATIONAL QUESTIONNAIRE (CONTINUED)

Lower Township District 3

FISCAL YEAR: January 1, 2015 to December 31, 2015

- 8) Attach a list of the Fire District's vehicles including make, model and year, and indicate to whom the vehicles are assigned and their positions. If a vehicle is not assigned to a specific individual and is available to all authorized District personnel, indicate "motor pool." Attached
- 9) Did the Fire District make any payments to current or former commissioners or employees for severance or termination? NO
- 10) Did the Fire District make any payments to current or former commissioners or employees that were contingent upon the performance of the Fire District or that were considered discretionary bonuses? NO
- 11) Does the Fire District contract with another entity (i.e.: volunteer fire company, neighboring municipality, etc.) to provide fire protection or EMS services within the Fire District? Yes
- 12) If the answer to #11 above is "yes," did the Fire District execute a written agreement with the entity that details the services that the entity will provide and the amount to be paid by the Fire District to the entity for the services provided? Yes *Attached*
- 13) Does the Fire District have a Length of Service Award Program (LOSAP) plan? Yes *1999; b) 29; c)15; d) based upon approval of commissioners yearly; e) \$51,000 f) Yes.*

**Lower Township Fire District # 3
2014 Apparatus Inventory**

1982 Mack R-Model Tanker -- Motor Pool

1996 International E-One Rescue -- Motor Pool

2001 E-One Pumper – Motor Pool

2007 E-One 75' Quint Ladder Truck – Motor Pool

2013 International E-One Pumper – Motor Pool

2008 Ford Crown Victoria – Chief Warner Muller

**BOARD OF FIRE COMMISSIONERS
DISTRICT NO. 3**

Township of Lower

P. O. Box 162

Rio Grande, New Jersey 08242

MUTUAL AID AGREEMENT JUNE 2001 TO JUNE 2004

RIO GRANDE VOLUNTEER FIRE COMPANY

The Rio Grande Volunteer Fire Company shall, under Mutual Aid Agreement, supply to fire District No. 3, in the Township of Lower, County of Cape May, State of New Jersey, protection in the following area:

1. The section of Lower Township located off of Route 47 known as Shawcrest.

The Rio Grande Volunteer Fire company shall, under Mutual Aid Agreement, be expected to respond to all calls of a fire nature, structure, boat, automobile, grass or brush, alarm or report of smoke and all calls for an accident assist.

It is distinctly understood that the response from the Rio Grande Volunteer Fire Company shall, under Mutual Aid Agreement, be a compliment of men and apparatus normally responding to such a call as is the practice within Rio Grande.

The supervision of men and equipment, at any time and at all calls, to which the Rio Grande Volunteer Fire Company responds, shall be the sole responsibility of the proper officials of the Rio Grande Volunteer Fire Company until such time as command of the situation is surrendered to a proper official of the Erma volunteer Fire company, Inc.

The Commissioners of Fire district Number 3, of Lower township, shall pay a sum of \$1.00 Dollar per year to the Rio Grande Volunteer Fire company for said services for the protection lives and property in Fire District Number 3.

This Agreement will be negotiated every three (3) years.

SIGNED: Commissioners
Fire District #3

Signed: Commissioner Fire District #2

Chairman:

Chairman:

VICE Chairman:

Vice Chairman:

Secretary:

Secretary:

Treasurer:

Treasurer:

Asst. Sec./Treas.:

Asst. Sec./Treas.:

Erma Volunteer Fire Company

Rio Grande Vol. Fire Company

Asst. Chief:

Chief:

Dated:

Dated:

Agreement

This Agreement is made on the 1st day of January, 2014, by and between **THE COMMISSIONERS OF FIRE DISTRICT NO. 3**, In the Township of Lower, County of Cape May, State of New Jersey, located at 415 Breakwater Road, PO Box 162, Rio Grande, New Jersey, 08242, hereinafter referred to as Commissioners; and the **ERMA VOLUNTEER FIRE COMPANY, INC.** located at 415 Breakwater Road, Erma New Jersey 08204, hereinafter referred to as FIRE COMPANY.

WHEREAS, NJSA 40A:14-70.1 (b) authorizes the Commissioners of a fire district to contract with a volunteer fire company or companies for the purpose of extinguishing fires, upon those terms and conditions as shall be deemed proper; and

WHEREAS, the Commissioners have negotiated agreement(s) with the Fire Company or companies within their jurisdiction upon terms that are fair and proper for the providing of fire protection services to fire district; and

WHEREAS, the term "Fire Company" shall reflect either plural or singular as applicable to this particular agreement.

NOW, THEREFORE, it is agreed, in consideration of the payment to be made as herein described and the exchange of mutual promises, as follows:

1. The Fire Company will extinguish fires with in the fire district or within such other areas or territories as may be contracted for by the Commissioners , or pursuant to mutual aid agreements which have been approved by the Commissioners. For the purpose hereof, the term "extinguishing fires" shall be used in its broadest and most universal sense.
2. Nothing herein shall be construed to increase any liability on the part of the Fire Company to the public for errors or omissions in the performance or non-performance of its duties hereunder, or pursuant to any other requirement.
3. The members of the Fire Company, in performing fire duty, shall be deemed to be exercising a governmental function, when providing service pursuant to this Agreement.

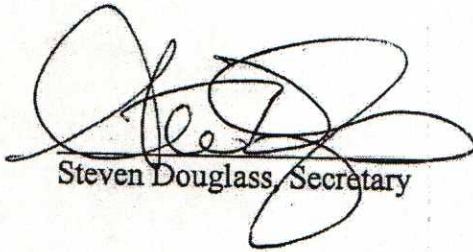
4. The Fire Company shall be under the supervision of The Commissioners. Notwithstanding anything to the contrary herein contained, the Commissioners will exercise jurisdiction over the Fire Company according to NJ Statute 40A:14-68 and 40A: 14-81 and will not interfere or seek to regulate the internal administration of The Fire Company. The Fire Company may not take any action which is contrary to law or official actions the Commissioners, when the Fire Company is providing service pursuant to this Agreement.
5. The Fire Company shall perform such other duties, directly or indirectly related to the extinguishment of fires, as may be directed from time to time by the Commissioners.
6. The Commissioners shall provide workers compensation insurance coverage for all volunteer firefighters of the Fire Company and liability coverage for the Fire Company and its apparatus vehicles and equipment for limits of not less than \$1,000,000.00 for injuries to one person and \$1,000,000.00 for injuries to more than one person or persons for not less than \$1,000,000.00.
7. The Commissioners shall provide payment to the Fire Company for providing firefighting services in the amount of \$35,000.00. This payment shall be made in four equal installments, upon receipt by the Commissioners of the quarterly payments from the Chief Financial Officer of the Township of Lower. The Commissioners will require submission of a voucher as a prerequisite to payment.
8. Upon the annual renewal of the agreement, the Fire Company shall submit a full audit performed by a Certified Public Accountant. Any changes monetary or otherwise will be brought to the Commissioners on or before October 1st prior to the budget year.
9. This agreement is contingent upon adequate funding being provided by the annual budget and by appropriation of the Commissioners.
10. The term of this agreement shall be from the date of full execution of this Agreement to December 31, 2014
11. Unless either party furnishes (60) day notice of non renewal of this agreement prior to its expiration, this Agreement shall continue on a month to month basis following the expiration date herein, provided same shall be subject to termination by either party upon (60) days notice.
12. The Fire Chief or Assistant Fire Chief of the Fire Company shall meet with the Commissioners at their monthly meeting. The Fire Chief shall provide quarterly reports of apparatus and equipment inspections, fuel consumption, fires and drills, and updated membership rosters.

13. The Fire Company shall be responsible for the cleaning and general maintenance of the firehouse. The Fire Company will obtain written consent and approval of the Fire District prior to any and all repairs or alterations to the firehouse made by outside contractors. Any cost incurred for maintenance and or repairs will be borne by the Commissioners.
14. The Fire Company may not at any time utilize, take part, perform or rent the firehouse facilities for any function that is contrary to law.
15. The Commissioners shall also make available the amount of \$19,000.00 for the year 2014 to support the Fire Company's program to provide a stipend to the members of the Fire Company. This program is intended to increase the participation of Fire Company Members at Drills and Alarms. This amount and program will be reviewed yearly to determine its effectiveness. The Commission reserves the right to terminate the funding for the program if it does not have the desired effect.
16. If any article, section, paragraph, sentence or clause of this Agreement is determined to be invalid, same shall be deemed severable and the remainder of the Agreement shall survive unless such invalidated language is material to the purpose and intentions of the parties.
17. Payment for training will be provided by The Commissioners out of the budget item for that purpose. In order to receive payment for training the following must take place. The Fire Company through their representative must make such request. Upon completion of training, proof must be provided to The Commissioners. If training is paid for and not attended or completed it is the Fire Company's responsibility to seek reimbursement from its member. If this is the case that amount will be deducted from the quarterly payment from The Commissioners to the Fire Company. It should be understood that any training paid by The Commissioners be relevant to the members service to the Fire Company and that said training be put to practice in their service to Fire District #3.

IN WITNESS WHEREEOF, the parties hereto have set their hands and seals or caused their corporation seals to be affixed on the date and year first written above.

ATTESTED BY:

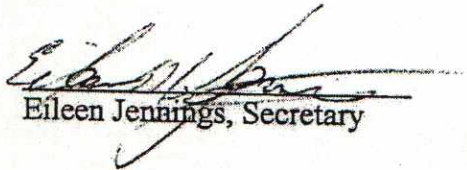
THE COMMISSIONERS OF FIRE DISTRICT 3
TOWNSHIP OF LOWER
COUNTY OF CAPE MAY
STATE OF NEW JERSEY


Steven Douglass, Secretary

By: 
David Lepor, Chairman

Attest:

ERMA VOLUNTEER FIRE COMPANY INC.
TOWNSHIP OF LOWER
COUNTY OF CAPE MAY
STATE OF NEW JERSEY


Eileen Jennings, Secretary

By: 
Vince Matteo, President

FIRE DISTRICT SCHEDULE OF COMMISSIONERS AND OFFICERS

Lower Township District 3

FISCAL YEAR: January 1, 2015 to December 31, 2015

Complete the attached table for all persons required to be listed per #1-2 below.

- 1) List all of the Fire District's current commissioners and officers and amount of compensation from the Fire District and any other public entities as defined below. Enter zero if no compensation was paid.
David Lepor, Chairman--\$4100 district \$76000 other
Gary Douglass, Treasurer--\$6300 district \$96000 other
Steven Douglass, Secretary--\$5800 district
Dennis Robertson, Asst. Secretary-Treasurer \$4100 district
Jeffrey VanMourik, Vice Chairman--\$4100 district
- 2) List all of the Fire District's former commissioners and officers who received more than \$10,000 in reportable compensation from the Fire District and any other public entities during the most recent fiscal year completed.
None

Commissioner: A member of the governing body of the Fire District with voting rights. Include alternates for purposes of this schedule.

Officer: A person elected or appointed to manage the Fire District's daily operations at any time during the year, such as the chairperson, vice-chairperson, secretary, or treasurer. For the purposes of this schedule, treat the Fire District's top management official and top financial official as officers, if applicable. A member of the governing body may be both a commissioner and an officer for the purposes of this schedule.

Compensation: All forms of cash and non-cash payments or benefits provided in exchange for services, including salaries and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family education benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the Fire District's property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

Reportable compensation: The aggregate compensation that is reported (or is required to be reported) on Form W-2, box 1 or 5, whichever amount is greater, and/or Form 1099-MISC, box 7, for the calendar year 2013.

Other Public Entity: Any municipality, county, local authority, fire district, or other government unit, regardless of whether it is related in any way to the Fire District either by function or by physical location.

2015 FIRE DISTRICT BUDGET

Financial Schedules Section

Fire District Schedule of Commissioners and Officers (Continued)

Lower Township District 3
Cape May

Name	Title	Average Hours per Week Dedicated to Position	Position Commissioner Officer Former	Reportable Compensation from Fire District (W-2/ 1099)			Estimated amount of other compensation from the Fire District (health benefits, pension, etc.)	Total Compensation from Fire District	Names of Other Public Entities where Individual is an Employee or Member of the Governing Body	Positions held at Other Public Entities Listed in Column N	Average Hours per Week Dedicated to Positions at Other Public Entities Listed in Column N	Reportable Compensation from Other Public Entities (W-2/ 1099)	Estimated amount of other compensation from Other Public Entities (health benefits, pension, payment in lieu of health benefits, etc.)	Total Compensation All Public Entities
				Base Salary/Stipend	Bonus	Other (auto allowance, expense account, payment in lieu of health benefits, etc.)								
1 Gary Douglass	Treasurer	10	x	\$ 6,300		\$ -	\$ 6,300	Lower TWP	PW Superint	\$ 50	91000	\$ 5,000	\$ 102,300	
2 David Lepor	Chairman	10	x	4,100		-	4,100	Lower TWP	Supervisor	45	71000	5,000	80,100	
3 Dennis Robertson	Vice Chair	10	x	4,100		-	4,100				0		4,100	
4 Jeff Van Mourik	AssT Secre/Treas	10	x	4,100		-	4,100				0		4,100	
5 Steven Douglass	Secretary	10	x	5,800		-	5,800				0		5,800	
6				-		-	-						-	
7				-		-	-						-	
8				-		-	-						-	
9				-		-	-						-	
10				-		-	-						-	
11				-		-	-						-	
12				-		-	-						-	
13				-		-	-						-	
14				-		-	-						-	
15				-		-	-						-	
Total:				\$ 24,400	\$ -	\$ -	\$ 24,400				\$ 162,000	\$ 10,000	\$ 196,400	

Enter the total number of employees/ independent contractors who received more than \$100,000 in total reportable compensation for the most recent fiscal year completed:

0

Schedule of Health Benefits - Detailed Cost Analysis

Lower Township District 3
Cape May

	# of Covered Members (Medical & Rx) Proposed Budget	Annual Cost Estimate per Employee Proposed Budget	Total Cost Estimate Proposed Budget	# of Covered Members (Medical & Rx) Current Year	Annual Cost per Employee Current Year	Total Current Year Cost	\$ Increase (Decrease)	% Increase (Decrease)
Active Employees - Health Benefits - Annual Cost								
Single Coverage			\$ -			\$ -	\$ -	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)			-			-	-	#DIV/0!
Subtotal	0		-	0		-	-	#DIV/0!
Commissioners - Health Benefits - Annual Cost								
Single Coverage			-			-	-	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)			-			-	-	#DIV/0!
Subtotal	0		-	0		-	-	#DIV/0!
Retirees - Health Benefits - Annual Cost								
Single Coverage			-			-	-	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)			-			-	-	#DIV/0!
Subtotal	0		-	0		-	-	#DIV/0!
GRAND TOTAL	<u>0</u>		<u>\$ -</u>	<u>0</u>		<u>\$ -</u>	<u>\$ -</u>	<u>#DIV/0!</u>

Is medical coverage provided by the SHBP (Yes or No)?

N/A

Is prescription drug coverage provided by the SHBP (Yes or No)?

N/A

Schedule of Accumulated Liability for Compensated Absences

Lower Township District 3
Cape May

Complete the below table for the Fire District's accrued liability for compensated absences.

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at January 1, 2014	Dollar Value of Accrued Compensated Absence Liability	Legal Basis for Benefit (check applicable items)		
			Approved Labor Agreement	Resolution	Individual Employment Agreement
		\$ -			
Total liability for accumulated compensated absences at January 1, 2014		<u><u>\$ -</u></u>			