

2025 PROPOSED BUDGET

Attached is the Proposed 2025 CAL FIRE Local 2881 budget prepared at the budget preparation meeting in August 2024 and approved by the executive board at their September 2024 meeting.

- In following policy Section 1120.12 which states, “Resolutions pertaining to employee compensation (Policy 0350.01) and contract labor pay (Policy 0351.01) are not permissible,” the executive board addressed employee wages/benefits and contractor services at the July board meeting pursuant to Sections 350.01 and 351.01 of the CAL FIRE Local 2881 Operating Procedures Handbook which read:

350.01 “The compensation and benefit package for the CAL FIRE Local 2881 employees shall be established by the executive board at their July executive board meeting.

Modifications shall be incorporated by the pre-convention finance committee into the appropriate line items in the initial budget presented to the convention.”

351.01 “CAL FIRE Local 2881 Executive Board shall, at their July executive board meeting, review and set the amount paid for contract labor services (reference Section 1255.17).

Modifications shall be incorporated by the pre-convention finance committee into the appropriate line items in the initial budget presented to convention.”

- The Executive Board action in July 2024 resulted in an increase to the employee and contractor line items, (9005) Wages, (9015) PR Taxes, (9020) Benefits, and (9030) Contractor Services **\$492,395.00** cost. The budget preparation meeting representatives incorporated the board’s actions into the 2025 Proposed budget.
(Due to the recalculation of average member month, as noted below, which determined that a penny is worth 747.00, and the application of additional money to these line items, this action generated no dues increase to the 2025 Base Proposed budget.)
- The approved “Proposed Budget 2025” is based on dues amount of **\$141.65**. During 2025 mid-year pass-through increases in, CPF and IAFF per capita amounts of \$2.96 and \$0.95 respectively had changed the CAL FIRE Local 2881 current dues to \$141.65 per month. CPF increase is based on the CPF Convention actions and CPF per capita dues to an increase of \$.29 cents incurred from the automatic increases of CPI. IAFF increase is based on the IAFF per capita due to an increase of \$0.58 cents adjustment increase from the IAFF Convention actions and the automatic increases from the automatic CPI.
- After much discussion, the budget preparation meeting representatives evaluated the average monthly and yearly membership counts and determined that an increase was warranted. The average membership calculations to what a penny is worth was adjusted to the base calculation of \$747.00 year. This is the equivalent of 74,700 member months annually, or 6,225 members per month. This basis accounts for an average membership for the period of 36 months (June 2021 to June 2024 with some augmented staffing, and no guarantee of future augmentation. The adjusted member number was based on the most appropriate business practice for our budget cycle and was in full agreement by all attendees of the meeting.
- Again, this Proposed 2025 budget results in a **0.00 cent** dues increase.

Paul Van Gerwen

State Finance Director

Cal Fire Local 2881

INCOME	Acc	DESCRIPTION	2024 BUDGET	DUES
	4010	MEMBERSHIP DUES	\$ 10,581,255	\$ 141.65
	4030	RETIREEES DUES	\$ 101,160	\$ -
	4130	J & I STREET RENTAL INCOME	\$ 549,065	\$ -
	4409	ADVERTISING INCOME	\$ 36,000	\$ -
	TOTAL INCOME	\$ 11,267,480		

PASS THRU

MEMBERSHIP SERVICES	Acc	DESCRIPTION	2024 BUDGET	DUES
	5101	DISTRICT 1 DUES	\$ 64,774	\$ 7.74
	5102	DISTRICT 2 DUES	\$ 47,551	\$ 7.74
	5103	DISTRICT 3 DUES	\$ 69,307	\$ 7.74
	5104	DISTRICT 4 DUES	\$ 49,034	\$ 7.74
	5105	DISTRICT 5 DUES	\$ 33,953	\$ 7.74
	5106	DISTRICT 6 DUES	\$ 82,657	\$ 7.74
	5107	DISTRICT 7 DUES	\$ 59,830	\$ 7.74
	5108	DISTRICT 8 DUES	\$ 43,265	\$ 7.74
	5109	DISTRICT 9 DUES	\$ 15,988	\$ 7.74
	5110	DISTRICT 10 DUES	\$ 46,644	\$ 7.74
	5111	IAFF PER CAPITA	\$ 1,423,035	\$ 19.05
	5112	CPF PER CAPITA	\$ 1,393,902	\$ 18.66
	5117	PORAC PER CAPITA	\$ 280,125	\$ 3.75
	5114	MEMBER INSURANCE	\$ 37,350	\$ 0.50
	5115	CAL FIRE LOCAL 2881 CANDIDATES PAC	\$ 616,275	\$ 8.25
	5119	CAL FIRE LOCAL 2881 ISSUES PAC	\$ 597,600	\$ 8.00
	5140	LEGAL EMERGENCY RESERVE	\$ 149,400	\$ 2.00
	5125	FUNERAL POLICY	\$ 149,400	\$ 2.00
	5120	CALFIRE MUSEUM	\$ 74,700	\$ 1.00
5180	BUILDING FUND/CAPITAL IMPROVEMENTS	\$ -	\$ -	
	TOTAL MEMBERSHIP CHARGES	\$ 5,234,789		

LEGAL	Acc	DESCRIPTION	2024 BUDGET	
	6010	LEGAL, GENERAL	\$ 764,698	
	6021	LEGAL, REPRESENTATION	\$ 231,270	
	6022	LEGAL, ARBITRATION	\$ 267,093	
	6023	LEGAL, NEGOTIATIONS	\$ 239,209	
	6050	LEGAL, LAW LIBRARY	\$ 9,429	
	TOTAL LEGAL	\$ 1,511,699		

OPERATIONS	Acc	DESCRIPTION	2024 BUDGET	
	6100	OPERATIONS, NEGOTIATIONS	\$ 83,632	
	6150	OPERATIONS, REPRESENTATION	\$ 60,639	
	6200	OPERATIONS, COMMITTEE	\$ 42,139	
	6300	OPERATIONS, BOARD	\$ 95,874	
	6400	OPERATIONS, CONVENTION ALL	\$ 83,168	
	6500	OPERATIONS, GENERAL	\$ 157,465	
	7805	COMPANY VEHICLE PURCHASE	\$ 37,129	
	7815	COMPANY VEHICLE OPERATION	\$ 18,485	
	TOTAL OPERATIONS, TRAVEL	\$ 578,531		

HONOR GUARD	7005	OPERATIONS, HONOR GUARD TRAVEL	\$ 104,160	
	7100	HONOR GUARD EQUIPMENT & MAINTENANCE	\$ 209,112	
	7200	HONOR GUARD VEHICLES	\$ 12,792	
		TOTAL HONOR GUARD	\$ 326,064	

OFFICE EXPENSE	7605	PDR CHARGES	\$ 26,040	
	7610	OFFICE GENERAL	\$ 41,535	
	7615	OFFICE, MEMBERSHIP	\$ 248	
	7620	PUBLICATIONS	\$ 4,258	
	7625	TELECOMMUNICATIONS (All Phones and Internet)	\$ 70,534	
	7630	PHOTOCOPY	\$ 11,555	
	7635	POSTAGE	\$ 20,986	
	7640	OFFICE AUTOMATION	\$ 74,725	
	7650	STORAGE COSTS	\$ 5,675	
	TOTAL OFFICE EXPENSE	\$ 255,556		

COMMUNICATIONS & MARKETING	8010	COMMUNICATIONS & MARKETING	\$ 29,765	
	8005	L2881 PUBLICATION	\$ 39,060	
		TOTAL COMMUNICATION & MARKETING	\$ 68,825	

8110	TRAINING	\$ 118,530	
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8200	L2881 CONVENTION PRE FUNDING	\$ 28,753	
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8250	MISC EXPENSES	\$ 17,822	
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8275	INSURANCE	\$ 118,715	
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8300	LOCAL TAXES (Property/Unsecured)	\$ 45,570	
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BUILDING	ACC	DESCRIPTION	2024 BUDGET	
	8501	UTILITIES	\$ 50,995	
	8510	MAINTENANCE HEADQUARTERS	\$ 65,061	
	8520	OFFICE CAPITAL OUTLAY	\$ 21,894	
	8525	OFFICE MINOR OUTLAY	\$ 3,565	
	8535	I Street Mortgage	\$ 333,997	
		TOTAL BUILDING EXPENSE	\$ 498,505	

CONTRACTOR SERVICES	8801	Capital Representative	\$ 578,875	
	8802	CPA/AUDITING	\$ 51,915	
		TOTAL CONTRACTOR SERVICES	\$ 630,790	

PAYROLL	9000	WAGES	\$ 1,173,336	
	9015	PAYROLL TAXES	\$ 115,920	
	9020	WORKERS COMP	\$ 13,000	
	9030	EMPLOYEE BENEFITS	\$ 531,075	

TOTAL PAYROLL EXPENSE	\$ 1,833,331
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TOTAL PASS THROUGH	\$ 5,234,789	
BASE STATE LEVEL DUES	\$ 11,267,480	
TOTAL BUDGET EXPENSES	\$ 11,267,480	
	\$ (0)	

INCOME

4010	<u>Dues: Membership Dues</u>
4030	<u>Dues: Retired Member Dues</u>
4130	<u>J Street Rental Income</u> (1731 J Street)
4409	<u>Advertising Income</u>

EXPENSES**Membership Services**

5101	<u>Dues Disbursement:</u> District I
5102	<u>Dues Disbursement:</u> District II
5103	<u>Dues Disbursement:</u> District III
5104	<u>Dues Disbursement:</u> District IV
5105	<u>Dues Disbursement:</u> District V
5106	<u>Dues Disbursement:</u> District VI
5107	<u>Dues Disbursement:</u> District VII
5108	<u>Dues Disbursement:</u> District VIII
5109	<u>Dues Disbursement:</u> District IX
5110	<u>Dues Disbursement:</u> District X
5111	<u>IAFF:</u> Cost of monthly per cap tax and initiation fees to the IAFF.
5112	<u>CPF:</u> Cost of monthly per cap tax to the CPF and special assessments.
5114	<u>Member Insurance:</u> Costs for providing an accidental death and dismemberment (AD&D) policy for all members.
5115	<u>CAL FIRE Local 2881 PAC:</u> Transfer of funds collected from member dues for CAL FIRE Local 2881 PAC.
5117	<u>PORAC:</u> Cost of monthly per cap tax and fees to PORAC
5119	<u>CAL FIRE Local 2881 Issues PAC:</u> Transfer of funds collected from member dues for CAL FIRE Local 2881 Issues PAC.
5120	<u>CAL-FIRE Museum:</u> Transfer of funds collected from member dues for CAL FIRE Museum.
5125	<u>Funeral Policy:</u> Funding for funeral costs that are not covered by the department (CAL FIRE) as outlined in the funeral policy (Section 0301.12)
5140	<u>Legal Emergency Reserve:</u> Funds to be added to Legal Emergency Reserve
5180	<u>Building Fund:</u> Funds to be added to building fund account for property purchases and improvements.

<u>Legal Expenses</u>	
6010	<u>Legal General</u> : Costs incurred by the association for all legal services with the exception of legal services covered below.
6021	<u>Legal Defense</u> : All legal costs incurred for individual member representation.
6022	<u>Legal Arbitration</u> : Costs incurred for arbitrator and legal representation.
6023	<u>Legal Negotiations</u> : Legal costs incurred during negotiations.
6050	<u>Legal Library Program</u> : Costs incurred for legal reference on Internet and other forms.
<u>Operations Expenses</u>	
6110	<u>Operations, Negotiations</u>
6150	<u>Operations, Grievance/Representation</u>
6200	<u>Operations, Adhoc Committee Meetings</u>
6300	<u>Operations, Board Business Meetings</u>
6400	<u>Operations, Conventions/All</u>
6500	<u>Operations, General Business</u>

** All costs associated with travel, including but not limited to, air fare, car rental, mileage, rooms, meals, etc.	
<u>Honor Guard Expenses</u>	
7100	<u>Honor Guard Equipment and Maintenance</u> : Cost associated with maintenance of Honor Guard's Equipment, including, but not limited to, maintenance and replacement of administrative and band uniforms, instrument maintenance, etc.
7150	<u>Honor Guard Travel</u> : All costs associated with general honor guard travel.
7200	<u>Honor Guard Vehicle</u> : Vehicle licensing and maintenance.
<u>Office Expenses</u>	
7610	<u>Office, General</u> : The costs of general office supplies and services (i.e., envelopes, stationery, addressing equipment, folding and mailing, etc.).
7605	<u>PDR Charges</u> : Cost to State Controller.
7615	<u>Office, Memberships</u> : The costs of memberships in organizations, discount stores, etc.
7620	<u>Publications</u> : The cost of subscriptions to publications used by union and its officers, such as salary survey publications, laws and rules governing state civil service, public employee relations publications, etc.
7625	<u>Telecommunications</u> : Telephone and cellular phone costs.
7630	<u>Photocopy</u> : Costs incurred for copying and printing (except "2881 FIRE WIRE").
7635	<u>Postage</u> : Costs of postage and mailing permits.
7640	<u>Office Automation (IT)</u> : Costs associated with computer upgrades/maintenance and software licensing and services at CAL FIRE Local 2881 headquarters.

7650	<u>Storage Costs</u> : Costs for storage of “archived” CAL FIRE Local 2881 headquarters files.
	<u>Vehicle Operating</u>
7805	<u>Company Vehicle Operating</u> : Expenses related to maintenance; oil change, wash, repairs, registration
7810	<u>Company Vehicle Lease</u> : Budgeted costs for lease of vehicle for officer’s use
7815	<u>Company Vehicle Purchase</u> : Budgeted costs for the purchase of company vehicles.
	<u>Communications</u>
8005	<u>“CAL FIRE Local 2881” Publishing</u> : The cost of producing monthly newsletter.
8010	<u>Electronic News</u> : Cost associated with maintaining electronic newsletter for communications
8015	<u>Equipment</u> : Equipment needed for communications: camera, podcast, etc.
8020	<u>Running Ads</u> : Ads associated with social media, etc., with our public communications
8055	<u>FLASH POINT MEDIA</u> : Cost associate with additional media editing. The making of pod casts, Flash Point Media work. All of this is to enhance the marketing of the members as to what they do in protecting the citizens of California.
	<u>Training</u>
8100	<u>Training Program</u> -Costs associated for all of CAL FIRE Local 2881 trainings. Training of union officers with several classes taught each year as requirement to ensure our union leadership is prepared to serve the members. For example, some of these classes are in finance, new officer, leadership, political action, employee representation, and family liaison.
	<u>Convention</u>
8200	<u>Convention</u> : General operating fund for convention. Balance of funding obtained through convention registration fee and donations.
	<u>Other</u>
8250	<u>Misc. Expenses</u> Costs incurred by the union periodically that do not logically fit into any of the other expense accounts (i.e., flowers for a death or illness, etc.; purchase of promotional items for members such as lapel pins, posters, etc.).
8275	<u>Insurance</u> : Fire, liability insurance on CAL FIRE Local 2881 headquarters; costs of insurance programs for the union, state officers and members (i.e., property, vehicle, liability, fidelity bond, AD&D, etc.).
8300	<u>Fed/State/County Taxes</u> : On headquarters building and condominiums. Including property tax on furniture and other owned property.
8501	<u>Utilities</u> : CAL FIRE Local 2881 headquarters and condominium electricity and gas, garbage pickup, TV service.
8510	<u>Maintenance (J Street)</u> : CAL FIRE Local 2881 headquarters janitorial service, maintenance and repairs on headquarters building and grounds.

CAL FIRE Local 2881
State Budget

2220

8520	<u>Office – Capital Outlay:</u> Costs incurred in the purchase of property and/or equipment over \$1000 in value.
8525	<u>Office – Minor Outlay:</u> Costs incurred in purchase of equipment, etc., under \$1000 in value.
--	<u>Condominium Mortgage Payment</u>
8531	<u>Officer Housing 1 Maintenance:</u> Costs of maintenance/repair of Officer Housing #1
8532	<u>Officer Housing 1 Minor Outlay:</u> Costs incurred under \$500
8533	<u>Officer Housing 1 Supplies:</u> Costs of cleaning supplies, i.e., mop, bucket, broom, cleanser, etc., for Officer Housing #1.
8541	<u>Officer Housing 2 Maintenance:</u> Costs of maintenance/repair of Officer Housing #2
8542	<u>Officer Housing 2 Minor Outlay:</u> Costs incurred under \$500
8543	<u>Officer Housing 2 Supplies:</u> Costs of cleaning supplies, i.e., mop, bucket, broom, cleanser, etc., for Officer Housing #2.
8575	<u>Officer Housing Dues:</u> Membership dues for the officers housing association.
<u>Contractor Services</u>	
8801	<u>Contractors Services:</u> Cost for legislative advocate services for CAL FIRE Local 2881. Public Relations – Cost for public relations services for CAL FIRE Local 2881,
8802	<u>CPA-Audit Charges:</u> Costs of annual corporation audit, accounting and tax preparation services.
<u>Employee Payroll</u>	
9005	<u>Wages:</u> Employee wages. - we have 6 employees to provide service to the members. The associated costs are for wages.
9015	<u>Payroll Taxes:</u> Taxes on employee wages.
9020	<u>Workers Compensation:</u> Workers compensation insurance.
9030	<u>Employee Benefits:</u> Health, dental and vision insurance and 401K for employees.

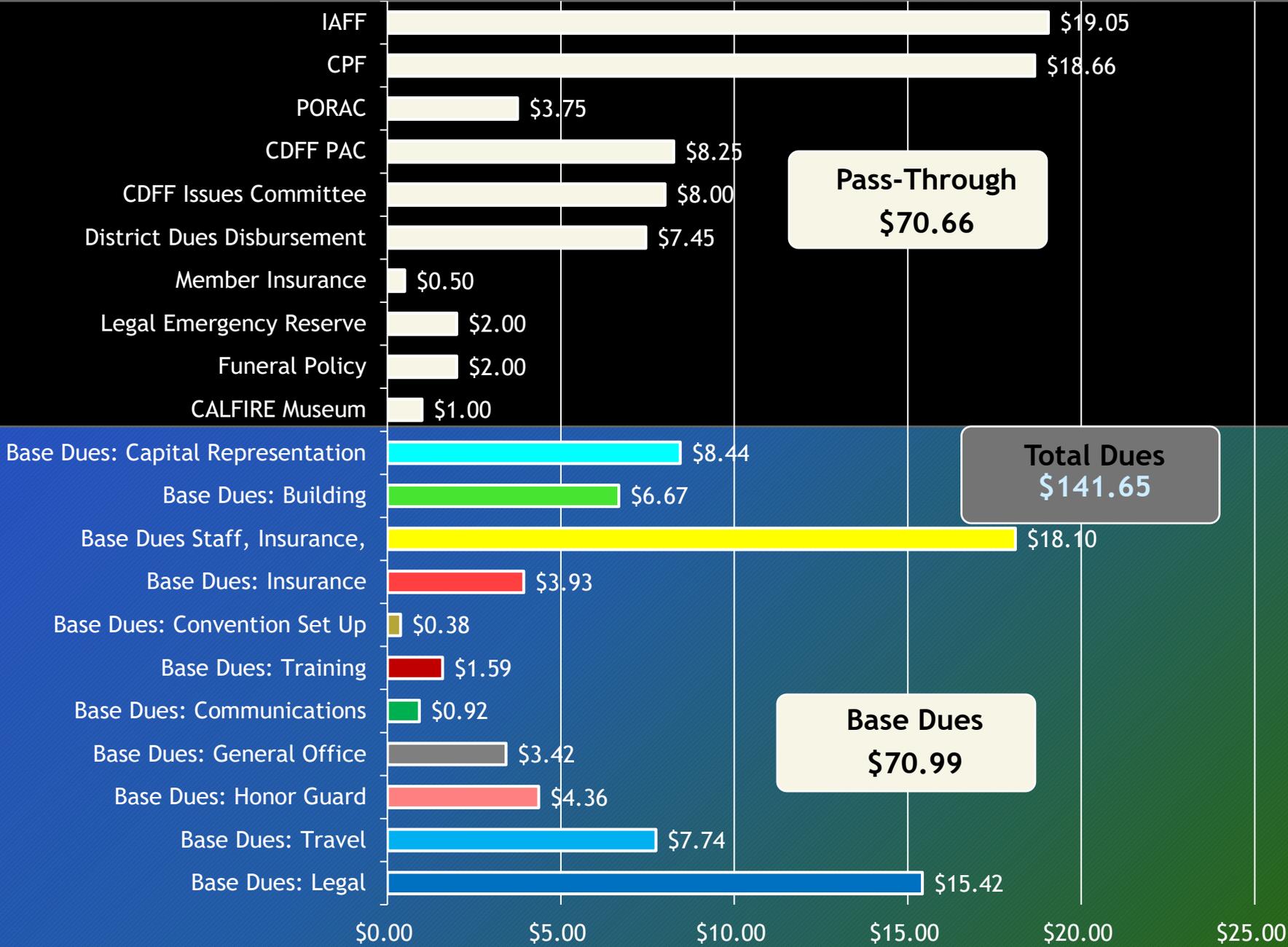
Budget Preparation
Committee
Report to the
Membership

August 06, 2024

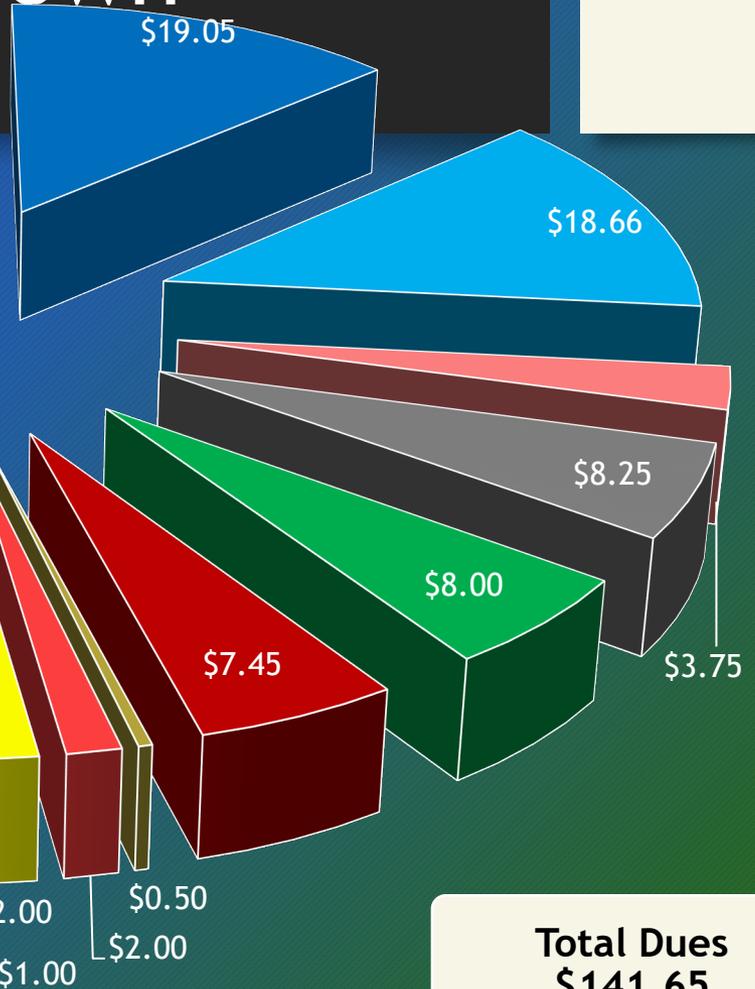


Key Fund Areas	Amount	Remarks
IAFF	\$19.05	PASS THROUGH
CPF	\$18.66	PASS THROUGH
PORAC	\$3.75	PASS THROUGH
CAL FIRE PAC	\$8.25	PASS THROUGH
CAL FIRE Issues Committee	\$8.00	PASS THROUGH
District Dues Disbursement	\$7.45	PASS THROUGH
Member Insurance	\$0.50	PASS THROUGH
Legal Emergency Reserve	\$2.00	PASS THROUGH
Funeral Policy	\$2.00	PASS THROUGH
CALFIRE Museum Fund	\$1.00	PASS THROUGH
Total PASS THROUGHs	<u>\$70.66</u>	
Total Base State Level Dues	\$70.99	
Total Member Dues	141.65	

Current Dues Breakdown



Current Dues Breakdown



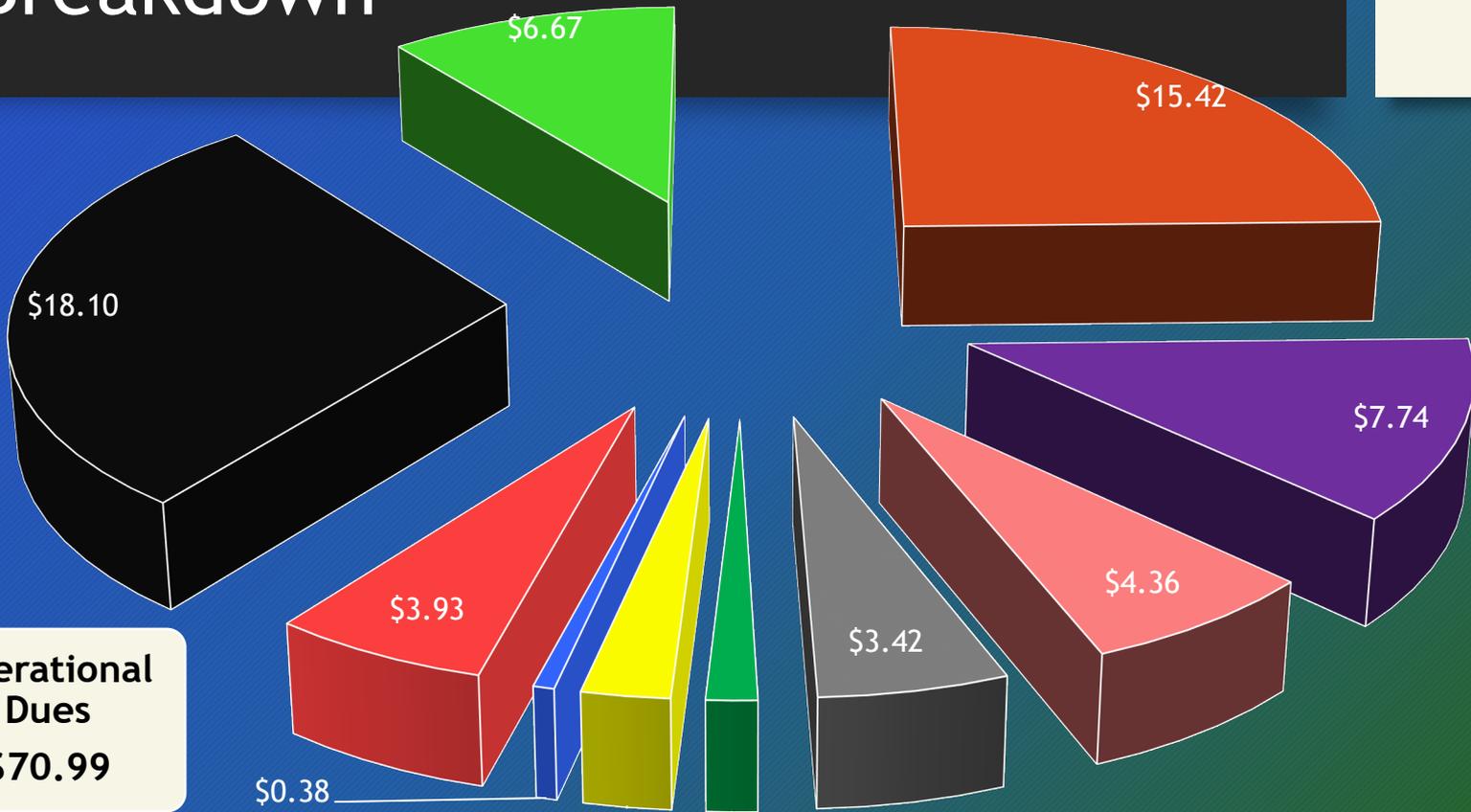
- IAFF
- PORAC
- CDFP Issues Committee
- Member Insurance
- Funeral Policy
- Total Base State Level Dues

- CPF
- CDFP PAC
- District Dues Disbursement
- Legal Emergency Reserve
- CALFIRE Museum

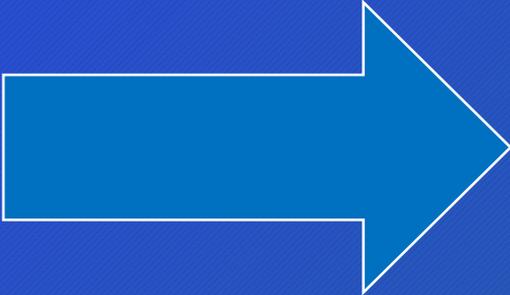
Total Dues
\$141.65

Current Operational Dues Breakdown

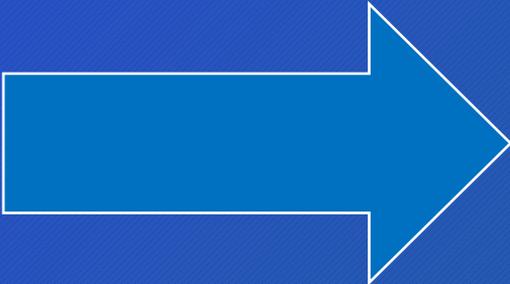
Operational Dues
\$70.99



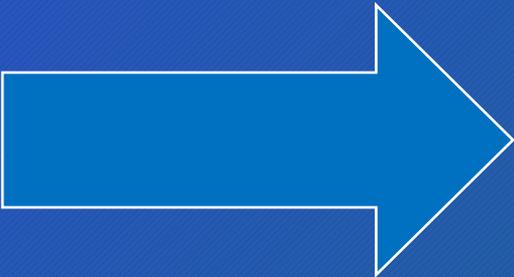
- Legal
- Honor Guard
- Communications & Marketing
- Convention Pre- Funding
- Staff: Wages, Insurance, Taxes
- Operations, Travel
- General Office
- Training
- Insurance & Taxes
- Building



The committee reviewed the membership average for the 36 months, from July 1, 2021 to June 30, 2024. A steady membership average with the inclusion of augmentation staffing was determined to be 6225 members per month.

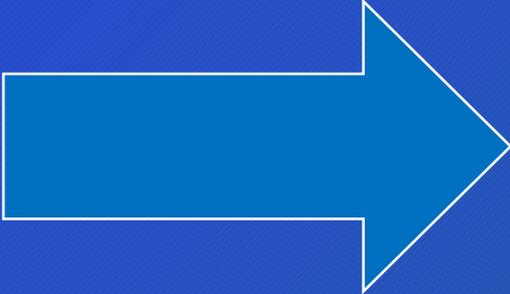


The committee discussed in detail the staffing be added now has increased non-permanent employee therefore increase the potential budget shortfall and increase in member fluxuations.

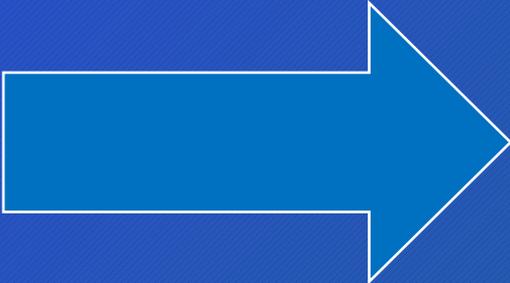


We continue to recommend current state budget.....

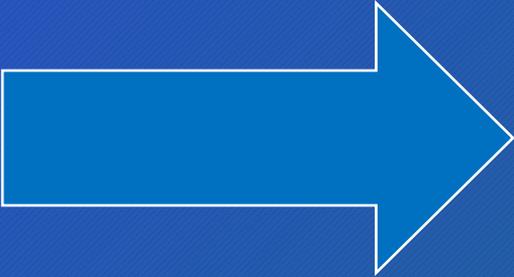
4010 Membership Dues: The Process



What L2881 considers a pass through, are funds that come through our dues monies and gets “passed through” to specific accounts.

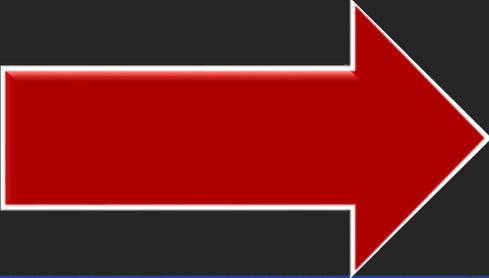


Examples that are set by the affiliates:
PORAC
IAFF
CPF



Examples that are set by resolution:
Funeral Fund
Legal Reserve
PAC Funds
Museum

4010 Membership Dues: The Pass-Thru



With the consideration of the prior comments:

The base calculation for a penny is changed to \$747.00 year. This is the equivalent of 74700 member months annually, or 6225 members per month.



The determined safe average is 6225 members per month.

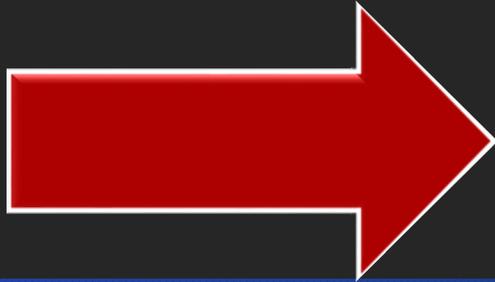
6225 multiplied by 12 months = 74700 annual member months.

$$74700 \times 1 \text{ cent} = \$747.00$$



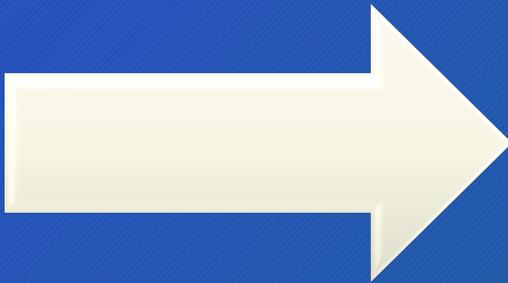
Penny is equal to \$747.00

4010 Membership Dues: The Penny



The “Penny Adjustment” was created to make room for the fluctuating membership and creates a reserve in the budget for that fluctuation membership.

This adjustment has kept L2881 fiscally sound and stable



By using this formula, L2881 can determine what the value of each member is;

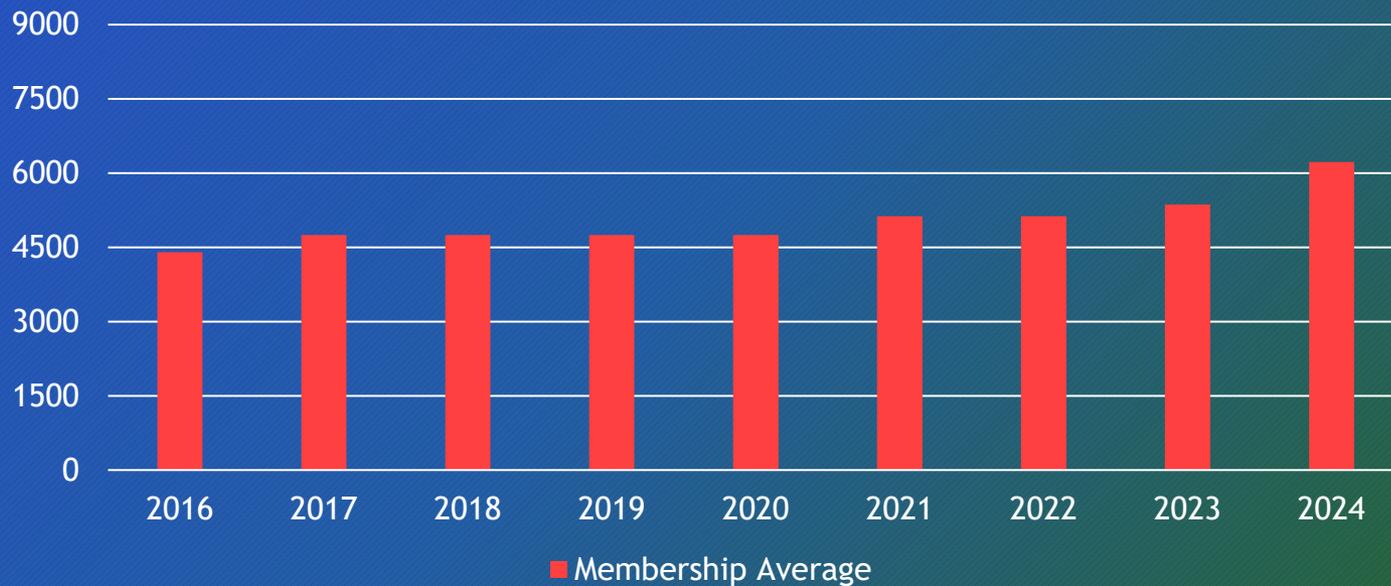
Penny is equal to \$747.00



4010 Membership Dues: The Penny

Membership Average

Membership Average



2025 Budget Impacts



- Employee, Payroll, Benefits and Contract Services Compensations: By policy, the compensation set for employees and contract services is done in confidentiality by the executive board at the July 2024 meeting. Those actions resulted in an increase to the employee and contract services line items. But with the recalculation of the average member month /penny to 747.00 and by applying those additional funds no dues increase occurred.
- New staff was approved by the board in March and was fully funded in the 2025 Budget in the August Budget Meeting
- As a result of the action above relating to the employee and contractor services, the proposed 2025 budget reflects no dues increase for line items 8801, 9000, 9015, and 9030.

2025 Budget Notes

The Fiscal Steering Committee and attendees at the budget preparation meeting recommended one proposal adjusting the base budget categories with a COLA for the past year based on “The Consumer Price Index” (CPI), US Bureau of Labor Statistics report. For April 2023 to March 2024 the CPI resulted in a **3.8%** increase to the cost of doing business.

2025 Budget Notes

The resolutions being recommended:

Resolution FIN 1-25 : Consumer Price Index Automatic Annual Budget Adjustments

- This is not a new thought, as IAFF and CPF use automatic COLA's.
- This could simplify the discussion on the annual budget.

2025 Budget Notes

There are many reasons why individual line items remain over budget.

- Most of the budget line items were based upon costs dating back many years. The 2023 COLA addressed some of the shortfalls; however, inflation continues to outpace the budget. E.g., travel costs, utilities & telephones.
- Further compounding the problem is the fact that these line items did not receive annual CPI increases to keep pace with inflation for several previous years. (4 out of 7 years COLA's were not approved.)
- As an example, Office Automation line item has experienced significant cost increases related to the CPI. Some of those cost increases are out of our control.
- With an increase in membership, we have increased cost in travel to represent those members.

2025 Budget Notes

- 5101-5110 District Dues disbursement

By Policy, the COLA applied to these line items (above).

The increase in COLA will also apply to the Districts and will help with the increased costs they are experiencing as well.

The committee recommended applying the COLA to these line items resulting in an increased PDR per member/month of \$0.29; increasing the monthly amount from \$7.45 to \$7.74.

2025 Budget Notes

A COLA was applied to the following line items:

- PDR Charges: 7605
- Legal: 6010 - 6050
- Operations: 6110, 6150, 6200, 6300, 6400, 6500
- Honor Guard: 7150, 7100, 7200
- Office Expense: 7610, 7615, 7620, 7625, 7630, 7635, 7640, 7650
- Company Vehicle: 7805, 7815
- Communications/ Marketing: 8005, 8010
- Training: 8100
- Convention: 8200
- Misc Expenses: 8250
- Insurance: 8275
- Local Taxes: 8300
- Building: 8501, 8510, 8520, 8525, 8530

Past COLA Resolutions

Year	36 Month Membership Average	Formula for penny (36 Month Average x 12 month)	Penny Amount	CPI	Proposed COLA increase
2016	4400	4400 X12 =	\$528.00	1.90%	\$3.07 Rejected on the floor
2017	4750	4750 X12=	\$570.00	1.00%	\$0.50 Adopted on the floor
2018	4750	4750X12=	\$570.00	2.20%	\$1.08 Adopted on floor
2019	4750	4750X12=	\$570.00	2.40%	\$1.15 Rejected on floor
2020	4750	4750X12=	\$570.00	4.20%	None
2021	5125	5125X12=	\$615.00	3.0%	No Convention
2022	5125	5125X12=	\$615.00	3.80%	None
2023	5367	5367X12=	\$644.00	8.50%	\$4.44 Adopted on the floor
2024	5775	5775X12=	\$693.00	5.00%	\$2.69 Rejected on the floor

Revenue Lost

Year	Proposed COLA Increase	Lost Revenue on Rejected Proposed COLA	Accumulative
2016	1.90%	\$ 3,435,525.00	\$ 3,435,525.00
2017	1.00%	\$ -	\$ 3,435,525.00
2018	2.20%	\$ -	\$ 3,435,525.00
2019	2.40%	\$391,986.00	\$ 3,827,511.00
2020	4.20%	\$114,064.00	\$ 3,941,575.00
2021	3.0%	\$ -	\$ 3,941,575.00
2022	3.80%	\$466,755.00	\$ 4,408,330.00
2023	8.50%	\$ -	\$ 4,408,330.00
2024	5.00%	\$186,548.00	\$ 4,594,878.00

Resolution 1-25

RESOLUTION
CAL FIRE LOCAL 2881 58th ANNUAL CONVENTION
SACRAMENTO, CA
JANUARY 9 - JANUARY 12, 2025

SUBJECT: Consumer Price Index Budget Adjustments
SUBMITTED BY: Fiscal Steering Committee and State Executive Board
INTENT: To provide Consumer Price Index adjustments
FINANCIAL
IMPACT: Per capita increase of \$ 3.44

Sunset Date: ~~Never~~ Continues Indefinitely: Yes
Estimated Annual Revenue: **\$257,231/YR**

- WHEREAS, (1) After analyzing the present operations and the CAL FIRE Local 2881 budget CAL FIRE Local 2881 has experienced a rise in costs in many of our operating line items; and
- WHEREAS, (2) Past practices of rejecting recommended CPI increase of dues created budgetary deficiencies resulting in structural deficits in the budget line items; and
- WHEREAS, (3) The Consumer Price Index (CPI), US Bureau of Labor of Statistics report during the April 2023 to March 2024 period increased 3.8%; and
- WHEREAS, (4) At the budget preparation meeting in August 2024 and after careful and thorough study, the fiscal steering committee and respective district finance and chapter representatives recommend the CPI increase be applied to line items the CPI increase be applied to line items 4010, 5101-5110, 6010, 6021-6023, 6050, 6110,6150, 6200, 6300, 6400, 6500, 7150, 7100, 7200, 7605, 7610, 7615, 7620, 7625, 7630, 7635, 7640, 7650, 7805, 7815, 8005, 8010, 8100, 8200, 8250, 8275, 8300, 8501, 8510, 8520, 8525, 8530; therefore, be it
- RESOLVED, (A) That line items 4010, 5101-5110, 6010, 6021-6023, 6050, 6110, 6150, 6200, 6300, 6400, 6500, 7150, 7100, 7200, 7605, 7610, 7615, 7620, 7625, 7630, 7635, 7640, 7650, 7805, 8005, 8010, 8100, 8200, 8250, 8275, 8300, 8501, 8510, 8520, 8525, 8530; be increased to reflect the 3.8% CPA (April 2023 / March 2024 CPI), which will increase dues by \$ 3.44 (\$ 257,231/YR).
- RESOLVED, (B) That the per capita tax be adjusted for each future year based on the U.S. National Consumer Price Index as issued by the Bureau of Labor Statistics measured from April through March and in no instance will it exceed 5% and that this increase shall become effective on the first of the year and shall apply to the line items listed in Resolved (A)

ACTION:

To Executive Board of Directors _____ Adopt in Original Form _____
Adopt as Amended _____ Adopt as a Consolidation of Resolutions _____

Withdrawn by Author _____

Reject _____

2025 Budget Notes

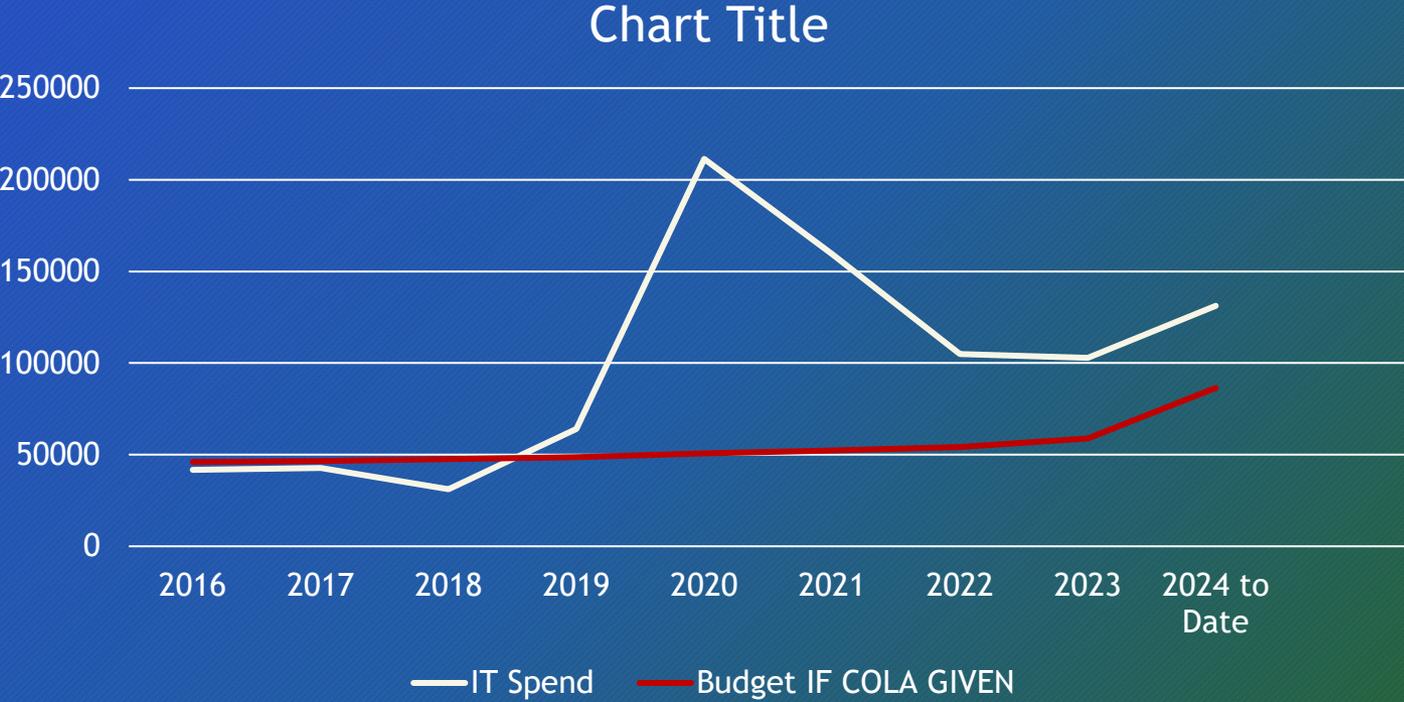
Resolution FIN 2-25: Office Automation

- Software and IT financial support

Example: Office Automation Budget

Year	Proposed COLA Increase	Lost Revenue on Rejected Proposed COLA	Office Automation IF COLA's ALL Adopted	IT Spend *2024 (6 Months)	Difference Ahead or Deficit
2016	1.90%	\$ 3,435,525.00	\$ 46,024.00	\$ 41,743.00	\$ 4,281.00
2017	1.00%	\$ -	\$ 46,484.00	\$ 42,639.00	\$ 3,845.00
2018	2.20%	\$ -	\$ 47,507.00	\$ 31,150.00	\$ 16,357.00
2019	2.40%	\$ 391,986.00	\$ 48,647.00	\$ 64,063.00	\$ (15,416.00)
2020	4.20%	\$ 114,064.00	\$ 50,690.00	\$ 211,372.00	\$ (160,682.00)
2021	3.0%	\$ -	\$ 52,211.00	\$ 159,535.00	\$ (107,324.00)
2022	3.80%	\$466,755.00	\$ 54,195.00	\$ 104,944.00	\$ (50,749.00)
2023	8.50%	\$ -	\$ 58,802.00	\$ 102,764.00	\$ (43,962.00)
2024	5.00%	\$ 186,548.00	\$ 86,412.00	\$ 131,259.00*	\$ (69,517.00)

IT Spend IF COLA's Had Been Given

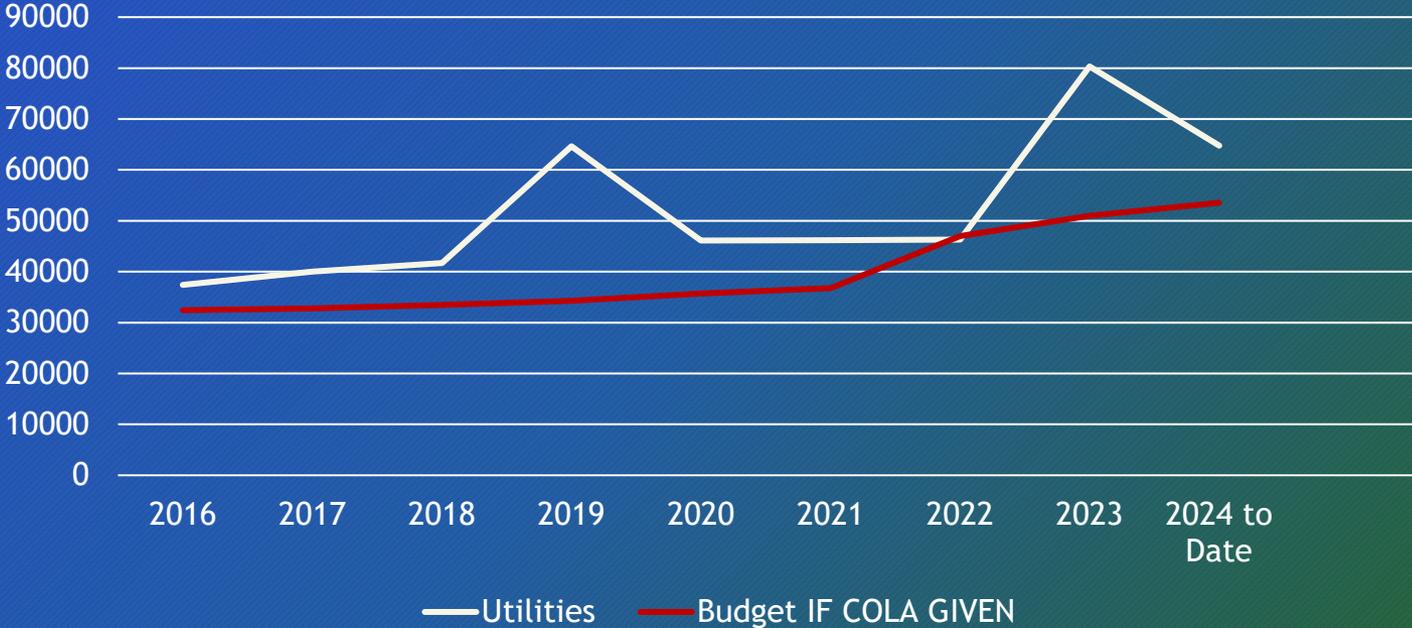


Example: Utilities Budget

Year	Proposed COLA Increase	Lost Revenue on Rejected Proposed COLA	Utilities IF COLA's ALL Adopted	Utilities Spend *2024 (6 Months)	Difference Ahead or Deficit
2016	1.90%	\$ 3,435,525.00	\$ 32,430.00	\$ 37,408.00	\$ (4,977.00)
2017	1.00%	\$ -	\$ 32,755.00	\$ 39,994.00	\$ (7,238.00)
2018	2.20%	\$ -	\$ 33,475.00	\$ 41,719.00	\$ (8,243.00)
2019	2.40%	\$ 391,986.00	\$ 34,279.00	\$ 64,620.00	\$ (6,340.00)
2020	4.20%	\$ 114,064.00	\$ 35,719.00	\$ 46,122.00	\$ (10,403.00)
2021	3.0%	\$ -	\$ 36,790.00	\$ 46,187.00	\$ (9,396.00)
2022	3.80%	\$466,755.00	\$ 47,000.00	\$ 46,284.00	\$ 716.00
2023	8.50%	\$ -	\$ 50,995.00	\$ 80,318.00	\$ (29,323.00)
2024	5.00%	\$ 186,548.00	\$ 53,545.00	\$ 64,732.00*	\$ (11,187.00)

IT Spend IF COLA's Had Been Given

Chart Title



Resolution 2-25

FIN 2-25

RESOLUTION
CAL FIRE LOCAL 2881 58th ANNUAL CONVENTION
SACRAMENTO, CA
JANUARY 9 - JANUARY 12, 2025

SUBJECT: Office Automation

SUBMITTED BY: Fiscal Steering Committee

INTENT: To maintain the current and future Local 2881's office automation.

FINANCIAL IMPACT: Per capita increase of \$ 2.17 for this Convention (FY 2025) per member per month.
Continues Indefinitely: Yes
Estimated Annual Revenue: \$162,415.00/YR

WHEREAS, (1) CAL FIRE Local 2881 aims to continuously improve operational efficiency and effectiveness through the adoption of advanced office automation systems; and

WHEREAS, (2) The implementation of automation software will enhance productivity, accuracy, and service delivery to CAL FIRE Local 2881 members; and

WHEREAS, (3) Maintaining and investing in modern financial and legal software is essential to maintaining compliance and supporting the organization's strategic goals; and

WHEREAS, (4) Fiscal Steering Committee recognizes the necessity for updated IT infrastructure to support various administrative, financial, and legal functions; and

WHEREAS, (5) Ongoing financial support is crucial to ensure the continuous improvement and maintenance of these automation systems;

FIN 2-25

RESOLVED, (A) CAL FIRE Local 2881 will allocate the necessary funds to contract with IT specialists to implement and maintain advanced automation systems; and

RESOLVED, (B) CAL FIRE Local 2881 will ensure continuous funding to upgrade and support financial and legal software systems, thereby maintaining operational compliance and efficiency.

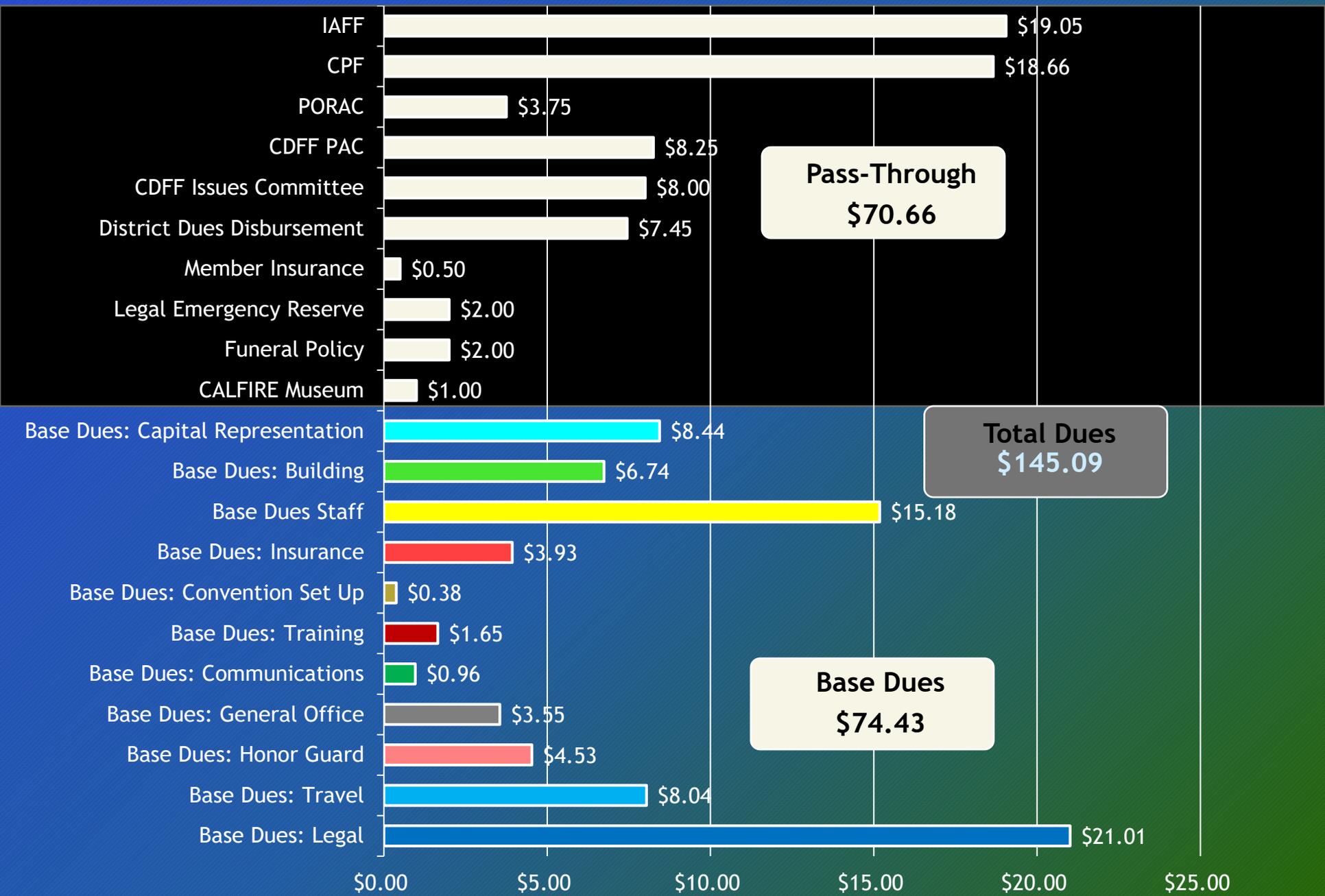
RESOLVED, (C) That the new total per capita tax at the conclusion of the 2025 Convention be increased for \$2.17 per active member.

ACTION:

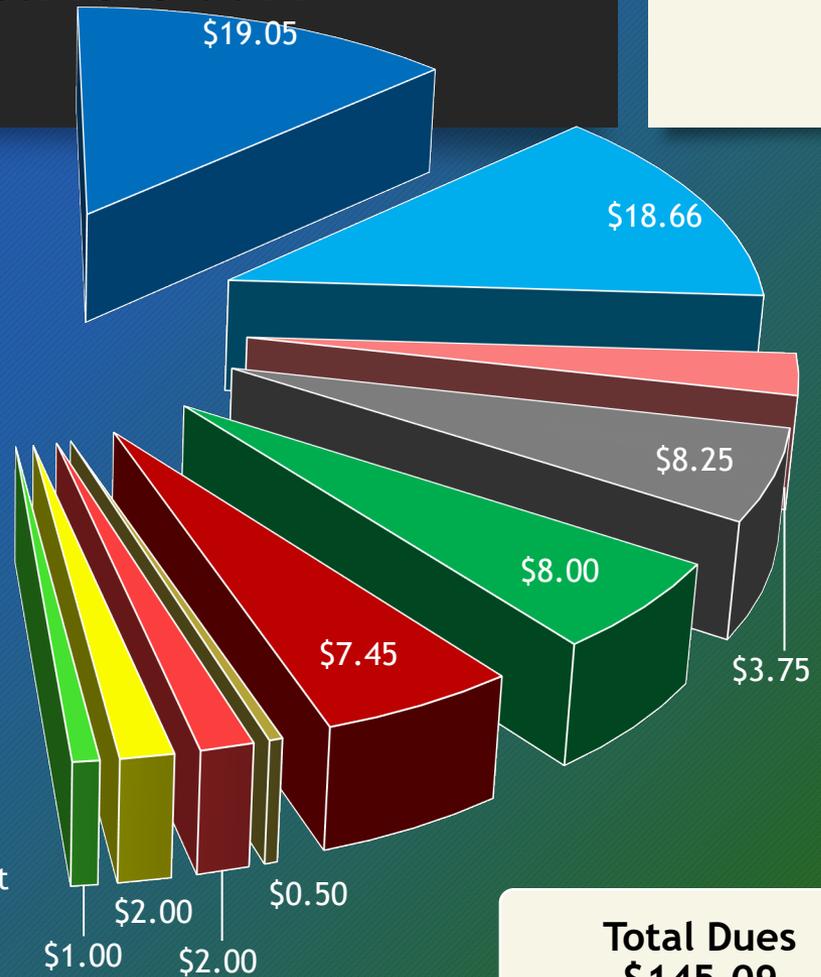
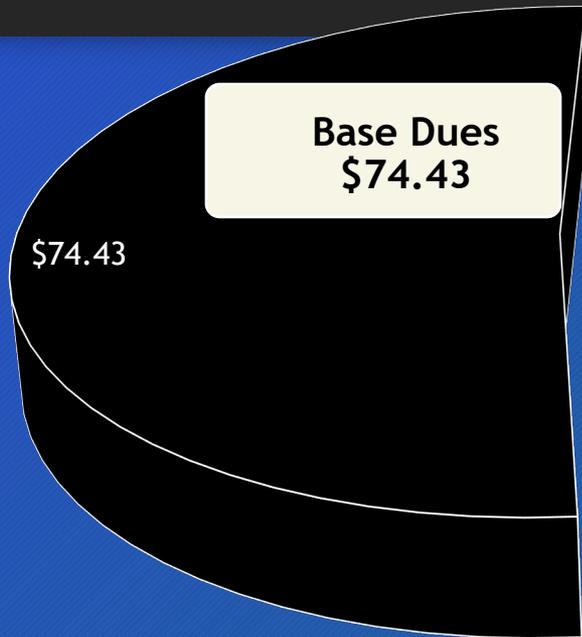
To Executive Board of Directors _____ Adopt in Original Form _____
Adopt as Amended _____ Adopt as a Consolidation of Resolutions _____
Withdrawn by Author _____ Reject _____

Key Fund Areas	Current	Proposed	Remarks
IAFF	\$19.05	\$19.05	PASS THROUGH
CPF	\$18.66	\$18.66	PASS THROUGH
PORAC	\$3.75	\$3.75	PASS THROUGH
CAL FIRE PAC	\$8.25	\$8.25	PASS THROUGH
CAL FIRE Issues PAC	\$8.00	\$8.00	PASS THROUGH
District Dues Disbursement	\$7.45	\$7.74	PASS THROUGH
Member Insurance	\$0.50	\$0.50	PASS THROUGH
Legal Emergency Reserve	\$2.00	\$2.00	PASS THROUGH
Funeral Policy	\$2.00	\$2.00	PASS THROUGH
CALFIRE Museum	\$1.00	\$1.00	PASS THROUGH
Total PASS THROUGHs	\$70.66	\$70.95	
Total State Level Union Dues	\$70.99	\$74.43	
Total Member Dues	\$141.65	\$145.09	

Proposed FY 2025 Dues Breakdown w/COLA



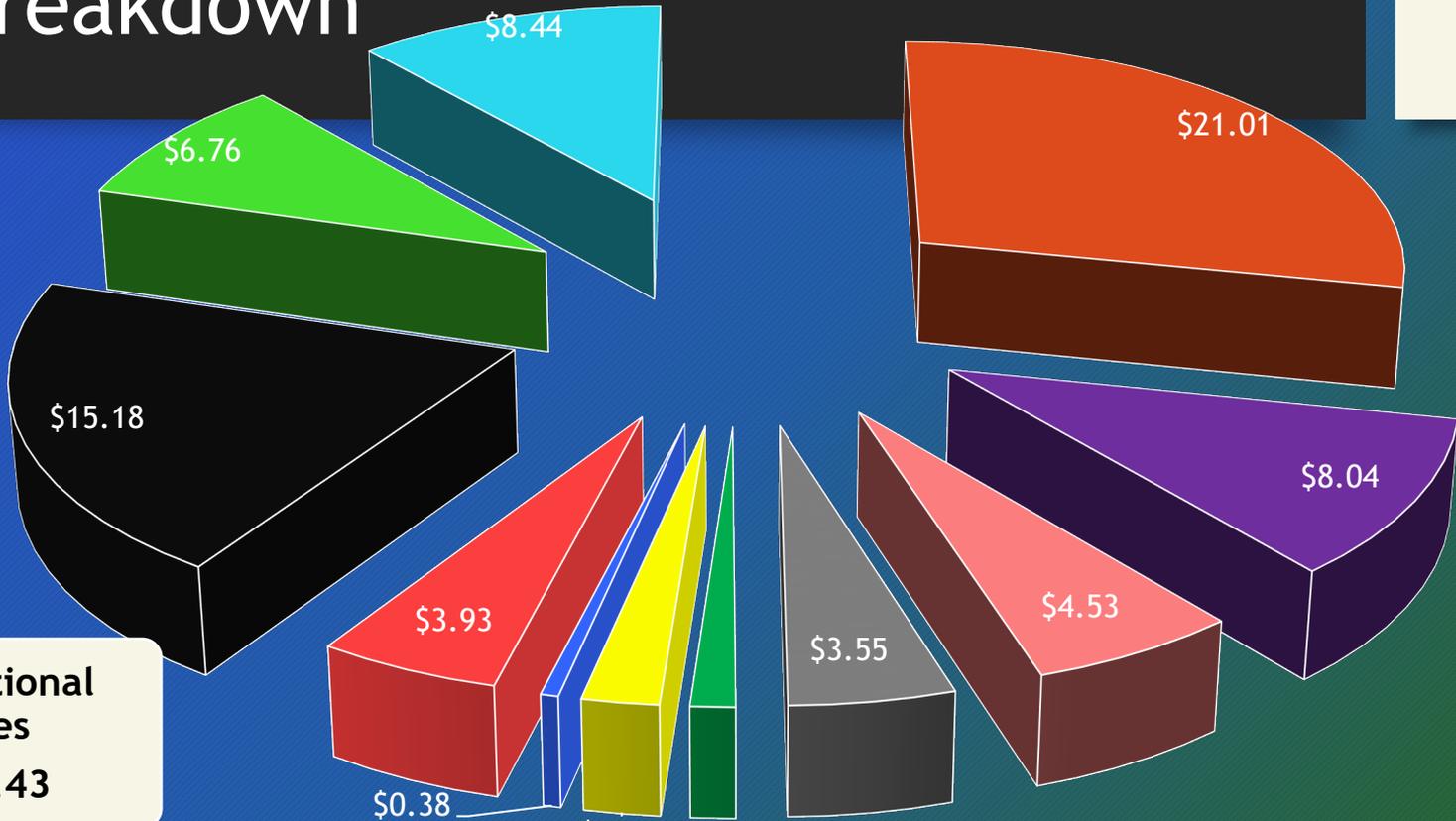
Proposed Dues Breakdown



- IAFF
- PORAC
- CDFP Issues Committee
- Member Insurance
- Funeral Policy
- Total Base State Level Dues
- CPF
- CDFP PAC
- District Dues Disbursement
- Legal Emergency Reserve
- CALFIRE Museum

**Total Dues
\$145.09**

Proposed Operational Dues Breakdown



Operational Dues
\$74.43

- Legal
- Honor Guard
- Communications & Marketing
- Convention Set Up Funding
- Staff: Wages, Insurance, Taxes
- Operations, Travel
- General Office
- Training
- Insurance & Taxes
- Building