MENLO PARK FIRE PROTECTION DISTRICT

FISCAL YEAR 2026-27 ADOPTED BUDGET

Explore Our Budget

> Menlo Park Fire Protection District's Digital Budget Book provides our community with an easy to use, interactive and engaging version of our annual publication. Use this site to browse all the divisions, programs, and projects that support our community.

Download the pdf version of the publication

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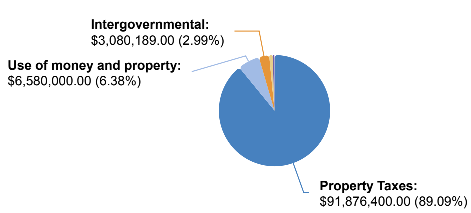
FY2026-27 District Revenue Budget All Funds



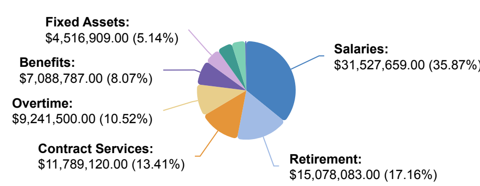
Total curAmount (FY2027)
$103,126,389.00

Property Taxes · Use of money and property · Intergovernmental · Licenses and permits
1/3

Data Updated: Aug 26, 2026, 10:48 AM

View Report

FY2026-27 District Expenditure Budget All Funds



Total curAmount (FY2027)
$87,883,714.00

Salaries · Retirement · Contract Services · Overtime
1/5

Data Updated: Aug 31, 2026, 10:50 AM

View Report

FY 2026-27 District Expenditure Budget All Funds

Interfund transfers out from the General Fund to Capital Improvement Projects Fund

Total curAmount (FY2027)
$19,759,584.00

Data Updated: Aug 26, 2026, 10:48 AM

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MENLO PARK FIRE PROTECTION DISTRICT

MISSION AND PHILOSOPHY STATEMENTS

Mission Statement

To protect and preserve life and property from the impact of fire, disaster, injury, and illness.

Philosophy Statement

We are dedicated to delivering exceptional service to both our community and its members. We firmly believe that the success of our organization is rooted in the strength of teamwork, mutual trust, and honesty, all of which are fostered through our unwavering commitment to the following core values:

- **Communication** with one another and with community members; We prioritize clear, honest, and effective communication both within our team and with the community we serve, fostering a collaborative environment.
- **Loyalty** to our community, to this organization, and to each other; We are steadfastly loyal to our community, our organization, and one another. This sense of commitment strengthens our collective efforts and drives us to succeed.
- **Innovation** in meeting the present and future needs of the District; We are forward-thinking and embrace innovation as we work to meet both the current and future needs of the District. We strive to be proactive, flexible, and solutions-oriented.
- **Responsibility** as a team for the efficient and effective delivery of services; We take shared responsibility as a team for the efficient and effective delivery of services, ensuring that our actions and decisions align with the best interests of our community.
- **Pride** in our work, in our dedication to public service, and in being the best we can be; We take pride in the quality of our work, our dedication to public service, and our ongoing efforts to be the best versions of ourselves, continuously striving for excellence in all that we do.

Through these values, we aim to create an environment where our community members feel valued and supported, while we work together to achieve our shared goals.

MENLO PARK FIRE PROTECTION DISTRICT

BOARD OF DIRECTORS

Virginia Chang Kiraly
Board President

Robert J. Silano
Board Vice President

Charles Bernstein
Director

Gary Bloom
Director

Robert Jones
Director

MENLO PARK FIRE PROTECTION DISTRICT

DISTRICT MANAGEMENT

Mark Lorenzen

Fire Chief

Executive Staff

Dan Coyle, Deputy Fire Chief

Todd Ellis, Division Chief

Ehren MacDonald, Division Chief

Gage Schlice, Fire Marshal

Francine Hunt, Administrative Services Director

Management Team

John Wurdinger, Battalion Chief

Kenneth Babcock, Battalion Chief

Jason Martin, Battalion Chief

Matt Menard, Battalion Chief

Mike Stahl, Battalion Chief

Joey Figone, Battalion Chief

Robert Johnson, Battalion Chief

Bob Blach, Assistant Fire Marshal

Allain Mallari, Finance Manager

Kristin MacDonald, Human Resources Manager

Ben Cheng, Information Technology Manager

Melanie Starz, Emergency Medical Services Manager

MENLO PARK FIRE PROTECTION DISTRICT

STRATEGIC PLAN OVERVIEW

Strategic Plan Process

To ensure alignment with organizational priorities and community needs, the District partnered with AP Triton to facilitate the development of a new five-year Strategic Plan. The process began with a project initiation meeting between AP Triton and District leadership to establish a shared understanding of goals, timelines, and expectations. This early coordination also included scheduling regular progress updates, leading to an on-site planning workshop.

A Strategic Planning Team was formed to represent the diversity of the organization, including members from all ranks, divisions, shifts, civilian staff, and labor representatives. This team played a central role in the planning process and participated in both a public community meeting and a 2½-day strategic planning workshop. To guide the planning effort, a comprehensive environmental scan was conducted, using internal data and operational documents to identify emerging challenges and opportunities.

Public and stakeholder input was a vital component of the process. AP Triton developed and distributed a series of surveys to gather feedback from employees, community members, and partner agencies. The internal survey, shared with all employees, captured organizational perspectives, while the external community survey was made available through the District's website, social media channels, and distributed directly to recent service users. A third survey gathered insights from local public safety partners to assess inter-agency coordination and collaboration.

The community meeting offered residents, business owners, and civic leaders the opportunity to share their views on the District's strengths, weaknesses, opportunities, and challenges. The following planning workshop brought together all survey findings, community input, and environmental data to develop a working draft of the Strategic Plan.

The planning team conducted a formal SWOC (Strengths, Weaknesses, Opportunities, and Challenges) analysis and used this input to identify service gaps and strategic priorities. From this work, five key elements were developed to guide the District's future direction:

- A mission statement articulating the District's core purpose;
- A philosophy encompassing long-term vision and organizational values;
- Strategic initiatives to focus improvement efforts;
- Outcome statements describing desired results; and
- Action items, which are specific, measurable steps designed to achieve those outcomes.

The Strategic Plan was presented and approved by the Board on January 21, 2025. Following its adoption, the District will take the next steps to ensure successful implementation. Each year, action items will be reviewed and prioritized as part of the annual budget process, ensuring that financial and operational resources are aligned with the District's strategic priorities. Progress on these items will be documented and shared through the annual budget publication, providing transparency and accountability to the community. In the final year of the plan, the District will conduct a comprehensive review to assess overall progress and begin developing the next strategic planning cycle, reinforcing the District's ongoing commitment to continuous improvement and responsive public service.

Fiscal Sustainability and Responsibility

Fiscal sustainability and responsibility are the foundation of every initiative and goal, ensuring that all decisions and strategies are designed with long-term financial viability in mind. By prioritizing the efficient use of resources and carefully evaluating the economic impact of each action, the District commits to maintaining financial health while delivering on its mission. Every initiative and action item are aligned with this commitment and a timeline linked to a fiscal year, promoting a stable and sustainable future.

District Initiatives

The District has outlined five key initiatives, each accompanied by a total of 23 initial action items, as part of its strategic plan. Division and program goals and initiatives are clearly aligned with these strategic goals, ensuring consistency and cohesion across all levels of the organization. As part of the annual budgeting process, the District will systematically review these action items, assess the need for any new items related to the adopted initiatives, and prioritize them for funding in the upcoming fiscal year's budget. This ensures that the District's financial resources are aligned with its strategic goals and that essential actions are adequately supported. The five initiatives guiding the District's strategic direction are:

Initiative 1: Service to the Community: Service to the community is the foundation of the District's purpose. This initiative focuses on continuously enhancing emergency response, expanding services, and improving community outreach and public education efforts. The District is committed to not only meeting the current needs of the community but also preparing for future growth and emerging challenges, ensuring a high standard of service delivery at all times.

Initiative 2: Leadership: Strong leadership is vital for the District's success. This initiative centers on empowering employees with the necessary skills, tools, and resources to lead effectively at all levels. By developing leadership competencies and improving internal communication, the District aims to cultivate leaders who can guide the organization through challenges and drive future success.

Initiative 3: Workforce Demographics: The District recognizes the importance of a workforce that reflects the community it serves. By focusing on recruiting high-quality candidates from diverse backgrounds, the District aims to build a team that is both skilled and representative of the community. This initiative is an inclusive approach that enhances the District's ability to serve effectively and fosters greater community trust and engagement.

Initiative 4: Organizational Culture & Professional Development: The District is committed to cultivating a mission-driven and inclusive organizational culture. By fostering professional growth, employee engagement, and recognition of excellence, the District supports the continuous development of its workforce. This initiative ensures that employees feel valued and supported, contributing to a strong and cohesive team capable of delivering exceptional service.

Initiative 5: Operational Infrastructure: A strong operational infrastructure is essential to support District personnel in performing their responsibilities effectively. This initiative focuses on evaluating and enhancing key functions such as operations technology, procurement, and logistics to ensure they operate efficiently and reliably. By reviewing and optimizing these areas, the District aims to streamline processes, improve resource management, and enhance overall efficiency.

By regularly revisiting and refining these initiatives and action items, the District ensures that its strategic vision is consistently supported by the necessary financial and operational resources, driving long-term success.

Initiative 1 - Service to the Community

Outcome Statement:
The District is providing service that meets or exceeds the needs of the community, while strategically preparing for future growth and challenges.

Action Items:
A. **Review and evaluate response time standards; establish benchmark/baseline metrics.**
- **Responsible:** Operations Chief
- **Timeline:** FY 2026–27

B. **Explore and recommend options to provide expanded services.**
- **Responsible:** Deputy Chief
- **Timeline:** FY 2026–27

C. **Assess planned growth that may impact service delivery capabilities and develop proactive strategies to mitigate emerging risks.**
- **Responsible:** Fire Marshal and Operations Chief
- **Timeline:** FY 2026–27

D. **Identify and implement strategies to enhance community engagement. communication, and awareness of the services available from the District.**
- **Responsible:** Risk Reduction Officer II
- **Timeline:** FY 2026–27

E. **Review performance metrics and quality of service the dispatch center is providing and determine if any action is required to improve service for the community.**
- **Responsible:** Fire Chief
- **Timeline:** FY 2025–26

F. **Review performance metrics and quality of service provided by the ambulance provider and determine necessary actions to improve service for the community.**
- **Responsible:** Training Chief and EMS Manager
- **Timeline:** FY 2026–27

By addressing these action items, the District will continue to enhance its services, meet the evolving needs of the community, and be well-prepared for future growth and challenges.

Initiative 2 - Leadership

Outcome Statement:
District employees are equipped to lead with confidence and communicate effectively across all levels of the organization.

Action Items:
A. **Identify leadership competencies and attributes, and develop a plan to improve skills.**
- **Responsible:** Training Chief and Administrative Services Director
- **Timeline:** FY 2025–26

B. **Establish a professional development program for non-line staff positions.**
- **Responsible:** Division Leads
- **Timeline:** FY 2027–28

C. **Identify the de-motivators to promotions, and (if present) develop actionable strategies to overcome barriers and encourage upward mobility.**
- **Responsible:** Deputy Chief
- **Timeline:** FY 2025–26

D. **Review and enhance internal communication methods.**
- **Responsible:** Brett Jensen/Operations Chief
- **Timeline:** FY 2025–26

By executing these action items, the District will foster a culture of leadership development, ensure clear and effective communication, and support continuous professional growth for employees at all levels.

Initiative 3 - Workforce Demographic

Outcome Statement:
The District is hiring high-quality candidates, representative of the community we serve.

Action Items:
A. **Review the recent hiring process and establish the most effective method for hiring quality firefighters.**
- **Responsible:** Fire Chief and Administrative Services Director
- **Timeline:** FY 2025–26

B. **Review and refine hiring processes to establish the best method(s) for hiring quality personnel District-wide.**
- **Responsible:** Fire Chief and Administrative Services Director
- **Timeline:** FY 2026–27

C. **Create an initiative to ensure the workforce reflects the demographics of the community that maintain our standards.**
- **Responsible:** Fire Chief and Administrative Services Director
- **Timeline:** FY 2026–27

By addressing these action items, the District will continue to attract and hire top-tier candidates who represent the community's diversity, ensuring a strong, inclusive workforce capable of providing exceptional service while reflecting the values and needs of the people we serve.

Initiative 4 - Organizational Culture and Professional Development

Outcome Statement:
The District is cultivating a mission-driven, inclusive culture that values professional excellence, growth, and recognition.

Action Items:
A. **Provide education on inclusivity throughout the District.**
- **Responsible:** Joint Labor Management Committee and Director of Administration
- **Timeline:** FY 2026–27

B. **Research and review the concept of "mission-driven culture" and determine how to apply it in the District.**
- **Responsible:** Operations Chief
- **Timeline:** FY 2026–27

C. **Identify the key policies that need further description on the "why" and expand the "leaders' intent" as part of the policy.**
- **Responsible:** Operations Chief
- **Timeline:** FY 2027–28

D. **Review the current performance appraisal system and provide recommendations for an improved or alternative approach.**
- **Responsible:** Human Resources Manager and Matt Menard
- **Timeline:** FY 2026–27

E. **Evaluate existing processes for recognizing professional excellence and make recommendations for enhancements organizational wide.**
- **Responsible:** EMS Manager and Dave Magnan
- **Timeline:** FY 2025–26

F. **Evaluate current mission and philosophical statements and consider options to recommend a change to the Board of Directors.**
- **Responsible:** Fire Chief
- **Timeline:** FY 2026–27

By focusing on these action items, the District will continue to build a culture that champions inclusivity, professional development, and recognition, all while remaining committed to its mission and values. This will create an environment where employees are motivated, empowered, and aligned with the District's long-term goals.

Initiative 5 - Operational Infrastructure

Outcome Statement:
The District is providing the necessary support for personnel to effectively perform their responsibilities.

Action Items:
A. **Review options for managing the operations technology function more effectively.**
- **Responsible:** Operations Chief and IT Manager
- **Timeline:** FY 2025–26

B. **Review options for managing the procurement function more effectively.**
- **Responsible:** Finance Manager
- **Timeline:** FY 2026–27

C. **Review the options for managing facility supplies storage and distribution functions more effectively.**
- **Responsible:** Training Captain
- **Timeline:** FY 2026–27

D. **Evaluate options for new enterprise resource planning (ERP) system that integrates key organizational functions and processes to improve operational and administrative efficiencies.**
- **Responsible:** Administrative Services Director and Finance Manager
- **Timeline:** FY 2027–28

By executing these action items, the District will ensure that personnel are fully supported with optimized processes, technology, and resources, enhancing their ability to perform their responsibilities effectively and contribute to the District's mission.

Alignment of Division and Program Goals and Objectives

The District's Strategic Plan provides the overarching framework for establishing and advancing division and program goals and objectives. Each division and program is expected to align its goals, objectives, work plans, and performance measures with the Strategic Plan's mission, philosophy, strategic initiatives, outcomes, and action items. This alignment ensures that work occurring at the division and program level directly supports the District's broader strategic direction and organizational priorities.

The Strategic Plan is intended to provide consistency and connectivity across all levels of the organization. Division and program goals and objectives should be developed and reviewed with consideration of how they contribute to one or more of the District's five strategic initiatives. Where appropriate, division and program activities should also identify the specific strategic initiative, outcome, or action item they support. This approach creates a clear line of sight from the District's long-term strategic priorities to day-to-day operations and individual programs.

As part of the annual planning and budget process, divisions and programs will review their goals, objectives, and planned activities to ensure continued alignment with the Strategic Plan. New or revised goals and objectives should be evaluated based on their contribution to the District's strategic priorities, available resources, and anticipated community and organizational needs. This process will help ensure that financial, personnel, and operational resources are directed toward activities that advance the District's adopted strategic priorities.

MENLO PARK FIRE PROTECTION DISTRICT

TRANSMITTAL LETTER

To the Honorable President Kiraly and Members of the Board,

It is my honor to present the Menlo Park Fire Protection District's Adopted Budget for Fiscal Year 2026–27. This budget reflects the District's ongoing commitment to delivering reliable, professional, and responsive emergency services while maintaining the financial discipline necessary to sustain these services for future generations. Developed during a period of continued economic uncertainty and increasing operational demands, this financial plan balances the needs of today with the long-term investments required to ensure the District remains prepared, resilient, and positioned for the future.

The FY 2026–27 budget represents the collective efforts of District staff, leadership, and the Board of Directors. Through a comprehensive review process, the Board was actively engaged in evaluating priorities, discussing financial assumptions, and providing direction throughout budget development. Multiple presentations and discussions allowed for careful consideration of operational needs, fiscal impacts, and strategic investments. Following this collaborative process, the Board adopted the budget without changes from the proposed budget, reflecting alignment on the District's priorities and financial strategy.

The District enters FY 2026–27 from a position of financial strength while continuing to navigate a challenging economic landscape. Rising costs associated with labor, benefits, equipment, construction, technology, and contracted services continue to impact public agencies nationwide. In addition, uncertainty related to inflation, interest rates, supply chain conditions, and global economic factors requires thoughtful financial planning and conservative forecasting. The District has incorporated these conditions into the budget process by carefully evaluating expenditures, moderating revenue assumptions where appropriate, and maintaining flexibility to respond to changing circumstances.

Property taxes continue to provide the foundation of the District's financial stability, representing approximately 90 percent of General Fund revenues. While property tax growth has historically provided a reliable revenue source, the District continues to monitor factors that may influence future growth, including changes in the local real estate market, development activity, and broader economic conditions. The FY 2026–27 budget maintains a structurally balanced budget with no planned use of reserves to support ongoing operations, allowing the District to continue investing in critical services while preserving long-term financial sustainability.

A significant focus of the FY 2026–27 budget is advancing preparations for the Fire Station 1 Replacement Project. This historic investment represents the largest capital project undertaken by the District and will modernize essential facilities, improve operational functionality, and support future emergency service demands. As the project moves closer to construction, the District has incorporated funding for temporary operational relocations, including a temporary fire station and administrative office space, to ensure uninterrupted emergency response and continuity of operations throughout the construction period.

The District is also continuing to invest in technology infrastructure and organizational modernization. The addition of a full-time Information Technology Specialist will enhance the District's ability to maintain secure and reliable systems, address increasing cybersecurity requirements, improve technical support, and advance technology initiatives. In addition, the planned replacement of the District's enterprise resource planning (ERP) system represents an important step toward improving financial management, automation, reporting, and administrative efficiency.

Maintaining a highly capable and resilient workforce remains central to the District's success. The FY 2026–27 budget continues investments in employee wellness, training, professional development, and operational readiness. These programs recognize the unique demands of emergency services and support the District's efforts to recruit, retain, and equip employees with the resources necessary to provide exceptional service to the community.

The budget also advances several initiatives designed to improve emergency preparedness, operational effectiveness, and community resilience. These investments include expansion of the Community Hubs program, continued enhancement of unmanned aviation capabilities through the Drone as a First Responder program, replacement of critical technology infrastructure, upgrades to emergency access systems, facility condition assessments, and continued support of California Urban Search and Rescue Task Force 3. Each of these initiatives reflects the District's commitment to continuous improvement and proactive planning.

The District remains focused on responsible stewardship of public resources while preparing for future challenges. Through disciplined budgeting, strategic capital planning, and continued investment in our people and infrastructure, the District is positioned to maintain the high level of service our communities expect. The FY 2026–27 budget reflects not only the financial requirements of the coming year but also the District's broader commitment to operational excellence, fiscal responsibility, and long-term community safety.

I would like to express my sincere appreciation to the Board of Directors for its leadership, engagement, and continued support of the District's mission. I also extend my gratitude to the men and women of the Menlo Park Fire Protection District for their dedication, professionalism, and commitment to serving our communities every day. Finally, I thank the residents, businesses, and partner agencies of the Town of Atherton, City of Menlo Park, City of East Palo Alto, and the unincorporated areas of San Mateo County for their continued trust and partnership. It is a privilege to serve alongside such a dedicated organization, and we remain committed to providing the highest level of emergency services now and into the future.

Respectfully,

Mark Lorenzen
Fire Chief

MENLO PARK FIRE PROTECTION DISTRICT

DISTRICT PROFILE

About the Menlo Park Fire Protection District

The Menlo Park Fire Protection District was established on January 3, 1916, by the San Mateo County Board of Supervisors. As a special district under the Fire Protection District Law of 1987 (Health and Safety Code, Section 13800) of the State of California, the District provides fire protection and emergency services to a diverse and dynamic region in the heart of Silicon Valley.

Located on the southern edge of San Mateo County, just north of Santa Clara County and south of San Francisco, the District spans approximately 30 square miles and serves an estimated population of 90,000 residents. It covers the cities of Atherton, Menlo Park, East Palo Alto, as well as parts of unincorporated San Mateo County. The region is home to major institutions, including Stanford University, Stanford Hospital, and Meta (formerly Facebook), and is a hub for venture capital, research, and development. The District also includes prominent sites like the SLAC National Accelerator Laboratory and the Stanford Research Institute (SRI International).

As the primary first responder in the area, the District handles over 10,000 emergency calls annually, which are reported to the National Fire Incident Reporting System (NFIRS). Emergency dispatch is managed by a countywide consolidated fire dispatch center. Additionally, the District participates in the San Mateo County boundary-drop plan, where the closest available apparatus responds to emergencies, regardless of jurisdiction, ensuring rapid and efficient service across the region.

Board of Directors

The Menlo Park Fire Protection District is governed by a Board of Directors, consisting of five locally elected residents who serve four-year, staggered terms. Any registered voter in the District who is at least 18 years old is eligible to run for a Board seat. Elections are held every two years, in even-numbered years.

The Board elects its President and Vice President for one-year terms. Board members attend all regular, special, and committee meetings to which they are assigned.

The Board's primary role is to serve as the policy-making body, governing the District's activities and shaping its future. At the same time, the Board delegates the responsibility for day-to-day administration and operations to the Fire Chief and professional staff, who carry out these duties in accordance with the Board's policies and guidelines.

Fire Stations and Facilities

The Menlo Park Fire Protection District operates a network of seven strategically located fire stations, along with several other specialized facilities, to ensure prompt and efficient emergency response across its service area. These facilities support the District's mission to provide high-quality fire protection and emergency services. Key facilities include:

- Seven Fire Stations: The District's fire stations are strategically placed to minimize response times and optimize coverage within the communities of Menlo Park, Atherton, East Palo Alto, and unincorporated areas of San Mateo County. These stations ensure rapid response to emergencies, whether in residential, commercial, or industrial areas.
- Administration and Fire Prevention Building: This facility serves as the District's headquarters, housing administrative personnel in administration, finance, IT, and fire prevention services. It plays a central role in the operational and strategic management of the District.
- Annex Building: This auxiliary facility supports administrative operations and houses the human resources team and the Capital Improvement Projects Manager. It provides additional space for District functions and services.
- Special Operations Warehouse: This facility stores specialized emergency response equipment, including resources for swift water rescue, hazardous materials response, and other technical rescue operations. It ensures the District's teams are equipped to handle a wide range of complex emergencies.
- Additional Properties: The District owns several properties, including those at 28 Almendral Avenue, 2110 Valparaiso, and 1457 Chilco. These properties serve various purposes, including storage, and provide additional land for future projects, such as rebuilding fire stations to meet evolving community needs.

While the District owns most of its facilities, Station 77 in Menlo Park is an exception. It is leased from the City of Menlo Park and plays a key role in providing fire protection services for Menlo Park and surrounding areas.

All of the District's facilities are designed and maintained to support the core mission of providing efficient, high-quality fire protection and emergency services to its communities. Through careful planning and strategic placement of these resources, the District ensures rapid response times, effective emergency management, and continued public safety across its service area.

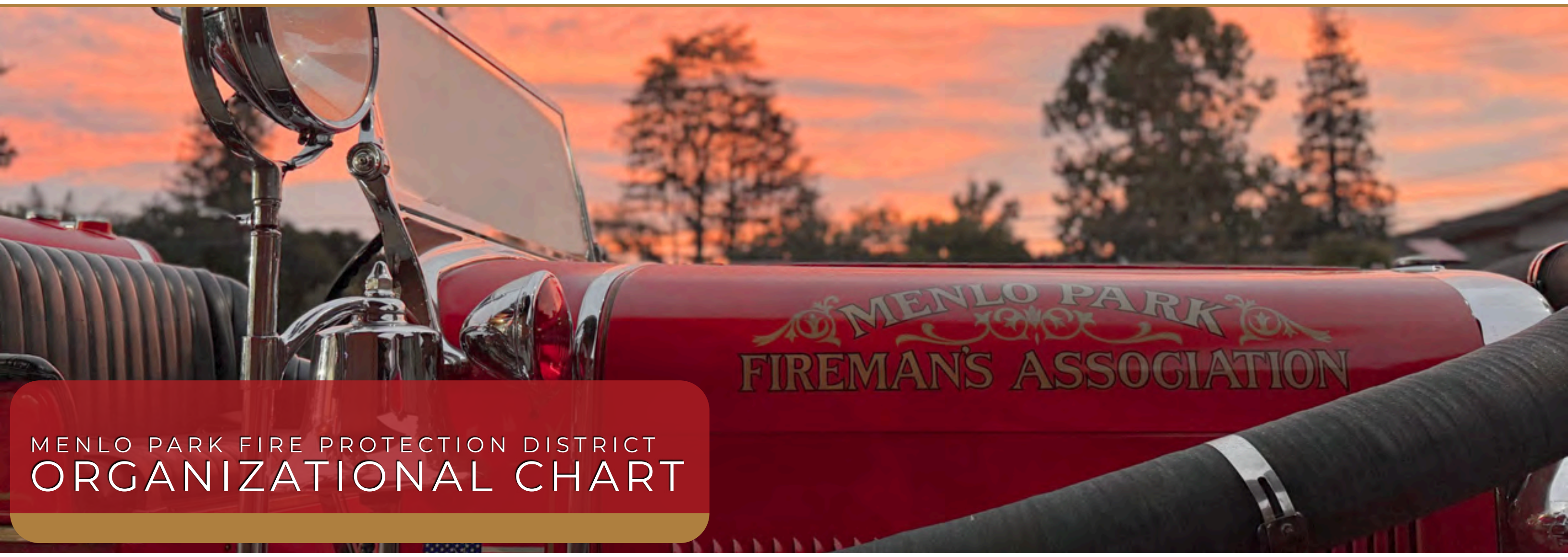
District Staff

The District has 154 authorized full-time positions in the fiscal year 2026-27 (FY27) adopted budget. The majority of the District's employees, approximately 81.2% of positions authorized in the FY27 budget, are sworn personnel. This group includes the fire chief, deputy chief, division chiefs, battalion chiefs, captains, engineers, firefighters, and fire inspectors. The remaining 18.8% of District staff includes personnel from departments such as finance, human resources, information technology, fire prevention, fleet, board clerk, grant management, and general administration.

California Task Force 3 Urban Search and Rescue

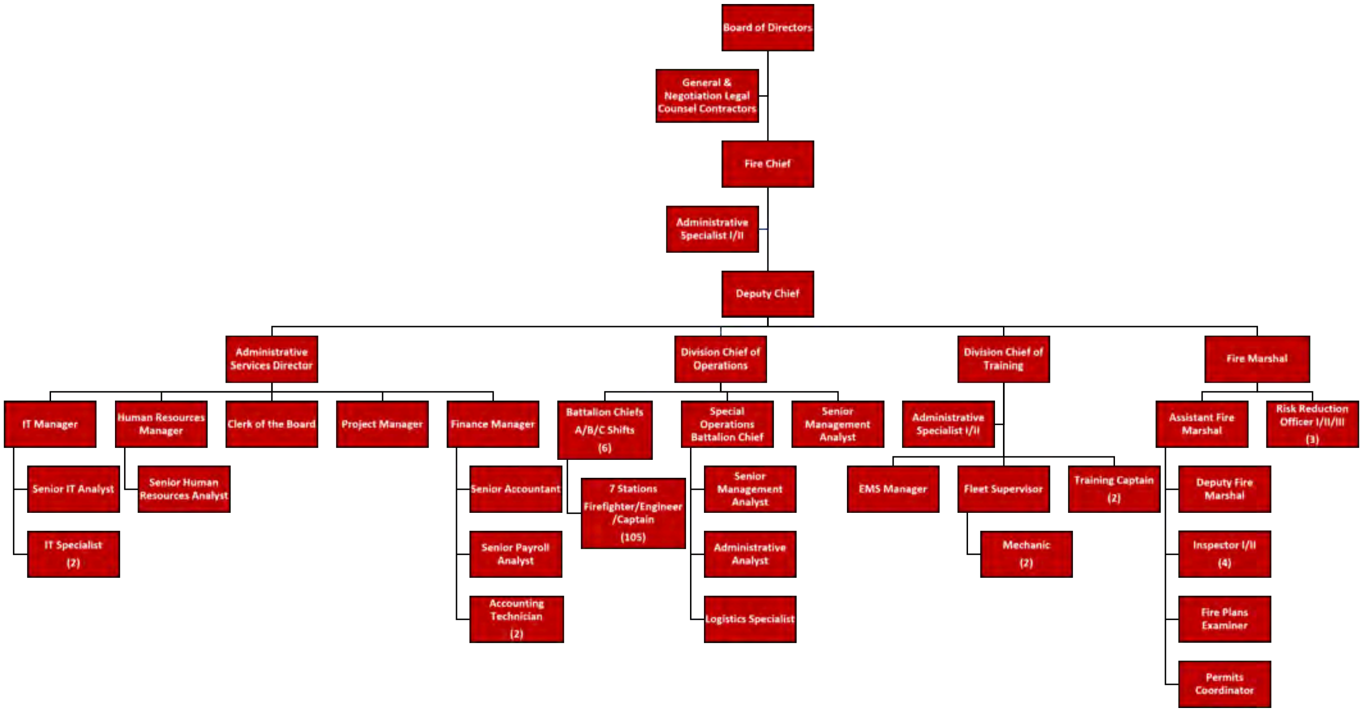
On October 12, 1990, the District formalized an agreement with the Federal Emergency Management Agency (FEMA) and the State of California to serve as the sponsoring agency for California Task Force 3 (CA-TF3) Urban Search and Rescue (US&R). This task force is one of 28 teams that form the National Urban Search and Rescue Response System, providing essential emergency response services. Over the years, CA-TF3 has built a distinguished reputation for its response to some of the most critical national emergencies.

The US&R Management Department oversees the acquisition and management of federal funding through the Cooperative Agreement, ensuring CA-TF3 is fully prepared for deployment in response to federal disasters. The department follows federal guidelines and manages all expenditures in compliance with directives from the program office.



MENLO PARK FIRE PROTECTION DISTRICT

ORGANIZATIONAL CHART



MENLO PARK FIRE PROTECTION DISTRICT

BUDGETED POSITIONS

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Accounting Technician	2	2	2	0
Administrative Analyst	1	1	1	0
Administrative Services Director	1	1	1	0
Administrative Specialist I/II	2	2	2	0
Assistant Fire Marshal	1	1	1	0
Battalion Chief	6	6	6	0
Battalion Chief (40-Hr)	1	1	1	0
Captain	30	30	30	0
Clerk of the Board	1	1	1	0
Deputy Chief	1	1	1	0
Deputy Fire Marshal	1	1	1	0
Division Chief	2	2	2	0
Emergency Medical Services Manager	1	1	1	0
Finance Manager	1	1	1	0
Fire Chief	1	1	1	0
Fire Marshal	1	1	1	0
Firefighter/Engineer	75	75	75	0
Fleet Supervisor	1	1	1	0
Human Resources Manager	1	1	1	0
Information Technology Manager	1	1	1	0
Information Technology Specialist	1	1	2	1
Inspector I/II	4	4	4	0
Logistics Specialist	1	1	1	0
Mechanic	2	2	2	0
Permit Coordinator	1	1	1	0
Plan Examiner	1	1	1	0
Project Manager	1	1	1	0
Risk Reduction Officer	3	3	3	0
Senior Accountant	1	1	1	0
Senior Human Resources Analyst	1	1	1	0
Senior Information Technology Analyst	1	1	1	0
Senior Management Analyst	2	2	2	0

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Senior Payroll Analyst	1	1	1	0
Training Captain	1	2	2	0
	152	**153**	**154**	**1**

FTE Changes

The District's IT Department is responsible for supporting District-wide information systems and services. The department manages and maintains all technology programs and related functions, including the installation, maintenance, and upgrading of the local area network, required hardware and software, infrastructure, personal computers, and communications systems and facilities. In addition, the department oversees both short- and long-term technology planning and ensures the effective use of departmental resources to enhance organizational productivity and customer service. The team currently consists of one IT Manager, one Senior IT Analyst, and one IT Specialist.

As the District's systems and operational demands continue to expand, increased technical oversight is necessary to maintain reliable infrastructure, minimize downtime, and proactively address cybersecurity risks. The number and complexity of technology systems supporting daily operations have grown, placing greater demands on existing staff who are responsible for system administration, network maintenance, end-user support, and ongoing security management. In addition to daily operational responsibilities, the department is also tasked with implementing system upgrades, maintaining infrastructure, and supporting current and upcoming technology initiatives.

To effectively manage these responsibilities and support both current services and future initiatives, the addition of an IT Specialist position is requested. This additional full-time position will help address increasing workload demands, improve responsiveness to technical support needs, and provide the capacity necessary to implement infrastructure improvements and other strategic technology projects. Expanding the team will help ensure the continued stability, security, and advancement of the District's technology environment.

The IT Specialist will devote approximately 50% of their time to server and network administration, including configuring and managing physical and virtual servers, maintaining network hardware and software, applying system updates and security patches, monitoring system performance and uptime, troubleshooting connectivity issues, and overseeing backup and disaster recovery processes. Approximately 25% of the role will focus on special projects, such as system upgrades, infrastructure improvements, cybersecurity enhancements, and the implementation of new technologies to support strategic goals. The remaining 25% of responsibilities will center on desktop and end-user support, including workstation setup and configuration, software installation, user account management, hardware and software troubleshooting, and providing timely technical assistance to staff to ensure uninterrupted productivity.

MENLO PARK FIRE PROTECTION DISTRICT

FISCAL AND BUDGETARY POLICY

Financial Policies

The District maintains formal financial policies to ensure long-term fiscal sustainability and guide budget development. The FY 2026-27 budget complies with all of the District's relevant financial policies. Key financial policies include:

Budget Policy: This provides a structured approach for preparing operating and capital budgets that align with the District's goals and priorities. It supports financial planning, promotes transparency, aids in strategic decision-making, ensures sound fiscal oversight, and helps maintain financial stability through effective cost control and resource allocation.

Fund Balance Reserve Policy: This ensures the District maintains adequate fund balances and reserves to support both short- and long-term financial obligations. It helps minimize the impact of unexpected costs or revenue shortfalls, provides internal funding for capital projects and asset replacements, addresses rising retirement costs, and strengthens the District's overall financial resiliency.

Investment Policy: This policy serves as a framework to guide the investment of public funds in compliance with state and local laws, with a strong focus on responsible financial management. It prioritizes safety, liquidity, and return, helping to safeguard assets, maintain daily cash flow, and effectively support the District's short and long-term financial goals and objectives.

Pension Funding Policy: This provides a structured approach for funding both current and future pension obligations. It supports annual budget planning, reflects sound financial management, encourages long-term fiscal strategy, helps maintain strong credit ratings, and communicates the District's pension funding commitment to employees and the public.

Capital Asset and Surplus Policy: This provides a framework for the responsible management of the District's capital assets by establishing clear procedures, controls, and accountability. The policy sets thresholds for capital outlays and capital improvement projects, defines criteria for asset classification, and ensures assets are properly safeguarded against loss, theft, or damage. It also supports compliance with Generally Accepted Accounting Principles (GAAP) through accurate asset tracking, depreciation recording, and documentation. Additionally, the policy outlines procedures for the proper disposal of assets that are surplus, obsolete, or no longer in service.

Purchasing Policy: This policy ensures that goods and services are acquired in a cost-effective, transparent, and consistent manner. It supports compliance with applicable regulations and promotes accountability in the use of public funds. The policy also supports the budget planning process by helping divisions anticipate procurement needs, manage spending within approved limits, and align purchases with the District's financial goals and operational priorities throughout the fiscal year.

(Please click on links above to view the policies.)

Financial Management and Reporting

The District's financial records are maintained in compliance with Generally Accepted Accounting Principles (GAAP), as prescribed for governmental agencies in the United States. The Governmental Accounting Standards Board (GASB) sets the accounting and financial reporting standards that the District follows.

Revenues and expenditures are accounted for using the modified accrual basis of accounting, which is the same basis of accounting used in the District's audited financial statements. Under this method, revenues are recognized when they are both measurable and available to finance current period expenditures. "Measurable" means the transaction amount can be determined, and "available" means it is collectible within the current period or soon thereafter. For example, property taxes received within 60 days of the fiscal year-end and investment earnings paid after year-end are considered accrued revenues. Expenditures are recorded when the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

The District operates on a fiscal year from July 1 to June 30 and uses fund accounting to record transactions. Abila MIP software is the primary general ledger system, serving as the comprehensive collection of accounts that supports the major financial statements. It consolidates all financial transactions and is supplemented by subsidiary ledgers, providing detailed information for specific accounts. This system forms the foundation for data accumulation and reporting. The District's financial activities are organized within three major funds: the General Fund, the Capital Improvement Projects (CIP) Fund, and the Special Revenue Fund.

Fund Structure

The District tracks its financial activities across three main fund categories:

1. General Fund (GF): The primary operating fund, accounting for all financial resources not required to be recorded in another fund.
2. Capital Improvement Projects Fund (CIP): Used for the acquisition of property, renovation, or reconstruction of fire stations and other facilities.
3. Special Revenue Fund (SRF): Accounts for funds received and disbursed for federal emergency activities, including grants for the District's California Task Force 3 Urban Search and Rescue, managed through FEMA agreements.

The General Fund (GF) is further divided into divisions, with each division containing specific programs where operating expenses are recorded. The Capital Improvement Program (CIP) Fund is broken down by program as well, but only includes capital outlays or fixed assets since operating expenses for these programs are recorded in the General Fund, as noted above. Additionally, capital improvement projects are detailed by station. The Special Revenue Fund (SRF) is organized by cooperative agreement.

Financial Transparency and Accountability

This fund structure ensures clear tracking of the District's financial resources and supports transparency in fund management and reporting. The District's budget is prepared in accordance with GAAP, which also governs the preparation of year-end financial statements. This consistency ensures the District meets its operational needs while maintaining fiscal responsibility and upholding sound accounting practices.

Basis for Budgeting

The District prepares its annual budget using the **modified accrual basis** of accounting for governmental funds. Under this basis, revenues are recognized when they are measurable and available to finance expenditures of the current fiscal period. Expenditures are generally recognized when the related liability is incurred, with certain exceptions as prescribed by generally accepted accounting principles.

The budget is developed to provide a comprehensive financial plan for the upcoming fiscal year and is based on anticipated revenues, planned expenditures, available resources, service priorities, and established financial policies. Revenue estimates are developed using historical trends, current economic conditions, known changes in revenue sources, and other relevant factors. Expenditure estimates reflect the anticipated cost of providing fire and emergency services, including personnel, services and supplies, capital needs, and other contractual or legally required obligations.

For budgetary purposes, the City may apply certain financial policies and budgetary practices that differ from the accounting treatment used in the annual financial statements (e.g., encumbrances and prepaid assets). The budget is legally adopted at the fund level by the Board of Directors and is monitored throughout the fiscal year. Budget amendments may be made in accordance with the District's adopted budget policies.

Division, Program, and Fund Relationship

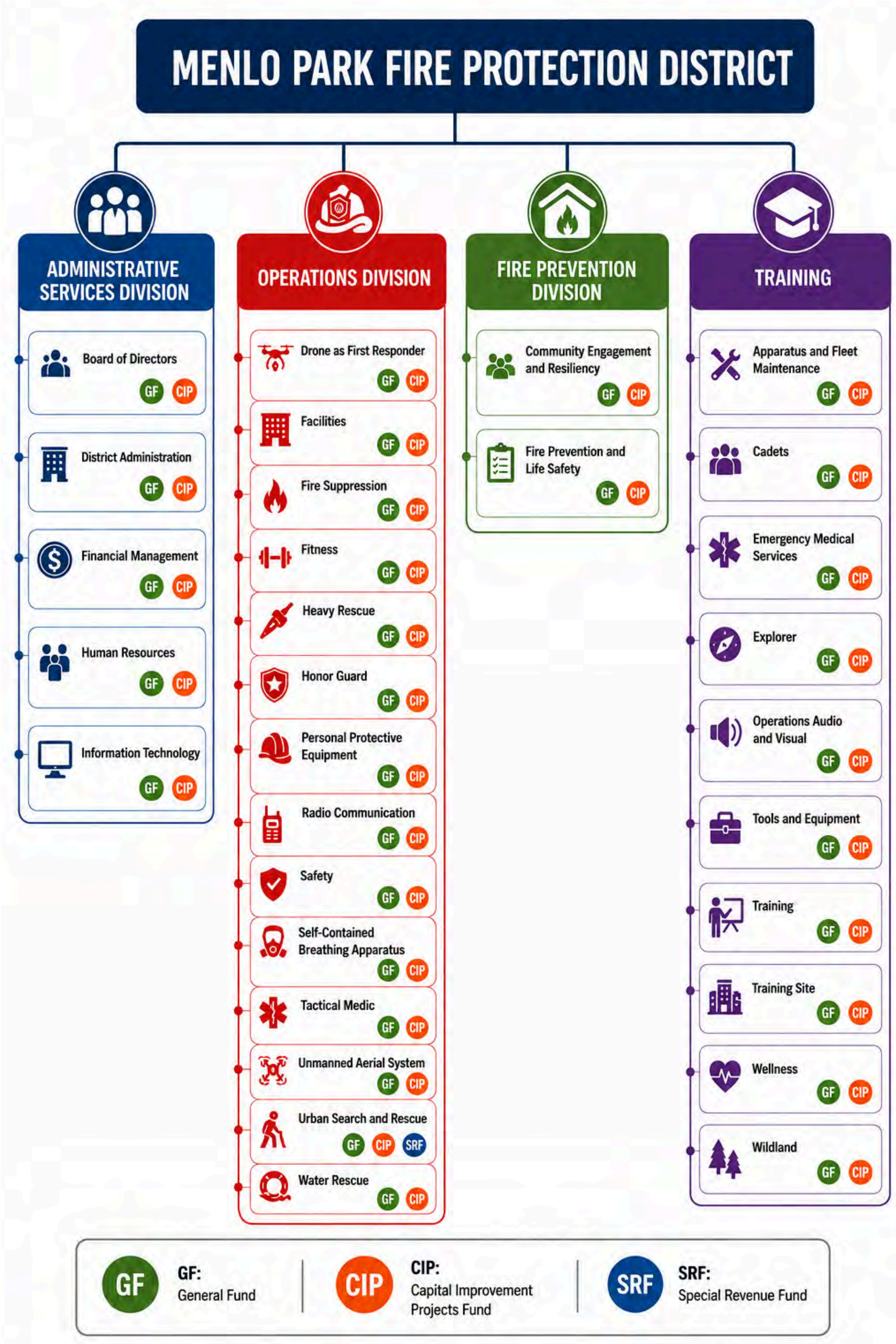
The District is organized into four functional divisions, namely Administrative Services, Operations, Training, and Fire Prevention, with each division comprising programs that support the District's overall mission and service delivery. The District's programs are funded through three major funds: the General Fund (GF), Capital Improvement Project (CIP) Fund, and Special Revenue Fund (SRF). The General Fund serves as the District's primary operating fund and provides the principal funding source for the District's ongoing programs and services. Program managers use the General Fund to budget for their day-to-day operating needs and ongoing program activities.

The CIP Fund is primarily supported by transfers from the General Fund and is used to account for capital improvement activities and projects. The CIP Fund is generally used for capital outlays exceeding $10,000, as well as for CIP projects above $50,000. This structure distinguishes significant capital expenditures from the District's routine operating costs and provides a dedicated mechanism for planning, budgeting, and tracking capital investments.

The SRF is funded primarily through federal grant funds and is used to account for grant-supported programs and activities. Although the majority of SRF resources are provided through grants, the District subsidizes a portion of these activities through transfers or contributions from the General Fund and CIP Fund, as applicable. This funding structure allows the District to support grant-funded programs while providing the local resources necessary to meet program requirements and fund eligible activities.

Together, these funding sources demonstrate how the District's functional units and programs are financially supported and how resources are allocated to carry out the District's mission. The General Fund primarily supports ongoing operating needs, the CIP Fund supports significant capital outlays and capital improvement projects, and the SRF supports primarily grant-funded programs with supplemental District funding where needed.

The budget book includes tables and charts that provide an overview of the District's budget by fund, as well as by major revenue and expenditure categories. The budget book also includes dedicated sections for each division and program, supported by corresponding tables and charts that provide additional detail on their respective budgets and activities. To further illustrate the relationship among the District's functional divisions, individual programs, and major funds in the aggregate, a matrix is provided below. The matrix serves as a cross-reference, showing which divisions and programs are supported by each fund and providing a consolidated view of how the District's organizational structure aligns with its financial structure, funding sources, and the types of activities supported by each fund.



Balanced Budget and Financial Management Philosophy

Budget development is a critical component of effective organizational management, providing a framework for translating the District's mission, goals, and strategic priorities into responsible financial and resource decisions. The annual budget serves as a management tool that guides the allocation of financial, personnel, and operational resources while establishing accountability for the delivery of District programs and services. Through careful planning and monitoring, the budget supports sound financial stewardship, effective decision-making, and the continued alignment of resources with organizational objectives.

The District adopts a balanced budget each fiscal year to ensure financial sustainability and maintain responsible fiscal practices. A balanced budget is defined as one in which projected operating revenues and other available financing resources are equal to or exceed planned operating expenditures. The use of reserves to support the budget is permitted when appropriate and consistent with the District's fund balance policy, ensuring reserves are utilized strategically and maintained to support long-term financial stability.

The District follows a needs-based budgeting approach in which all expenditures are reviewed and justified as part of the annual budget process. Rather than relying solely on historical spending patterns or automatic increases and reductions, each program and expense is evaluated based on current operational requirements, service priorities, and anticipated needs. This approach ensures that funding decisions are deliberate, transparent, and aligned with the District's mission, regardless of whether individual budget categories increase or decrease from the prior fiscal year.

Budgetary Process, Management, and Oversight

Governance and Budget Authority

The District's budget process is designed to promote sound financial management, transparency, and accountability while ensuring that available resources are aligned with strategic priorities and community needs. The Fire Chief is responsible for overseeing the development and implementation of the District's annual operating budget and ensuring that expenditures remain within authorized appropriations. The Fire Chief also establishes administrative policies and operational priorities that support the District's mission, strategic goals, and long-term financial objectives.

The Board of Directors provides overall governance and fiscal oversight through its review, modification, and adoption of the annual budget. The Board approves the budget and any subsequent amendments requiring Board action through a formal resolution that identifies authorized expenditures, anticipated revenues, and funding sources. This process ensures that financial decisions are made transparently and that public resources are allocated in a manner consistent with the District's mission and service commitments.

Budget Development Process

The annual budget development process begins in December with the distribution of budget instructions and guidelines to program managers throughout the organization. Using the District's OpenGov budgeting platform, program managers prepare detailed budget requests for the upcoming fiscal year. Each department evaluates its operational requirements and submits proposed funding needs based on current service levels, anticipated changes, program objectives, and strategic priorities.

Program managers are required to submit both current service level budgets and any enhancement requests for consideration. Current service level requests identify the resources necessary to maintain existing operations, while enhancement requests outline additional investments, new initiatives, or expanded services requiring additional funding. Budget submissions are typically completed by late January or early February to allow sufficient time for review and analysis.

Following the initial submission of departmental requests, the Finance Manager and executive leadership team, including the Fire Chief, Deputy Fire Chief, Division Chiefs, and Administrative Services Director, conduct a comprehensive review of all proposed budgets. Multiple budget sessions are held to evaluate operational priorities, assess financial impacts, and ensure that requested expenditures are justified and aligned with District objectives.

Each budget request is reviewed in detail, including personnel costs, services and supplies, contractual obligations, capital needs, and program-specific requirements. Adjustments are made as necessary to balance operational demands with available revenues and maintain the District's commitment to responsible financial management.

Budget Review and Adoption

Once revenue projections and expenditure requests have been finalized, the proposed budget is compiled into a comprehensive financial plan and presented to the Board of Directors for review and discussion. Board involvement is a critical component of the budget process, providing an opportunity for elected officials to evaluate funding priorities, review financial assumptions, and ensure the proposed budget aligns with the District's strategic direction and long-term goals.

During budget discussions, Board members engage with staff by asking questions, requesting additional information, evaluating proposed investments, and providing guidance regarding resource allocation. These discussions allow the Board to carefully consider operational needs, financial sustainability, and community expectations before adoption.

Following Board review, the preliminary budget is formally presented for consideration and initial adoption at the May Board meeting. This step provides additional time for review and allows the Board and public to evaluate the proposed financial plan prior to final approval. The final budget is presented for adoption at the June Board meeting, in accordance with the July 1 fiscal year start date. This timeline ensures that the District begins each fiscal year with an approved, balanced, and strategically aligned financial plan.

Public Participation and Transparency

Public participation and transparency are integral components of the District's budget development process. The District encourages community engagement and provides opportunities for residents, stakeholders, and interested members of the public to review, comment on, and provide input regarding budget priorities and financial decisions.

Budget-related discussions are conducted during regularly scheduled committee meetings and Board of Directors meetings, which are open to the public. These meetings provide opportunities for community members to ask questions, share perspectives, and provide feedback directly to District leadership and elected officials. Public engagement during these discussions supports transparency and ensures that budget decisions are informed by both operational analysis and community priorities.

Prior to adoption, the proposed budget is made available to the public through established communication channels to increase awareness and encourage participation. Budget materials are provided in advance of scheduled Board meetings where the proposed and final budgets are reviewed and considered for adoption. This advance notice allows residents and stakeholders sufficient time to understand the District's financial priorities, proposed investments, and operational needs.

Feedback received throughout the budget process is considered by staff and the Board as part of the final review. Through this open and collaborative approach, the District maintains accountability to the communities it serves while ensuring responsible stewardship of public resources.

Budget Management and Amendments

Throughout the fiscal year, the District maintains established controls and procedures to manage budget implementation and ensure compliance with adopted appropriations. The Fire Chief is authorized to approve internal budget transfers between programs of up to $250,000 per transfer, provided that the cumulative total of such transfers does not exceed five percent (5%) of the total adopted expenditure budget.

Budget amendments exceeding the Fire Chief's delegated authority require approval by the Board of Directors in accordance with the District's budget policy. Board approval is required for actions including additional appropriations of revenues or expenditures, internal transfers exceeding the Fire Chief's authority, modifications to authorized full-time equivalent (FTE) staffing levels, and budget adjustments associated with the reconciliation of actual grant or capital project costs.

This framework provides flexibility to address changing operational needs while maintaining appropriate levels of oversight and accountability.

Balanced Budget and Financial Controls

The District adopts a structurally balanced budget each fiscal year, meaning recurring revenues are sufficient to support recurring expenditures. This approach ensures that ongoing operations are funded through sustainable revenue sources and reduces reliance on one-time funding sources for ongoing obligations.

The use of reserves to support the budget is permitted when appropriate and consistent with the District's fund balance policy. Reserve funding is intended to address temporary, non-recurring, or emergency circumstances and is not used to support recurring operational expenditures.

The adopted budget authorizes revenues and expenditures at the fund level while providing detailed line-item appropriations to support financial control and accountability. The budget resolution establishes overall spending authority and identifies the funding sources available to support District operations, capital investments, and special programs.

Financial Monitoring and Reporting

Throughout the year, the District utilizes the OpenGov financial reporting system to monitor budget performance and track expenditures. Updated daily, these reports provide program managers, executive leadership, and financial staff with timely information regarding spending activity, budget availability, and financial trends. This allows staff to proactively identify potential issues, evaluate program performance, and make informed financial decisions.

Financial performance is also regularly reported to the Board of Directors through the Treasurer's Report presented at each regular Board meeting. These reports provide comparisons of actual revenues and expenditures to adopted budget amounts, allowing the Board to monitor financial trends, evaluate fiscal performance, and maintain ongoing oversight of the District's financial condition.

Through this comprehensive approach to budget development, management, and oversight, the District maintains a transparent and disciplined financial framework that supports operational excellence, fiscal sustainability, and accountability to the communities it serves.

Budget Calendar

To ensure smooth preparation, the District follows an annual budget calendar that outlines key deadlines and meetings, though the budgeting process is continuous throughout the fiscal year (July 1 to June 30). The process typically follows this cycle:

July through September
- Reconciliation of fiscal records

October through December
- Incorporation of encumbrances, capital project carryovers, and remaining grant balances into the budget
- Budget planning and preparation meetings
- Distribution of the budget proposal guide to all divisions
- Analysis of revenue estimates

January through March
- Entry of budget proposals into the financial system
- Budget workshops with the program managers
- Review sessions with the executive team regarding the budget
- Drafting of revenue and expenditure budgets
- Midyear fiscal review.

April through June
- Finalization of revenue and expenditure projections
- Presentation of the preliminary and final budget to the Board
- Public hearings regarding the budget
- Adoption of the budget

Fund Balance Reserve

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District must maintain fund balances sufficient to fund all cash flows of the District, to provide financial reserves for the replacement of fixed assets such as apparatus and equipment, unanticipated expenditures, and/or revenue shortfalls due to unfavorable economic conditions or emergencies, set aside funds to work towards the pay down of the District's unfunded pension liability and to provide funds for other operating and capital needs.

The District will maintain reserves of fund balances, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54 (GASB 54), Fund Balance Reporting, and Governmental Fund Type Definitions. This policy will ensure that the District maintains
adequate fund balances and reserves in order to:

a) Ensure sufficient funding to support the District's short-term and long-term operating objectives.
b) Limit adverse annual and multi-year budgetary impacts from anticipated and unanticipated expenditures or revenue shortfalls.
c) Cover current outstanding liabilities and fund a portion of actuarial unfunded liabilities.
d) Build and maintain the financial resiliency of the District.

MENLO PARK FIRE PROTECTION DISTRICT

BUDGET EXECUTIVE SUMMARY

Revenue and Expenditure

The District utilizes fund accounting to organize and manage its financial transactions systematically. This accounting method is specifically designed for governmental entities and separates financial resources into distinct categories based on their intended purposes. By doing so, fund accounting facilitates transparent tracking of revenue and expenditures, enabling the District to meet its financial, legal, and contractual obligations effectively. The District's financial records are maintained in strict compliance with the generally accepted accounting principles (GAAP) established in the United States for governmental entities. These principles ensure accuracy, accountability, and uniformity in financial reporting, which are essential for decision-making and stakeholder trust.

Fund accounting serves as a crucial tool for the District's management by providing a clear structure for resource allocation, ensuring that funds are used solely for their designated purposes. This approach also supports robust internal controls and enhances the District's ability to demonstrate accountability to taxpayers, regulatory agencies, and other stakeholders. The following tables present a comprehensive summary of the District's adopted budget for the fiscal year 2026-27, detailing anticipated revenues and planned expenditures across all funds.

Budget Priorities

The District's highest priority remains the delivery of exceptional fire protection, emergency medical, rescue, and emergency response services to the community. In support of this mission, the District continues to strengthen its emergency response capabilities, adapt and expand service delivery to meet changing community needs, and enhance public safety through education, prevention, and community outreach programs. These efforts are intended not only to address current service demands but also to ensure the District is well positioned to meet future challenges. By proactively planning for population growth, emerging hazards, evolving regulatory requirements, and advances in emergency response practices and technology, the District remains committed to providing dependable, professional, and responsive service while maintaining the public's trust and confidence.

The Fiscal Year (FY) 2026–27 budget reflects this continued commitment by maintaining current service levels without significant changes to fees, property tax rates, or overall operations. Budget priorities remain consistent with the prior fiscal year and focus on sustaining high-quality emergency services, investing in critical capital improvements, preserving the District's financial stability, and advancing operational efficiency across all departments. Through prudent financial management and responsible resource allocation, the District continues to balance immediate operational needs with long-term organizational sustainability.

The FY 2026–27 budget includes the addition of one full-time Information Technology (IT) Specialist to support the District's growing technology needs. The IT Department is responsible for managing the District's network infrastructure, cybersecurity, enterprise systems, communications, and technical support while leading technology planning and modernization initiatives. As technology systems become more complex and cybersecurity demands continue to increase, the additional IT Specialist will strengthen the department's capacity to maintain reliable and secure operations, improve user support, and advance strategic technology projects that support the District's mission.

In addition to maintaining core service levels, the District continues to advance several significant initiatives designed to improve operational effectiveness, enhance service delivery, and position the organization for future success. These ongoing and new initiatives are described in greater detail in the Budget Highlights and Initiatives section of this document. Collectively, they reflect the District's commitment to continuous improvement and responsible stewardship of public resources while advancing the strategic priorities established by the Board of Directors. By aligning financial resources with long-term organizational goals, the FY 2026–27 budget supports operational excellence, financial sustainability, organizational resilience, and a continued focus on serving the needs of the community.

Budget Concerns

Tariffs and Inflationary Environment

The District continues to operate within an economic environment characterized by inflation and uncertainty surrounding federal trade and tariff policies. These conditions have increased the cost of materials, equipment, supplies, and contracted services required to support District operations. In addition, evolving tariff regulations and global supply chain disruptions have introduced additional volatility into procurement timelines and pricing structures.

While inflation has moderated in certain sectors, many goods and services utilized by public safety agencies remain elevated in price compared to historical norms. Construction materials, specialized equipment, fleet components, and professional services continue to experience cost pressures, making long-term cost projections more challenging.

To address these economic conditions, the District incorporated both confirmed and projected cost increases into the FY 2026–27 budget. Key operating line items that are particularly sensitive to inflation, including fuel, fleet maintenance, equipment replacement, and contracted services, have been adjusted to reflect current market conditions. In addition, the District has incorporated contingency allowances where appropriate to account for potential supply chain delays or pricing volatility.

By proactively adjusting the budget to reflect economic realities and maintaining flexibility in operational planning, the District seeks to mitigate financial risk while ensuring continued delivery of high-quality emergency and public safety services to the community.

Interest Rate Environment and Investment Income

The broader interest rate environment continues to play an important role in the District's overall financial outlook. In recent years, elevated interest rates resulted in significantly higher investment earnings on the District's reserve funds and cash balances. These additional revenues have helped support a balanced budget while allowing the District to strengthen financial reserves dedicated to capital replacement, economic contingencies, and long-term liabilities.

However, recent cuts and signals from the Federal Reserve suggesting further interest rate reductions have introduced uncertainty regarding the sustainability of these higher investment returns. Declining interest rates may reduce the level of interest income available to supplement District operations in future fiscal years.

In response, the District has adopted a conservative approach when projecting investment revenues for the upcoming fiscal year. Interest earnings estimates were intentionally moderated to avoid reliance on uncertain market conditions. This prudent forecasting approach supports long-term fiscal sustainability and ensures that ongoing expenditures are supported by stable and predictable revenue sources.

Real Estate Market and Development Activity

Property tax revenue remains the District's most significant and stable source of funding. However, it is closely tied to the overall health and activity of the local real estate market. Over the past several fiscal years, housing market conditions within the District's service area have shown signs of cooling, influenced by elevated mortgage interest rates, inflationary pressures, unemployment numbers, and broader economic uncertainty. These factors have contributed to slower housing turnover and reduced transaction activity compared to previous years.

While the District continues to benefit from steady base property tax growth resulting from annual assessed value increases and previously approved developments, the pace of revenue growth is sensitive to changes in the real estate market. A slowdown in property sales directly affects Supplemental Property Tax revenues authorized under SB813, which are generated when properties are sold and reassessed at current market values. When transaction volumes decline, the District experiences fewer reassessments, resulting in lower supplemental tax revenues than in periods of stronger real estate activity.

In addition to affecting supplemental taxes, slower market conditions may also moderate future assessed value growth if property values stabilize or increase at a slower rate. Although property taxes remain a relatively stable revenue source due to limitations on annual assessed value increases under California law, reduced market activity can still influence the rate at which property tax revenues grow over time.

The real estate market also influences development-related activity within the District. When residential or commercial development slows, revenues associated with construction services, such as inspection fees, permit applications, and plan review charges, may also decline.

In preparing the FY 2026–27 budget, the District carefully evaluated current real estate market conditions and their potential impact on property tax revenues. To account for ongoing economic uncertainty and fluctuations in real estate activity, the District moderated some of its property tax revenue projections by applying an averaging approach based on historical trends and recent performance. This methodology helps smooth short-term volatility that can occur as property sales, reassessments, and market conditions change from year to year. By using this measured forecasting approach, the District aims to stabilize revenue expectations, reduce the risk of overestimating property tax revenues, and maintain a structurally balanced budget while continuing to plan responsibly for potential economic shifts.

Genentech Property Tax Settlement

In February 2026, the County of San Mateo informed the District of a settlement resolving a long-standing property tax dispute between Genentech and the County Assessor. This settlement will impact the District's October and November 2026 apportionments. The dispute centered on assessed property values for the 2000 through 2005 tax years and involved two cases, one initiated by the Assessor and the other by Genentech, that had been in litigation since 2016. Both cases were ultimately referred to the Assessment Appeals Board (AAB) to finalize a statement of change.

As a result of the settlement, the total tax and interest refund owed to Genentech is approximately $19,874,845.32, assuming full payment is made in October 2026. The District's share of this refund is $468,927.06, consisting of the following components:

Secured taxes: $42,680.81
Unsecured taxes: $374,524.97
ERAF: $51,721.28

These amounts will be reflected as reductions in the proposed FY 2026–27 revenue budget.

Additionally, Genentech has outstanding claims for the 2006–2024 tax years. Claims for the 2006-2018 period are currently under review and are expected to be resolved within one to two years, with an estimated countywide impact of $4–5 million plus interest. Claims for the 2019–2024 tax years remain unresolved, and the timeline for resolution is uncertain. The District will continue to evaluate the potential financial impact of these matters as more information becomes available and will incorporate updates into future budgets.

Geopolitical Conflicts and Global Instability

Ongoing geopolitical conflicts and global instability continue to create uncertainty in the economic environment in which the District operates. International tensions and regional conflicts have contributed to disruptions in global supply chains, particularly affecting oil and fuel supply. These conditions can lead to price volatility and potential supply constraints, directly impacting the cost of fuel necessary for emergency response operations and fleet readiness.

In addition, geopolitical conditions have contributed to volatility in energy markets and transportation costs, which directly impact the District's operating expenses. Fluctuations in fuel prices, as well as increased costs for shipping and logistics, may affect District operations and purchasing capabilities. In response, the District has incorporated conservative cost estimates and contingency allowances into the proposed budget to account for potential price fluctuations and supply uncertainties, ensuring continued operational readiness.

Pension Obligations

The District remains committed to responsibly managing its long-term financial obligations, such as pension liabilities. Employer contribution rates to the California Public Employees' Retirement System (CalPERS) continue to be influenced by a variety of factors, including investment market performance, actuarial assumptions, and periodic adjustments made by the retirement system. As a result, required pension contributions may fluctuate over time and add additional pressure to future operating budgets.

To address these long-term obligations in a proactive and fiscally responsible manner, the District continues to incorporate additional discretionary payments toward its Unfunded Accrued Liability (UAL) to CalPERS as part of the annual budgeting process. These supplemental payments are made in accordance with the pension funding policy approved by the Board of Directors, which establishes a framework for systematically reducing the District's long-term pension liabilities.

By allocating funds toward additional UAL payments when financially feasible, the District aims to reduce the overall cost of pension obligations over time, limit the impact of future rate increases, and strengthen its long-term financial position. This disciplined approach to pension funding helps improve the stability and sustainability of the District's retirement obligations while supporting prudent fiscal management and protecting future operating resources.

Fire Station 1 Replacement Project

The Fire Station 1 Replacement Project represents a major milestone in the District's long-term capital improvement strategy. On June 11, 2024, the Board of Directors approved the conceptual design and advancement of the project, which includes the complete reconstruction of Fire Station 1, the development of an integrated training center, and the construction of a new administrative facility.

With a conceptual project estimate of approximately $121 million, this initiative represents the largest capital investment in the District's history. The project is intended to modernize aging facilities, enhance operational efficiency, and provide expanded training capabilities necessary to support current and future public safety demands.

In anticipation of this major investment, the District has taken a disciplined and strategic approach to financial planning. Over several years, the District has systematically allocated funding to capital reserves through its annual budget process. This proactive reserve strategy supports major infrastructure investments while also maintaining resources for other long-term priorities, including equipment replacement, pension obligations, and emergency contingencies.

As part of the FY 2026–27 budget development process, the District carefully evaluated the financial implications of the Station 1 project to ensure that capital investments remain balanced with ongoing operational needs. The District continues to evaluate funding strategies, capital phasing options, and reserve levels to support the project while maintaining fiscal stability and service continuity.

Through thoughtful financial planning and prudent resource management, the District remains committed to advancing critical infrastructure projects while safeguarding the long-term financial health of the organization.

Budget Overview

The District's adopted budget for FY 2026–27 totals $107.6 million. This amount includes a $19.6 million transfer from the General Fund to the Capital Improvement Program (CIP) Fund, which is recorded as an expenditure in the General Fund and as a revenue in the CIP Fund for budgetary purposes, as shown in the table below. The General Fund accounts for approximately 93% of the total adopted budget.

General Fund

For FY 2026–27, the District developed the General Fund budget using a disciplined, needs-based approach in which each expenditure is individually evaluated and justified based on current operational requirements, service demands, and strategic priorities, rather than relying on across-the-board increases or reductions from the prior year. This approach promotes responsible stewardship of public resources, strengthens fiscal accountability, and ensures that funding decisions are aligned with the District's mission and long-term strategic objectives.

The FY 2026–27 General Fund expenditure budget totals $82.0 million, representing an increase of $5.0 million, or 6.5%, over the FY 2025–26 amended budget. The increase is driven primarily by higher personnel-related costs, including salaries and wages, employee benefits, retirement contributions, and stipends, reflecting the District's continued investment in recruiting, retaining, and supporting a highly qualified workforce. Additional funding is provided for election services, wellness initiatives, technological equipment, and other programs that enhance operational readiness and service delivery. The budget also includes one additional full-time Information Technology (IT) Specialist to support the District's expanding technology infrastructure, strengthen cybersecurity, improve system reliability, and increase the department's capacity to support mission-critical operations. In preparation for the Fire Station 1 rebuild project, the budget also includes funding for the temporary relocation of Fire Station 1 operations and administrative offices to ensure uninterrupted emergency response and business continuity throughout the construction period.

Beyond supporting day-to-day operations, the FY 2026–27 budget continues the District's commitment to strategic investments that enhance long-term organizational effectiveness and community service. Administrative improvements, technology modernization, workforce development, and long-range planning remain important priorities alongside the delivery of high-quality emergency services. The budget also includes $19.8 million in transfers to the Capital Improvement Program (CIP) Fund to support critical infrastructure investments, including the Fire Station 1 rebuild, the largest capital project in the District's history.

Despite ongoing financial pressures, including increasing pension obligations, workers' compensation costs, inflationary impacts, and other rising operating expenses, the District remains committed to maintaining long-term fiscal sustainability. The FY 2026–27 budget is structurally balanced, with no planned use of reserves to support ongoing operations, allowing the District to continue investing in public safety, workforce readiness, capital improvements, and essential services while preserving its strong financial position for the future.

Capital Improvement Project Fund

The Capital Improvement Program (CIP) Fund provides financing for the acquisition, construction, renovation, and replacement of District facilities, infrastructure, and capital assets, and is funded primarily through transfers from the General Fund. The FY 2026–27 CIP budget totals $4.5 million, representing a decrease of $2.7 million, or 37.4%, from the prior fiscal year. While overall capital expenditures are lower than the previous year, the budget continues to prioritize investments that enhance operational readiness, improve facilities, replace critical equipment, and support the District's long-term strategic objectives.

The FY 2026–27 CIP budget includes $3.4 million for construction and facility improvement projects and $1.1 million for capital equipment and technology replacements. Planned equipment purchases include self-contained breathing apparatus (SCBA), automated external defibrillators (AEDs), a drone, and information technology equipment. Major capital projects include Fire Station 1 rebuild, continued construction activities at Station 77, replacement of the emergency generator at Station 77, and renovation of the Administration Building kitchen. The budget also includes funding to initiate replacement of the District's enterprise resource planning (ERP) system, modernizing its core financial and administrative software to improve operational efficiency, reporting capabilities, and long-term technology support.

Special Revenue Fund

The Special Revenue Fund accounts for the District's responsibilities as the sponsoring agency for California Urban Search and Rescue Task Force 3 (CA-TF3) under cooperative agreements with the Federal Emergency Management Agency (FEMA). The program supports four primary functional areas namely Administration, Equipment, Storage and Maintenance, and Training, with eligible expenditures reimbursed through FEMA grant funding. These resources ensure the Task Force remains fully equipped, trained, and prepared to respond to local, statewide, and national emergency deployments.

The FY 2026–27 Special Revenue Fund budget is balanced at $1.4 million, a decrease of $1.9 million, or 57.7%, from the FY 2025–26 amended budget. The reduction primarily reflects the completion of expenditures associated with earlier cooperative agreements and the exclusion of the anticipated FY 2026 FEMA cooperative agreement, which is expected to be incorporated into the budget following grant approval and formal acceptance by the Board, anticipated in September 2026. Administration continues to represent the largest share of program expenditures, accounting for approximately 68% of the budget, with Equipment and Training comprising the next largest program areas. The FY 2026–27 budget includes remaining expenditures from three active FEMA cooperative agreements (FY 2023, FY 2024, and FY 2025), which together provide approximately $1.4 million in anticipated reimbursable expenditures during the fiscal year.

Debt

The District does not have any debt. All expenditures are funded from tax revenues, charges for services, and other revenue sources received.

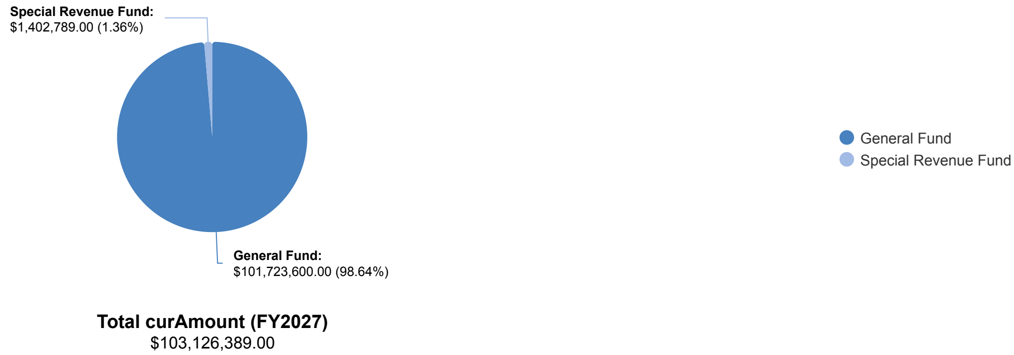
FY 2026-27 District Adopted Budget-All Funds

	ADOPTED BUDGET
	FY2027
Revenues	
General Fund	$101,723,600
Special Revenue Fund	$1,402,789
REVENUES TOTAL	**$103,126,389**
Expenses	
General Fund	$81,964,016
Capital Improvement Projects Fund	$4,516,909
Special Revenue Fund	$1,402,789
EXPENSES TOTAL	**$87,883,714**

FY 2026-27 District Adopted Budget - All Funds Transfers In/Out

Revenues	
General Fund	$ -
Capital Improvement Projects Fund	$19,759,584
Special Revenue Fund	$ -
REVENUES TOTAL	**$19,759,584**
Expenses	
General Fund	$19,759,584
Capital Improvement	$ -
Special Revenue Fund	$ -
EXPENSES TOTAL	**$19,759,584**

FY 2026-27 District Adopted Revenue by Fund



Data Updated: Aug 31, 2026, 10:50 AM

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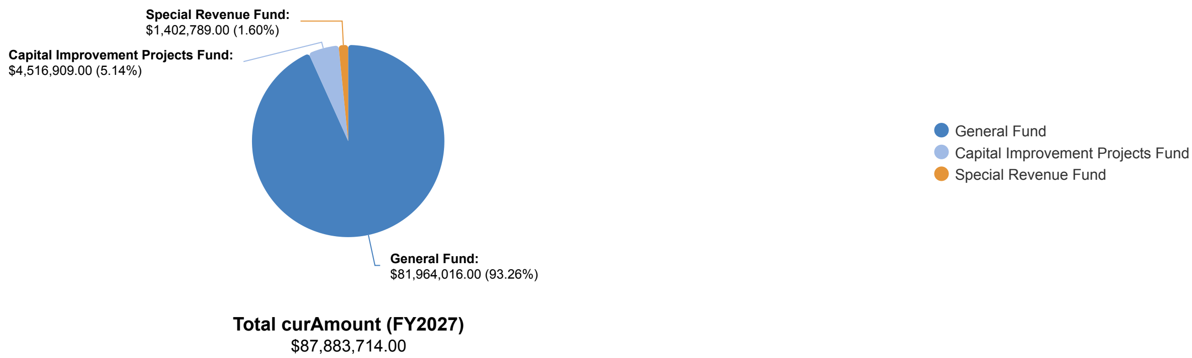
FY 2026-27 District Adopted Expenditure by Fund



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Budgetary Trends

Property Taxes

Property taxes continue to serve as the District's primary revenue source, representing approximately 90% of General Fund revenues. As a stable and predictable funding source, property taxes provide the financial foundation necessary to support the District's ongoing operations and long-term planning. Over the past five years, property tax revenues have increased at an average annual rate of approximately 7.1%, reflecting continued growth within the District's service area. This consistent revenue stream enables the District to maintain financial stability and effectively plan for future service demands, capital investments, and operational needs despite broader economic uncertainty.

Other Operating Revenues

Other operating revenues have remained relatively stable overall, although individual revenue sources have experienced varying trends. Revenue from licenses and permits has consistently generated approximately $1 million annually. Earnings from the use of money and property have increased substantially over the past several years due to the implementation of an enhanced investment strategy and higher interest rates, resulting in annual investment earnings exceeding $6 million. In contrast, deployment reimbursement revenue associated with emergency response activities continues to fluctuate significantly from year to year, reflecting the unpredictable timing, duration, and frequency of deployment assignments.

Salaries and Benefits

Salaries and benefits remain the District's largest operating expenditure, accounting for approximately 81% of the General Fund budget. As a labor-intensive public safety organization, the District's ability to provide high-quality fire protection, emergency medical services, rescue operations, and emergency response depends primarily on its workforce. Annual increases in personnel costs are largely driven by negotiated salary adjustments, retirement contributions, employee benefit costs, and other compensation provisions established through labor agreements. Continued investment in personnel remains essential to maintaining service levels, supporting employee wellness, and ensuring the District can recruit and retain a highly qualified workforce.

Services and Supplies

Expenditures for services and supplies continue to increase as a result of inflation, rising costs for materials, equipment, and contracted services, and evolving operational requirements. Annual spending within this category may also vary based on program needs, organizational priorities, and one-time initiatives. For FY 2026–27, contract services are budgeted significantly higher to support the temporary relocation of Fire Station 1 operations and administrative offices in preparation for the Fire Station 1 rebuild project, which is anticipated to begin during the second half of the fiscal year. These temporary accommodations will help ensure uninterrupted emergency response capabilities and administrative operations throughout the construction period.

Capital Improvements and Capital Outlay

Capital improvement and capital outlay expenditures are expected to increase over the next several years as the District continues to invest in replacing aging infrastructure, modernizing facilities, and maintaining essential equipment. The most significant investment is the Board-approved Fire Station 1 rebuild project, with an estimated total project cost of approximately $121 million, representing the largest capital investment in the District's history. In addition, the District has planned the replacement of its enterprise resource planning (ERP) system to modernize core financial and administrative processes, improve operational efficiency, strengthen reporting capabilities, and support future organizational growth.

FEMA Cooperative Agreements

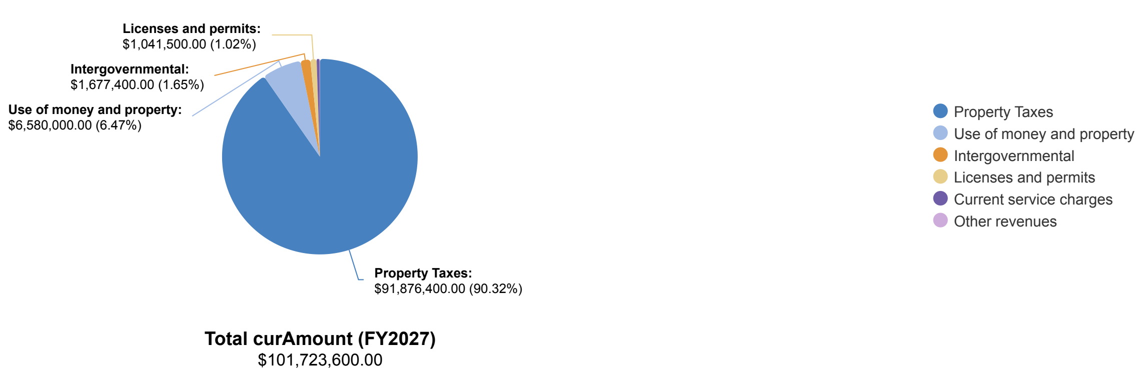
The District continues to receive stable federal funding through cooperative agreements with the Federal Emergency Management Agency (FEMA) to support California Urban Search and Rescue Task Force 3 (CA-TF3). These reimbursements, accounted for within the Special Revenue Fund, currently provide approximately $1.4 million annually to support administration, equipment, maintenance, and training activities. Based on recent federal and state budget developments, the District anticipates annual funding under future cooperative agreements beginning with the 2026 grant to increase by approximately $300,000 to $500,000, further strengthening the Task Force's operational readiness and response capabilities.

General Fund-5 Year Adopted Revenue Budget

	ADOPTED BUDGET				
	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues					
Property Taxes	$67,459,100	$72,371,800	$83,033,600	$87,296,100	$91,876,400
Licenses and permits	$1,100,000	$1,084,400	$1,100,000	$881,000	$1,041,500
Current service charges	$459,100	$456,200	$470,100	$479,200	$498,300

	ADOPTED BUDGET				
	FY2023	FY2024	FY2025	FY2026	FY2027
Use of money and property	$260,100	$532,000	$4,895,000	$5,128,800	$6,580,000
Intergovernmental	$156,000	$238,299	$154,600	$1,384,500	$1,677,400
Other revenues	$142,200	$400,000	$10,000	$50,000	$50,000
REVENUES TOTAL	**$69,576,500**	**$75,082,699**	**$89,663,300**	**$95,219,600**	**$101,723,600**

FY 2026-27 General Fund Adopted Revenue Budget



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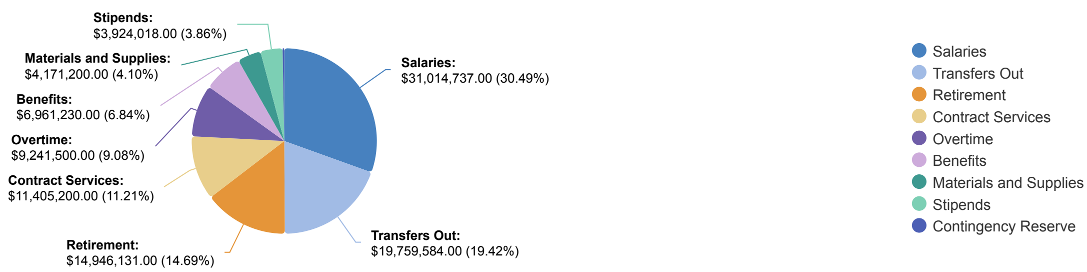
GF - 5 Year Adopted Expenditure Budget (with Transfers Out)

	ADOPTED BUDGET				
	FY2023	FY2024	FY2025	FY2026	FY2027
Expenses					
Salaries	$27,256,700	$27,768,800	$28,222,591	$29,542,910	$31,014,737
Stipends	$2,930,800	$3,069,200	$3,139,478	$3,732,972	$3,924,018
Overtime	$7,933,300	$8,396,000	$8,892,400	$8,812,800	$9,241,500
Retirement	$11,670,700	$10,963,700	$13,234,221	$15,163,489	$14,946,131
Benefits	$5,065,300	$5,610,600	$6,228,218	$6,606,893	$6,961,230
Materials and Supplies	$4,123,742	$3,480,893	$4,293,936	$4,254,643	$4,171,200
Contract Services	$6,983,432	$6,962,477	$7,765,548	$8,656,088	$11,405,200
Contingency Reserve	–	$200,000	$200,000	$200,000	$300,000

	ADOPTED BUDGET				
	FY2023	FY2024	FY2025	FY2026	FY2027
Fixed Assets	$9,588,350	$3,504,873	–	–	–
Transfers Out	$2,793,105	$5,896,788	$18,035,742	$18,667,246	$19,759,584
EXPENSES TOTAL	**$78,345,429**	**$75,853,331**	**$90,012,134**	**$95,637,041**	**$101,723,600**

FY 2026-27 General Fund Adopted Expenditure Budget

Including Transfers Out



Total curAmount (FY2027)
$101,723,600.00

Data Updated: Aug 31, 2026, 10:50 AM

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CIP Fund - 5 Year Adopted Expenditure Budget

	ADOPTED BUDGET				
	FY2023	FY2024	FY2025	FY2026	FY2027
Expenses	$6,743,018	$4,660,434	$6,164,469	$7,217,824	$4,516,909

Special Revenue Fund - 5 Year Cooperative Agreement Award Amounts

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Cooperative Agreement	$ 1,418,228	$ 1,368,127	$ 1,404,828	$ 1,406,384	$ 1,386,311

Award Amounts					

All District Fund - Revenue Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Revenues						
General Fund						
Property Taxes	$85,016,499	$87,296,100	$89,736,986	$91,876,400	$4,580,300	5.3%
Licenses and permits	$892,995	$881,000	$1,041,007	$1,041,500	$160,500	18.2%
Current service charges	$466,274	$479,200	$488,999	$498,300	$19,100	4.0%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Use of money and property	$7,185,266	$5,128,800	$5,720,239	$6,580,000	$1,451,200	28.3%
Intergovernmental	$2,496,469	$1,384,500	$2,724,925	$1,677,400	$292,900	21.2%
Other revenues	$615,374	$50,000	$256,742	$50,000	$0	0.0%
GENERAL FUND TOTAL	**$96,672,877**	**$95,219,600**	**$99,968,898**	**$101,723,600**	**$6,504,000**	**6.8%**
Special Revenue Fund						

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Intergovernmental	$3,767,671	$5,263,717	$3,119,044	$1,402,789	($3,860,928)	(73.4%)
SPECIAL REVENUE FUND TOTAL	**$3,767,671**	**$5,263,717**	**$3,119,044**	**$1,402,789**	**($3,860,928)**	**(73.4%)**
REVENUES TOTAL	**$100,440,548**	**$100,483,317**	**$103,087,943**	**$103,126,389**	**$2,643,072**	**2.6%**

All District Fund - Transfers In

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	Change in $	Change in %
Revenues						
Capital Improvement Projects Fund						

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	Change in $	Change in %
Transfers In	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%
CAPITAL IMPROVEMENT PROJECTS FUND TOTAL	**$29,533,915**	**$18,667,246**	**$18,667,246**	**$19,759,584**	**$1,092,338**	**5.9%**
REVENUES TOTAL	**$29,533,915**	**$18,667,246**	**$18,667,246**	**$19,759,584**	**$1,092,338**	**5.9%**

All District Fund - Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Expenses						
General Fund						
Salaries	$26,808,354	$29,542,910	$27,747,917	$31,014,737	$1,471,827	5.0%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Stipends	$3,321,520	$3,732,972	$3,326,199	$3,924,018	$191,046	5.1%
Overtime	$7,846,349	$8,812,800	$8,164,380	$9,241,500	$428,700	4.9%
Retirement	$12,797,726	$15,163,489	$14,349,158	$14,946,131	($217,358)	(1.4%)
Benefits	$5,407,775	$6,606,893	$5,540,125	$6,961,230	$354,337	5.4%
MaterialsandSupplies	$2,634,224	$4,254,643	$2,827,047	$4,171,200	($83,443)	(2.0%)
Contract Services	$6,403,481	$8,656,088	$7,128,035	$11,405,200	$2,749,112	31.8%
ContingencyReserve	$70,680	$200,000	$112,604	$300,000	$100,000	50.0%
FixedAssets	$0	–	$0	–	$0	–

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
GENERAL FUND TOTAL	**$65,290,110**	**$76,969,795**	**$69,195,466**	**$81,964,016**	**$4,994,221**	**6.5%**
Capital Improvement Projects Fund						
Fixed Assets	$3,401,397	$7,217,824	$4,416,210	$4,516,909	($2,700,915)	(37.4%)
CAPITAL IMPROVEMENT PROJECTS FUND TOTAL	**$3,401,397**	**$7,217,824**	**$4,416,210**	**$4,516,909**	**($2,700,915)**	**(37.4%)**
Special Revenue Fund						

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Salaries	$593,891	$1,157,637	$589,446	$512,922	($644,715)	(55.7%)
Stipends	$108,766	$118,125	$88,733	$46,586	($71,539)	(60.6%)
Overtime	$282,284	$288,082	$314,945	–	($288,082)	(100.0%)
Retirement	$116,654	$141,711	$135,320	$131,952	($9,759)	(6.9%)
Benefits	$202,621	$477,814	$189,823	$127,557	($350,257)	(73.3%)
Materials and Supplies	$188,251	$679,935	$173,061	$199,852	($480,083)	(70.6%)
Contract Services	$2,199,849	$2,097,686	$1,592,016	$383,920	($1,713,766)	(81.7%)
Fixed Assets	$185,413	$192,670	$604,510	–	($192,670)	(100.0%)

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
SPECIAL REVENUE FUND TOTAL	**$3,877,728**	**$5,153,661**	**$3,687,855**	**$1,402,789**	**($3,750,872)**	**(72.8%)**
EXPENSES TOTAL	**$72,569,235**	**$89,341,280**	**$77,299,531**	**$87,883,714**	**($1,457,566)**	**(1.6%)**

All District Fund - Transfers Out

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Expenses						
General Fund						
Transfers Out	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
GENERAL FUND TOTAL	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%
EXPENSES TOTAL	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%

Changes Between Proposed and Adopted Budget

There are no changes between the FY 2026–27 Proposed Budget and the Adopted Budget. Throughout the budget development process, the Proposed Budget was presented to the Board of Directors during multiple public meetings to provide opportunities for review, discussion, and policy direction. The Board was actively engaged throughout the process, offering comments, asking questions, and providing feedback to ensure the budget aligned with the District's strategic priorities, operational needs, and long-term financial objectives. Following this collaborative review process, the Board determined that no revisions to the Proposed Budget were necessary, and the FY 2026–27 Adopted Budget was approved as originally presented.

Budget Resolution

FY 2026-27 Adopted Budget Resolution

The Board of Directors adopted the FY 2026-27 budget on June 16, 2026.
(Please click the link above to see the signed resolution.)

MENLO PARK FIRE PROTECTION DISTRICT

BUDGET HIGHLIGHTS AND NEW INITIATIVES

Welcome to the new "Budget Highlights & New Initiatives" section of our district update. This space is dedicated to keeping our community informed about key financial priorities and upcoming projects for the new fiscal year. Here, you'll find an overview of how resources are being allocated, major investments in wellness, infrastructure, and community programs, as well as innovative initiatives designed to support growth, equity, and sustainability across the district.

Community Hubs (formerly CERT Cache)

The District's goal is to strengthen community preparedness and resilience by ensuring local volunteers have rapid access to essential emergency supplies during disasters. Community Hubs are secure storage units strategically placed throughout the community and stocked with critical equipment for Community Emergency Response Team (CERT) volunteers and other first responders. By providing immediate access to these resources, the hubs enable volunteers to deliver quicker and more effective assistance during the initial stages of an emergency, before additional outside resources arrive.

Each hub is equipped with a variety of emergency supplies, including first-aid kits, personal protective equipment such as helmets, gloves, goggles, communication tools like radios, and search-and-rescue equipment, including flashlights, ropes, and blankets. The hubs also contain water, food, and sanitation supplies to support volunteers and community members during emergency situations.

As part of this initiative, public charging stations, originally planned under the separate "Emergency Power Connect" project, have been incorporated into the Community Hubs. This enhancement allows residents to charge phones and other essential devices during power outages, helping them remain connected, receive emergency alerts, and communicate with family members or emergency services when power is unavailable.

The first Community Hub has been completed and is currently operational at Ravenswood Community Health Center. Two additional hubs are currently under construction. To continue expanding this program, staff is requesting $240 thousand in the next fiscal year's budget to construct and equip three additional Community Hubs. This investment will expand coverage across the community, further strengthening local emergency response capabilities and ensuring residents can remain connected and supported during emergencies.

C-THRU Navigator Devices

In May 2021, the Board authorized the Fire Chief at that time to enter into a contract with Qwake Technologies for the purchase of 42 C-THRU Navigator devices. The C-THRU Navigator is a helmet-mounted, hands-free thermal imaging camera and head-up display (HUD) that also functions as a team communication device and expandable technology platform. It enhances firefighter vision, navigation, and situational awareness, and is designed to meet NFPA standards for durability, water intrusion, flammability, and intrinsic safety.

The devices were purchased to supplement handheld thermal imaging cameras, providing firefighters with improved spatial and situational awareness. In addition, the platform supports potential expansion into other operational areas, including firefighter tracking, biometric monitoring, live video feeds, and critical visual observation from the command post or other remote locations.

The District has now received all 42 units, and line personnel have completed company-level training. Initially, 16 units were deployed on trucks, RIC engines, and the Squad. Staff is currently finalizing a deployment plan to expand the devices to every available position on all apparatus later this year.

To support the full operation of these devices, staff allocated a budget of $120 thousand for FY 2026–27. This funding will cover additional camera accessories, as well as annual software subscriptions required for connectivity and to utilize the full range of device functions.

Drone as a First Responder (DFR) Program

The Drone as a First Responder (DFR) program represents an expansion of the District's unmanned aviation capabilities, adding dock-based, remotely operated aircraft to complement existing hand-launched UAS operations. Together, these tools operate as part of the District's broader Air Operations strategy, which integrates aviation assets, training standards, and operational protocols to support emergency response with real-time aerial intelligence.

Since initial deployment, dock-based operations have been integrated into daily response and have demonstrated value across a range of incidents, including structure fires, vegetation fires, alarm investigations, and special assignments. The dock model increases operational availability and expands the District's ability to provide actionable situational awareness to incoming crews and command staff, often prior to their arrival on scene.

For FY 2026–27, staff is proposing the purchase and installation of an additional dock to expand district coverage. Increasing dock coverage expands the percentage of the District that can receive aerial intelligence immediately upon dispatch, strengthening operational readiness and supporting informed decision-making during the critical initial phase of an incident.

The proposed budget also includes an allocation for potential software enhancements. This provides flexibility as staff evaluates platforms that may offer stronger long-term alignment with operational needs, including deeper integration with the District's CAD dispatch environment. Such integration could streamline the launch process by reducing manual data entry and improving deployment efficiency, while ensuring continuity of operations during any potential system transition.

The proposed budget for this expansion is $84 thousand. This funding will support the purchase and installation of an additional dock as well as provide flexibility for potential software enhancements that may improve system integration and operational efficiency. This investment will further strengthen the District's unmanned aviation capabilities and support the continued, responsible expansion of this technology as a critical tool for enhancing situational awareness and emergency response operations.

Election Services

The District is governed by a five-member Board of Directors, each elected at large to serve staggered four-year terms, with elections conducted every two years to maintain continuity in governance. As part of this cycle, three Board seats will expire in 2026, and an election will be held in November 2026 to fill those positions.

The District contracts with the County of San Mateo to administer the election process. The County is responsible for coordinating and conducting key election activities, including preparing and mailing ballots, managing voter services, collecting and tabulating ballots, and certifying election results. Utilizing the County's election services ensures that the process complies with applicable election laws and is conducted efficiently and transparently.

For the upcoming election cycle, staff has budgeted $180 thousand to cover the District's share of election administration costs charged by the County for these services. This allocation ensures that the District is prepared to meet the required expenses associated with conducting the 2026 Board of Directors election.

Facility Condition Assessment

The District plans to conduct a comprehensive facility condition assessment for all buildings to gain a thorough understanding of their current condition. This evaluation will not only identify areas requiring immediate repair or maintenance but also highlight long-term needs and potential vulnerabilities. By having detailed, accurate information on the state of our facilities, staff can make more informed decisions for both operational and capital budgeting, ensuring that resources are allocated efficiently and effectively. The results will be invaluable in helping staff prioritize repairs, plan for necessary maintenance, and strategically allocate resources for upcoming capital projects, ensuring the longevity and functionality of District properties. Additionally, the assessment can serve as a foundation for a long-term Capital Improvement Program, supporting strategic planning for facility upgrades, replacements, and improvements over time.

Originally planned for FY 2025–26 with a budget of $100 thousand, the project has been postponed and will be rebudgeted for FY 2026–27 to align with current priorities and scheduling. To account for potential increases in consulting and assessment costs, the District has added an additional $20 thousand to the budget, bringing the total proposed funding for the project to $120 thousand.

IT Infrastructure Equipment Replacement

As part of maintaining a reliable and secure technology infrastructure, the District regularly evaluates the condition and support status of its IT equipment. Several critical infrastructure components, including network switches, uninterruptible power supplies (UPS), and wireless access points, are approaching or have reached end-of-life and end-of-support status. Once equipment reaches this stage, manufacturers no longer provide security updates, technical support, or replacement parts, increasing the risk of security vulnerabilities and unexpected failures. Aging switches can limit network performance and compatibility with newer technologies, older UPS units may fail to provide reliable power protection, and outdated wireless access points may not support current speed and security standards. Replacing these equipment items ensures continued reliability, improves network performance, strengthens security, and reduces the risk of service disruptions. Staff has allocated $278 thousand for this IT equipment replacement. This investment will ensure that the District's core network infrastructure remains dependable and capable of supporting current operational needs. It will also position the District to accommodate future technology upgrades and increasing connectivity demands.

Knox Key Secured Upgrade

The District plans to modernize Menlo Fire's rapid access system to improve security, accountability, and reliability during emergency responses. This initiative will replace the existing Knox-branded KeySecure 5 units with the newer KeySecure 6 system, enabling a transition from traditional mechanical master keys to the electronic Knox eKey platform.

The Knox KeySecure 6 represents the next generation of master key control, designed to provide greater flexibility, enhanced security, and improved accountability. Installed in fire apparatus, each upgraded unit securely stores the Knox eKey, which serves as the electronic master credential, and can temporarily accommodate one mechanical key during the transition period. The system is managed through KnoxConnect, a cloud-based platform that allows centralized management of user permissions, credential access, and real-time audit tracking.

The upgraded system provides several operational advantages. It records each key release, documenting who accessed the key, when it was used, and where the access occurred. It also simplifies credential management and allows for secure credential sharing with partner agencies during mutual aid responses. In addition, the electronic system supports faster and more controlled building entry, helping reduce property damage while improving response efficiency. The eKey platform further reduces the liability associated with lost mechanical keys by providing permission controls, detailed audit trails, and centralized management through KnoxConnect.

The need for this upgrade is informed in part by past experience. In the early 2000s, the District lost a mechanical master key, which required replacing lock cores across the District. This process was extremely costly and required significant staff overtime to complete. With the eKey system, if a credential is lost or compromised, it can be immediately deactivated remotely through KnoxConnect, eliminating the need to replace physical lock cores throughout the system.

Staff is requesting funding of $90 thousand in the next fiscal year's budget to upgrade all existing Knox-branded KeySecure 5 units to the KeySecure 6 platform with full eKey capability. This will strengthen emergency response capabilities, significantly reduce the risk and cost associated with lost keys, and modernize the District's rapid access system with a secure electronic solution.

Temporary Fire Station

In preparation for the Station 1 rebuild project, the District plans to establish a temporary fire station at the Administration Annex Building located at 114 Santa Margarita Avenue. The temporary facility will ensure that emergency response operations continue without interruption while the existing Station 1 is demolished and reconstructed. Establishing this temporary station will allow fire personnel and apparatus to remain operational within the service area while maintaining response times and service levels to the community.

The project will include site preparation activities such as demolition of existing site elements, installation of necessary utilities, paving, and other site improvements required to support the placement of two trailers and an apparatus bay tent. These improvements will ensure that the temporary facility is properly equipped to support daily fire station operations, including apparatus storage, personnel accommodation, and operational support functions.

One trailer currently owned by the District will serve as the primary temporary fire station. This double-wide trailer will be transported to the site and reassembled to form a 24' x 60' operational space to accommodate administrative, living, and operational needs for on-duty personnel. A second, smaller trailer will be leased to provide dedicated space for firefighter fitness and laundry services.

Demolition, site improvements, and trailer placement are anticipated to begin during the first quarter of 2027, with the work expected to take approximately two to three months to complete. The total project budget for setting up the temporary fire station is estimated at $1.5 million.

Temporary Office Relocation

In support of the Station 1 rebuild project, the District plans to find a temporary office to accommodate staff displaced during construction. This temporary office will house Training and DFR personnel currently located at Station 1, as well as Human Resources and Payroll staff currently operating from the Administration Annex Building. Providing a temporary workspace will ensure that essential administrative and operational functions continue without interruption throughout the construction period.

The temporary office will involve relocating staff into an existing suitable space, with minimal setup requirements to support daily operations. The relocation will ensure that staff have the necessary workspace, communications, and access to resources to continue performing critical duties efficiently.

The temporary office relocation is planned for early 2027 to align with the Station 1 construction schedule. The total budget for this temporary office setup is $120 thousand, which will cover lease costs, temporary storage location, moving expenses, and basic setup needs to maintain continuity of operations during the transition.

Urban Search and Rescue Training Cal-OES Grant

The District has been awarded a grant from the California Governor's Office of Emergency Services (Cal OES) to support participation in the Federal Emergency Management Agency (FEMA) Urban Search and Rescue (US&R) training and Mobilization Exercise (MOBEX) program. This program supports specialized training and operational readiness for emergency response teams within the FEMA US&R Response System.

The grant provides funding for the District to participate in and support a MOBEX training exercise consisting of a 36-hour operational period, along with additional time for mobilization and demobilization, totaling 48 hours. The funding also supports participation in or hosting of various required training programs, including State Fire Marshal certified courses, FIRESCOPE Incident Command System (ICS) 162 training, National Fire Protection Association (NFPA) 1006 technical rescue training standards, and FEMA US&R Instructor Led Trainings (ILT), as well as other approved exercises that meet California Specialized Training Institute (CSTI) requirements.

The total grant award is $519 thousand, which is included in the FY 2026–27 budget as both grant revenue and corresponding training and program expenditures. This ensures that the District can fully support required training activities while maintaining a balanced budget.

Wellness Initiatives

During the FY 2024–25 budget cycle, and with the Board's approval, the District implemented an ongoing initiative focused on supporting the mental health and overall well-being of both fire line personnel and administrative staff. This program provides employees with access to up to 25 psychological counseling sessions annually. While it is specifically designed to address the unique stressors and trauma associated with fire service operations, the program is inclusive of administrative staff to ensure comprehensive support across the organization. By proactively addressing mental health needs, the program is intended to improve employee well-being, reduce burnout, and enhance overall job performance. These efforts are expected to contribute to higher job satisfaction, improved morale, and a more effective and resilient workforce. For FY 2026–27, staff has allocated $180 thousand to continue and further support this program.

In addition, staff is proposing an additional $170 thousand to implement a critical wellness program aimed at strengthening the health, performance, and resilience of District personnel. This program is designed to provide on-site support that addresses the physical, mental, and emotional demands of the fire service. Key components of the program include:

- Physical Therapy – Provides injury assessment, recovery guidance, and a focus on long-term injury prevention, delivered by a licensed physical therapist.
- Rehabilitation & Recovery – Utilizes active recovery techniques such as compression therapy, cupping, electrical stimulation (STEM), and heat/cold treatments to improve mobility, reduce soreness, and support recovery between shifts.
- First Responder Therapy – Offers access to a licensed therapist with specialized experience working with first responders, providing support tailored to the unique psychological demands of the profession.
- Health & Wellness – Promotes proper nutrition, healthy lifestyle habits, and responsible alcohol use.
- Restorative Wellness – Incorporates practices such as yoga, breathwork, and meditation to enhance flexibility, recovery, mental clarity, and overall balance.

Collectively, these programs are designed to deliver benefits in both the short and long term by enhancing operational readiness, reducing the risk of injuries, and supporting immediate recovery needs. Over time, these efforts are also expected to lower workers' compensation costs, improve overall workforce resilience, and strengthen employee morale and retention.

Workers' Compensation

The District remains self-insured for workers' compensation claims up to a self-insured retention (SIR) limit of $2 million. For claims that exceed this threshold, the District maintains excess insurance coverage to address additional costs. Because workers' compensation claims can vary significantly from year to year, overall expenses are influenced by several factors, including the number of claims, the severity of injuries, and the extent of medical treatment and recovery required.

Over the past two years, the District has experienced an increase in workers' compensation-related costs, particularly in the areas of medical treatment, claim settlements, and insurance premiums. These rising costs reflect broader trends in healthcare expenses and the variable nature of workers' compensation claims, where complex or long-term injuries can significantly impact overall expenditures.

For the upcoming fiscal year, staff is proposing a total budget of $2.2 million to cover self-retention insured premiums, workers' compensation claim-related expenses such as hospital and medical costs, and third-party administration fees associated with managing workers' compensation claims. This budget level is intended to provide adequate resources to address potential claims, manage rising costs, and ensure the District remains prepared to meet its obligations in supporting the health and safety of its workforce.

MENLO PARK FIRE PROTECTION DISTRICT

FUND BALANCE SUMMARY AND LONG-RANGE FINANCIAL PLANNING

Fund Balance Reserve Policy

The Menlo Park Fire Protection District's Fund Balance Reserve Policy establishes a framework for maintaining healthy reserve levels across all District funds to ensure long-term financial stability and resilience. It aims to provide adequate funding for operational needs, capital asset replacement, unanticipated costs, economic downturns, and rising pension obligations. The policy follows GAAP and GASB 54 standards for fund balance classification and applies to all governmental funds of the District. It replaces prior regulations, emphasizing the importance of sufficient reserves to support both short- and long-term financial obligations and to safeguard the District's fiscal health.

The District's fund balance represents the difference between its assets and liabilities in governmental funds and is categorized according to the constraints placed on how those resources can be used, as defined by GASB Statement No. 54. These categories include **non-spendable**, **restricted**, **committed**, **assigned**, and **unassigned** fund balances. Non-spendable funds include resources like prepaid assets that cannot be used for general spending. Restricted funds are legally required to be used for specific purposes, such as debt service obligations. Committed funds are set aside through formal Board action for designated purposes such as capital asset replacement, capital improvement projects, and managing budgetary deficits during economic downturns.

Assigned fund balances reflect the District's intended use of funds, including reserves for encumbrances, pension stabilization, workers' compensation, and compensated absences. The **unassigned fund balance**, available only in the general fund, serves as a contingency reserve to address financial uncertainties or emergencies. It ensures financial stability but is not intended to fund new programs or ongoing operational costs. Together, these fund classifications help the District responsibly manage its financial resources, maintain operational stability, and plan for future capital and service needs.

Fiscal Year 2026-27 Projected Fund Balance

	General Fund	Capital Improvement Project Fund	Special Revenue Fund	Total
Nonspendable:				
Prepaid Assets	**$ -**	**$882,582**	**$ -**	**$882,582**
Committed to:				
Budgetary Deficit	$19,073,214	$ -	$ -	$19,073,214
Capital Asset Replacement	-	5,703,410	-	5,703,410
Capital Improvement Projects	-	162,478,149	-	162,478,149
Total Committed:	**$19,073,214**	**$168,181,559**	**$ -**	**$187,254,773**
Assigned to:				
Encumbrances	$ -	$ -	$ -	$ -
Pension Stabilization	1,639,566	-	-	1,639,566
Workers' Compensation	657,043	-	-	657,043
Compensated Absences	501,925	-	-	501,925

Total Assigned:	**$2,798,534**	**$ -**	**$ -**	**$2,798,534**
Unassigned to:				
Unassigned Fund Balance	$12,491,627	$ -	$ -	$12,491,627
Total Unassigned:	**$12,491,627**	**$ -**	**$ -**	**$12,491,627**
Total Fund Balance (Unaudited):	**$34,363,375**	**$169,064,141**	**$ -**	**$203,427,516**

Long-Range Financial Planning

The long-range five-year financial forecast is a critical planning tool that helps the District align its financial resources with its strategic priorities and long-term objectives. By projecting revenues, expenditures, fund balances, and other key financial indicators over a five-year period, the forecast provides a forward-looking view of the District's financial position. This supports informed decision-making, helps identify potential budgetary and financial challenges early, and strengthens the District's ability to maintain long-term financial sustainability.

The forecast plays an essential role in both operational and capital planning. From an operational perspective, it helps the District evaluate its ability to maintain service levels, support core programs and services, address personnel and other ongoing costs, and manage long-term obligations such as pension liabilities. From a capital planning perspective, the forecast helps guide investment decisions, prioritize improvement projects, and plan for the timely replacement and renewal of critical assets and infrastructure. By taking a proactive, multi-year approach to financial planning, the District can better anticipate changing financial conditions, evaluate competing priorities, and make strategic adjustments before challenges become more significant.

Ultimately, the five-year forecast provides a framework for prioritizing initiatives and strategically allocating resources in support of the District's mission. It promotes financial discipline, transparency, and accountability while ensuring that today's decisions are considered in the context of their future financial impacts. This proactive approach positions the District to respond effectively to emerging needs, preserve essential services, and make sustainable investments that advance its long-term goals.

Change in Fund Balance and Five-Year Financial Forecast - General Fund

General Fund	2024-25 Actual	2025-26 Amended Budget	2025-26 Estimated Actual	2026-27 Adopted Budget	2027-28 Projected Budget	2028-29 Projected Budget	FY2029-30 Projected Budget	FY2030-31 Projected Budget
Beginning Fund Balance	**$20,408,337**	**$22,257,189**	**$22,257,189**	**$34,363,375**	**$34,363,375**	**$34,363,375**	**$34,363,375**	**$34,363,375**
Property Taxes	$85,016,499	$87,296,100	$89,736,986	$91,876,400	$94,632,692	$97,471,673	$100,395,823	$103,407,698
Other Operating Revenue	$11,656,378	$7,923,500	$10,231,912	$9,847,200	$8,387,923	$8,103,011	$7,818,551	$7,534,558
Total Revenue	**$96,672,877**	**$95,219,600**	**$99,968,898**	**$101,723,600**	**$103,020,615**	**$105,574,684**	**$108,214,374**	**$110,942,256**

Salaries, Benefits, and Retirement	$56,181,725	$63,859,064	$59,127,780	$66,087,616	$67,837,429	$69,639,735	$71,496,111	$73,408,178
Other Operating Expenditure	$9,108,385	$13,110,731	$10,067,686	$15,876,400	$13,721,312	$14,123,951	$14,538,670	$14,965,830
Total Expenditures	**$65,290,110**	**$76,969,795**	**$69,195,466**	**$81,964,016**	**$81,558,741**	**$83,763,686**	**$86,034,781**	**$88,374,008**
Revenue Over/(Under) Expenditure	**$31,382,767**	**$18,249,805**	**$30,773,432**	**$19,759,584**	**$21,461,874**	**$21,810,988**	**$22,179,593**	**$22,568,248**
Operating Transfer In / (Out)	**($29,533,915)**	**($18,667,246)**	**($18,667,246)**	**($19,759,584)**	**($21,461,874)**	**($21,810,998)**	**($22,179,593)**	**($22,568,248)**
Change in Fund Balance	**$1,848,852**	**($417,441)**	**$12,106,186**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance	**$22,257,189**	**$21,839,748**	**$34,363,375**	**$34,363,375**	**$34,363,375**	**$34,363,375**	**$34,363,375**	**$34,363,375**

General Fund Balance Change

For Fiscal Year 2026–27, the District anticipates an increase of approximately $12.5 million in fund balance compared to the amended budget for FY 2025–26. This projected improvement is primarily attributable to several favorable revenue and expenditure factors. On the revenue side, the District experienced an increase in other operating revenues, particularly from deployment reimbursement claims. These revenues are inherently unpredictable and can vary significantly from year to year; therefore, the District continues to take a conservative approach when incorporating them into its financial planning. The District also benefited from stronger-than-anticipated investment earnings. Relatively stable interest rates have supported continued earnings on the District's investment portfolio, while the continued growth of reserves available for investment has further increased the amount of funds generating investment income. Current market data indicate that short-term interest rates remain at relatively elevated levels, providing a favorable environment for investment earnings.

Property tax revenues also remained stable and exceeded the amounts originally projected, providing an additional source of financial strength. The combination of favorable revenue performance, stronger investment earnings, and continued growth in invested reserves contributed to the overall increase in available funds.

On the expenditure side, the District realized budget savings across several areas. Savings were primarily associated with unfilled personnel positions, lower-than-anticipated operating costs, and the postponement, deferral, or cancellation of certain planned projects and expenditures. While some of these savings may represent temporary or timing-related factors rather than permanent reductions in ongoing costs, they nonetheless contributed to a stronger year-end financial position and higher projected fund balance.

Although the projected $12.5 million increase represents a positive development and strengthens the District's overall financial position, it is not expected to result in an immediate increase in ongoing operating capacity or service levels. In accordance with the District's established financial policies and its commitment to maintaining prudent reserves, the projected surplus will be allocated among the appropriate fund balance reserve categories. This approach will preserve the District's financial flexibility, provide resources to address future needs and unforeseen circumstances, and support the District's long-term financial stability.

Overall, the projected increase in fund balance reflects a combination of favorable revenue performance, stable market interest rates, growth in invested reserves, and expenditure savings. While the District will continue to monitor these factors closely, the improved financial position provides a solid foundation for managing future financial pressures and supporting the District's strategic and operational priorities.

General Fund Forecast Assumptions

Property Tax: The projected growth rate for FY 2026-27 and beyond is estimated at 3%.

Other Operating Revenue:

- Licenses and Permits: The amount is fixed at $1 million per year.
- Current Service Charges: An annual increase of 3% is anticipated based on the current contract.
- Use of Money and Property: Starting in FY 2027-28, the interest rate used to calculate revenue from investments will be 3%. The average investment balance is $200 million, decreasing by $10 million each year.
- Intergovernmental: Deployment reimbursements are based on average historical claims.
- Miscellaneous: Set at a fixed amount of $50,000 annually.

Salaries, Benefits, and Retirement:
Salaries, Stipends, Benefits, and Retirement (Excluding CalPERS UAL): The projected cost increase is based on historical data and current market surveys.

CalPERS Retirement Cost: For the UAL, following the implementation of the 10-year soft ("virtual") fresh start approach to manage the unfunded liability, the cost is expected to remain stable at approximately $7.8 million annually. Additionally, the normal cost contribution rate is expected to stay consistent from FY 2026-27 through FY 2030-31 due to the smoothing effect of the fresh start approach.

Overtime: Overtime costs will increase at the same rate as salaries at 3%.

Other Operating Expenditures: Materials and supplies, as well as contract services, are projected to increase by 3% each year, excluding one-time costs included in the FY2026-27 proposed budget.

Excess Revenue: Any surplus revenue over expenditure will be fully transferred to the CIP fund to support capital projects.

Change in Fund Balance and Five-Year Financial Forecast - CIP Fund

CIP Fund	2024-25 Actual	2025-26 Amended Budget	2025-26 Estimated Actual	2026-27 Adopted Budget	2027-28 Projected Budget	2028-29 Projected Budget	FY2029-30 Projected Budget	FY2030-31 Projected Budget
Beginning Fund Balance	**$113,437,912**	**$139,570,430**	**$139,570,430**	**$153,821,466**	**$169,064,141**	**$157,050,732**	**$142,012,265**	**$129,852,393**
Other Operating Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenue	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	$2,012,529	$4,888,518	$3,610,185	$3,371,909	$31,975,283	$32,349,465	$32,839,465	$21,979,128

Construction Projects								
Fixed Assets/Capital Outlay	$1,388,868	$2,329,306	$806,025	$1,145,000	$1,500,000	$4,500,000	$1,500,000	$1,500,000
Total Expenditures	**$3,401,397**	**$7,217,824**	**$4,416,210**	**$4,516,909**	**$33,475,283**	**$36,849,465**	**$34,339,465**	**$23,479,128**
Revenue Over/(Under) Expenditure	**($3,401,397)**	**($7,217,824)**	**($4,416,210)**	**($4,516,909)**	**($33,475,283)**	**($36,849,465)**	**($34,339,465)**	**($23,479,128)**
Operating Transfer In / (Out)	**$29,533,915**	**$18,667,246**	**$18,667,246**	**$19,759,584**	**$21,461,874**	**$21,810,998**	**$22,179,593**	**$22,568,248**
Change in Fund Balance	**$26,132,518**	**$11,449,422**	**$14,251,036**	**$15,242,675**	**($12,013,409)**	**($15,038,467)**	**($12,159,872)**	**($910,880)**
Ending Fund Balance	**$139,570,430**	**$151,019,852**	**$153,821,466**	**$169,064,041**	**$157,050,732**	**$142,012,265**	**$129,852,393**	**$128,941,513**

CIP Fund Balance Change

The Capital Improvement Program (CIP) fund balance for FY 2026–27 is projected to increase by approximately $18.0 million compared to the amended FY 2025–26 budget. The projected increase is primarily attributable to transfers of funds from the General Fund to the CIP Fund in accordance with the District's fund balance policy. These transfers are part of the District's ongoing strategy to preserve and strategically allocate resources for both current and future capital needs.

Transfer amounts are designated as part of the annual budget cycle based on anticipated capital requirements, available resources, and the District's established financial policies. While the transfers are budgeted and authorized during the budget process, the actual movement of funds occurs throughout the fiscal year as financial conditions, project needs, and available resources become clearer. This approach provides the District with flexibility to manage cash flows and align funding with the timing of capital expenditures.

Although the District identifies and plans for capital projects on an annual basis, it also recognizes that not all future capital needs can be anticipated. Accordingly, the District's approach is not limited to funding projects that are currently identified or included in the CIP. A portion of available resources is intentionally accumulated and maintained as reserves for future capital needs, including projects that may arise unexpectedly due to changing conditions, emerging priorities, infrastructure requirements, or unforeseen asset replacement needs. Maintaining these reserves provides the District with greater financial flexibility and reduces the need to rely solely on future revenues or other funding sources when significant capital needs arise.

In addition to transfers anticipated during the budget cycle, the District conducts a year-end analysis of revenues, expenditures, fund balances, and capital needs. Based on the results of this analysis, additional transfers may be made at year-end, as appropriate and in accordance with the District's fund balance policy. This process allows the District to capture available resources and strategically direct them toward both current and future capital requirements while maintaining appropriate financial reserves.

The systematic allocation and accumulation of funds ensure that currently approved capital projects are adequately supported while preserving resources for anticipated and unanticipated future capital requirements. This proactive and disciplined approach strengthens the District's ability to plan for and execute capital improvement projects in a timely and efficient manner, while ensuring that funding is available to address infrastructure investments, facility improvements, major equipment needs, and the long-term replacement of critical assets. Ultimately, the CIP fund balance serves as an important component of the District's long-term financial strategy by balancing the need to fund today's capital priorities with the responsibility to prepare for future needs.

CIP Fund Forecast Assumptions

Operating Transfer: This transfer is sourced from the general fund and is expected to partially or fully fund the current capital projects.

Construction Projects: The projected cost for the Station 1 rebuild over the next five years is based on analyzed estimates, assuming that the construction phases align with the projected timeline. Other capital projects are estimated at $1 million annually.

Fixed Assets/Capital Outlay: Fixed asset purchases are set at $1.5 million per year based on historical spending patterns and potential future needs, with the exception of FY 2028-29. During this year, an additional $2.5 million will be allocated to account for the purchase of a tiller truck, as previously approved by the Board.

Change in Fund Balance and Five-Year Financial Forecast - Special Revenue Fund

Special Revenue Fund	2024-25 Actual	2025-26 Amended Budget	2025-26 Estimated Actual	2026-27 Adopted Budget	2027-28 Projected Budget	2028-29 Projected Budget	FY2029-30 Projected Budget	FY2030-31 Projected Budget
Beginning Fund Balance	$ -	($110,056)	($110,056)	$ -	$ -	$ -	$ -	$ -
Total Revenue	$3,767,671	$5,263,717	$3,797,911	$1,402,789	$1,898,333	$1,898,333	$1,898,333	$1,898,333
Total Expenditures	$3,877,727	$5,153,661	$3,797,911	$1,402,789	$1,898,333	$1,898,333	$1,898,333	$1,898,333
Revenue Over/(Under) Expenditure	($110,056)	$110,056	$110,056	$ -	$ -	$ -	$ -	$ -
Operating Transfer In / (Out)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in Fund Balance	($110,056)	$110,056	$110,056	$ -	$ -	$ -	$ -	$ -
Ending Fund Balance	($110,056)	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Special Revenue Fund Balance Change

The fund balance for this fund is projected to be zero at year-end. This fund primarily accounts for cost-reimbursement grants, under which eligible expenditures are incurred by the District and subsequently reimbursed through grant revenues. The budget assumes that these reimbursement revenues will be received within approximately 60 days following the close of the fiscal year.

As a result, the fund is not intended to maintain a significant ongoing fund balance. The timing difference between when eligible expenditures are incurred and when reimbursement revenues are received is expected to be temporary and resolved shortly after year-end. This approach reflects the nature of the grants and the District's expectation that outstanding reimbursement claims will be collected within the anticipated 60-day period, allowing the fund to return to a zero balance.

Special Revenue Fund Forecast Assumptions

Grant Amounts: For the first time in more than 20 years, FEMA's Urban Search & Rescue (US&R) System received a significant increase in its baseline federal funding, increasing from $40 million to $56 million. The increased funding is distributed among the 28 national US&R task forces, resulting in an allocation of approximately $1.9 million per task force including CA-TF3.

For purposes of the District's long-range financial forecast, future funding is conservatively projected at approximately $1.8 million annually, assuming the federal funding allocation remains at approximately the current level from year to year. This assumption provides a prudent basis for projecting future revenues while recognizing that federal funding levels may be subject to change based on future congressional appropriations, federal priorities, and program requirements.

MENLO PARK FIRE PROTECTION DISTRICT

GENERAL FUND

General Fund Adopted Budget Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Revenues						
General Fund						
Property Taxes	$85,016,499	$87,296,100	$85,112,546	$91,876,400	$4,580,300	5.3%
Licenses and permits	$892,995	$881,000	$1,041,007	$1,041,500	$160,500	18.2%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Current service charges	$466,274	$479,200	$488,999	$498,300	$19,100	4.0%
Use of money and property	$7,185,266	$5,128,800	$5,720,239	$6,580,000	$1,451,200	28.3%
Intergovernmental	$2,496,469	$1,384,500	$2,724,925	$1,677,400	$292,900	21.2%
Other revenues	$615,374	$50,000	$256,742	$50,000	$0	0.0%
GENERAL FUND TOTAL	**$96,672,877**	**$95,219,600**	**$95,344,458**	**$101,723,600**	**$6,504,000**	**6.8%**

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
REVENUES TOTAL	**$96,672,877**	**$95,219,600**	**$95,344,458**	**$101,723,600**	**$6,504,000**	**6.8%**
Expenses						
General Fund						
Salaries	$26,808,354	$29,542,910	$27,747,917	$31,014,737	$1,471,827	5.0%
Stipends	$3,321,520	$3,732,972	$3,326,199	$3,924,018	$191,046	5.1%
Overtime	$7,846,349	$8,812,800	$8,164,380	$9,241,500	$428,700	4.9%
Retirement	$12,797,726	$15,163,489	$14,349,158	$14,946,131	($217,358)	(1.4%)
Benefits	$5,407,775	$6,606,893	$5,540,125	$6,961,230	$354,337	5.4%
Materials and Supplies	$2,634,224	$4,254,643	$2,827,047	$4,171,200	($83,443)	(2.0%)
Contract Services	$6,403,481	$8,656,088	$7,127,450	$11,405,200	$2,749,112	31.8%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Contingency Reserve	$70,680	$200,000	$112,604	$300,000	$100,000	50.0%
Fixed Assets	$0	–	$0	–	$0	–
GENERAL FUND TOTAL	**$65,290,110**	**$76,969,795**	**$69,194,880**	**$81,964,016**	**$4,994,221**	**6.5%**
EXPENSES TOTAL	**$65,290,110**	**$76,969,795**	**$69,194,880**	**$81,964,016**	**$4,994,221**	**6.5%**

The General Fund is the Menlo Park Fire Protection District's primary operating fund. It is used to budget and track day-to-day operations, as well as manage transfers to other funds when needed to support the District's goals and projects.

For fiscal year 2026-27 (FY27), the adopted revenue budget for the General Fund totals $101.7 million. This includes:

- $91.9 million from property taxes, which represents majority of the District's revenue.
- $9.8 million from other operating revenues, which may include fees, permits, interest, and other income sources.

On the expenditure side, the adopted budget for the General Fund is $82.0 million, broken down as follows:

- $66.1 million for salaries and benefits, which accounts for the District's personnel costs, including wages, health benefits, and retirement contributions.
- $15.9 million for other operational expenses, which include costs related to facilities maintenance, utilities, training, equipment, and supplies.

In addition, the General Fund budget includes a significant transfer of $19.8 million to the Capital Improvement Projects Fund to support the District's long-term infrastructure and capital investment needs. This funding will help advance major facility projects, including fire station replacement and renovation efforts, as well as other critical capital improvements necessary to maintain reliable operations and support future service demands. By strategically allocating resources toward capital priorities while maintaining funding for daily operations, the District continues to balance immediate operational needs with long-term planning, financial sustainability, and the preservation of essential public safety infrastructure.

General Fund Revenue Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Revenues						
Property Taxes						
Property Tax Secured (Y)	$74,093,729	$77,298,300	$77,978,729	$81,113,200	$3,814,900	4.9%
Property Tax Unsecured (Y)	$2,924,418	$3,004,200	$3,352,397	$2,850,800	-$153,400	-5.1%
Property Tax SB 813 (Y)	$1,134,271	$808,400	$1,705,307	$1,528,700	$720,300	89.1%
Unitary Tax (Y)	$510,636	$569,500	$577,388	$638,700	$69,200	12.2%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
ERAF Rebate (Y)	$8,461,878	$8,543,200	$9,206,569	$9,286,600	$743,400	8.7%
ERAF Shift (Y)	-$9,196,101	-$9,660,900	-$9,670,620	-$10,100,300	-$439,400	4.6%
HOPTR (Y)	$205,756	$204,500	$206,328	$204,500	$0	0.0%
RDA-East Palo Alto (Y)	$2,532,535	$2,349,200	$1,855,647	$1,856,100	-$493,100	-21.0%
RDA Unsecured Distribution	$6,829	–	$27,372	–	$0	–

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
RDA - Menlo Park (Y)	$4,342,548	$4,179,700	$4,497,870	$4,498,100	$318,400	7.6%
PROPERTY TAXES TOTAL	**$85,016,499**	**$87,296,100**	**$89,736,986**	**$91,876,400**	**$4,580,300**	**5.3%**
Licenses and permits	$892,995	$881,000	$1,041,007	$1,041,500	$160,500	18.2%
Current service charges	$466,274	$479,200	$488,999	$498,300	$19,100	4.0%
Use of money and property	$7,185,266	$5,128,800	$5,720,239	$6,580,000	$1,451,200	28.3%
Intergovernmental	$2,496,469	$1,384,500	$2,724,925	$1,677,400	$292,900	21.2%
Other revenues	$615,374	$50,000	$256,742	$50,000	$0	0.0%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
REVENUES TOTAL	$96,672,877	$95,219,600	$99,968,898	$101,723,600	$6,504,000	6.8%

The General Fund revenue budget represents the resources available to support the Menlo Park Fire Protection District's operations, programs, and strategic priorities. It provides the financial foundation necessary to deliver high-quality fire protection, emergency medical services, and other public safety programs while supporting capital investments and long-term organizational needs.

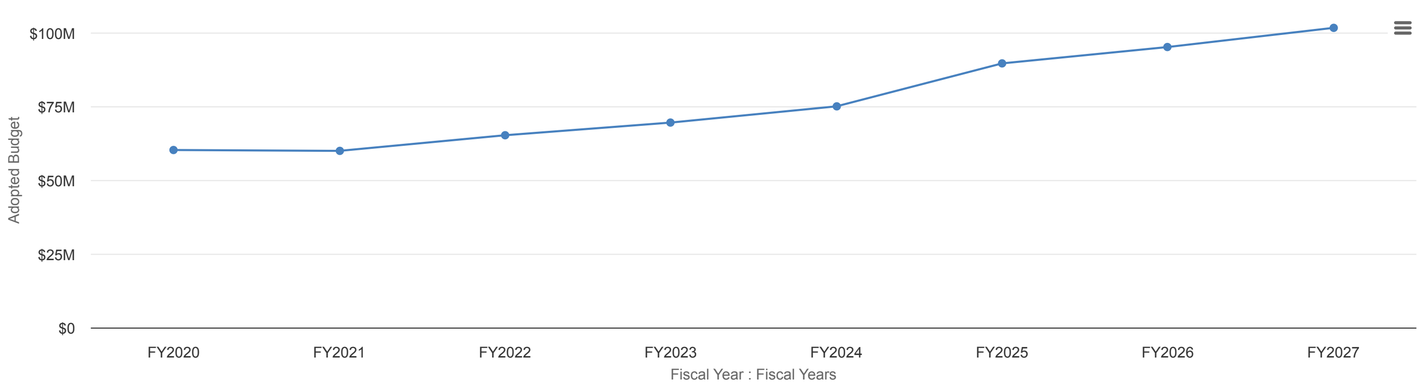
For Fiscal Year 2026–27, General Fund revenues are projected to total $101.7 million. Property taxes continue to serve as the District's primary and most stable revenue source, accounting for approximately 90% of total General Fund revenues. The District has benefited from continued growth in assessed property values within its service area, supported by a strong local real estate market and ongoing economic activity. While future growth may be influenced by broader economic conditions and changes in market activity, property taxes continue to provide a reliable funding base that supports long-term financial planning and service continuity.

The remaining General Fund revenues are generated through a variety of sources that supplement property tax funding and support specific District programs and services. These revenue sources include:

- Cost Recovery: Fees and charges associated with services provided by the District, including fire prevention activities, inspections, permits, and other regulatory services.
- Service Contracts: Revenue generated through agreements with other agencies or organizations for services provided by the District.
- Investment Income: Earnings generated from the prudent investment of District funds and available cash balances.
- Intergovernmental Revenues: Funding received from local, state, and federal agencies, including grants and other financial assistance programs.
- Miscellaneous Revenues: Other sources of funding, including reimbursements, donations, and occasional one-time revenues.

Together, these revenue sources provide the financial resources necessary to sustain daily operations, support critical public safety programs, fund capital improvement initiatives, and address future organizational needs. Through conservative revenue forecasting and responsible financial management, the District continues to maintain a stable funding structure that supports its mission while preserving long-term fiscal sustainability.

Fiscal Year	Adopted Budget	Increase/(Decrease)	Growth Rate (%)
2020	$60,265,046	$5,854,910	10.8%
2021	$59,971,511	-$293,535	-0.5%
2022	$65,276,470	$5,011,424	9.2%
2023	$69,576,500	$4,300,030	6.6%
2024	$75,082,699	$5,506,199	7.9%
2025	$89,663,300	$14,580,601	19.4%
2026	$95,219,600	$5,556,300	6.2%
2027	$101,723,600	$6,504,000	6.8%



Historically, the District has exercised careful judgment when setting its revenue budget, particularly in response to economic uncertainties. By adopting a cautious approach to revenue growth projections, the District has been able to shield its core services from any negative financial impacts. This conservative approach, combined with a strong commitment to financial discipline, has helped ensure the stability and sustainability of its operations even during volatile times.

In preparing the General Fund revenue forecast for the upcoming fiscal year, staff evaluated a variety of factors to ensure the budget remains balanced and sufficient to support the District's service levels. This process included a comprehensive review of historical revenue data and long-term trends, which provided a foundation for developing reasonable projections. Staff also considered broader economic conditions and regional factors that may influence revenues in the year ahead.

By focusing on a more realistic approach that focuses on providing the best possible estimates, staff has been able to project revenue for FY 2026-27 in a way that allows for a sound financial outlook. This prudent forecasting strategy reflects the District's ongoing commitment to maintaining fiscal responsibility while ensuring that essential services continue to be delivered effectively.

General Fund Property Tax Revenue

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %
Revenues						
Property Taxes						
Property Tax Secured (Y)	$74,093,729	$77,298,300	$77,978,729	$81,113,200	$3,814,900	4.9%
Property Tax Unsecured (Y)	$2,924,418	$3,004,200	$3,352,397	$2,850,800	-$153,400	-5.1%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %
Property Tax SB 813 (Y)	$1,134,271	$808,400	$1,705,307	$1,528,700	$720,300	89.1%
Unitary Tax (Y)	$510,636	$569,500	$577,388	$638,700	$69,200	12.2%
ERAF Rebate (Y)	$8,461,878	$8,543,200	$9,206,569	$9,286,600	$743,400	8.7%
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HOPTR (Y)	$205,756	$204,500	$206,328	$204,500	$0	0.0%
RDA - East Palo Alto (Y)	$2,532,535	$2,349,200	$1,855,647	$1,856,100	-$493,100	-21.0%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %
RDA Unsecured Distribution	$6,829	–	$27,372	–	$0	–
RDA - Menlo Park (Y)	$4,342,548	$4,179,700	$4,497,870	$4,498,100	$318,400	7.6%
PROPERTY TAXES TOTAL	**$85,016,499**	**$87,296,100**	**$89,736,986**	**$91,876,400**	**$4,580,300**	**5.3%**
REVENUES TOTAL	**$85,016,499**	**$87,296,100**	**$89,736,986**	**$91,876,400**	**$4,580,300**	**5.3%**

Property Tax Overview and District Revenue Sources

Under the California property tax law, all taxable real and personal property are generally subject to a 1% tax rate on the assessed values. With the passing of Proposition 13 in 1978, the increase in the assessments of real property has been restricted to no more than 2% or the annual change in the Consumer Price Index (CPI), whichever is lower. The exceptions to this 2% limitation were those properties that underwent a change in ownership or newly constructed properties, in which the value is reassessed at its current full market value.

The District's primary source of revenue is property taxes, which are closely tied to assessed real estate values within its jurisdiction. In recent years, these property valuations have continued to increase, supporting a stable and reliable revenue stream for the District. Although broader economic conditions have introduced some uncertainty, the local real estate market has remained relatively steady. Property values have generally continued to trend upward, helping sustain the District's financial outlook and providing a strong foundation for ongoing operations.

For FY 2025–26, the District anticipates assessed property valuation growth of approximately 5.0%. This projection remains positive despite several economic headwinds, including persistent inflation, layoffs across certain job sectors, and reduced demand for office space, which have contributed to slower activity in the broader real estate market. Even with these moderating factors, the District remains cautiously optimistic, expecting property values to continue increasing, though at a more measured and sustainable pace.

The District's long-term outlook for property tax revenue is supported by planned commercial and residential development projects within its service area, which are expected to expand the tax base and contribute to sustained revenue growth over time. These developments have the potential to strengthen the District's financial foundation by adding new assessed value and supporting continued economic activity in the region.

However, the continuation of this positive trend is not guaranteed and will depend on a number of evolving and sometimes unpredictable factors. Local economic conditions, such as the recovery and stability of jobs and businesses, the balance between housing supply and demand, and the pace and success of new development projects, will play an important role in shaping future property valuations. In addition, broader economic and geopolitical conditions may also influence the District's revenue outlook. Factors such as inflation, interest rate fluctuations, global economic uncertainty, trade tensions, and international conflicts can affect financial markets, investment activity, and overall economic confidence, all of which may have downstream impacts on the real estate market. As a result, while long-term prospects remain favorable, property valuation growth may fluctuate depending on these broader economic and geopolitical dynamics.

Over the past several years, the District has experienced steady growth in property tax revenue, with an average annual increase of approximately 7.1% over the last five years. Despite ongoing economic uncertainties, property tax revenue is still projected to increase modestly in fiscal year 2026–27, reflecting the continued stability and resilience of the local real estate market.

Property taxes remain the District's largest and most important source of funding, representing roughly 90% of the estimated total revenues for FY 2025–26. This revenue is generated from several components, including secured and unsecured property taxes, supplemental property taxes established under Senate Bill 813 (SB 813), unitary taxes, the Educational Revenue Augmentation Fund (ERAF) rebate and shift, Homeowners' Property Tax Relief (HOPTR), and distributions from the Redevelopment Property Tax Trust Fund (RPTTF).

Together, these revenue sources create a diversified yet stable property tax base that supports the District's operations and the delivery of essential services. While economic conditions can fluctuate, the District's reliance on property taxes provides a relatively consistent and predictable source of funding, allowing for more reliable financial planning even during periods of broader economic uncertainty.

Property Tax Revenue Breakdown by Tax Type:

Secured Tax
Secured property tax is calculated based on the assessed value of real property, land, and personal property, such as structures located upon real property that cannot be moved.

The estimated growth in secured property tax for FY 2026-27 is around 3.7%, based on the assessment roll provided by San Mateo County as of March 2026. This growth rate includes an inflation factor of 1.02. The remainder of the projected growth in assessed value is primarily driven by properties that have been reassessed following ownership transfers at current market values, as well as newly constructed residential and commercial developments that have been added to the District's property tax roll. These reassessments and additions to the tax base continue to play an important role in generating incremental growth in property tax revenues for the District.

Although increases in assessed property values do not translate directly into a one-to-one increase in property tax revenue due to statutory allocations and other adjustments, they serve as an important indicator of the District's potential revenue growth. Monitoring trends in assessed valuation, therefore, provides valuable insight into the District's future financial outlook and helps inform more accurate revenue forecasting and budget planning.

Staff applied a 3.7% growth rate to the estimated actuals for FY 2025-26, which reflects the growth percentage shown on the preliminary property assessment roll. After accounting for the deduction of the estimated Genentech settlement amount, the adopted FY 2026–27 budget totals $81.1 million.

Unsecured Tax
Unsecured taxes are assessed against movable personal property such as business equipment, boats, and airplanes. The tax is considered unsecured because any tax not paid results in a lien filed against the owner of the property, not the property itself. The property tax rate on unsecured property is based on the previous year's secured property tax rate.

Changes in this category are mainly driven by fluctuations in the value of tenant-owned personal property and business fixtures, such as office machinery and equipment. Luxury items like boats, jet skis, and airplanes are also classified as unsecured property. Over the past few years, the District's unsecured property tax revenue has shown consistent growth, which can be attributed to the strength of the local business sector as it continues to recover from the pandemic.

Based on recent historical trends, staff recommends adopting the FY 2026–27 budget using a prudent, data-driven approach to revenue forecasting. The adopted budget reflects an average annual growth rate of approximately 4.6% over the past five years, applied to the current year's estimated revenue and adjusted for the estimated Genentech property tax settlement amount discussed in the Budget Considerations section, resulting in a total adopted budget of $2.9 million.

Supplemental Senate Bill 813 (SB813)
Supplemental SB813, also known as the Hughes-Hart Educational Reform Act of 1983, originally was designed to close a perceived loophole in Proposition 13 and generate much-needed additional funding for schools. The new law established a "floating lien date" and prevented property owners from delaying the taxation of their properties at higher value assessments.

A supplemental tax is the result of a reassessment of real property, effective when there is a change in ownership or new construction is completed. A supplemental assessment is the difference between the enrolled assessed value and the value as of the time of the sale or addition of new construction. The primary driver of this tax is the listing of all property that has undergone a change in ownership (sold) and new construction.

Historically, the District's revenue from SB 813 has fluctuated from year to year, reflecting its inherently unpredictable nature. While new developments within the District's jurisdiction are anticipated, supported by the County's estimated assessed growth rate, these potential gains could be tempered by a slowing housing market, which has been affected by elevated interest rates and recent local job layoffs. As a result, the District budgeted $1.5 million which is the average amount received for the past five years.

Unitary Tax

Unitary taxes cover such entities as railroads, electric, gas, water, and telecommunication companies. The State Board of Equalization assesses the value of these companies' operations and establishes a countywide tax rate system. Over the past five years, there has been a steady increase in this tax revenue. For fiscal year 2026-27, the adopted budget is $639 thousand, reflecting the current year's estimated actual amount plus a 11.8% average growth rate over the past five years.

Excess ERAF (Educational Revenue Augmentation Fund)

These are the excess contributions that are required to be returned to the taxing entities once there is sufficient funding to fulfill the obligations to the school districts. The District has been receiving excess ERAF contributions since the County of San Mateo's announcement of the refund in October 2003. These refunds are primarily a result of the local tax base increasing at a rate faster than the increase in the funding limits of the schools and community colleges.

Excess ERAF is challenging to predict due to several factors, including potential changes in school funding data, the State's methodology for calculating school districts' required funding, and possible legislative adjustments. Given these unpredictable and complex variables, staff has projected $9.3 million for FY 2026-27. This estimate is based on applying a 2.0% tax growth rate, which reflects the property tax assessment percentage limit, to the current year's estimated ERAF rebate. The budget also incorporates the impact of the Genentech settlement, consistent with the treatment applied to secured and unsecured property tax revenues.

ERAF Shift

One of the most significant fiscal shifts of property tax revenue from the District by legislative action is the ERAF shift. The State passed into law two tax shifts, ERAF I (FY1992-93) and ERAF II (FY1993-94) which shift local AB8 property tax revenues from counties, cities, special districts, and redevelopment agencies to K-12 schools and community colleges.

ERAF funds are used for schools that do not generate enough property tax to meet the minimum funding requirement determined by the State under Proposition 98. The calculated shift is approximately 12% of property tax revenue from secured, unsecured, and HOPTR. The estimated percentage is based on the figures provided by the County of San Mateo.

Homeowner Property Tax Relief (HOPTR)

This revenue is reimbursed by the State to compensate for the loss in property tax revenue resulting from the $7,000 reduction in the taxable value of qualifying owner-occupied homes. Over the past five years, the revenue received by the District has remained relatively stable, with fluctuations ranging between $203 thousand and $218 thousand. For FY 2026-27, staff maintained the budget at $205 thousand, the same amount as the previous fiscal year.

Redevelopment Property Tax Trust Fund (RPTTF)

Prior to 2011, the State of California allowed local counties and cities to create Redevelopment Agencies (RDAs), which received certain property tax revenues to assist in the economic redevelopment of various geographic areas. There were 13 RDAs established by cities in the County of San Mateo. After the passing of AB 26, which dissolved the RDAs, Successor Agencies were established to fulfill the obligations of the former RDAs. The monies are transferred to trust funds called Redevelopment Property Tax Trust Funds (RPTTF) which are allocated to Successor Agencies. The remaining monies in the RPTTF are then distributed to the local taxing agencies.

The amounts the District receives from RPTTF distributions have fluctuated significantly over the past five years. Since the revenue from this category is residual and pass-through, occurring after fulfilling the enforceable obligations for the fiscal year, it is highly unpredictable. Other factors, such as the sale of assets, where proceeds are also distributed to the agencies that funded the former RDAs, can influence the actual distribution each year.

Given limited information and fluctuations in actuals, the FY 2026–27 budget is based on the current estimated actual amount to be received for the year, totaling $6.4 million.

This revenue stream is expected to continue in the foreseeable future, and staff is not aware of any developments regarding the complete dissolution of the successor agency to the former RDAs.

General Fund Other Revenue Sources

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %
Revenues						
Licenses and permits	$892,995	$881,000	$1,041,007	$1,041,500	$160,500	18.2%
Current service charges	$466,274	$479,200	$488,999	$498,300	$19,100	4.0%
Use of money and property	$7,185,266	$5,128,800	$5,720,239	$6,580,000	$1,451,200	28.3%
Intergovernmental	$2,496,469	$1,384,500	$2,724,925	$1,677,400	$292,900	21.2%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 VS FY26 INCREASE / (DECREASE)	CHANGE IN %
Other revenues	$615,374	$50,000	$256,742	$50,000	$0	0.0%
REVENUES TOTAL	**$11,656,378**	**$7,923,500**	**$10,231,912**	**$9,847,200**	**$1,923,700**	**24.3%**

Other Revenue Sources for the District

In addition to property taxes, the District generates revenue from various other sources, including license and permit fees, service charges, intergovernmental funding, interest earnings, and miscellaneous revenues. These sources are influenced by factors such as property ownership changes, new development, state funding formulas, and economic conditions, and they help support the District's operations and services.

Licenses and Permits

License and permit revenues are collected for services provided by the District's Fire Prevention Bureau for fire code construction plan reviews, fire code inspections, and various permits and licensing fees.

Although FY 2024–25 fire prevention fees were lower than anticipated due to a slowdown in related activities, such as inspections, permit applications, and fire safety services, driven by reduced local construction and development projects, fewer permit requests, and lower demand for compliance inspections, revenue has shown signs of recovery in FY 2025–26.

Given this volatility, staff set the FY 2026–27 fire prevention fee budget at $1.0 million, based on a five-year average of historical revenue. This approach balances the prior year's decline with the current year's rebound and provides a more stable and realistic projection that accounts for ongoing economic and market uncertainties.

Current Service Charges

The District entered into a contract with SLAC National Accelerator Laboratory to provide fire and emergency services outside the scope of the District's normal provision for public services. These fixed fees are collected on a monthly basis as stated in the formal contract agreements between the parties. Per the agreement, the revenue to be received by the District is $464 thousand for FY 2026-27. Weed abatement charges forecasted at $10 thousand are also included in this revenue category.

Use of Money and Property

Revenue from the use of money and property is derived from interest earnings and rental income from properties leased by the District. Within this category, revenue sources include approximately $6.6 million in investment earnings and $20 thousand from training site usage.

Interest revenue from the District's core managed account and liquid portfolio (CAMP and LAIF) is projected as follows: For the managed account, interest is calculated by applying a 4% yield, reflecting the approximate yield to maturity at cost rate to the current portfolio's par value. For the liquid portfolio, projected interest earnings are based on the anticipated average holdings for the upcoming fiscal year, multiplied by an expected average interest rate of 3.0%, accounting for anticipated Fed interest rate adjustments in the coming year.

Intergovernmental Revenue

The revenue for this category comes from two primary sources: the Joint Power Authority (JPA) paramedic services agreement and deployment and grant reimbursements from Cal-OES. For the fiscal year 2026-27, the total budget is set at $1.6 million, which includes $1.5 million allocated for reimbursement claims and $130 thousand for the paramedic JPA agreement.

The deployment reimbursement is particularly difficult to forecast because it varies significantly from year to year, primarily due to the unpredictable nature of deployment activities. These activities depend on factors such as the frequency and scale of emergencies or disasters requiring fire services, which can fluctuate dramatically. As a result, it is challenging to estimate this revenue stream accurately. To address this uncertainty, the budget is based on the average reimbursement received over the past five years, providing a more stable estimate despite the inherent volatility of deployment reimbursements. In addition, for the upcoming fiscal year, staff has included $519 thousand in anticipated revenue from the Cal-OES Mobilization and Exercise Training grant.

Miscellaneous Revenues

This consists of miscellaneous revenues from the sale of assets, insurance claims reimbursement, and donations. The FY 2026-27 budget for this revenue stream is $50 thousand.

General Fund-Expenditure by Category

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Expenses						
General Fund						
Salaries	$26,808,354	$29,542,910	$27,747,917	$31,014,737	$1,471,827	5.0%
Stipends	$3,321,520	$3,732,972	$3,326,199	$3,924,018	$191,046	5.1%
Overtime	$7,846,349	$8,812,800	$8,164,380	$9,241,500	$428,700	4.9%
Retirement	$12,797,726	$15,163,489	$14,349,158	$14,946,131	($217,358)	(1.4%)
Benefits	$5,407,775	$6,606,893	$5,540,125	$6,961,230	$354,337	5.4%
Materials and Supplies	$2,634,224	$4,254,643	$2,827,047	$4,171,200	($83,443)	(2.0%)

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Contract Services	$6,403,481	$8,656,088	$7,128,035	$11,405,200	$2,749,112	31.8%
Contingency Reserve	$70,680	$200,000	$112,604	$300,000	$100,000	50.0%
Fixed Assets	$0	–	$0	–	$0	–
GENERAL FUND TOTAL	**$65,290,110**	**$76,969,795**	**$69,195,466**	**$81,964,016**	**$4,994,221**	**6.5%**
EXPENSES TOTAL	**$65,290,110**	**$76,969,795**	**$69,195,466**	**$81,964,016**	**$4,994,221**	**6.5%**

General Fund Expenditure Overview

The General Fund expenditure budget for the Menlo Park Fire Protection District outlines the resources required to support emergency services and operational activities in alignment with the District's priorities. For FY 2026-27, the projected total expenditure is $82.0 million, with personnel and benefits costs making up approximately 80.6% of the total. The remaining 19.4% is allocated to materials, supplies, and contract services.

Key areas of expenditure include:

Salaries:
This represents the standard compensation for all District personnel, including salaries, annual leave, holiday pay, leave cash-outs, workers' compensation, and other paid leaves. For FY 2026-27, the final budget for compensation is set at $31.0 million, reflecting a 5.0% increase from the amended budget of the previous year. The increase is primarily attributed to the addition of one full-time equivalent (FTE) position for an Information Technology Specialist, as well as cost adjustments related to the MOUs and normal progression in employee compensation.

The District has five distinct work groups, each with its own set of benefit terms and arrangements. The budget incorporates the cost increases resulting from the approved agreements, such as general wage increases, performance-based increases, step advancements, and other compensation-related adjustments. Additionally, the budget accounts for anticipated cost increases from ongoing labor negotiations, based on reasonable assumptions drawn from historical trends and current market surveys.

For compensation arrangements that are reviewed annually, such as those for Unrepresented employees and Chief Officers, staff has made cost assumptions based on current contracts and past data. Given the timing of these agreements and ongoing labor negotiations, any resulting cost increases may require adjustments even after the final budget adoption. If negotiations are not finalized by that time, additional revisions may be incorporated in the following fiscal year, including during the mid-year budget review, to ensure the budget remains aligned with actual compensation obligations.

Stipends

Stipends are a component of the personnel compensation package and include various specialty and incentive pays. These stipends encompass a wide range of payments, such as bilingual pay, advanced degree pay, paramedic pay, EMT pay, uniform and tool allowances, residency stipend, deployment stipend, adjutant pay, notary pay, special assignment pay, and out-of-grade pay.

For FY 2026-27, the budget for stipends is set at $3.9 million, representing an increase of approximately $191 thousand, or 5.1%, compared to the prior year's budget. This increase is primarily driven by adjustments included in approved labor agreements, which impact various stipend categories.

In addition, several components within the stipends category are directly tied to base salary levels, such as specialty pay, assignment pay, and other compensation elements calculated as a percentage of salary. As a result, increases in base salaries lead to a corresponding rise in stipend costs, creating a proportional impact across related compensation categories. This reflects the structural linkage between salaries and stipends within the District's overall compensation framework.

Overtime

Overtime expenditures encompass a range of costs, including project or program work, backfilling for paid time off, workers' compensation injuries, training requirements, emergency operations, and emergency deployments. The District's policy requires maintaining a minimum staffing level for frontline apparatus, ensuring that essential staffing functions are consistently met. This staffing policy is crucial to ensure that the District can effectively respond to emergencies and continue operations without disruption.

To effectively manage these costs, staff has been diligently monitoring overtime expenditures and implementing ongoing measures to control them. This includes reviewing overtime usage regularly and identifying areas where efficiency improvements can help minimize unnecessary overtime while still meeting staffing needs.

For FY 2026–27, the budget for overtime is set at $9.2 million, reflecting an increase of 4.9% compared to the prior year. This increase is primarily driven by anticipated changes in overtime rates resulting from projected increases in base salaries, as overtime is calculated based on regular pay.

In addition to these rate adjustments, the budget also includes allowances for anticipated overtime associated with specific one-time projects and operational needs. These may include special assignments, training initiatives, or project-related activities that require additional staffing beyond regular scheduled hours. Collectively, these factors contribute to the overall increase in the overtime budget while ensuring the District maintains adequate staffing levels to meet service demands and operational priorities.

Retirement

Retirement expenditures primarily consist of the District's contributions to the California Public Employees' Retirement System (CalPERS) and Medicare. The adopted budget for FY 2026-27 is $14.9 million, reflecting a decrease of $217 thousand, or 1.4%, compared to the previous year's budget. This change is driven by the following factors:

1. A reduction in the unfunded accrued liability (UAL), largely driven by CalPERS achieving an investment return of 9.3%, which exceeded its assumed rate of 6.8%.
2. The District's continued implementation of additional discretionary UAL payments, as outlined in its pension funding policy. These payments have helped reduce volatility in annual obligations by smoothing year-to-year costs, resulting in a lower overall UAL payment requirement.
3. A modest decline in the District's CalPERS employer contribution rates, contributing to the overall reduction in retirement expenditures.

These factors together contribute to the higher retirement expenditures for the upcoming fiscal year.

The unfunded liability is expected to stabilize over time due to the District's adoption of the 10-year soft ("virtual") fresh start approach for managing the unfunded accrued liability. This strategy helps to smooth out fluctuations and provides a more manageable path for addressing the liability. However, it's important to note that there is typically a two-year lag between the valuation date and the start of the contribution year. As a result, any contributions made during the current fiscal year will not reflect their impact or benefits until the following fiscal years. This time delay is a natural part of the process, but the long-term approach is designed to provide stability and more predictable outcomes in managing the District's retirement obligations.

CalPERS (UAL) Annual Payment

In addition to the District's normal contributions, the District is required to pay the CalPERS employer amortization of unfunded accrued liability (UAL) in the amount of $3.6 million for the District's four CalPERS groups in July 2026. This amount is provided in the actuarial valuation report as of June 30, 2024, which is the basis for the District's FY 2026-27 required contributions.

CalPERS (UAL) Excess Payment

This amount represents the annual optional excess payment to CalPERS applied to the District's Unfunded Accrued Liability (UAL). In May 2024, the District adopted a pension funding policy that implements a 10-year soft ("virtual") fresh start. In CalPERS terminology, a "Fresh Start" means consolidating all amortization bases and paying them off over a shorter period. While this approach results in higher UAL payments in the short term, it will generate significant long-term savings by reducing the amount of interest that would have accrued under the original, longer amortization schedule. For FY 2026-27, the budget, based on the adopted pension funding policy, is set at $4.2 million across all of the District's pension plans.

Benefits

Benefit expenditures include a variety of employee benefits, such as the cafeteria allowance, dental plan, life insurance, and post-employment health plan (PEHP). For FY 2026-27, the final budget for these benefits is $7.0 million, an increase of $354 thousand, or 5.4%, from the previous fiscal year's budget. This increase is primarily driven by approved enhancements to the cafeteria and dental plans for certain employee groups. Similar to other personnel-related expenses, including salaries and stipends, the benefits budget may need to be adjusted as a result of ongoing labor negotiations.

Materials and Supplies

Materials and supplies expenditures encompass tangible items such as materials, equipment, and supplies used for both operational and administrative purposes. This category also includes costs associated with conference and training registrations, memberships and licenses, and travel and transportation. These expenditures are vital to the ongoing operation of the District, supporting key services like Fire Suppression, Fire Prevention, and Administrative Support.

For FY 2026-27, the adopted budget for materials and supplies is set at $4.2 million, representing a slight decrease of $83 thousand, or 2.0%, from the prior year's budget. This reduction is primarily due to the elimination of one-time costs that were included in last year's budget. Although unit costs for many materials and supplies have increased, the decrease in the overall budget reflects staff's updated approach to budgeting, which includes a detailed analysis of anticipated needs for the upcoming fiscal year. By carefully evaluating expected expenditures and prioritizing essential purchases, staff has refined the budget to more accurately align with operational requirements, ensuring that funds are used efficiently while mitigating the impact of rising material costs.

Contract Services

Contract services are a crucial component of the District's operational expenditures, encompassing a broad range of services provided through agreements with various vendors. These services include, but are not limited to, insurance contracts, workers' compensation administration, legal counsel, audit services, actuarial services, banking services, software and licenses, IT support, repairs and maintenance, training instructors, consulting services, and other general contract services. These services are vital to maintaining the District's operations and supporting its ability to provide essential services to the community.

For FY 2026-27, the final budget for contract services is set at $11.4 million, reflecting an increase of $2.7 million, or 31.8%, compared to the previous year's budget. Approximately 17% of this increase is attributable to a reimbursable grant. The main drivers of this increase are the inclusion of costs associated with establishing a temporary fire station, relocating temporary offices, implementing the Cal OES MobEx grant, and anticipated increases in workers' compensation expenses, all of which are discussed in the budget highlights and initiatives in the latter section of this report. Additional factors contributing to the increase include rising service costs, the expansion of existing contracts, and the planned implementation of new program initiatives for the upcoming fiscal year. As the District continues to grow and adapt to evolving operational needs, these additional resources are necessary to ensure that contracted services remain effective, responsive, and aligned with the District's overall service objectives.

Contingency Reserve

Contingency reserves are budget allocations set aside for unexpected or unforeseen circumstances that may require additional funding during the fiscal year. These funds are available at the discretion of the Fire Chief, allowing for flexibility in addressing urgent needs or emergencies that arise outside of the planned budget. If the contingency funds remain unspent by the end of the fiscal year, they will be factored into the fund reserve allocation analysis.

This contingency reserve is reviewed annually as part of the District's overall budget-balancing strategy, ensuring preparedness for unanticipated events while maintaining fiscal discipline. For FY 2026-27, the requested amount for contingency reserves is increased to $300 thousand, up from $200 thousand in the prior year. This increase reflects the District's experience with a higher frequency of unanticipated expenses in prior fiscal periods, as evidenced by actual charges to the account. The additional funding provides a cushion to cover unexpected costs, helping the District manage risks effectively while continuing to allocate resources efficiently across its programs and operations.

All District Funds-Transfers Out

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Expenses						
General Fund						
TransfersOut	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
GENERAL FUND TOTAL	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%
EXPENSES TOTAL	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%

General Fund - Transfer Out

These are general fund allocations transferred to or from the District's major funds. This process also serves as a mechanism to balance the operating revenue and expenditure budget within a given fiscal year. For FY 2026-27, the final transfer-out budget to the CIP fund is set at $19.8 million. Of this total, $4.5 million will be used to cover fixed assets and construction projects outlined in the CIP fund budget section. The remaining $15.2 million will be retained as a reserve for future capital projects.

General Fund Reserve

The general fund reserve does not represent an actual cash inflow or outflow to or from the general fund. Instead, it reflects reserves accumulated in previous years that have been set aside for specific purposes. These reserves may also be utilized to supplement funding if the budgeted revenue falls short of the budgeted expenditure for the current fiscal year. This practice helps maintain a balanced operating budget.

Any budgeted amount from the general fund reserve, if applicable, will be used to draw down these reserves to offset planned expenses for the fiscal year. In addition, the reserve may be applied to cover unanticipated expenses, provided they fall within the categories outlined in the District's Fund Balance Reserve Policy, such as workers' compensation, compensated absences, and other authorized uses. This approach ensures that the District has flexibility to respond to unexpected financial needs while remaining in compliance with established fiscal policies.

MENLO PARK FIRE PROTECTION DISTRICT

ADMINISTRATIVE SERVICES DIVISION

Division Overview

The Administration Services (AS) division provides oversight of all personnel, financial, capital, and operational needs. The programs included under this division are the Board of Directors, District Administration, Financial Management, Human Resources, and Information Technology. Each program supports and reinforces the District's operations. These include administration of funds and financial accountability assurance, management of all employment-related matters, management of capital improvement projects, administration of information technology systems, and Board of Directors meeting facilitation.

Management Oversight

The AS division is directed by the Fire Chief with delegated authorization to the Deputy Chief, and Administrative Services Director to manage the support services of the District. The Fire Chief and Deputy Chief have oversight over all of the day-to-day fire service operations. The Administration Services Director has delegated authority to oversee the day-to-day operations of all administrative support programs such as the Board of Directors, District Administration, Financial Management, Human Resources, and Information Technology. This division accounts for 17 personnel or 11.0% of the District-wide workforce.

Division Goals and Objectives

1. Document and preserve accurate records of all board meetings and actions, ensuring compliance with transparency laws such as the Public Records Act, FOIA, and the Brown Act.
2. Safeguard, organize, and maintain the Board's official records, oversee board elections, and enforce the District's records retention schedule in compliance with legal requirements.
3. Oversee administrative, logistical, and operational services, ensuring compliance with best practices, labor relations, and applicable laws, while managing daily operations such as fire suppression, training, and emergency management.
4. Review organizational matters, prioritize capital improvement projects, and oversee the preparation of agendas and materials for Board and Committee meetings.
5. Oversee all financial activities, including budgeting, accounting, investments, purchasing, and financial reporting, ensuring compliance with laws, regulations, and GAAP.
6. Supervise the annual audit, coordinate the preparation of the District's budget, and ensure financial decisions align with organizational goals and maintain accuracy and accountability.
7. Strengthen cybersecurity measures and maintain a stable, reliable IT infrastructure to support District operations and protect information assets.
8. Implement a modern IT infrastructure to ensure seamless access to resources and provide high-quality customer service to meet stakeholders' IT needs.
9. Recruit, retain, and develop a talented, diverse workforce, ensuring alignment with the District's evolving needs and organizational goals.
10. Oversee employee benefits, payroll, workers' compensation programs, and maintain positive labor relations while fostering employee engagement and inclusion.

Division Performance Measures

Performance Measures	Division Goals and Objectives	Annual Target	FY 2025-26 Actual	FY 2026-27 Estimate
Complete the annual financial audit by December 31 and achieve the most favorable audit opinion	#6	Unmodified Opinion	Yes	Yes

Publish the Annual Comprehensive Financial Report (GFOA) and receive the GFOA Financial Reporting Excellence Award program	#5	GFOA Financial Reporting Excellence Award	Yes	Yes
Achieve the GFOA Distinguished Budget Presentation Award	#5	GFOA Distinguished Budget Presentation Award	Yes	Yes
Monitor and manage employee retention by tracking the rate at which employees leave the organization	#9	6% Turnover Rate (excludes retirements)	2%	1%
Percentage of employee performance reviews submitted within 60 days of the end of the rating period	#9	100%	90%	100%
Maintain uptime and availability for business applications and databases	#7	95%	99%	98%
Reduce unplanned internal network outages	#8	5 Hours	1 hour	2 hours
Facilitate the timely completion of capital improvement projects within 60 days of the planned timeline	#4	90%	89%	90%

Please note that FY 2025–26 represents the first year the District established formal performance measures for each Division. As a result, the performance measure results section currently includes only one year of actual comparison data, representing FY 2025–26. Additional years of historical performance data will be incorporated into future budget documents as they become available, allowing for year-over-year trend analysis and a more comprehensive evaluation of performance outcomes.

Administrative Services Division Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Clerk of the Board	1	1	1	0
Administrative Specialist I/II	0	1	1	0
Senior Payroll Analyst	1	1	1	0
Project Manager	1	1	1	0

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Human Resources Manager	1	1	1	0
Administrative Services Director	1	1	1	0
Senior Information Technology Analyst	1	1	1	0
Senior Human Resources Analyst	1	1	1	0
Finance Manager	1	1	1	0
Fire Chief	1	1	1	0
Information Technology Manager	1	1	1	0
Accounting Technician	2	2	2	0
Information Technology Specialist	1	1	2	1
Senior Accountant	1	1	1	0
Deputy Chief	1	1	1	0
	15	**16**	**17**	**1**

Administration Services Division - Program Budget Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Board of Directors	$356,833	$434,122	$371,320	$584,386	$150,264	34.6%
District Administration	$2,993,442	$4,274,823	$3,514,407	$4,573,601	$298,778	7.0%
Financial Management	$1,646,689	$2,377,294	$2,153,013	$2,437,581	$60,287	2.5%
Information Technology	$1,469,073	$1,916,735	$1,617,541	$2,377,006	$460,271	24.0%
Human Resources and Risk Management	$2,882,797	$2,757,402	$3,026,647	$3,360,792	$603,390	21.9%
EXPENSES TOTAL	**$9,348,833**	**$11,760,376**	**$10,682,928**	**$13,333,366**	**$1,572,990**	**13.4%**

Administration Services Division - Expenditure Budget Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$3,226,991	$3,539,250	$3,409,937	$3,906,499	$367,249	10.4%
Stipends	$80,283	$124,341	$71,328	$100,057	($24,284)	(19.5%)
Overtime	$38,329	$309,800	$22,317	$303,000	($6,800)	(2.2%)
Retirement	$1,021,748	$1,253,526	$1,164,300	$1,128,409	($125,117)	(10.0%)
Benefits	$543,187	$655,740	$619,089	$669,801	$14,061	2.1%
Materials and Supplies	$331,148	$442,800	$272,145	$688,900	$246,100	55.6%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATIO N
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Contract Services	$4,026,675	$5,134,919	$4,942,267	$6,146,700	$1,011,781	19.7%
Contingency Reserve	$70,680	$200,000	$112,604	$300,000	$100,000	50.0%
Fixed Assets	$9,791	$100,000	$68,941	$90,000	($10,000)	(10.0%)
EXPENSES TOTAL	**$9,348,833**	**$11,760,376**	**$10,682,928**	**$13,333,366**	**$1,572,990**	**13.4%**

Related Programs

Board of Directors
District Administration
Financial Management
Human Resources and Risk Management
Information Technology

MENLO PARK FIRE PROTECTION DISTRICT

BOARD OF DIRECTORS

Program Overview

The Board of Directors (BOD) program ensures transparent and accessible governance of the Menlo Park Fire Protection District (District) through public meetings, effective communication, and efficient record-keeping. The BOD acts as the District's policy-making body, overseeing and guiding its activities. The board clerk serves as the official custodian of records and the primary liaison to the BOD, facilitating requests and communication between the board, the fire chief, and the public.

Management Oversight

The BOD program is managed by the Administrative Services Director, with oversight responsibilities assigned to the Finance Manager and the Clerk of the Board. The program includes one full-time equivalent (FTE) position and covers expenses related to board meeting stipends, general election services, office supplies, training and conference fees, and travel expenses associated with official District board business.

Program Objectives

- Document and preserve accurate records of all board meetings and actions.
- Adhere to the requirements of the Public Records Act, Freedom of Information Act (FOIA), and the Brown Act to guarantee public access and transparency.
- Safeguard and organize the Board's official records and documents, ensuring all District records are systematically stored and easily accessible.
- Plan and oversee board elections in collaboration with the San Mateo Elections Department, ensuring alignment with the Political Reform Act and relevant government codes.
- Maintain and enforce the District's records retention schedule, ensuring compliance with local, state, and federal legal requirements.

FY 2025-26 Accomplishments

- Ensured the filing of Statements of Economic Interests (Form 700) for all required individuals for the 2025 reporting period was completed.
- Prepared, coordinated, and facilitated all board meetings to ensure smooth operations and compliance with legal requirements.

FY 2026-27 Program Initiatives

- Ensure filing of the Statements of Economic Interests (Form 700) for all required individuals for the 2026 reporting period.
- Identify records for destruction according to the revised records retention policy, procedures, and schedule.
- Successfully complete all tasks related to the election, including coordination with the San Mateo Elections Department and ensuring compliance with applicable laws and procedures.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Clerk of the Board	1	1	1	0
	1	**1**	**1**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$174,469	$203,113	$125,607	$209,244	$6,131	3.0%
Stipends	$3,900	$6,660	$3,006	$6,660	$0	0.0%
Retirement	$84,056	$100,961	$89,128	$56,228	($44,733)	(44.3%)
Benefits	$25,334	$25,388	$62,707	$24,654	($734)	(2.9%)
Materials and Supplies	$4,241	$12,200	$6,517	$13,200	$1,000	8.2%
Contract Services	$64,832	$85,800	$84,356	$274,400	$188,600	219.8%
EXPENSES TOTAL	**$356,833**	**$434,122**	**$371,320**	**$584,386**	**$150,264**	**34.6%**

Salaries, stipends, retirement, and benefits reflect staffing costs associated with the Clerk of the Board. Of the total budget, only $12,918 pertains to Board members, representing compensation for their participation in Board and Committee meetings.

Expenditure Analysis

Retirement: The expenditure request includes the normal employer's retirement contribution, Unfunded Actuarial Liability (UAL) annual payment, UAL excess payment, and Medicare tax payments. The total requested expenditure reflects a decrease of $44,733, which is primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026-27, as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Contract services: The expenditure request includes costs associated with election services, LAFCO (Local Agency Formation Commission) dues, and various special projects. The total request shows an increase of $188,600, which is primarily attributable to the inclusion of general election expenses, reflecting the scheduled election in the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

DISTRICT ADMINISTRATION

Program Overview

The District Administration (DA) program serves as the executive management body of the District, providing oversight for personnel, financial, capital, operational, and legal functions. This program supports the Board of Directors in implementing its vision and policies. It is also responsible for succession planning, mentoring, and appointing new leadership within the District. Additionally, the program manages fire service operations, ensures daily service levels are met, prepares board meeting agendas, and coordinates staff reports for the board.

Management Oversight

The DA program is led by the Fire Chief, with oversight provided by the Deputy Fire Chief and Administrative Services Director. The program consists of five full-time equivalent positions and covers expenses related to general liability insurance, consultant and legal counsel services, contract services, general supplies, training and conference registration fees, and a contingency reserve for unexpected expenses.

Program Objectives

- Oversee administrative, logistical, and operational services in compliance with best practices, labor relations, and applicable laws and regulations.
- Manage the District's daily operations, including fire suppression, fire prevention, training, emergency management, special operations, and administrative services.
- Review and address organizational and administrative matters, ensuring effective follow-through and resolution.
- Plan, prioritize, and manage capital improvement projects to support the District's long-term goals.
- Oversee the preparation of agendas and materials for all Board and Committee meetings.

FY 2025-26 Accomplishments

- Successfully launched a functional pilot program demonstrating the feasibility and effectiveness of UAS technology as a first responder, resulting in enhanced efficiency and safety in emergency operations.
- Collaborated with the Union on an open and transparent entry-level hiring process for firefighters while maintaining high standards for operational readiness.
- Started a comprehensive needs assessment for an enterprise resource planning (ERP) system, identifying requirements for integrating accounting, payroll, and human resources functions.
- Achieved recognition for excellence in budget reporting by earning the Government Finance Officers Association Distinguished Budget Presentation Award.
- Effectively managed and delivered planned CIP projects, achieving an 89% on-time completion rate and demonstrating strong project oversight and execution.

FY 2026-27 Program Initiatives

- Expand the District's holistic wellness program to support employee health and resilience, driving operational readiness while reducing injury risks and costs.
- Finalize the initial phase of the ERP transition, encompassing needs assessment, RFP development, vendor selection, and contract negotiations, and begin the implementation phase of the project.
- Complete the planning and environmental review processes for the Fire Station 1 rebuild to ensure regulatory compliance and prepare the project for the construction phase.
- Manage the entry-level firefighter recruitment for the 2027 academy and administer promotional testing for the Captain and Battalion Chief classifications.
- Strengthen the District's IT infrastructure and equipment by upgrading core power supplies and wireless hardware, optimizing data recovery solutions, and hiring an additional IT Specialist to support technical capacity.
- Expand the network of Community Hubs by constructing and equipping three additional storage sites with essential emergency supplies and public charging stations to strengthen local disaster resilience and volunteer response capabilities.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Fire Chief	1	1	1	0
Deputy Chief	1	1	1	0
Administrative Services Director	1	1	1	0
Project Manager	1	1	1	0
Administrative Specialist I/II	0	1	1	0
	4	**5**	**5**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$1,255,204	$1,398,696	$1,394,266	$1,460,961	$62,265	4.5%
Stipends	$27,960	$43,500	$20,326	$18,836	($24,664)	(56.7%)
Overtime	$31,662	$253,800	–	$252,000	($1,800)	(0.7%)
Retirement	$483,455	$615,194	$557,710	$537,830	($77,364)	(12.6%)
Benefits	$184,409	$256,333	$224,551	$251,674	($4,659)	(1.8%)
Materials and Supplies	$54,512	$98,900	$75,379	$99,000	$100	0.1%
Contract Services	$875,769	$1,408,400	$1,129,571	$1,653,300	$244,900	17.4%
Contingency Reserve	$70,680	$200,000	$112,604	$300,000	$100,000	50.0%
Fixed Assets	$9,791	–	–	–	$0	–

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
EXPENSES TOTAL	$2,993,442	$4,274,823	$3,514,407	$4,573,601	$298,778	7.0%

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, holiday pay, annual leave, leave cash-outs, workers' compensation, and other forms of paid leave. The total requested amount reflects an increase of $62,265, primarily driven by the anticipated general wage increase for personnel and projected annual leave cash-outs.

Stipends: The expenditure request includes costs for career development pay, phone stipends, residency stipends, and uniform allowances. The total request reflects a decrease of $24,664, primarily because certain employees did not meet the eligibility requirements for these stipends during the upcoming fiscal year. As a result, fewer employees will receive these additional payments, leading to a lower overall stipend budget.

Retirement: The expenditure request includes the standard employer retirement contribution, the annual payment toward the Unfunded Actuarial Liability (UAL), any UAL excess payments, and Medicare tax obligations. The total request shows a $77,364 decrease, primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026–27, as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members due to a reduced allocation of both the UAL annual and excess payments to the employee program.

Contract services: The expenditure request includes costs for consultant services, legal services, general insurance, and contingency reserves related to general administration. The total request reflects an increase of $244,900, primarily driven by anticipated insurance rate increases and the expected property lease for temporary office space. These adjustments account for both rising operational costs and strategic investments in administrative efficiency and infrastructure.

Contingency reserve: The expenditure request provides funding for unforeseen District expenses, to be used at the discretion of the Fire Chief. This increase reflects the District's experience with a higher frequency of unanticipated expenses in prior fiscal periods, as evidenced by actual charges to the account. The additional funding provides a cushion to cover unexpected costs, helping the District manage risks effectively while continuing to allocate resources efficiently across its programs and operations.

MENLO PARK FIRE PROTECTION DISTRICT

FINANCIAL MANAGEMENT

Program Overview

The Financial Management (FM) program supports all Menlo Park Fire Protection District (District) programs by ensuring financial accountability and transparency to the public. It provides financial, analytical, and purchasing services to all District operations. The program upholds excellence in financial reporting and oversight, managing the District's funds and accounts in compliance with established policies and regulations.

Management Oversight

The FM program is overseen by the Administrative Services Director, with operational oversight delegated to the Finance Manager. The program is staffed by five full-time equivalent positions and covers expenses related to bank and merchant services, auditing and actuarial services, consulting, general services, training and conference fees, office supplies, and property tax collection fees assessed by San Mateo County.

Program Objectives

- Oversee all financial activities of the District, including budgeting, accounting, investments, purchasing, and financial reporting.
- Interpret and apply laws, regulations, and policies to guide financial decisions and ensure compliance.
- Develop and enforce financial accounting practices aligned with generally accepted accounting principles (GAAP).
- Supervise the annual audit conducted by an external auditing firm to ensure accuracy and accountability in financial reporting.
- Coordinate the review and preparation of the District's annual preliminary budget, ensuring alignment with organizational goals and priorities.

FY 2025-26 Accomplishments

- Awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the FY 2025–26 budget cycle. This is the first time the District has received this recognition.
- Received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the FY 2024-25 Annual Comprehensive Financial Report (ACFR), marking the District’s 15th consecutive year earning this distinction.
- Completed the annual financial audit and Single Audit with an unmodified opinion and no findings, and issued the ACFR within the required legal timeframe.
- Conducted a comprehensive internal controls assessment to formally identify and document organizational risks associated with financial processes.
- Continued to enhance the investment portfolio to better align with the District’s financial objectives.
- Updated key financial policies, including the investment policy, capital asset and surplus policy, and fund balance reserve policy to ensure alignment with regulatory requirements and the current fiscal environment.

FY 2026-27 Program Initiatives

- Ongoing development and refinement of financial policies and internal controls to ensure accountability and efficiency.
- Begin the Enterprise Resource Planning (ERP) system upgrade process to integrate accounting, budgeting, payroll, and timekeeping functions for greater operational efficiency.
- Ensure all required audits are completed in a timely manner, achieving satisfactory results.
- Maintain the District's achievement of the GFOA Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.
- Implement the recommendations in the internal controls assessment project.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Finance Manager	1	1	1	0
Senior Accountant	1	1	1	0
Accounting Technician	2	2	2	0
Senior Payroll Analyst	0	1	1	0
	4	**5**	**5**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATIO N
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$642,137	$885,472	$883,718	$953,918	$68,446	7.7%
Stipends	$20,903	$38,593	$25,841	$34,202	($4,391)	(11.4%)
Overtime	$3,730	$6,000	$728	$6,000	$0	0.0%
Retirement	$63,663	$173,682	$164,293	$217,368	$43,686	25.2%
Benefits	$128,727	$196,428	$171,085	$146,593	($49,835)	(25.4%)
Materials and Supplies	$11,446	$26,500	$20,383	$28,000	$1,500	5.7%
Contract Services	$776,083	$1,050,619	$886,965	$1,051,500	$881	0.1%
EXPENSES TOTAL	**$1,646,689**	**$2,377,294**	**$2,153,013**	**$2,437,581**	**$60,287**	**2.5%**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, holiday pay, annual leave, leave cash-outs, workers' compensation, and other paid leave. The total request reflects an increase of $68,446, primarily due to the anticipated general wage increase and projected annual leave cash-outs for personnel. This adjustment accounts for both higher base salaries and the additional costs associated with compensating employees for unused annual leave, resulting in an overall increase in personnel-related expenditures for the upcoming fiscal year.

Stipends: The expenditure request includes career development pay, phone stipends, residency stipends, and uniform allowances. The total request reflects a decrease of $4,391, primarily due to a budget adjustment to align with the current MOU residency allowance, compared to last year's budget, which was based on an estimate.

Retirement: The expenditure request includes the standard employer retirement contribution, the annual Unfunded Actuarial Liability (UAL) payment, any UAL excess payments, and Medicare tax contributions. The total request reflects an increase of $43,686, primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026–27, as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA.

Benefits: The expenditure request includes costs associated with the café plan, dental plan, life insurance, and post-employment health benefits. The total request reflects a decrease of $49,835, primarily attributable to a budget adjustment to better align with current café plan costs under the MOU, compared to the prior year's budget, which was based on estimated amounts.

MENLO PARK FIRE PROTECTION DISTRICT

HUMAN RESOURCES AND RISK MANAGEMENT

Program Overview

The Human Resources (HR) program is designed to provide leadership, guidance, and support to all Menlo Park Fire Protection District (District) divisions and employees, fostering a diverse, innovative, and high-performing workforce. Key functions of the HR program include recruitment and selection, on-boarding and orientation for new employees, classification and compensation management, labor negotiations, and employee relations. The program also manages employee benefits, training and development, workers' compensation, safety initiatives, wellness programs, and provides assistance with all employment-related matters.

Management Oversight

The HR program is managed by the Administrative Services Director, with oversight responsibilities delegated to the HR Manager. The program is staffed by two full-time equivalent positions and covers general expenses related to labor relations, risk management, benefits administration, workers' compensation insurance, retiree benefits administration, and office supplies.

Program Objectives

- Strengthen collaborative relationships between the District, bargaining units, and employees to foster open communication, mutual trust, and productive labor-management partnerships.
- Recruit, develop, and retain a high-performing, innovative, and diverse workforce capable of meeting the evolving operational and service needs of the District.
- Oversee employee benefits administration and payroll operations to ensure accurate, efficient, and high-quality service delivery for all employees.
- Develop, review, and update district-wide administrative and personnel policies to promote consistency, fairness, and compliance with applicable laws and best practices.
- Manage the District’s workers’ compensation program and oversee the light-duty program to support employee recovery, reduce lost work time, and promote workplace safety.
- Plan and implement employee engagement and recognition programs that strengthen morale, reinforce District values, and promote an inclusive workplace culture.

FY 2025-26 Accomplishments

- Successfully completed negotiations for a new 3.5-year Memorandum of Understanding (MOU) with AFSCME.
- Initiated negotiations for a successor Memorandum of Understanding (MOU) with IAFF District 10.
- Completed successful recruitments for the Deputy Fire Marshal and Clerk of the Board positions. Collaborated with the newly established Recruitment Committee to develop a strategic recruitment plan and launched the recruitment process for entry-level firefighter positions for the 2027 academy.
- Expanded the District’s workers’ compensation medical network by establishing agreements with two additional occupational health physicians, including pre-approved treatment protocols to expedite care for injured firefighters and facilitate earlier return-to-work. Also negotiated a bill review payment cap to help control workers’ compensation medical costs.
- Conducted individualized benefits consultations during open enrollment, meeting personally with over 120 employees to review benefit options and support informed decision-making.

FY 2026-27 Program Initiatives

- Continue advancing initiatives that promote a workplace culture where employees feel valued, respected, and empowered to contribute to the District's mission.
- Implement a new employee evaluation system designed to strengthen performance management by providing clearer expectations, constructive feedback, and measurable short- and long-term goals. Provide training for all supervisors and managers on effective performance management practices.
- Finalize negotiations for a successor Memorandum of Understanding (MOU) with IAFF and initiate and complete negotiations with the IAFF Battalion Chief bargaining unit.
- Complete the entry-level firefighter recruitment process for the 2027 academy and administer promotional testing for the Captain and Battalion Chief classifications.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Human Resources Manager	1	1	1	0
Senior Human Resources Analyst	1	1	1	0
Senior Payroll Analyst	1	0	0	0
	3	**2**	**2**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$549,038	$404,869	$383,931	$439,823	$34,954	8.6%
Stipends	$11,880	$13,320	$5,970	$7,320	($6,000)	(45.1%)
Overtime	$119	$30,000	$12,560	$30,000	$0	0.0%
Retirement	$191,379	$128,770	$123,835	$108,429	($20,341)	(15.8%)
Benefits	$115,486	$75,343	$70,807	$124,720	$49,377	65.5%
Materials and Supplies	$25,836	$29,000	$16,740	$28,000	($1,000)	(3.5%)
Contract Services	$1,989,059	$2,076,100	$2,412,805	$2,622,500	$546,400	26.3%
EXPENSES TOTAL	**$2,882,797**	**$2,757,402**	**$3,026,647**	**$3,360,792**	**$603,390**	**21.9%**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, holiday pay, annual leave, leave cash-outs, workers' compensation, and other forms of paid leave. The total request reflects an increase of $34,954, primarily due to the anticipated general wage increase and projected annual leave cash-outs for personnel. This adjustment accounts for both higher base salaries and the additional costs associated with compensating employees for unused annual leave, resulting in an overall increase in personnel-related expenditures for the upcoming fiscal year.

Stipends: The expenditure request includes phone stipends and residency stipends. The total request reflects a decrease of $6,000, primarily because some employees did not meet the eligibility requirements for these stipends. As a result, fewer employees will receive these payments, leading to lower overall stipend expenses for the upcoming fiscal year.

Retirement: The expenditure request includes the standard employer retirement contribution, the annual Unfunded Actuarial Liability (UAL) payment, any UAL excess payments, and Medicare tax contributions. The total request reflects a decrease of $20,341, primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026-27 as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Benefits: The expenditure request includes payments for the cafeteria plan, dental plan, life insurance, and post-employment health benefits. The total request reflects an increase of $49,377, primarily due to higher projected contribution costs for post-employment health benefits for employees in the upcoming fiscal year.

Contract Services: The expenditure request includes benefits administration services, consultant services, general contract services, workers' compensation insurance, and retiree medical expenses. The total request reflects an increase of $546,400, largely driven by anticipated rate increases for these services, particularly a projected rise in workers' compensation costs in the upcoming fiscal year. This trend is supported by the consistent year-over-year increase in actual workers' compensation costs.

Program Overview

The Information Technology (IT) program supports all hardware and software applications, telecommunications, and wireless communications within the Menlo Park Fire Protection District (District). This program is responsible for ensuring cybersecurity across all connections and servers. Additionally, it manages the implementation, training, upgrades, and security enhancements of the District's software and hardware systems as needed.

Management Oversight

The IT program is overseen by the Administrative Services Director, with the IT Manager responsible for daily operations. The program is staffed by three full-time equivalent positions and covers expenses related to hardware and software acquisition, application subscriptions, computer and laptop equipment, infrastructure server equipment, and general supplies and accessories.

Program Objectives

- Protect the integrity of the District's information and IT assets by strengthening cybersecurity measures.
- Maintain a stable and reliable information technology infrastructure to support District operations.
- Implement a modern IT infrastructure that enables seamless access to the District's information resources platform.
- Deliver high-quality customer service to all stakeholders, ensuring their IT needs are met efficiently and effectively.

FY 2025-26 Accomplishments

- Optimized storage infrastructure by upgrading the SAN storage system, improving performance and reliability.
- Redesigned intranet site to enhance user experience, accessibility, and internal communications.
- Implemented Starlink connectivity at multiple stations, ensuring reliable high-speed internet access.
- Upgraded all workstations to Windows 11, addressing Windows 10 end-of-life and improving system security and functionality.
- Enhanced network resilience and security through comprehensive hardware and software infrastructure upgrades.

FY 2026-27 Program Initiatives

- Upgrade Universal Power Supply at core locations to improve reliability and support critical operations.
- Optimize virtual backup solutions to enhance data protection and disaster recovery efficiency.
- Support Station 1 Phase 1 pre-construction move, including user relocation and network setup.
- Upgrade and replace wireless hardware to improve connectivity, coverage, and network performance.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Information Technology Manager	1	1	1	0
Senior Information Technology Analyst	1	1	1	0
Information Technology Specialist	1	1	2	1
	3	**3**	**4**	**1**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATIO N
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$606,144	$647,100	$622,416	$842,553	$195,453	30.2%
Stipends	$15,640	$22,268	$16,184	$33,039	$10,771	48.4%
Overtime	$2,819	$20,000	$9,028	$15,000	($5,000)	(25.0%)
Retirement	$199,195	$234,919	$229,334	$208,554	($26,365)	(11.2%)
Benefits	$89,230	$102,248	$89,939	$122,160	$19,912	19.5%
Materials and Supplies	$235,113	$276,200	$153,127	$520,700	$244,500	88.5%
Contract Services	$320,932	$514,000	$428,571	$545,000	$31,000	6.0%
Fixed Assets	–	$100,000	$68,941	$90,000	($10,000)	(10.0%)
EXPENSES TOTAL	**$1,469,073**	**$1,916,735**	**$1,617,541**	**$2,377,006**	**$460,271**	**24.0%**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, holiday pay, annual leave, leave cash-outs, workers' compensation, and other forms of paid leave. The increase of $195,453 is primarily due to several factors: the anticipated general wage increase and the addition of an Information Technology Specialist position. These adjustments reflect changes in full-time equivalent personnel and necessary compensation updates for the upcoming fiscal year.

Stipends: The expenditure request includes career development pay, phone stipends, residency stipends, and uniform allowances. An increase of $10,771 is primarily due to the addition of one Information Technology Specialist in the upcoming fiscal year.

Retirement: The expenditure request includes the standard employer retirement contribution, the annual Unfunded Actuarial Liability (UAL) payment, any UAL excess payments, and Medicare tax contributions. The total request reflects a decrease of $26,365, primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026–27 as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members. This overall decrease was partially offset by increased retirement contributions associated with the additional IT Specialist position

Materials and supplies: The expenditure request includes costs for information technology software and hardware, office supplies, travel, conference registrations, and memberships and licenses. The total request reflects an increase of $244,500, primarily driven by the planned IT infrastructure equipment replacement. This adjustment accounts for both necessary technology upgrades and rising operational costs.

Contract services: The expenditure request includes training services, internet billing, technical support, software, and system licenses. The projected increase of $31,000 is primarily due to anticipated rises in service costs, software licensing fees, and technical support expenses for the upcoming fiscal year. This adjustment reflects expected inflation in service rates as well as the ongoing need for system maintenance and updates to ensure continued operational efficiency and effectiveness.

MENLO PARK FIRE PROTECTION DISTRICT

OPERATIONS DIVISION

Division Overview

The Operations Division is responsible for the deployment of resources and emergency response, as well as personnel management, safety training, and the daily operations of the department. This division is also tasked with investigating and, when appropriate, implementing modern fire suppression methods, technologies, and equipment. The Operations Division oversees several key areas, including Fire Suppression, Radio Communications, Personal Protective Equipment, Unmanned Aerial Systems, Audio and Visual Production, and the Safety Committee.

The Operations Division plays a central role in fulfilling the Fire District's mission: to protect and preserve life and property from the effects of fire, disasters, injury, and illness. It accomplishes this by providing 24/7, year-round all-hazard response to both emergency and non-emergency calls within the District and neighboring jurisdictions.

Also, included in this division is Special Operations. Special Operations manages California Task Force Three (CA-TF3), California Swift Water Rescue Three (CA-SWR3), Water Rescue, Heavy Rescue, Tactical Emergency Medicine Support (TEMS), and Joint Honor Guard. This incorporates management of the FEMA Cooperative Agreements, CalOES Awards, adherence to various federal and state laws and standards, various contracts, internal Special Operations policies, procedures, and guidelines, relationships with federal, state officials, and local government officials, as well as, training and record retention for 220 Urban Search and Rescue Team Members.

Management Oversight

The Operations Division is led by the Division Chief of Operations, who oversees seven key programs related to fire service operations. These programs include fire suppression, operations audio and visual, personal protective equipment, radio communications, the safety committee, self-contained breathing apparatus, and unmanned aerial systems. The division is staffed by 117 full-time equivalent employees, making up 75.6% of the District's total workforce.

Division Goals and Objectives

1. Maintain adequate staffing levels for daily operations, training, and emergency coverage, including planning for scheduled leaves, absences, and large-scale incidents.
2. Oversee the budget for staffing, training, and backfilling needs to ensure financial resources are available for operational readiness.
3. Ensure the proper maintenance, safety, and regulatory compliance of all District buildings, equipment, and fitness facilities.
4. Provide ongoing training and certification for personnel to ensure preparedness for fire suppression, emergency response, and specialized operations, to achieve optimal outcomes during fire and other emergency incidents.
5. Maintain and regularly update personal protective equipment (PPE) inventory, ensuring compliance with safety standards and operational readiness.
6. Manage radio communications equipment, ensuring connectivity and compliance with local and statewide requirements.
7. Conduct safety committee meetings, investigate accidents, and implement corrective measures to enhance safety protocols and reduce risks.
8. Oversee and maintain tactical medical care, collaborating with SWAT teams and offering emergency medical training for improved survivability.
9. Expand and enhance the UAS (Unmanned Aerial Systems) program, training additional pilots and exploring technology partnerships to improve fire service capabilities.
10. Develop and maintain water rescue training, equipment, and partnerships, ensuring personnel are well-prepared for swift water and flood rescue operations.

Division Performance Measures

Performance Measures	Division Goals and Objectives	Annual Target	FY 2025-26 Actual	FY 2026-27 Estimate
Improve response time from dispatch to on-scene arrival for emergency medical calls	#1	90% of calls within 6 min and 59 sec	90% of calls within 6 min and 46 sec	90% of calls within 6 min and 59 sec
Maintain all structure fires (residential and commercial) confined to the room of origin	#4	50%	70%	50%
Maintain the readiness of fire suppression equipment through daily checks and monthly maintenance	#3	100%	100%	100%

Please note that FY 2025–26 represents the first year the District established formal performance measures for each Division. As a result, the performance measure results section currently includes only one year of actual comparison data, representing FY 2025–26. Additional years of historical performance data will be incorporated into future budget documents as they become available, allowing for year-over-year trend analysis and a more comprehensive evaluation of performance outcomes.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Senior Management Analyst	1	2	2	0
Administrative Analyst	1	1	1	0
Battalion Chief (40-Hr)	1	1	1	0
Logistics Specialist	1	1	1	0
Division Chief	1	1	1	0
Firefighter/Engineer	75	75	75	0
Captain	30	30	30	0
Battalion Chief	6	6	6	0
	116	**117**	**117**	**0**

Division Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Radio Communications	$90,996	$158,732	$106,670	$156,703	($2,029)	(1.3%)
Personal Protective Equipment	$315,024	$387,663	$262,867	$430,863	$43,200	11.1%
Self-Contained Breathing Apparatus	$113,114	$333,725	$58,387	$293,080	($40,645)	(12.2%)
Water Rescue	$326,326	$724,385	$256,426	$363,885	($360,500)	(49.8%)
Fire Suppression	$45,274,984	$49,893,104	$47,733,302	$51,724,109	$1,831,005	3.7%
Honor Guard	$25,799	$68,880	$5,008	$69,080	$200	0.3%
Unmanned Aerial Systems	$127,235	$630,198	$426,546	$188,580	($441,618)	(70.1%)
Heavy Rescue	$84,133	$292,175	$78,835	$346,740	$54,565	18.7%
Deployment-Local/State/Fed(CDF)	$548,088	$51,000	$127,545	$121,000	$70,000	137.3%
US&R Management	$388,336	$406,083	$317,155	$811,205	$405,122	99.8%
Tactical Medic	$3,413	$83,027	$1,743	$48,014	($35,013)	(42.2%)
Facilities	$1,332,094	$1,657,690	$1,468,037	$3,067,190	$1,409,500	85.0%
Fitness	$16,432	$109,621	$51,583	$78,000	($31,621)	(28.9%)
Safety Committee	$26,400	$60,218	$22,463	$63,218	$3,000	5.0%
Drone as First Responder	–	–	–	$412,612	$412,612	–
EXPENSES TOTAL	**$48,672,375**	**$54,856,501**	**$50,916,566**	**$58,174,279**	**$3,317,778**	**6.1%**

Division Expenditure Category Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$20,723,428	$22,571,066	$21,500,236	$23,458,720	$887,654	3.9%
Stipends	$3,057,907	$3,243,082	$3,057,705	$3,485,777	$242,695	7.5%
Overtime	$6,887,904	$7,191,000	$7,249,873	$7,710,500	$519,500	7.2%
Retirement	$10,576,410	$12,470,469	$11,888,700	$12,284,009	($186,460)	(1.5%)
Benefits	$4,260,637	$5,085,117	$4,366,835	$5,471,373	$386,256	7.6%
Materials and Supplies	$1,197,971	$1,791,010	$1,232,356	$1,817,000	$25,990	1.5%
Contract Services	$1,432,022	$1,714,390	$1,256,294	$3,451,900	$1,737,510	101.4%
Fixed Assets	$536,096	$790,367	$364,566	$495,000	($295,367)	(37.4%)
EXPENSES TOTAL	**$48,672,375**	**$54,856,501**	**$50,916,566**	**$58,174,279**	**$3,317,778**	**6.1%**

Related Programs

Drone as First Responder
Facilities
Fire Suppression
Fitness
Heavy Rescue
Honor Guard
Personal Protective Equipment
Radio Communications
Safety
Self-Contained Breathing Apparatus
Tactical Medic
Unmanned Aerial Systems
US&R Management
Water Rescue

MENLO PARK FIRE PROTECTION DISTRICT

DRONE AS FIRST RESPONDER

Program Overview

The Drone as First Responder (DFR) program provides rapid, pre-arrival aerial intelligence to support emergency response operations across the District. Utilizing strategically deployed drone systems and a centralized flight operations capability, the program enables the launch of unmanned aircraft at or near the time of dispatch, delivering real-time video, often prior to the arrival of ground resources.

DFR supports incident operations by providing real-time aerial information that improves initial size-up, helps identify hazards, and informs decision-making for incoming crews and command staff. As the program continues to develop, it is being integrated into dispatch and incident command workflows to provide relevant information during the early stages of an incident.

DFR operations are designed to complement the District's Unmanned Aerial Systems (UAS) program, with DFR providing rapid initial intelligence and UAS resources supporting sustained on-scene operations as needed. Together, these capabilities are a key component of the District's broader Air Operations approach to emergency response.

Management Oversight

The DFR program is overseen by the Division Chief of Operations, with day-to-day management delegated to the Battalion Chief and program coordinator. This program has one full-time employee. It covers expenses related to the purchase of DFR equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Provide rapid, reliable aerial intelligence to support early-stage incident response and decision-making.
- Integrate DFR operations into dispatch and incident command workflows as capabilities mature.
- Maintain safe, compliant operations in accordance with FAA regulations, District policy, and established aviation practices.
- Support coordination between DFR and UAS resources to provide both initial and sustained aerial situational awareness.
- Promote collaboration within the District and with regional partners to enhance interoperability, training opportunities, and overall operational effectiveness.

FY 2025-26 Accomplishments

- Initiated and deployed the District's first Drone as First Responder (DFR) capability, including the installation and operation of a remotely deployed drone system.
- Conducted operational testing and evaluation of DFR response capabilities, including launch timing, flight performance, and real-time video delivery to support incident operations.
- Established initial coordination with local aviation partners to support safe and effective shared airspace operations.
- Integrated DFR video feeds into existing platforms, improving access to real-time incident information for command staff and responding units.
- Evaluated emerging aircraft connectivity technologies to support enhanced operational reliability, range, and real-time video delivery.
- Supported the development and approval of a dedicated DFR program, including the establishment of a multi-year funding model and separate program budget.

FY 2026-27 Program Initiatives

- Expand DFR operational coverage through the deployment of additional infrastructure and supporting technology to improve response capability across the District.
- Continue development and formalization of the centralized flight operations capability to support increased mission volume, coordination, and operational effectiveness.
- Advance integration of DFR operations into dispatch and incident command workflows to improve the delivery and use of real-time information during incidents.
- Enhance coordination between DFR and UAS resources to support both rapid initial response and sustained on-scene operations.
- Support training, qualification, and collaborative efforts within the District and with regional partners to improve interoperability, operational readiness, and program scalability.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Senior Management Analyst	0	0	1	1
	0	**0**	**1**	**1**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	–	–	–	$174,940	$174,940	–
Stipends	–	–	–	$6,660	$6,660	–
Retirement	–	–	–	$39,943	$39,943	–
Benefits	–	–	–	$47,769	$47,769	–
Materials and Supplies	–	–	–	$47,800	$47,800	–
Contract Services	–	–	–	$64,500	$64,500	–
Fixed Assets	–	–	–	$31,000	$31,000	–
EXPENSES TOTAL	**–**	**–**	**–**	**$412,612**	**$412,612**	**–**

Expenditure Analysis

Salaries: This request covers funding for regular salaries, leave benefits, workers' compensation, and other paid time off. The $174,940 increase is primarily due to the transfer of the Senior Management Analyst position from the UAS program to the Drone as First Responder program. These adjustments reflect the need to realign staffing resources with program priorities and operational demands.

Stipends: The expenditure request includes career development pay, a phone stipend, residency stipends, and a uniform allowance. The $6,660 increase is primarily due to the transfer of the Senior Management Analyst position from the UAS program to the Drone as First Responder program.

Retirement: The expenditure request includes the standard employer retirement contribution, annual Unfunded Actuarial Liability (UAL) payment, UAL excess payment, and Medicare tax payments. The $39,943 increase is due to the transfer of the Senior Management Analyst position from the UAS program to the Drone as First Responder program.

Benefits: The expenditure request covers costs for the café plan, dental plan, life insurance, and post-employment health benefits. The $47,769 decrease is primarily due to the transfer of the Senior Management Analyst position from the UAS program to the Drone as First Responder program.

Materials and supplies: This request includes funding for general-purpose equipment, supplies, training registrations, and travel expenses. An increase of $47,800 is anticipated, primarily due to new purchase requests for drone equipment and travel costs planned training and conference activities in the upcoming fiscal year.

Contract services: This request includes funding for the routine maintenance of drone equipment and associated software expenditures. An increase of $64,500 is anticipated, primarily driven by new project costs related to the maintenance and servicing of drone systems, as well as expanded software licensing requirements in the upcoming fiscal year.

Fixed assets: All fixed asset purchases are recorded in the Capital Improvement Projects Fund. The request for fixed assets this year is for purchase and installation of an additional dock to expand district coverage.

MENLO PARK FIRE PROTECTION DISTRICT

FACILITIES

Program Overview

The Facilities program's purpose is to oversee all operational elements of Menlo Park Fire Protection District (District) facilities. The program ensures the District meets all compliance and safety standards of all facilities. In addition, the facilities program manages all maintenance and repair of facilities to provide a safe and comfortable work environment in an efficient cost-effective manner.

Management Oversight

The Facilities program is directed by the Division Chief of Operations with oversight authority delegated to the on-shift Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains expenses pertaining to general supplies and equipment purchases, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Oversee all maintenance, repairs, and daily operations of the District's buildings and equipment, ensuring they remain in optimal condition through routine inspections, preventive care, and timely repairs.
- Ensure all facilities comply with local, state, and federal safety codes and regulations, conducting regular audits and addressing any compliance issues to maintain a safe environment.
- Implement sustainability initiatives such as energy-efficient upgrades and waste reduction to reduce costs and environmental impact.
- Create and maintain comprehensive facility maintenance plans to address immediate needs and long-term projects, ensuring efficient budgeting and execution to meet the District's evolving infrastructure needs.

FY 2025-26 Accomplishments

- Maintained constant district improvements and repairs while being fiscally responsible.
- Identified valued vendors while retaining vendors that met our performance response and work quality.
- Improved Safety, Effectiveness & efficiency in our structures operating systems as well as for our operating personnel.

FY 2026-27 Program Initiatives

- Continue district improvements and repairs while being fiscally responsible.
- Retain valued vendors. Continue to improve relationships while continuing to look for other valued vendors.
- Continue to improve Safety, Effectiveness & efficiency in our structures operating systems as well as for our operating personnel.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$604	$20,000	$4,202	$20,000	$0	0.0%
Retirement	$9	$290	$61	$290	$0	0.0%
Materials and Supplies	$591,881	$732,000	$643,628	$726,500	($5,500)	(0.8%)
Contract Services	$705,416	$894,400	$809,863	$2,320,400	$1,426,000	159.4%
Fixed Assets	$34,185	$11,000	$10,282	–	($11,000)	(100.0%)
EXPENSES TOTAL	**$1,332,094**	**$1,657,690**	**$1,468,037**	**$3,067,190**	**$1,409,500**	**85.0%**

Expenditure Analysis

Contract services: The expenditure request includes costs for general contractors, internet services, equipment replacement, and facility maintenance and repairs. The total request reflects an increase of $1,426,000, primarily due to anticipated contractor expenses for setting up a temporary fire station due to the Fire Station 1 rebuild project. Additional increases are driven by rising utility costs and higher projected spending on general supplies for fire stations in the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

FIRE SUPPRESSION

Program Overview

The Fire Suppression (FS) program's purpose is to coordinate, manage, and supervise all of the emergency operations and daily work activities for suppression personnel. The program manages the daily staffing of a minimum of 33 personnel with occasional increases due to significant incidents or events.

Management Oversight

The FS program is directed by the Division Chief of Operations with oversight authority delegated to the on-shift battalion chiefs. This program has 112.7 full-time equivalent personnel and associated payroll expenses for all front-line sworn personnel and miscellaneous supplies and accessory purchases.

Program Objectives

- Ensure that the minimum staffing requirements for suppression coverage are consistently met, while proactively planning for staffing augmentations needed to cover scheduled leaves, unexpected absences, and significant events such as emergencies or large-scale incidents.
- Regularly assess current staffing levels to anticipate upcoming personnel changes, including promotions and retirements. Plan and adjust staffing to maintain operational readiness and ensure sufficient coverage for daily operations and training needs.
- Ensure that staffing levels are adequate to support daily training schedules and operational demands, including the necessary backfill for personnel participating in training or other specialized assignments.
- Develop a budget that accounts for the costs associated with maintaining adequate staffing levels, including backfilling for personnel on leave, training, or specialized assignments, ensuring financial resources are available for any staffing-related needs.
- Build flexibility into staffing plans to quickly adapt to unexpected absences, surge events, or other operational needs, ensuring the department remains fully staffed and capable of responding to emergencies without compromising service delivery.

FY 2025-26 Accomplishments

- Successfully met the district's evolving staffing demands, supporting a wide range of specialized operations including US&R, water rescue, mutual aid wildland strike teams, and single-resource deployments. Proactively managed personnel and resources to ensure operational readiness under changing conditions.
- Maintained consistent, year-round staffing coverage for all frontline apparatus, including seven engines, two trucks, and two battalions, ensuring uninterrupted emergency response capability and compliance with deployment standards.

FY 2026-27 Program Initiatives

- Ensure that the minimum staffing requirements for suppression coverage are consistently met, while proactively planning for staffing augmentations needed to cover scheduled leaves, unexpected absences, and significant events such as emergencies or large-scale incidents.
- Regularly assess current staffing levels to anticipate upcoming personnel changes, including promotions and retirements. Plan and adjust staffing to maintain operational readiness and ensure sufficient coverage for daily operations and training needs.
- Ensure that staffing levels are adequate to support daily training schedules and operational demands, including the necessary backfill for personnel participating in training or other specialized assignments.
- Develop a budget that accounts for the costs associated with maintaining adequate staffing levels, including backfilling for personnel on leave, training, or specialized assignments, ensuring financial resources are available for any staffing-related needs.
- Build flexibility into staffing plans to quickly adapt to unexpected absences, surge events, or other operational needs, ensuring the department remains fully staffed and capable of responding to emergencies without compromising service delivery.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Division Chief	1	1	1	0
Battalion Chief	6	6	6	0
Battalion Chief (40-Hr)	0.7	0.7	0.7	0
Captain	30	30	30	0
Firefighter/Engineer	75	75	75	0
	112.7	**112.7**	**112.7**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$20,705,998	$22,308,405	$21,326,961	$23,254,401	$945,996	4.2%
Stipends	$3,057,080	$3,234,885	$3,053,446	$3,477,691	$242,806	7.5%
Overtime	$6,640,412	$6,610,000	$7,058,741	$7,114,000	$504,000	7.6%
Retirement	$10,517,645	$12,432,410	$11,865,870	$12,226,738	($205,672)	(1.7%)
Benefits	$4,259,725	$5,029,114	$4,321,222	$5,419,479	$390,365	7.8%
Materials and Supplies	$107,779	$81,000	$36,883	$89,000	$8,000	9.9%
Contract Services	$534,433	$248,290	$197,723	$263,800	$15,510	6.3%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
EXPENSES TOTAL	$45,823,072	$49,944,104	$47,860,847	$51,845,109	$1,901,005	3.8%

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, holiday pay, annual leave, leave cash-outs, workers' compensation, and other forms of paid leave. The total request reflects an increase of $945,996, primarily due to the anticipated general wage increase and projected annual leave cash-outs for personnel. This adjustment accounts for both higher base salaries and the additional costs associated with compensating employees for unused annual leave, resulting in a significant increase in overall personnel-related expenditures for the upcoming fiscal year.

Stipends: The expenditure request includes specialty pay, paramedic and EMT pay, out-of-grade pay, BC deployment, and special assignment pay. The total request reflects an anticipated increase of $242,806, primarily due to projected rise costs tied to the increase in base salaries.

Overtime: The expenditure request includes overtime costs for backfilling positions due to workers' compensation leave, paid time off, emergency operations, compensatory time off, and wildfire deployments. The total request reflects an increase of $504,000, mainly due to projected overtime rate increases associated with higher salaries, as well as one-time costs related to specific program projects.

Retirement: The total request reflects a decrease of $205,672, primarily due to a reduction in UAL amounts for FY 2026–27. A secondary factor is the change in UAL allocation methodology; as noted in the most recent valuation reports, CalPERS now provides a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate amounts were provided for each plan. For budgeting purposes, this results in the UAL being distributed evenly between Classic and PEPRA members.

Benefits: The expenditure request includes payments for the cafeteria plan, dental plan, life insurance, and post-employment health benefits. The total request reflects an increase of $390,365, primarily due to higher projected contribution costs for the cafeteria plan for employees in the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

FITNESS

Program Overview

The Fitness program's purpose is to provide adjunct support to the District's wellness program by focusing on three key areas: physical fitness training and education, Individual member support and guidance, as well as research, purchasing, maintenance, and repair of the District's fitness equipment. The program recognizes that research has demonstrated the need for high levels of aerobic fitness, muscular endurance, muscular strength, muscular power, and flexibility to perform safely and effectively in fulfilling our mission of providing emergency services to the communities we serve.

Management Oversight

The Fitness program is directed by the Division Chief of Operation with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general fitness supplies and equipment purchases, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Regularly review and update the fitness equipment inventory, ensuring that all items are properly recorded. Replace aging or damaged equipment promptly to ensure the fitness facilities are fully operational and safe for use.
- Design and implement a comprehensive yearly fitness program tailored to the needs of our members. This program will include fitness assessments, structured training routines, and goal-setting to enhance overall physical health and performance.
- Offer personalized fitness evaluations, feedback, and coaching to members, helping them improve their physical fitness, meet individual goals, and maintain peak performance levels.
- Continuously track the progress of members through regular evaluations, adjusting fitness plans as needed to ensure ongoing improvement and address any specific physical challenges or needs.
- Manage the routine maintenance, servicing, and repairs of all fitness equipment to ensure it remains in good working condition. Schedule regular inspections and address any issues promptly to avoid downtime and maintain a safe environment.

FY 2025-26 Accomplishments

- Equipment maintenance was carried out effectively throughout the year, ensuring consistent reliability and performance.
- The fitness evaluation was successfully conducted, building on the existing format while incorporating new ideas and improvements.
- Gym equipment was regularly upgraded, resulting in enhanced facilities and an improved training environment.

FY 2026-27 Program Initiatives

- Replace outdated treadmills with newer models to enhance safety, performance, and user experience.
- Collaborate with management to ensure budget allocations were used appropriately and aligned with organizational priorities.
- Contribute to the planning and development of the new HQ gym, supporting future facility improvements.
- Continue to refine the annual evaluation process while promoting additional education and training opportunities for the workforce.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	–	$3,000	–	–	($3,000)	(100.0%)
Retirement	–	$44	–	–	($44)	(100.0%)
Materials and Supplies	$9,603	$28,210	$28,190	$15,000	($13,210)	(46.8%)
Contract Services	$6,829	$8,000	$7,574	$9,000	$1,000	12.5%
Fixed Assets	$0	$70,367	$15,819	$54,000	($16,367)	(23.3%)
EXPENSES TOTAL	**$16,432**	**$109,621**	**$51,583**	**$78,000**	**($31,621)**	**(28.9%)**

Expenditure Analysis

Overtime: This expenditure request includes overtime for maintaining fitness equipment and conducting employee exercise programs. No overtime is projected for these activities in the upcoming fiscal year, resulting in no associated increase in costs.

Materials and supplies: This expenditure request includes funding for general-purpose equipment as well as maintenance and repairs to existing equipment. The total request reflects a decrease of $13,210, primarily due to a lower anticipated need for general equipment purchases in the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

HEAVY RESCUE

Program Overview

The Heavy Rescue program's purpose is to provide technical training and respond to technical rescue incidents within the Fire District and County of San Mateo, as well as maintain our level as a State OES resource (US&R ICS 120-1). All team members are certified to the level of Rescue Specialist and meet or exceed the requirements set forth in NFPA 1006 & 2500 with the ability and equipment to manage rescues involving structure collapse, high and low angle rope rescue, trench collapse, confined space, machinery entrapment incidents, and major vehicle or industrial accidents.

Management Oversight

The Heavy Rescue program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, contract services, and overtime for training and program administration.

Program Objectives

- Provide ongoing, annual, and quarterly training to ensure personnel are consistently up-to-date with the latest skills and certifications required for their roles.
- Ensure all personnel complete necessary training as mandated by California State Fire Training, FEMA, and Cal OES, including specialized courses for disaster response and fire service operations.
- Maintain and regularly update personnel's personal protective equipment (PPE) to meet safety standards and ensure readiness for all operational scenarios.
- Keep the US&R (Urban Search & Rescue) 102 unit fully operational at all times, including regular maintenance, equipment checks, and readiness drills, to ensure rapid deployment during emergencies.
- Periodically evaluate training programs and equipment to ensure they meet current standards and operational needs, implementing improvements as necessary to maintain high levels of readiness and safety.

FY 2025-26 Accomplishments

- Continued to integrate the Heavy Rescue into the regular response patterns of the Fire District with Cross Staffing.
- Trained additional members with support of sponsorship of related certification classes.

FY 2025-26 Program Initiatives

- Develop a revised deployment plan for shoring up equipment to streamline operations and reduce maintenance costs.
- Purchase two trailers for training and shoring (lumbar) use.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$53,973	$150,000	$31,925	$120,000	($30,000)	(20.0%)
Retirement	$783	$2,175	$463	$1,740	($435)	(20.0%)
Materials and Supplies	$28,780	$115,000	$45,970	$95,000	($20,000)	(17.4%)
Contract Services	$598	$25,000	$477	$20,000	($5,000)	(20.0%)
Fixed Assets	–	–	–	$110,000	$110,000	–
EXPENSES TOTAL	**$84,133**	**$292,175**	**$78,835**	**$346,740**	**$54,565**	**18.7%**

Expenditure Analysis

Overtime: Backfill and overtime funding has been requested to support personnel participation in training and certification classes for the Heavy Rescue program. A decrease of $30,000 is anticipated for the upcoming fiscal year, primarily due to a reduction in the amount of time personnel are expected to spend on these training and certification activities.

Materials and supplies: This expenditure request includes funding for general supplies, training registrations, and travel expenses. A decrease of $20,000 is anticipated for the upcoming fiscal year, primarily due to fewer personnel attending training and certification classes and a reduced need for general equipment purchases.

Contract services: This expenditure request includes funding for general contract services as well as equipment maintenance and repair expenses. A decrease of $5,000 is anticipated for the upcoming fiscal year, primarily due to lower activity costs and a reduced volume of equipment maintenance and repairs.

Fixed assets: Fixed asset purchases are recorded in the Capital Improvement Projects Fund. This year's expenditure request includes the acquisition of heavy rescue vehicles, a critical investment for upgrading the organization's fleet to meet current operational requirements and support future operational needs.

MENLO PARK FIRE PROTECTION DISTRICT

HONOR GUARD

Program Overview

The Honor Guard (HG) program's purpose is to serve as the Ceremonial Honor Unit for the Fire District and Firefighters Association at fire service funerals and memorial services. The unit also participates in parades, special events, and other ceremonial occasions.

Management Oversight

The HG program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, and overtime for training and program administration.

Program Objectives

- Support District members and their families during times of crisis, such as death or serious injury, by providing emotional, logistical, and financial assistance as needed.
- Honor fallen firefighters with respect and reverence, participating in memorial services and ensuring their sacrifice is acknowledged within the community and the department.
- Represent the District and Association with integrity and pride by participating in ceremonies, posting the colors, and offering support to those in need, upholding the values of compassion and solidarity.

FY 2025-26 Accomplishments

- Participated in the District Promotional Ceremony, recognizing the achievements and advancement of department members while supporting fellow personnel and their families.
- Attended the Local Blue Mass at Saint Pius, honoring first responders and fostering community relationships through a shared tradition of remembrance and gratitude.
- Participated in the San Mateo County Fallen Firefighters Memorial, paying tribute to those who made the ultimate sacrifice in the line of duty and supporting their families, colleagues, and the broader fire service community.
- Attended the State Fallen Firefighter Memorial, joining agencies from across California to honor fallen firefighters, reflect on their service, and reaffirm a commitment to duty, safety, and brotherhood within the profession.

FY 2026-27 Program Initiatives

- Actively participate in memorial services and ceremonies, honoring fallen firefighters both locally and nationally. Focus on increasing visibility and involvement in key events such as the San Mateo County Public Safety Memorial, local commemorations, and prepare for the 2026 IAFF Memorial in Colorado Springs.
- Seek new opportunities for the Honor Guard to participate in public events, boosting public recognition of the team's mission.
- Recruit additional members to diversify and strengthen the team for continued representation at key events. Provide specialized training and team-building exercises to ensure preparedness for ceremonial duties, including the introduction of an annual Honor Guard dinner to recognize past and current members.
- Acquire additional equipment to maintain a polished appearance, including new uniforms and off-duty gear for members. Regularly assess and upgrade equipment to meet evolving team needs. Create an approved patch and challenge coins for members and their families.
- Cultivate a stronger sense of camaraderie within the team by organizing team-building activities and ensuring all members work cohesively toward shared goals.
- Continue representing the district and department with integrity, pride, and respect for the fallen. Ensure that the values of compassion, respect, and solidarity remain central to all Honor Guard activities.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$23,966	$40,000	$1,957	$40,000	$0	0.0%
Retirement	$348	$580	$28	$580	$0	0.0%
Materials and Supplies	$1,485	$28,300	$2,928	$28,500	$200	0.7%
Contract Services	–	–	$95	–	$0	–
EXPENSES TOTAL	**$25,799**	**$68,880**	**$5,008**	**$69,080**	**$200**	**0.3%**

MENLO PARK FIRE PROTECTION DISTRICT

PERSONAL PROTECTIVE EQUIPMENT

Program Overview

The Personal Protective Equipment (PPE) program's purpose is to support all product research, purchasing, distributing, testing, and maintaining of all personal protective equipment of safety personnel for structural firefighting, wildland firefighting, EMS operation, technical rescue, and fire investigation.

Management Oversight

The PPE program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chiefs and program coordinator. This program does not have any full-time equivalent employees. This program contains the general expenditures pertaining to firefighting personal protective equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Research and procure personal protective equipment (PPE) for safety personnel, ensuring the latest and most effective gear is selected based on safety standards and operational needs.
- Maintain optimal inventory levels of PPE to ensure all safety personnel are adequately equipped and that replacements or upgrades are readily available when needed.
- Fully implement Asset Management software to enhance the tracking of PPE and equipment, ensuring compliance with NFPA 1851 standards for the care, maintenance, and replacement of protective gear. This includes utilizing a vendor portal for streamlined management and reporting.

FY 2025-26 Accomplishments

- Researched, selected, and procured appropriate personal protective equipment (PPE) to meet the operational needs of safety personnel.
- Maintained accurate PPE inventory levels to ensure availability, readiness, and continuity of operations.
- Replaced raincoats across all apparatus and stations to provide consistent weather protection for personnel.
- Purchased additional structural helmets to support training needs and prepare for the rollout of the Qwake C-Thru system.
- Supported the Cadet program by providing rental PPE and replacing helmets nearing the end of their service life.
- Procured two sets of eye protection for each operations staff member to enhance safety compliance and improve on-scene protection.

FY 2026-27 Program Initiatives

- Replace structural firefighting turnouts that are nearing the end of their service life to ensure safety and maintain compliance.
- Acquire rescue straps for all line personnel to improve operational readiness and safety during rescue operations.
- Continue supporting the Cadet program by meeting its ongoing PPE needs.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$19,602	$25,000	$10,120	$25,000	$0	0.0%
Retirement	$284	$363	$147	$363	$0	0.0%
Materials and Supplies	$254,824	$306,300	$198,143	$325,500	$19,200	6.3%
Contract Services	$40,315	$56,000	$54,457	$80,000	$24,000	42.9%
EXPENSES TOTAL	**$315,024**	**$387,663**	**$262,867**	**$430,863**	**$43,200**	**11.1%**

Expenditure Analysis

Contract Services: This expenditure request includes funding for protective equipment, uniforms, general supplies, and materials necessary for daily operations. The total request reflects a projected increase of $24,000, primarily driven by the general rise in costs for personal protective equipment (PPE), along with ongoing needs to support daily operational requirements.

MENLO PARK FIRE PROTECTION DISTRICT

RADIO COMMUNICATIONS

Program Overview

The Radio Communications (RC) program's purpose is to support all product research, purchasing, distributing, testing, and maintenance of radio communications equipment and provide training in mobile and handheld radio equipment.

Management Oversight

The RC program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chiefs and program coordinator. This program does not have any full-time equivalent employees. This program contains the general expenditures pertaining to firefighting radio communications equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Ensure all radio communications equipment has connectivity with local and statewide mutual aid partners.
- Train all fire safety personnel on radio communications equipment.
- Maintain appropriate and adequate inventory of radio communications equipment.
- Manage maintenance and repair of all radio communications equipment.
- Ensure compliance with local and state- wide requirements.
- Research and purchase radio communications equipment for District use.

FY 2025-26 Accomplishments

- Procured and deployed new Motorola APX 900 portable radios for Battalion Chiefs, enhancing communication reliability and functionality in the field.
- Implemented MPFD radio channel programming for standardized use across the district, improving interoperability and operational consistency.
- Tested and successfully deployed new VHF Phantom antennas on two apparatus, with plans to expand installation to all engines and trucks to increase durability, reduce maintenance issues, and improve signal performance.
- Completed Starlink system upgrades at all stations, strengthening network connectivity and ensuring more reliable communications during critical incidents and outages.
- Coordinated and ensured completion of annual code plug updates for all portable and mobile radios through the radio program, maintaining system compatibility, performance, and compliance.

FY 2026-27 Program Initiatives

- Conduct annual radio operations refresher training for all personnel to ensure consistent proficiency in radio use, communication protocols, and emergency procedures.
- Coordinate with fleet operations to identify and fulfill all radio communication requirements during vehicle replacement and upfitting, including installation, programming, and system testing.
- Complete and verify annual code plug updates for all portable and mobile radios to maintain standardized channel configurations and interoperability.
- Purchase and install VHF Phantom antennas on all district engines and trucks to enhance communication reliability and equipment durability.
- Replace existing BK KNG station portable radios with Motorola APX 900 units, including procurement, programming, distribution, and user orientation.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$6,920	$16,000	$3,831	$14,000	($2,000)	(12.5%)
Retirement	$100	$232	$56	$203	($29)	(12.5%)
Materials and Supplies	$28,143	$68,500	$44,258	$68,500	$0	0.0%
Contract Services	$55,834	$74,000	$58,525	$74,000	$0	0.0%
EXPENSES TOTAL	**$90,996**	**$158,732**	**$106,670**	**$156,703**	**($2,029)**	**(1.3%)**

MENLO PARK FIRE PROTECTION DISTRICT

SAFETY

Program Overview

The Safety program's purpose is to continuously improve overall safety in the workplace for all District employees. The District is committed to providing the highest level of safety for all members of the organization and finding ways to reduce injuries, accidents, and illnesses while increasing efficiency and effectiveness in job performance. The Safety Program will review all incidents involving safety issues and provide recommendations to the Command Staff for possible implementation.

Management Oversight

The Safety program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the general expenditures pertaining to safety planning, annual safety inspection services, and overtime for training and program administration.

Program Objectives

- Conduct quarterly safety committee meetings to review trends in injuries, accidents, training, and fireground operations, and provide recommendations to executive command staff based on findings.
- Enhance facility safety through annual site inspections by a qualified third party, followed by necessary corrections and repairs.
- Update and distribute OSHA-compliant safety programs to all employees annually, ensuring they understand safety protocols and workplace safety standards.
- Develop and sponsor safety education for Safety Committee members, including training courses and conferences to deepen their expertise.
- Investigate and document serious incidents with "Blue Sheets" and "Green Sheets," and conduct preliminary accident investigations using the Serious Accident Review Team (SART). Improve tracking of injury and accident trends.

FY 2025-26 Accomplishments

- Conducted quarterly Safety Committee meetings and provided executive summaries with recommendations and actionable deliverables to the command staff.
- Sponsored two Safety Committee members to attend the FDSOA Annual Conference, where they obtained ISO/HSO certifications.
- Completed annual facility safety inspections in coordination with Du-All Safety.
- Revised and updated all district-developed safety programs.
- In partnership with the Training Division, hosted an in-house SART (Serious Accident Review Team) course delivered by FDSOA.
- Sponsored additional personnel to attend an in-county Incident Safety Officer course and obtain certification.

FY 2026-27 Program Initiatives

- Continue to hold quarterly Safety Committee meetings to ensure ongoing oversight and engagement in safety initiatives.
- Sponsor two members of the Safety Committee to attend the FDSOA Annual Conference, supporting professional development and the adoption of best practices.
- Establish a Serious Accident/Event Review Team to evaluate incidents, identify root causes, and recommend corrective actions.
- Conduct comprehensive reviews of all district-developed safety programs and perform annual safety inspections at all facilities to ensure compliance and continuous improvement.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$8,990	$15,000	$4,307	$15,000	$0	0.0%
Retirement	$130	$218	$62	$218	$0	0.0%
Materials and Supplies	$8,119	$15,000	$9,349	$18,000	$3,000	20.0%
Contract Services	$9,160	$30,000	$8,745	$30,000	$0	0.0%
EXPENSES TOTAL	**$26,400**	**$60,218**	**$22,463**	**$63,218**	**$3,000**	**5.0%**

MENLO PARK FIRE PROTECTION DISTRICT

SELF-CONTAINED BREATHING APPARATUS

Program Overview

The Self-Contained Breathing Apparatus (SCBA) program's purpose is to assess, purchase, maintain, repair, and test the Scott Air Packs used by District employees. The Scott Air Pack is a device worn by firefighters to provide breathable air in an immediately dangerous to life and health (IDLH) atmosphere. This includes hydro-testing SCBA cylinders, quarterly testing of the fill station, flow testing of all SCBA packs, and purchasing equipment for employees.

Management Oversight

The SCBA program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the general expenditures pertaining to the purchase of SCBA equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Ensure the reliability and proper functionality of all SCBA (Self-Contained Breathing Apparatus) equipment.
- Perform maintenance and repairs on all SCBA equipment as needed.
- Conduct research on emerging SCBA technologies to stay current with advancements.

FY 2025-26 Accomplishments

- Conducted routine inspections, testing, and maintenance of SCBA equipment to ensure operational readiness.
- Researched, evaluated, and onboarded new vendors, streamlining repair processes and expediting equipment orders.
- Investigated emerging SCBA technologies to recommend upgrades and improvements.
- Installed and commissioned new SCBA units including air packs, cylinders, and battery chargers across all frontline apparatus.

FY 2026-27 Program Initiatives

- Procure and coordinated the installation of two new SCBA fill stations to support operational readiness.
- Deploy new SCBA units for the Live Fire Training group, ensuring safe and efficient training operations.
- Design and implement semi-permanent storage solutions for all replacement SCBA equipment to optimize accessibility and organization.
- Conduct ongoing maintenance of SCBA equipment while proactively assessing and addressing future operational and replacement needs.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$10,481	$50,000	$1,396	$40,000	($10,000)	(20.0%)
Retirement	$152	$725	$20	$580	($145)	(20.0%)
Materials and Supplies	$55,815	$109,000	$34,389	$62,500	($46,500)	(42.7%)
Contract Services	$10,461	$35,000	$22,582	$30,000	($5,000)	(14.3%)
Fixed Assets	$36,205	$139,000	–	$160,000	$21,000	15.1%
EXPENSES TOTAL	**$113,114**	**$333,725**	**$58,387**	**$293,080**	**($40,645)**	**(12.2%)**

Expenditure Analysis

Overtime: This expenditure request includes backfill and overtime hours needed to support conference attendance, as well as SCBA maintenance and repair activities for the program. A decrease of $10,000 is anticipated for the upcoming fiscal year, primarily due to fewer planned projects and reduced overtime requirements, while still ensuring sufficient support for essential training and equipment maintenance.

Materials and supplies: This expenditure request covers general-purpose equipment, supplies, training registrations, and travel expenses. A decrease of $46,500 is projected for the upcoming fiscal year, primarily due to reduced spending on SCBA-related supplies and equipment, as the units have been recently replaced and require fewer additional purchases.

Contract services: This expenditure request includes funding for the routine maintenance, inspection, and evaluation of equipment. A decrease of $5,000 is anticipated for the upcoming fiscal year, primarily due to lower projected costs for maintaining and servicing SCBA equipment, reflecting improved equipment condition and reduced service requirements.

MENLO PARK FIRE PROTECTION DISTRICT

TACTICAL MEDIC

Program Overview

The Tactical Medic (TM) program's purpose is to participate in the county-wide team that provides highly trained medical personnel that function in a tactical law enforcement setting that assists the four SWAT teams in San Mateo County namely San Mateo County Sheriff's Office SWAT, North Central Regional SWAT, Daly City Police Department SWAT, and Redwood City Police Department SWAT. This includes monthly SWAT training, immediate need callouts, scheduled callouts, and special details/dignitary protection.

Management Oversight

The TM program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases and overtime for training and program administration.

Program Objectives

- Provide critical care in tactical or law enforcement settings to improve survivability, focusing on "point of wound care."
- Strengthen collaboration between tactical medics and SWAT team members by actively participating in monthly SWAT training sessions.
- Offer ongoing emergency medical training, including "self-aid and buddy aid," to SWAT personnel.

FY 2025-26 Accomplishments

- Responded to three Federal Bureau of Investigation (FBI) callouts.
- Participated in three North County SWAT callouts.
- Assisted with one South County SWAT callout.
- Supported one San Mateo County Sheriff's Office callout.
- Participated in one U.S. Marshals Service callout

FY 2026-27 Program Initiatives

- Recruit and onboard two additional operators to strengthen the Tactical Emergency Medical Support (TEMS) team.
- Plan and lead at least two team meetings focused on setting strategic goals, reviewing performance, and addressing operational challenges.
- Enhance team readiness by increasing TEMS participation in monthly SWAT training exercises.
- Purchase new PPE for members.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$3,364	$57,000	$1,102	$28,500	($28,500)	(50.0%)
Retirement	$49	$827	$16	$414	($413)	(49.9%)
Materials and Supplies	–	$25,200	$625	$19,100	($6,100)	(24.2%)
EXPENSES TOTAL	**$3,413**	**$83,027**	**$1,743**	**$48,014**	**($35,013)**	**(42.2%)**

Expenditure Analysis

Overtime: This request includes backfill and overtime hours required to support conference attendance, as well as tactical medic operation activities for the program. A decrease of $28,500 is anticipated, reflecting fewer planned projects and reduced overtime needs in the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

UNMANNED AERIAL SYSTEMS

Program Overview

The Unmanned Aerial Systems (UAS) program is designed to develop and leverage UAS technology, personnel, and equipment to support public safety operations. Its primary goal is to assist responders in protecting life and property during incidents involving fire, disasters, injury, and illness. By providing enhanced situational awareness, thermal imagery, and the ability to conduct wide-area searches, UAS technology improves the effectiveness and safety of emergency responders. The use of UAS offers an aerial perspective that helps detect hazards and supports tactical decision-making by incident commanders. Additionally, UAS can be employed for training, pre-emergency planning, public education, and disaster response operations.

Management Oversight

The UAS program is overseen by the Division Chief of Operations, with day-to-day management delegated to the Battalion Chief and program coordinator. This program has one full-time employee. It covers expenses related to the purchase of UAS equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Increase safety for personnel and community members by safely providing greater situational awareness of contributing factors to managing an incident.
- Utilize UAS technology and program pilots to gather and provide a top-down, 360-degree view of the firefighters/crew and hazards posing risks on the fireground.
- Utilize UAS resources that are deployed safely and cost-effectively compared to non-district air assets to very quickly utilize height advantage to search the waters within our District.
- Capitalize on all UAS opportunities in the district and regionally.
- Continue to improve operational capabilities through UAS and related technologies.
- Increase MPFPD UAS program visibility to regional public safety agencies.
- Seek out and maximize advanced opportunities for our pilots.

FY 2025-26 Accomplishments

- Responded to over 23 calls for service including structure fires, wildland fires, searches of the bay, SLAC and more.
- Brought DFR program online with M4D responding from rooftop docks at stations 2 and 4. DFR drones have responded to 229 calls for service to date this fiscal year.
- Began testing DFR at station 1 with rooftop dock above HQ.
- Conducted 24-hour training mock deployment exercise at Cozzolino Farms training pilots and testing technology.
- Brought UAS 101 online and continued adapting its technology compliment to support in district and out of district deployments.
- Updated Pilot Packs to the latest DJI M4T airframes and completed training of all pilots in the cadre.

FY 2026-27 Program Initiatives

- Increase operational abilities of pilot cadre via regular quarterly training cadence.
- Future proof investment in M4T/D series of UAS fleet with purchase of a second set of batteries. Establish an optimal cycle of frontline/reserve rotation.
- Perform regular mapping missions of target areas and evolving construction projects in the district to increase situational awareness.
- Increase pilot education and competence on UAS1 and UAS101 through focused training on these vehicles.
- Increase outreach and cohesion in the UAS community through the regional UAS working group.
- Explore technology and software upgrades that will expand the MPFD UAS program's operational capabilities including domestic "Blue list" UAS platforms.
- Continue to function as an on-call asset to neighboring agencies for technical support as may be needed.

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Senior Management Analyst	0	1	0	-1
	0	**1**	**0**	**-1**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	–	$234,802	$158,671	–	($234,802)	(100.0%)
Stipends	–	$6,660	$3,600	–	($6,660)	(100.0%)
Overtime	$31,360	$40,000	$9,604	$40,000	$0	0.0%
Retirement	$455	$27,034	$17,799	$580	($26,454)	(97.9%)
Benefits	–	$49,702	$42,951	–	($49,702)	(100.0%)
Materials and Supplies	$29,679	$99,000	$99,401	$58,000	($41,000)	(41.4%)
Contract Services	$6,109	$33,000	$28,196	$30,000	($3,000)	(9.1%)
Fixed Assets	$59,632	$140,000	$66,324	$60,000	($80,000)	(57.1%)
EXPENSES TOTAL	**$127,235**	**$630,198**	**$426,546**	**$188,580**	**($441,618)**	**(70.1%)**

Expenditure Analysis

Salaries: This request covers funding for regular salaries, leave benefits, workers' compensation, and other paid time off. The decrease in expenses is primarily due to the transfer of a Senior Management Analyst position to the Drone as First Responder program. These adjustments reflect the need to realign staffing resources with program priorities and operational demands.

Stipends: The expenditure request includes career development pay, a phone stipend, residency stipends, and a uniform allowance. The $6,660 decrease is primarily due to the transfer of a Senior Management Analyst position to the Drone as First Responder program.

Retirement: The expenditure request includes the standard employer retirement contribution, annual Unfunded Actuarial Liability (UAL) payment, UAL excess payment, and Medicare tax payments. The $26,454 decrease is due to the transfer of a Senior Management Analyst position to the Drone as First Responder program.

Benefits: The expenditure request covers costs for the café plan, dental plan, life insurance, and post-employment health benefits. The $49,702 decrease is primarily due to the transfer of a Senior Management Analyst position to the Drone as First Responder program.

Materials and supplies: This request includes funding for general-purpose equipment, supplies, training registrations, and travel expenses. A decrease of $41,000 is anticipated, primarily due to reduced purchase requests for materials and supplies due to the equipment replacement and upgrades made in the previous years.

Fixed assets: All fixed asset purchases are recorded in the Capital Improvement Projects Fund. The $60,000 budget is allotted for potential equipment upgrades.

MENLO PARK FIRE PROTECTION DISTRICT

URBAN SEARCH AND RESCUE (US&R) MANAGEMENT

Program Overview

The Urban Search and Rescue (US&R) Management program is responsible for overseeing the operations of California Task Force 3 (CA-TF3), a local Urban Search and Rescue team that can be deployed for regional, state, and federal emergencies. The Menlo Park Fire Protection District serves as the sponsoring agency for CA-TF3, receiving both federal and state grant funding to support the team. However, these funds are insufficient to fully cover the operational costs of the task force. To bridge this gap, the program utilizes General Fund to supplement the state and federal funding, ensuring the task force remains adequately supported and available for deployments, providing a mutual benefit to both the Fire District and the broader community.

Management Oversight

The US&R Management program is led by the Battalion Chief of Operations, with day-to-day oversight delegated to the program manager. The program is to assist the CATF3 to covers general supplies, equipment purchases, contract services, and vehicle fixed asset acquisitions. The US&R team is staffed by 3.3 full-time equivalent (FTE) personnel, all of whom are funded at various percentages through federal grants and the General Fund.

Program Objectives

- Foster the professional growth of team members by offering ongoing training, mentorship, and career development opportunities to enhance skills and ensure effective team performance in the US&R program.
- Ensure that staff have a safe, comfortable, and functional workspace that supports productivity and well-being, enabling them to efficiently manage their duties and responsibilities.
- Supply team members with the essential tools, equipment, and technology required to perform their tasks effectively, ensuring they have the resources to respond to emergency situations and meet program objectives.
- Develop and maintain a state-of-the-art US&R classroom environment designed to facilitate training and learning for all District programs, promoting collaboration, skill-building, and knowledge-sharing.
- Prioritize the replacement and maintenance of the aging US&R fleet, ensuring that all vehicles are reliable, operational, and equipped for rapid deployment in emergency situations.

FY 2025-26 Accomplishments

- Successfully supported multiple deployments, including two FEMA Incident Support Team (IST) activations (Hurricane Erin and New Mexico Floods), the Type 3 Washington Flood deployment, and a Canine MRP deployment to Texas via EMAC. Additionally, supported four local mutual aid responses: Oakdale Fireworks, San Rafael Canal Fire, Salinas Fire, and San Jose Warehouse Fire.
- Successfully negotiated and executed contracts with Cal OES and CSTI, securing $519,000 in Mobilization Exercise funding and $9,000 for IATA training.
- Successfully completed all required FEMA program compliance and reporting, including the 2025 Annual Self-Evaluation, two semiannual self-evaluations, the 2025 federally required Single Audit for FEMA US&R grants, and four quarterly financial reports for the FEMA Program Office.
- Actively contributed to the development of the Special Operations Appendix for the California Fire Assistance Agreement (CFAA).
- Successfully managed fleet and equipment lifecycle updates, including the procurement of: one 2026 Ford F-450 Crew Cab DRW 4WD; two 2026 Ford E-350 Transit Van DRW AWD units; one 2026 Western Star 47X Box Van; two 2026 Freightliner Cascadia tractors; as well as search camera equipment and water rescue PPE. Also completed the surplus and disposal of: one 2015 Chevrolet 3500 DRW 4WD; one 2008 Freightliner Columbia 24’ bobtail; and two 2004 Freightliner Cascadia tractors.
- Coordinated and hosted multiple site visits at the MPFPD US&R Warehouse, including delegations from the Office of U.S. Senator Alex Padilla, the U.S. State Department Emergency Managers Delegation, and PG&E Emergency Management. Additionally, organized and hosted the first annual public crab feed event, attended by approximately 340 community members.
- Facilitated staff participation in key FEMA training and national meetings, including the FEMA SAF Fire Chiefs Meeting, Task Force Representative Meeting, Grant Managers Meeting, and Advisory Organization Meeting.

FY 2026-27 Program Initiatives

- Continue planning and organizing key training and operational activities for CA-TF3.
- Secure CalOES funding for future Mobilization Exercise (MobEx) and begin planning the event.
- Close out the 2023 FEMA Grants and receive the 2026 FEMA Grant.
- Onboard new members to CA-TF3.
- Reformat CA-TF3 Administrative Policies and update or create new/existing policies.
- Continue planning and organizing key training and operational activities for CA-TF3.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Battalion Chief (40-Hr)	0.3	0.3	0.3	0
Senior Management Analyst	1	1	1	0
Administrative Analyst	1	1	1	0
Logistics Specialist	1	1	1	0

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
	3.3	3.3	3.3	0

*Majority of the FTE personnel costs are covered by the FEMA Cooperative Agreements which are presented separately.
*Battalion Chief – 30% grant funds; Senior Management Analyst – 100% grant funds; Administrative Analyst – 90% grant funds and 10% general fund; Logistics Specialist – 85% grant funds and 15% general fund

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$17,431	$27,859	$14,604	$29,379	$1,520	5.5%
Stipends	$827	$1,537	$659	$1,426	($111)	(7.2%)
Overtime	$0	$35,000	$6,570	$124,000	$89,000	254.3%
Retirement	$55,176	$3,686	$2,494	$10,475	$6,789	184.2%
Benefits	$912	$6,301	$2,662	$4,125	($2,176)	(34.5%)
Materials and Supplies	$28,996	$67,500	$38,757	$157,600	$90,100	133.5%
Contract Services	$10,545	$34,200	$29,269	$484,200	$450,000	1,315.8%
Fixed Assets	$274,449	$230,000	$222,141	–	($230,000)	(100.0%)
EXPENSES TOTAL	**$388,336**	**$406,083**	**$317,155**	**$811,205**	**$405,122**	**99.8%**

Expenditure Analysis

The budget request is to supplement the funding received by the District from the federal cooperative agreements.

Overtime: This request includes backfill and overtime hours necessary for activities related to Federal Deployment incidents for the Urban Search and Rescue (US&R) program. An increase of $89,000 is anticipated in the upcoming fiscal year, primarily due to the CalOES MobEx grant, which requires additional overtime to support the activities required by the grant.

Retirement: The expenditure request includes the standard employer retirement contribution, Unfunded Actuarial Liability (UAL) annual payment, UAL excess payment, and Medicare tax payments. The $6,789 increase is primarily due to higher Medicare costs resulting from anticipated increases in overtime in the upcoming fiscal year.

Materials and supplies: This request includes funding for general supplies and equipment, as well as conference and travel expenditures. This request includes funding for general supplies and equipment, as well as conference and travel expenditures. An increase of $90,100 is anticipated in the upcoming fiscal year, primarily due to the planned purchase of portable radios. This increase supports the acquisition of essential communication equipment needed to maintain operational efficiency and readiness.

Contract services: This request includes funding for general contract services, general liability insurance, and software licensing fees. An increase of $450,000 is anticipated in the upcoming fiscal year, primarily due to the CalOES MobEx grant, which requires contractual arrangements with other participating agencies to conduct training and mobilization exercises. The costs will be reimbursed by the State of CA.

Fixed assets: All fixed asset purchases are recorded in the Capital Improvement Projects Fund. There is no fixed assets request for the upcoming fiscal year.

MENLO PARK FIRE PROTECTION DISTRICT

WATER RESCUE

Program Overview

The Water Rescue program's purpose is to provide for the readiness of the District's Water Rescue resources and personnel to support water rescue needs in the San Francisco Bay, San Francisquito Creek, wetlands, and during periods of flooding. This program provides its surrounding cities emergency Water Rescue and public services in the bay and state waterways by hosting highly trained local, State and Federal Water Rescue teams for immediate response to natural and man-made disasters involving water.

Management Oversight

The WR program is managed by the Division Chief of Operations, with oversight responsibilities delegated to the Battalion Chief and program coordinator. The program does not have any full-time equivalent employees. It covers expenses related to general supplies, equipment purchases, contract services, fixed assets, and overtime for training and program administration.

Program Objectives

- Train personnel in local, state, and federal water rescue operations, with a focus on both flood and swift water rescue techniques.
- Oversee the regular maintenance and repair of water rescue equipment and watercraft, and replace outdated equipment as needed.
- Secure contractual agreements with both in-county and out-of-county agencies to provide qualified Water Rescue personnel for the OES Type 1 team.
- Provide specialized training for personnel on the operation and maintenance of the new Sea Doo GTX 170 Rescue Jet Skis and simple repairs on all outboard motors used by the program.
- Conduct the annual SEAT training, including enhanced swim tests for Water Rescue personnel and self-survival swimming training for Menlo Deck Hands. Supply Rescue Swimmers with wetsuits for non-contaminated water rescues.

FY 2025-26 Accomplishments

- Took delivery of a 2025 Patriot Airboat, fully outfitted it, and placed it into operational service with required equipment and initial crew training.
- Trained and qualified five new jet ski operators, three safety officers, and three team leads.
- Developed and issued a Request for Proposal (RFP) for procurement of a secondary airboat.
- Completed required Floodwater Training, Swiftwater Training, and the Annual Swim Test.
- Negotiated and executed a $44,000 contract with CalOES and CSTI for Water Rescue Training.
- Continued upgrades to personal protective equipment (PPE) and related gear.

FY 2026-27 Program Initiatives

- Outfit new Rescue Jet Skis with rescue boards and complete PPE purchases, including wetsuits.
- Receive and outfit a second new Airboat with required accessories and equipment for dual-response capability.
- Train new Airboat Pilots and Instructor.
- Conduct Swim Endurance and Agility Training (SEAT) and provide flood/Swiftwater and mud/debris rescue operations training for OES personnel.
- Perform annual maintenance on outboard motors, restart quarterly Water Operations Workdays, and attend essential Water Rescue meetings.
- Begin succession planning for the Water Rescue Program Coordinator to include dividing the responsibility with the Menlo Water Rescue Program and the OES Water Rescue Program.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$88,231	$130,000	$116,119	$130,000	$0	0.0%
Retirement	$1,279	$1,885	$1,684	$1,885	$0	0.0%
Materials and Supplies	$52,868	$116,000	$49,835	$106,000	($10,000)	(8.6%)
Contract Services	$52,323	$276,500	$38,788	$46,000	($230,500)	(83.4%)
Fixed Assets	$131,624	$200,000	$50,000	$80,000	($120,000)	(60.0%)
EXPENSES TOTAL	**$326,326**	**$724,385**	**$256,426**	**$363,885**	**($360,500)**	**(49.8%)**

Expenditure Analysis

Materials and supplies: This request includes funding for general supplies and equipment, as well as expenses for conferences and travel. A decrease of $10,000 is anticipated compared to the previous fiscal year, reflecting a reduced need for supplies and equipment to outfit the airboat, as these purchases were largely completed last year.

Contract services: The previous year's budget primarily included funding for the CalOES MobEx grant, which is now reflected under the US&R program.

Fixed assets: All fixed asset purchases are recorded in the Capital Improvement Projects Fund. The fixed asset expenditure request for this year is earmarked for purchasing a new navigation equipment for the new airboat.

MENLO PARK FIRE PROTECTION DISTRICT

FIRE PREVENTION DIVISION

Division Overview

The Bureau of Fire Prevention and Life Safety (Fire Prevention) Division consists of two main components: the Bureau of Fire Prevention and the Community Engagement and Resiliency Team. The division's mission is to professionally review all plan submissions for new construction and significant building remodels to ensure compliance with current fire and life safety standards. Services provided by the division include inspecting all permitted construction projects, as well as overseeing inspections for events, permitted occupancies, hazardous materials storage, and use facilities. Additionally, the division conducts state-mandated annual inspections.

The Bureau plays an active role in developing and advocating for fire codes to be adopted by local governing bodies. Fire investigations are also conducted as part of specialized efforts to enhance community safety. The division oversees several key programs, including weed abatement, fire prevention, hydrant maintenance, and engine company inspections.

Management Oversight

The Fire Prevention Division is led by the Division Chief/Fire Marshal, who oversees two key programs responsible for managing fire prevention activities. These programs include building inspections, plan reviews, fire risk mitigation, emergency preparedness, and community and volunteer training and outreach. The division is staffed by 12 full-time equivalent employees, representing 7.8% of the District's total workforce.

Division Goals and Objectives

1. Review building plans and inspect construction stages to ensure compliance with fire and life safety standards and regulations.
2. Oversee fire company inspections and manage hazardous material inspections and permit safety compliance.
3. Investigate the cause and origin of fires to identify safety risks and prevent future incidents.
4. Conduct community outreach and safety awareness campaigns, including targeted education on hazards and emergency preparedness.
5. Provide specialized safety training for high-risk populations and collaborate with local schools for fire safety education.

Division Performance Measures

Performance Measures	Division Goals and Objectives	Annual Target	FY 2025-26 Actual	FY 2026-27 Estimate
Increase attendee participation in emergency preparedness training classes through targeted outreach and engagement strategies	#4	500 attendees	960 attendees	800 attendees
Provide fire and life-safety education programs for preschool through middle school students	#5	40 events	43 events	40 events
Perform annual state-mandated inspections	#1	100%	100%	100%
	#2	250	101	250

Complete inspections for the issuance or renewal of hazmat/operational permits				

Please note that FY 2025–26 represents the first year the District established formal performance measures for each Division. As a result, the performance measure results section currently includes only one year of actual comparison data, representing FY 2025–26. Additional years of historical performance data will be incorporated into future budget documents as they become available, allowing for year-over-year trend analysis and a more comprehensive evaluation of performance outcomes.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Administrative Specialist I/II	1	0	0	0
Assistant Fire Marshal	1	1	1	0
Deputy Fire Marshal	1	1	1	0
Fire Marshal	1	1	1	0
Inspector I/II	4	4	4	0
Permit Coordinator	1	1	1	0
Plan Examiner	1	1	1	0
Risk Reduction Officer	3	3	3	0
Senior Management Analyst	1	0	0	0

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
	14	12	12	0

Fire Prevention Division - Program Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Fire Prevention	$2,553,490	$3,047,401	$2,217,246	$3,344,409	$297,008	9.8%
Community Engagement and Resiliency	$539,566	$1,368,445	$685,064	$1,178,281	($190,164)	(13.9%)
EXPENSES TOTAL	**$3,093,056**	**$4,415,846**	**$2,902,310**	**$4,522,690**	**$106,844**	**2.4%**

Fire Prevention Division - Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$1,623,363	$1,941,278	$1,456,899	$2,083,964	$142,686	7.4%
Stipends	$84,088	$170,797	$68,450	$158,826	($11,971)	(7.0%)
Overtime	$18,696	$64,000	$41,991	$55,000	($9,000)	(14.1%)
Retirement	$628,010	$625,426	$547,000	$881,286	$255,860	40.9%
Benefits	$384,437	$526,670	$322,743	$532,614	$5,944	1.1%
Materials and Supplies	$189,714	$534,300	$182,061	$381,000	($153,300)	(28.7%)
Contract Services	$147,003	$338,000	$128,483	$250,000	($88,000)	(26.0%)
Fixed Assets	$17,745	$215,375	$154,683	$180,000	($35,375)	(16.4%)
EXPENSES TOTAL	**$3,093,056**	**$4,415,846**	**$2,902,310**	**$4,522,690**	**$106,844**	**2.4%**

Related Programs

Community Engagement and Resiliency
Fire Prevention

MENLO PARK FIRE PROTECTION DISTRICT

COMMUNITY ENGAGEMENT AND RESILIENCY

Program Overview

The Community Engagement and Resiliency (CER) Program aims to enhance community preparedness for both small- and large-scale emergencies and disasters through education, training, and resource provision. This is achieved by offering training classes and by partnering with community groups. Community Emergency Response Team (CERT) focuses on educating the public in essential disaster response skills, including fire safety, light search and rescue, team organization, and disaster medical operations. Additionally, the District's community preparedness efforts support various emergency readiness courses, including Red Cross Ready, CPR/First Aid, Stop the Bleed, and Wilderness First Aid Preparedness, to ensure a well-rounded approach to community safety. CER also collaborates with local schools to provide fire and life safety education. School and community programs are developed based on data collected on the jurisdiction.

Management Oversight

The CER Program is managed by the Fire Marshal of the Fire Prevention and Life Safety Division. The program is staffed by three full-time equivalent personnel. It includes payroll expenditures for administrative support staff responsible for implementing the program's goals and objectives. Additionally, the program covers expenses for general equipment purchases, subscription-based services, contract services, and miscellaneous supplies required to support the District and community's mission of preparedness in the event of an emergency or disaster within the District's jurisdiction.

Program Objectives

- Conduct research to identify community safety risks and develop targeted awareness campaigns through various communication channels, such as social media and local outreach, to educate the public on hazards and emergency preparedness.
- Provide specialized safety training for high-risk populations (e.g., seniors, individuals with disabilities) and general safety programs for the broader community, covering topics like fire safety, disaster preparedness, and basic first aid.
- Collaborate with local schools to provide firefighter-led safety education, teaching students fire prevention, emergency response, and safety awareness through interactive lessons.

FY 2025-26 Accomplishments

- Developed and implemented safety awareness campaigns across multiple platforms, including social media and in-person outreach.
- Delivered specialized safety training to high-risk populations.
- Expanded the Community Risk Assessment (CRA) to incorporate additional data sources.
- Completed the initial rollout of Conex boxes for community use.

FY 2026-27 Program Initiatives

- Continue developing and refining the False Alarm Program.
- Expand digital presence by enhancing the social media strategy.
- Evaluate and implement new technologies to improve community engagement.
- Increase utilization of the Community Emergency Response Team (CERT) to support operations.
- Document and standardize policies and procedures to ensure long-term continuity.
- Continue constructing and deploying Conex boxes at remaining locations.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Risk Reduction Officer	3	3	3	0
Senior Management Analyst	1	0	0	0
	4	**3**	**3**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$276,006	$457,704	$277,614	$491,383	$33,679	7.4%
Stipends	$19,915	$38,587	$20,400	$33,054	($5,533)	(14.3%)
Overtime	$7,871	$15,000	$18,674	$15,000	$0	0.0%
Retirement	$32,610	$50,077	$32,074	$117,727	$67,650	135.1%
Benefits	$56,222	$115,202	$57,492	$110,617	($4,585)	(4.0%)
Materials and Supplies	$134,974	$423,500	$122,697	$220,500	($203,000)	(47.9%)
Contract Services	$11,968	$53,000	$1,430	$10,000	($43,000)	(81.1%)
Fixed Assets	–	$215,375	$154,683	$180,000	($35,375)	(16.4%)
EXPENSES TOTAL	**$539,566**	**$1,368,445**	**$685,064**	**$1,178,281**	**($190,164)**	**(13.9%)**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, annual leave, holiday pay, leave cash-outs, workers' compensation, and other paid leaves. The increase is due to the anticipated general wage increase and annual leave cash-out of personnel. This adjustment accounts for both the wage increase and the additional salary expenses for the annual leave cash-out.

Retirement: The expenditure request includes the standard employer retirement contribution, annual Unfunded Actuarial Liability (UAL) payment, UAL excess payment, and Medicare tax payments. The $67,650 increase is primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026–27, as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Materials and supplies: This request includes funding for general-purpose equipment, supplies, advertising, licenses, conference, and travel expenses. A decrease of $203,000 is anticipated in the upcoming fiscal year, primarily due to a budget adjustment based on a clearer understanding of the actual needs and scope for the Community Hubs project, compared to last year's estimate. This adjustment allows for more accurate planning and allocation of resources.

Contract services: This request includes funding for general contract services, general liability insurance, and software licensing fees. A decrease of $43,000 is anticipated, primarily due to a reduction in contract service costs and a decrease in consultant services needed to carry out the program objectives.

Fixed assets: All fixed asset purchases are recorded in the Capital Improvement Projects Fund. The fixed asset expenditure request for the current year is for an additional three ISO container specifically designated for the Community Hubs project.

MENLO PARK FIRE PROTECTION DISTRICT

FIRE PREVENTION

Program Overview

The Fire Prevention (FP) Program is responsible for reviewing all plans for new construction and significant building improvements to ensure compliance with fire and life safety standards. The program conducts inspections of all permitted construction projects throughout the building process, from start to finish. It also develops and presents fire codes for adoption by the Authority Having Jurisdiction (AHJ). Additionally, the program provides educational initiatives aimed at mitigating the risks of accidents and injuries.

Management Oversight

The FP Program is led by the Fire Marshal, with oversight provided by the Assistant Fire Marshal. The program is staffed by nine full-time equivalent (FTE) positions, including management, fire inspectors, and administrative staff who support the department's functions. Additionally, the program’s expenses include costs for general equipment, subscription-based services, contract services, and miscellaneous supplies required to carry out fire prevention activities.

Program Objectives

- Conduct timely reviews of all building plans to ensure compliance with fire and life safety standards.
- Inspect all stages of construction and fire protection systems to ensure adherence to safety regulations.
- Oversee fire company inspections and manage referrals as necessary.
- Inspect and permit the use and storage of hazardous materials to ensure safety and compliance.
- Investigate the cause and origin of building fires to determine safety risks and prevent future incidents.

FY 2025-26 Accomplishments

- Ratified updated codes and ordinances to ensure compliance with current regulations.
- Hired and onboarded a new Fire Marshal to strengthen leadership and oversight of fire prevention and investigation programs.
- Updated the Standards and Guidelines Manual to provide consistent and current operational guidance.
- Implemented new software systems to improve efficiency, data management, and reporting.
- Introduced internal auditing procedures and adjusted the billing system to enhance financial accuracy and accountability.
- Provided training for the Peer Support and Wellness Program to support staff well-being and resilience.

FY 2026-27 Program Initiatives

- Implement a digital Knox Box system to improve access and tracking for emergency response.
- Update fire prevention training standards to reflect current best practices and regulatory requirements.
- Train and mentor the new Deputy Fire Marshal to ensure full operational readiness.
- Update the fire hydrant location map to improve accuracy and support efficient emergency response.
- Digitize and input archived files into the department's digital records system for better accessibility and organization.
- Equip all Fire Inspectors with personal CO_2 detectors to enhance safety during inspections.
- Develop a secure storage solution for confiscated illegal fireworks to ensure safety and regulatory compliance.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Fire Marshal	1	1	1	0
Assistant Fire Marshal	1	1	1	0
Deputy Fire Marshal	1	1	1	0
Inspector I/II	4	4	4	0
Plan Examiner	1	1	1	0
Permit Coordinator	1	1	1	0
Administrative Specialist I/II	1	0	0	0
	10	**9**	**9**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$1,347,357	$1,483,574	$1,179,285	$1,592,581	$109,007	7.4%
Stipends	$64,173	$132,210	$48,050	$125,772	($6,438)	(4.9%)
Overtime	$10,825	$49,000	$23,318	$40,000	($9,000)	(18.4%)
Retirement	$595,400	$575,349	$514,925	$763,559	$188,210	32.7%
Benefits	$328,215	$411,468	$265,251	$421,997	$10,529	2.6%
Materials and Supplies	$54,739	$110,800	$59,364	$160,500	$49,700	44.9%
Contract Services	$135,035	$285,000	$127,053	$240,000	($45,000)	(15.8%)
Fixed Assets	$17,745	–	$0	–	$0	–

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
EXPENSES TOTAL	$2,553,490	$3,047,401	$2,217,246	$3,344,409	$297,008	9.8%

Expenditure Analysis

Salaries: This request includes funding for regular salaries, annual leave, holiday pay, leave cash-outs, workers' compensation, and other paid leave benefits. The increase is due to the anticipated general wage increase and annual leave cash-out of personnel. This adjustment accounts for both the wage increase and the additional salary expenses for the annual leave cash-out.

Retirement: This request includes the standard employer's retirement contribution, the annual payment for the unfunded actuarial liability (UAL), UAL excess payments, and Medicare tax payments. An increase of $188,210 is primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026–27 as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Materials and supplies: This request includes funding for general-purpose equipment and supplies, as well as advertising, licenses, conference attendance, and travel expenses. An increase of $49,700 is anticipated for the upcoming fiscal year, primarily due to the planned purchase of new supplies and electronic equipment.

Contract services: This request includes funding for training instructor services, consultant services, general equipment maintenance services, and general contract services. A decrease of $45,000 is anticipated, primarily due to a reduction in contract and consultant services related to special projects and permit systems in the upcoming fiscal year. This decrease reflects the completion of several key projects, which will reduce the need for external consultants and contractors, as well as a shift toward utilizing in-house resources for ongoing tasks and maintenance.

MENLO PARK FIRE PROTECTION DISTRICT

TRAINING DIVISION

Division Overview

The Training Division is responsible for the research, development, coordination, and scheduling of comprehensive fire suppression training for District personnel, ensuring alignment with established standards from IFSTA, NFPA, and the California State Fire Marshal. The division delivers high-quality emergency medical training as well as all federally, state, and locally mandated training for District employees. Additional responsibilities include managing educational reimbursements, supporting state and internal position task books, and maintaining the District's master training calendar. The division also oversees various operational programs within the District, ensuring all training initiatives contribute to the overall operational readiness and professional development of staff.

Management Oversight

The Training Division, led by the Division Chief of Training, oversees eight key programs, including firefighter and emergency medical services training, vehicle maintenance and repair, facility management, equipment and tool procurement, and the recruitment of new cadets and explorers. This division is staffed by eight full-time equivalent personnel, representing 5.2% of the District workforce.

Division Goals and Objectives

1. Ensure continuous training for all suppression staff, tracking their progress and anticipating future training needs, while incorporating new techniques and tools.
2. Manage EMS-related activities, including training, equipment, and continuous quality improvement (CQI) plans, fostering communication with ALS providers and LEMSA personnel.
3. Develop and execute a strategic plan to identify and purchase suitable fire apparatus and vehicles based on operational and budget needs, ensuring regular maintenance and repairs.
4. Mentor and manage cadets, providing them with training and experience through fireground operations, recruitment, and community service projects.
5. Organize and execute Explorer and Cadet programs to educate youth about fire service careers and offer training, mentorship, and volunteer opportunities.
6. Enhance multimedia capabilities by collecting visual content and training personnel to document and preserve the District's history and achievements.
7. Oversee the maintenance and repair of training facilities and equipment, ensuring compliance with safety standards and meeting training requirements set by state agencies.
8. Manage the acquisition, inventory, and outfitting of apparatus and vehicles with the necessary tools and equipment to ensure operational readiness.
9. Maintain a comprehensive health and wellness program, including mental health support, physical training, and rehabilitation services for District employees.
10. Ensure personnel are well-trained and equipped for wildland fire operations, while continuously researching new tools, equipment, and protective gear to improve safety and effectiveness.

Division Performance Measures

Performance Measures	Division Goals and Objectives	Annual Target	FY 2025-26 Actual	FY 2026-27 Estimate
Provide comprehensive non-EMS training and maintain a robust system for tracking and reporting all training hours	#1	12,000 Hours	14,657 Hours	14,000 Hours

Maintain and improve cardiac arrest treatment by conducting case reviews and ensuring proper application of protocols and documentation	#2	100% case review completion	100% completion	100% completion
Provide opportunities for safety personnel to complete the required and continuing EMS education in alignment with certification standards	#2	24 hours per safety personnel	27 hours Paramedics/ 10.5 hours EMT	24 hours
Complete all manufacturer-suggested preventative maintenance on the District fleet	#7	100% for emergency vehicles / 90% for support vehicles	98% for EV / 23% for SV	100% for EV/90% SV
Complete all in-house shop repairs within 2 weeks (8 business days) when the vehicle goes out of service	#7	90% of repairs	94%	90%

Please note that FY 2025–26 represents the first year the District established formal performance measures for each Division. As a result, the performance measure results section currently includes only one year of actual comparison data, representing FY 2025–26. Additional years of historical performance data will be incorporated into future budget documents as they become available, allowing for year-over-year trend analysis and a more comprehensive evaluation of performance outcomes.

Training Division Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Training Captain	1	2	2	0
Administrative Specialist I/II	1	1	1	0
Emergency Medical Services Manager	1	1	1	0
Fleet Supervisor	1	1	1	0
Mechanic	2	2	2	0
Division Chief	1	1	1	0
	7	**8**	**8**	**0**

Training Division - Program Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Tools and Equipment	$280,493	$277,621	$130,116	$376,863	$99,242	35.8%
Training	$2,209,153	$3,134,965	$2,757,501	$2,819,438	($315,527)	(10.1%)
Operation Audio and Visual	$7,527	$67,363	$46,031	$74,363	$7,000	10.4%
Emergency Medical Services (EMS)	$634,937	$809,091	$639,727	$813,836	$4,745	0.6%
Wellness	$412,669	$676,458	$400,060	$772,550	$96,092	14.2%
Cadets	$40,334	$89,769	$52,597	$89,769	$0	0.0%
Explorer	$22,886	$67,008	$22,270	$67,008	$0	0.0%
Apparatus and Fleet Maintenance	$1,770,379	$2,689,718	$1,269,100	$1,807,869	($881,849)	(32.8%)
Regional Training Center	$156,857	$393,950	$158,455	$206,450	($187,500)	(47.6%)
Wildland	$29,478	$60,435	$23,829	$50,535	($9,900)	(16.4%)
EXPENSES TOTAL	**$5,564,714**	**$8,266,378**	**$5,499,686**	**$7,078,681**	**($1,187,697)**	**(14.4%)**

Training Division - Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$1,234,572	$1,491,316	$1,380,844	$1,565,554	$74,238	5.0%
Stipends	$99,242	$194,752	$128,716	$179,358	($15,394)	(7.9%)
Overtime	$901,420	$1,248,000	$850,199	$1,173,000	($75,000)	(6.0%)
Retirement	$571,558	$814,068	$749,158	$652,427	($161,641)	(19.9%)
Benefits	$219,515	$339,366	$231,457	$287,442	($51,924)	(15.3%)
Materials and Supplies	$915,390	$1,486,533	$1,140,484	$1,284,300	($202,233)	(13.6%)
Contract Services	$797,781	$1,468,779	$800,992	$1,556,600	$87,821	6.0%
Fixed Assets	$825,236	$1,223,564	$217,835	$380,000	($843,564)	(68.9%)
EXPENSES TOTAL	**$5,564,714**	**$8,266,378**	**$5,499,686**	**$7,078,681**	**($1,187,697)**	**(14.4%)**

Related Programs

Apparatus and Fleet Maintenance
Cadets
Emergency Medical Services (EMS)
Explorer
Operation Audio and Visual
Tools and Equipment
Training
Training Center
Wellness

MENLO PARK FIRE PROTECTION DISTRICT

APPARATUS AND FLEET MAINTENANCE

Program Overview

The Apparatus and Fleet Maintenance program's purpose is to ensure all emergency and non-emergency response vehicles are in the safest and most efficient working condition possible. This is accomplished through an aggressive preventative maintenance program and adherence to all applicable District policies and procedures, and local, state, and federal laws.

Management Oversight

The Apparatus and Fleet Maintenance program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program has a total of three full-time equivalent personnel. This program contains the payroll expenditures for the fleet supervisor and mechanic staff carrying out the goals and objectives of the program. In addition, expenses incurred in this program included purchases of fleet vehicles, apparatus outfitting equipment, maintenance and repair services, sanitation services, general contract services, fuel, and miscellaneous supplies as needed.

Program Objectives

- Develop a strategic plan to identify and forecast the District's future fire apparatus and vehicle requirements based on operational needs and budget considerations.
- Conduct thorough research to identify and purchase the most suitable fire apparatus and vehicles for the District's operations, ensuring they meet current and future needs.
- Ensure all fire apparatus and vehicles are regularly maintained and repaired to remain in a constant state of readiness for emergency response.
- Provide training for new personnel on vehicle and apparatus maintenance procedures and implement a new system to track and monitor repair work.
- Reduce external repair expenses by performing more maintenance and repairs internally, leveraging available resources and expertise.
- Accurately document and track all maintenance and repair activities for each apparatus and vehicle to ensure proper record-keeping and accountability.

FY 2025-26 Accomplishments

- Relocated operations back to the shop following completion of the facility extension.
- Performed annual maintenance on all equipment and apparatus to ensure operational readiness.
- Conducted hose and ladder testing to verify compliance with safety standards.
- Serviced and returned Deputy Chief and Fire Marshal vehicles to active service.
- Identified vehicles eligible for surplus and processed them accordingly.
- Audited fuel key access and implemented necessary corrections to maintain accountability.
- Installed HAAS systems in all Code 3 vehicles to enhance operational efficiency.
- Replaced the Engine 77 motor; project completion may extend into the next fiscal year.

FY 2026-27 Program Initiatives

- Ensure all department vehicles remain operationally ready and reliable.
- Support mechanics in obtaining ASE certifications and CSFM Emergency Vehicle Technician (EVT) training.
- Maintain compliance with NFPA 1911 and 1915 standards while ensuring new mechanics achieve EVT certification.
- Monitor repairs in PSTrax, assess maintenance priorities, and uphold safety in all operations.
- Minimize out-of-service time for frontline apparatus to sustain full operational capacity.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Fleet Supervisor	1	1	1	0
Mechanic	2	2	2	0
	3	**3**	**3**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$325,084	$363,791	$363,756	$390,184	$26,393	7.3%
Stipends	$21,682	$35,786	$24,251	$23,933	($11,853)	(33.1%)
Overtime	$14,820	$55,000	$11,504	$35,000	($20,000)	(36.4%)
Retirement	$154,455	$123,704	$120,774	$122,887	($817)	(0.7%)
Benefits	$67,311	$109,813	$67,690	$78,865	($30,948)	(28.2%)
Materials and Supplies	$439,812	$564,000	$424,726	$592,000	$28,000	5.0%
Contract Services	$182,535	$270,060	$92,076	$260,000	($10,060)	(3.7%)
Fixed Assets	$564,680	$1,167,564	$164,324	$305,000	($862,564)	(73.9%)
EXPENSES TOTAL	**$1,770,379**	**$2,689,718**	**$1,269,100**	**$1,807,869**	**($881,849)**	**(32.8%)**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, annual leave, holiday pay, leave cash-outs, workers' compensation, and other paid leaves. The increase is due to the anticipated general wage increase and annual leave cash-out of personnel. This adjustment accounts for both the wage increase and the additional salary expenses for the annual leave cash-out.

Stipends: The expenditure request includes career development pay, a phone stipend, residency stipends, and a uniform allowance. The $24,664 decrease is primarily due to adjusting the budget to align with the current MOU, compared to last year's estimates.

Overtime: This request includes funding for overtime to support urgent maintenance and repair projects within the program. A decrease of $20,000 is anticipated for the upcoming fiscal year, reflecting a reduced number of planned projects and lower overtime requirements, while still ensuring adequate support for operational needs.

Benefits: The expenditure request includes payments for the café plan, dental plan, life insurance, and post-employment health benefits. The $30,948 decrease is primarily due to adjusting the budget to reflect actual benefit costs under the current MOU. This adjustment results in lower projected benefit expenses for personnel.

Fixed assets: All fixed asset purchases will be accounted for in the Capital Improvement Projects Fund. The fixed asset expenditure request of $305,000 for the current year are for purchasing new vehicles, radios outfitting, and cutter equipment.

MENLO PARK FIRE PROTECTION DISTRICT

CADETS

Program Overview

The Cadet program's purpose is to provide fire technology students with the knowledge, skills, and abilities (KSA's) for a career in the fire service as a professional firefighter. The program creates an opportunity for students to continue their development in training, teamwork, leadership, and program management.

Management Oversight

The Cadet program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains expenses pertaining to general supplies and equipment purchases and overtime for training and program administration.

Program Objectives

- Mentor and manage up to eighteen cadets annually, overseeing their participation in weekly 24-hour shifts, monthly training sessions, District activities, and community service projects.
- Conduct training drills focused on fireground operations and prepare cadets for the fire department interview process.
- Perform biannual evaluations to assess cadet performance, progress, and development.
- Organize and execute a recruitment process to select incoming cadets for the program.

FY 2025-26 Accomplishments

- Successfully trained and mentored a full cast of cadets from start to finish in a program that challenges them and drives them to succeed in many aspects of life, but primarily in becoming future firefighters throughout the community.
- Delivered monthly training sessions that advanced cadets' competencies in the Firefighter I and Firefighter II curriculum.
- Conducted a recruitment process to select a new class of cadets to begin the process once more.
- Purchased radio straps and flashlights to provide a better cache of equipment to the cadets, making their environment safer and more user friendly.

FY 2026-27 Program Initiatives

- Establish a structured mentorship program that guides and supports up to eighteen cadets through weekly 24-hour shifts, monthly trainings, District events, and community service initiatives.
- Deliver comprehensive training that strengthens cadets' fireground operational skills and prepares them for successful performance in fire department hiring and interview processes.
- Implement a biannual evaluation process that measures each cadet's performance, growth, and overall developmental progress within the program.
- Develop and manage an annual recruitment and selection process to identify and onboard qualified incoming cadets.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$33,854	$53,000	$32,473	$53,000	$0	0.0%
Retirement	$491	$769	$471	$769	$0	0.0%
Materials and Supplies	$5,989	$14,000	$4,099	$14,000	$0	0.0%
Contract Services	–	$22,000	$15,554	$22,000	$0	0.0%
EXPENSES TOTAL	**$40,334**	**$89,769**	**$52,597**	**$89,769**	**$0**	**0.0%**

MENLO PARK FIRE PROTECTION DISTRICT

EMERGENCY MEDICAL SERVICES (EMS)

Program Overview

The Emergency Medical Services (EMS) program's purpose is to conduct emergency medical services research, manage and conduct EMS training, maintain EMS equipment inventories including pharmaceuticals, manage total quality improvement of EMS services, and serve as the District liaison to the San Mateo County Local Emergency Services Agency (LEMSA) as well as the District's Designated Infection Control Officer (DICO).

Management Oversight

The EMS program is directed by the Division Chief of Training with oversight authority delegated to the Emergency Medical Services Manager. This program has one full-time equivalent personnel. This program contains expenses pertaining to general medical supplies and equipment purchases, general contract services, and overtime for training and program administration.

Program Objectives

- Interpret and make decisions in accordance with laws, rules, and policies.
- Manage all EMS Division related activities of the District including research, training, equipment, and oversight.
- Provide an on-going Continuous Quality Improvement (CQI) Plan for objective and systematic evaluation.
- Provide a mechanism for evaluating and resolving identified problems.
- Participate in LEMSA's process of system development, monitoring, and Quality Assurance.
- Develop and sustain relationships and open channels of communication with all county ALS providers, receiving hospital, and LEMSA personnel.
- Develop and sustain an open channel of communication with all personnel concerning all matters pertinent to EMS or infection control.

FY 2025-26 Accomplishments

- Provided comprehensive EMS training in the following subjects: pediatric case review with skills, pediatric advanced workshop with simulation (PAWWS), infection control training, EMS updates, and annual policy and procedures.
- Maintained and improved cardiac arrest treatment by conducting case reviews and ensuring proper application of protocols and documentation, with 100% case reviews completed.
- Completed the After-Action Review for the District's response to COVID-19.
- Purchased training equipment that is innovative and supports teaching techniques (airway manikins).
- Provided the influenza vaccine to all personnel on a voluntary basis.

FY 2026-27 Program Initiatives

- Continue to evaluate and improve the Continuous Quality Improvement (CQI) Program for the EMS Division.
- Facilitate quality EMS training to personnel.
- Purchase training equipment that is innovative and supports teaching techniques.
- Sponsor personnel to attend conferences and classes to build up a team of trainers for the EMS Division.
- Purchase EMS equipment for Reserves to facilitate back-up plans should Strike Teams be necessary.
- Continue to maintain improved cardiac arrest treatment by conducting case reviews and ensuring proper application of protocols and documentation, with 100% case reviews completed.
- Provide opportunities for safety personnel to complete the required continuing EMS education in alignment with certification standards.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Emergency Medical Services Manager	1	1	1	0
	1	**1**	**1**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$217,371	$231,103	$226,760	$239,223	$8,120	3.5%
Stipends	$3,900	$6,660	$4,200	$6,660	$0	0.0%
Overtime	$102,664	$100,000	$54,400	$70,000	($30,000)	(30.0%)
Retirement	$21,658	$25,412	$21,459	$47,179	$21,767	85.7%
Benefits	$45,089	$49,997	$44,713	$48,074	($1,923)	(3.9%)
Materials and Supplies	$104,904	$133,700	$118,038	$145,700	$12,000	9.0%
Contract Services	$87,272	$206,219	$116,644	$197,000	($9,219)	(4.5%)
Fixed Assets	$52,078	$56,000	$53,511	$60,000	$4,000	7.1%
EXPENSES TOTAL	**$634,937**	**$809,091**	**$639,727**	**$813,836**	**$4,745**	**0.6%**

Expenditure Analysis

Overtime: This request includes overtime hours for personnel to attend training classes and other program related activities. A decrease of $30,000 is anticipated, primarily due to reduced anticipated needs to support the program.

Retirement: This request includes the standard employer's retirement contribution, the annual payment for the unfunded actuarial liability (UAL), UAL excess payments, and Medicare tax payments. An increase of $21,767 is primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026-27 as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Fixed assets: All fixed asset purchases will be recorded in the Capital Improvement Projects Fund. The fixed asset expenditure request for the current year is for the purchase of a new defibrillator.

MENLO PARK FIRE PROTECTION DISTRICT

EXPLORER

Program Overview

The Explorer program's purpose is to provide role models to help educate young adults with hands-on knowledge of fire service skills through organized bi-weekly meetings and training. The program participates in the recruitment and mentorship of new explorer members. Explorers are exposed to different career paths available within fire service and gain a basic understanding of the skills necessary to operate safely at a fire scene.

Management Oversight

The Explorer program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains expenses pertaining to general supplies and equipment purchases and overtime for training and program administration.

Program Objectives

- Attract and educate our community's youth about careers in the Fire Service, our Explorer and Cadet programs, as well as financial assistance available to those in need.
- To expose explorers to the different career paths available within the fire service.
- Orientation, registration, and issuance of uniforms and personal protective equipment (PPE).
- Provide explorer training and a basic understanding of the knowledge, skills, and abilities necessary to operate safely at an emergency scene under supervision.
- Provide support and mentorship to Explorers throughout the year.
- Provide Explorer volunteer opportunities at yearly Fire District and community events.
- Ensure successful completion of the Explorer program and prepare students to advance into the Menlo Park Fire Cadet program.

FY 2025-26 Accomplishments

- Led bi-weekly meetings and hands-on training sessions to develop members' skills and readiness.
- Delivered practical, scenario-based instruction in firefighting, EMS, and rescue operations.
- Organized and coordinated Explorer participation in community outreach events.
- Arranged and supported attendance at the East Palo Alto Academy College and Career Fair.
- Recognized and celebrated the successful hiring of former Explorer and Cadet Zachary Lyssand by Woodside Fire.

FY 2026-27 Program Initiatives

- Encourage and mentor eligible Explorers to apply for the Menlo Park Fire District Scholarship by supporting completion of Firefighter I, EMT, and Cadet program requirements.
- Attend the California Fire Explorer Academy to further develop leadership and instructional capabilities.
- Lead bi-weekly meetings and facilitate hands-on training sessions to build operational proficiency.
- Oversee Explorer onboarding, including orientation, registration, and distribution of uniforms and PPE.
- Coordinate volunteer and community engagement opportunities to promote public service involvement.
- Evaluate Explorers' knowledge, skills, and abilities through structured testing and assessments.
- Plan and deliver a two-day, in-house Mini Academy to reinforce core competencies and teamwork.
- Provide CPR certification training for all participating Explorers.
- Conduct workshops on resume writing and interview skills to prepare Explorers for career opportunities.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$14,705	$35,000	$21,219	$35,000	$0	0.0%
Retirement	$875	$508	$308	$508	$0	0.0%
Materials and Supplies	$7,306	$31,500	$744	$31,500	$0	0.0%
EXPENSES TOTAL	**$22,886**	**$67,008**	**$22,270**	**$67,008**	**$0**	**0.0%**

Program Overview

The Operations Audio and Visual (OAV) program's purpose is to support all district programs by providing the district with visual content such as videos and pictures. The audio visual (AV) program will maintain a high standard of content to display to our personnel and community.

Management Oversight

The OAV program is directed by the Division Chief of Operations with oversight authority delegated to the Battalion Chiefs and program coordinator. This program does not have any full-time equivalent employees. This program contains the general expenditures pertaining to audio/visual equipment, maintenance and repair services, and overtime for training and program administration.

Program Objectives

- Collect and gather high-quality audio and visual content for the District, ensuring a diverse range of materials for both current and future use.
- Work closely with other divisions and programs within the District to produce informative and engaging videos that serve both operational and training purposes.
- Record and preserve the history of Menlo Park Fire District through photographs, videos, and other multimedia, creating a visual archive of the organization's milestones, events, and achievements.
- Provide training to interested firefighters on how to effectively use video production equipment, empowering them to contribute to content creation and expand the District's multimedia capabilities.

FY 2025-26 Accomplishments

- Created videos and advertisement content to improve our image on social media platforms and the web.
- Developed brand style logos for the Training Division & US&R program to be used on hats and other apparel.
- Developed skills of several crew members of the program by utilizing them in creating content and videos, helping them create content of their own and by implementing a creative space where ideas are fostered and grown without fear of judgment.

FY 2026-27 Program Initiatives

- Develop and maintain a comprehensive library of high-quality audio and visual content that supports the District's current and future communication needs.
- Collaborate with District divisions and programs to produce engaging, informative videos that enhance operational effectiveness and support training initiatives.
- Create and preserve a multimedia archive that documents the Menlo Park Fire District's history, milestones, and achievements through photos, videos, and related media.
- Provide structured training that equips interested firefighters with the skills and confidence to operate video production equipment, enabling them to actively contribute to content creation and strengthen the District's multimedia capabilities.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$4,371	$25,000	$6,682	$25,000	$0	0.0%
Retirement	$63	$363	$97	$363	$0	0.0%
Materials and Supplies	$3,093	$22,000	$19,363	$18,000	($4,000)	(18.2%)
Contract Services	–	$20,000	$19,890	$31,000	$11,000	55.0%
EXPENSES TOTAL	**$7,527**	**$67,363**	**$46,031**	**$74,363**	**$7,000**	**10.4%**

Expenditure Details

Contract services: This request includes funding for general contract services and license costs. An increase of $11,000 is anticipated for the upcoming fiscal year, primarily due to planned increases in video and photography services. These additional funds will support the delivery of professional media services essential to program operations and objectives.

Program Overview

The Tools and Equipment (T&E) program's purpose is to purchase and maintain all District apparatus equipment inventories for fire engines, fire trucks, heavy rescues, and battalion vehicles. The program will also support all product research, purchasing, distributing, testing, and maintaining inventory of rope rescue equipment, power saws, and fire hose.

Management Oversight

The T&E program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, maintenance and repair services, fixed assets for operations, and overtime for training and program administration.

Program Objectives

- Oversee the acquisition of tools and equipment for apparatus and vehicle outfitting, ensuring all vehicles are properly equipped.
- Regularly maintain and update inventory records for both apparatus and equipment to ensure all assets are accounted for and properly outfitted with standard, uniform equipment.
- Manage asset inventory to maintain accountability and ensure all equipment is in good condition and properly assigned to the appropriate apparatus.

FY 2025-26 Accomplishments

- Provided emergency equipment replacements to all apparatus, including Engines, Trucks, and specialty apparatus.
- Maintained a stock of available equipment and supplies at both Stations 77 and 1 to allow emergency crews a place to find replacement equipment when something would break or get used up, including consumable goods as well as emergency equipment.
- Kept mechanical equipment on all apparatus in serviceable condition, maintained service of those items needing calibration or regular service and testing to ensure safety of personnel using them.

FY 2026-27 Program Initiatives

- Ensure all apparatus and vehicles are consistently outfitted with the required tools and equipment by overseeing the timely acquisition, replacement, and deployment of all assets.
- Maintain an accurate, up to date inventory system that accounts for all tools, equipment, and apparatus assignments, supporting standardization and uniform outfitting across the organization.
- Strengthen asset accountability by implementing processes that track condition, assignment, and lifecycle status of all equipment, ensuring every item is properly maintained and appropriately assigned to its designated apparatus.
- Ensure all in-service and reserve tools and equipment remain in a constant state of readiness by implementing regular testing, servicing, calibration, and reconditioning procedures.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$723	$29,000	$620	$25,000	($4,000)	(13.8%)
Retirement	$10	$421	$9	$363	($58)	(13.8%)
Materials and Supplies	$113,350	$163,700	$78,792	$150,500	($13,200)	(8.1%)
Contract Services	$50,795	$84,500	$50,695	$186,000	$101,500	120.1%
Fixed Assets	$115,614	–	–	$15,000	$15,000	–
EXPENSES TOTAL	**$280,493**	**$277,621**	**$130,116**	**$376,863**	**$99,242**	**35.8%**

Expenditure Analysis

Materials and supplies: This request includes funding for general supplies, tools and equipment, apparatus equipment, gas/oil, travel, conference registration, and membership/license fees. A decrease of $13,200 is expected, primarily due to fewer anticipated purchases of tools and equipment, as the stations currently have sufficient inventory.

Contract services: This request includes funding for general contract services, equipment maintenance, and software license costs. An increase of $101,500 is anticipated for the upcoming fiscal year, primarily due to the annual subscription fees required to support the full functionality of the Qwake cameras. These additional funds will ensure uninterrupted access to critical technology and professional support, enabling the program to operate efficiently and fully leverage the capabilities of its equipment.

Fixed assets: All fixed asset purchases will be reported in the Capital Improvement Projects Fund. The current year's request is for the acquisition of cutter equipment.

MENLO PARK FIRE PROTECTION DISTRICT

TRAINING

Program Overview

The Training program's purpose is to plan, develop, and deliver training to safety personnel in support of the Fire District's mission. The District's training curriculum is developed from established best practices and federal, state, and local regulatory authorities including NFPA, State Fire Training, OSHA, and the state and county EMS agencies.

Management Oversight

The Training program is directed by the Division Chief of Training with oversight authority delegated to the Training Captains. This program has a total of four full-time equivalent personnel. This program contains the expenses pertaining to education reimbursement, fire academy costs, general supplies and equipment purchases, contract services, and overtime for personnel training and program administration.

Program Objectives

- Ensure continuous training and evaluation for all suppression staff to maintain and enhance their skills.
- Anticipate future training requirements and create a schedule to ensure timely and relevant training opportunities.
- Track the progress of personnel, offering support and guidance as needed to ensure their professional growth.
- Design and implement internal training programs while collaborating with South Zone and County-wide training initiatives to ensure consistency and alignment.
- Continuously seek out and incorporate new training techniques, tools, and equipment to improve the effectiveness and efficiency of training programs.

FY 2025-26 Accomplishments

- Prepared the master calendar for 2026, ensuring organized scheduling of training, operations, and special events.
- Completed all required federal, state, and local training, maintaining compliance and operational readiness.
- Promoted and certified personnel, including two new truck drivers, three new acting captains, and one new acting battalion chief, strengthening leadership and operational capacity.
- Documented and completed 9,023 hours of training, enhancing skills, knowledge, and overall department readiness.
- Completed Qwake training and led the initial equipment rollout, ensuring effective adoption and use across the department.

FY 2026-27 Program Initiatives

- Assist in completing the hiring process for four or more new recruits.
- Support the administration of the Battalion Chief's promotional exam in November 2026.
- Provide guidance and support to new recruits attending the County Fire Academy starting January 2027.
- Assist in conducting the Captain's promotional exam in February 2027.
- Update and revise probationary training materials to reflect current standards and best practices.
- Complete the integration of Monday.com and utilize it for daily project management and workflow tracking.

Full-Time Equivalent Personnel

Position Title	2024-25 Actual	2025-26 Budget	2026-27 Budget	FY27 vs FY26 Increase / (Decrease)
Division Chief	1	1	1	0
Training Captain	1	2	2	0
Administrative Specialist I/II	1	1	1	0
	3	**4**	**4**	**0**

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Salaries	$692,117	$896,422	$790,328	$936,147	$39,725	4.4%
Stipends	$73,660	$152,306	$100,264	$148,765	($3,541)	(2.3%)
Overtime	$608,443	$686,000	$599,967	$700,000	$14,000	2.0%
Retirement	$392,239	$659,048	$604,252	$477,023	($182,025)	(27.6%)
Benefits	$107,114	$179,556	$119,054	$160,503	($19,053)	(10.6%)
Materials and Supplies	$213,394	$486,633	$463,633	$262,000	($224,633)	(46.2%)
Contract Services	$90,114	$75,000	$80,002	$135,000	$60,000	80.0%
Fixed Assets	$32,073	–	–	–	$0	–
EXPENSES TOTAL	**$2,209,153**	**$3,134,965**	**$2,757,501**	**$2,819,438**	**($315,527)**	**(10.1%)**

Expenditure Analysis

Salaries: The expenditure request includes regular salaries, annual leave, holiday pay, leave cash-outs, workers' compensation, and other paid leaves. The increase of $39,725 is primarily due to the anticipated general wage increase. These adjustments reflect changes in full-time equivalent personnel and necessary compensation updates for the upcoming fiscal year.

Retirement: The expenditure request includes the normal employer's retirement contribution, Unfunded Actuarial Liability (UAL) annual payment, UAL excess payment, and Medicare tax payments. A decrease of $182,025 is primarily driven by a change in the UAL allocation methodology. Beginning in FY 2026-27, as stated in the most recent valuation reports, CalPERS provided a single combined UAL amount for both Classic and PEPRA groups under pooled plans, in contrast to prior years when separate UAL amounts were provided for each plan. For budgeting purposes, this resulted in the UAL being distributed evenly between Classic and PEPRA members.

Benefits: This expenditure request includes payments for employee benefits such as the cafeteria plan, dental plan, life insurance, and post-employment health plan coverage. A decrease of $19,053 is projected for the upcoming fiscal year, primarily due to aligning the budget with the current MOU, which results in adjusted benefit costs and lower overall expenditures.

Materials and supplies: This request includes funding for general supplies, tools and equipment, apparatus equipment, gas/oil, travel, conference registration, and membership/license fees. A decrease of $224,633 is anticipated, primarily because the Qwake cameras were delivered in the previous fiscal year and therefore the associated costs were not rebudgeted for the upcoming fiscal year.

Contract services: This request includes funding for repair and maintenance services, general equipment maintenance, and general contract services. An increase of $60,000 is anticipated, primarily due to a general rise in costs for outside instructors, along with additional expenses associated with the Fire Academy program.

Program Overview

The purpose of the Training Center (TC) program is to provide a wide range of specialized training, including South Zone training, US&R, Live Fire, Confined Space, Rescue Systems 1, 2, and 3, SWAT, and Canine Training. The Regional Training Center serves as the primary facility for live fire simulation and other rescue-related training. Canine handler training is conducted in accordance with FEMA guidelines and requirements, including foundational skills assessments (FSA) for search dogs.

Management Oversight

The TC program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, maintenance and repair services, fixed asset props for training, and overtime for training and program administration.

Program Objectives

- Assess and develop strategic plans for the layout and configuration of District training sites to ensure they are optimized for current and future training needs.
- Provide ongoing maintenance and repairs for District training buildings, grounds, storage containers, tools, and equipment to ensure they remain operational and safe for use by personnel.
- Conduct regular safety inspections of heavy equipment, including cranes, tractors, water tenders, and forklifts, to ensure compliance with safety standards and prevent equipment malfunctions or accidents.
- Continuously maintain and upgrade training facilities to meet the requirements established by the California State Fire Marshal (CSFM) and FEMA. This ensures the facilities remain eligible for hosting certified training courses for District personnel and outside agencies.

FY 2025-26 Accomplishments

- Conducted routine evaluations of fire simulators to identify maintenance needs and coordinate timely repairs.
- Organized and hosted Live Fire training sessions for South Zone agencies.
- Supported multiple training programs, including Instructor Live Fire Training, County Truck Academy, and County Fire Academy Fire Control 3 courses.
- Installed reinforced concrete piers to stabilize Live Fire Simulators on the east side of the training site.
- Improved site drainage by adding gravel to mitigate flooding during heavy rainfall.
- Managed the surplus process and secured approval to auction a crane through GovDeals.
- Removed an unsafe training tower to enhance overall site safety.
- Oversaw the disposal of excess concrete and debris to maintain a clean and operational training environment.

FY 2026-27 Program Initiatives

- Maintain and improve the rescue training site in preparation for future consolidation.
- Host Instructor Live Fire Training to increase the number of qualified instructors.
- Collaborate with the Academy Director to coordinate CSFM Fire Control 3 courses.
- Plan and oversee the relocation of all simulators to the east side of the training site.
- Support Exponent investigation burn exercises.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$50,485	$100,000	$67,056	$100,000	$0	0.0%
Retirement	$732	$1,450	$972	$1,450	$0	0.0%
Materials and Supplies	$8,466	$52,500	$10,931	$40,000	($12,500)	(23.8%)
Contract Services	$97,175	$240,000	$79,495	$65,000	($175,000)	(72.9%)
EXPENSES TOTAL	**$156,857**	**$393,950**	**$158,455**	**$206,450**	**($187,500)**	**(47.6%)**

Expenditure Analysis

Materials and supplies: This request includes funding for general supplies, tools and equipment, conference and training registration, and travel. The decrease of $12,500 is due to a reduced need for new supplies and equipment at the training site.

Contract services: This request includes funding for general contract services, instructor services, and wellness health assessment costs. A decrease of $175,000 is anticipated for the upcoming fiscal year, primarily due to the removal of the training prop relocation budget, which will be reinstated once the associated costs are confirmed.

Program Overview

The Wellness program's purpose is to provide wellness assessment of personnel through yearly exams and baseline laboratory work for all Fire District personnel. Additionally, the District's wellness program includes mental health, rehabilitation, and education elements. The wellness program recognizes the health and wellness of employees as a critical and essential component of fulfilling our mission in providing emergency services to the communities we serve.

Management Oversight

The Wellness program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chief and program coordinator. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, contract services, and overtime for training and program administration.

Program Objectives

- Maintain an annual health and wellness screening program for all employees, incorporating the latest technologies and best practices.
- Hire a full-time department therapist to support employee mental health and well-being.
- Provide ongoing education and training to promote physical and emotional health, fostering a healthy lifestyle for all members.
- Offer preventative and rehabilitation support, including education, training, and professional services, at no cost to employees.
- Enhance the Peer Support Program with additional training focused on trauma-informed mental health awareness for first responders.
- Ensure confidentiality of all behavioral, medical, and fitness evaluations, treatments, and services, while taking a proactive approach to support the behavioral wellness of all District members and their families.

FY 2025-26 Accomplishments

- Vetted and onboarded new therapists to expand support resources.
- Fully trained over 24 Peer Support team members.
- Conducted 2 in-house defusing events, led by Peer Support team members.
- Attended a West Coast Peer Support conference to enhance program knowledge and practices.
- Provided Suicide Prevention training to 8 Peer Support members.
- Supported 20 members' attendance at the Resiliency Conference.
- Offered Lifescan health screenings to all employees, with over 85% participation.

FY 2026-27 Program Initiatives

- Recruit 8 additional Peer Support team members and provide comprehensive training.
- Certify 8–12 Peer Support team members in Critical Incident Stress Management (CISM).
- Provide full-body MRIs for the 30 most senior line personnel.
- Offer performance training to all members to support occupational wellness.
- Introduce physical therapy, fitness, recovery, and overall wellness resources for department members.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$63,075	$135,000	$48,087	$100,000	($35,000)	(25.9%)
Retirement	$915	$1,958	$697	$1,450	($508)	(25.9%)
Materials and Supplies	$1,598	$3,500	$4,641	$16,100	$12,600	360.0%
Contract Services	$286,291	$536,000	$346,634	$655,000	$119,000	22.2%
Fixed Assets	$60,791	–	–	–	$0	–
EXPENSES TOTAL	**$412,669**	**$676,458**	**$400,060**	**$772,550**	**$96,092**	**14.2%**

Expenditure Analysis

Overtime: This request includes funding for overtime to support wellness projects and backfill for conference and training classes. A decrease of $35,000 is due to less time needed to support the program activities in the upcoming fiscal year.

Materials and supplies: This request includes funding for general supplies, conference registration, travel costs, and membership/license fees. An increase of $12,600 is anticipated for the upcoming fiscal year, primarily due to the inclusion of conference and travel expenses for the program, which were not budgeted in the previous year.

Contract services: This request includes funding for general contract services, instructor services, and wellness health assessment costs. An increase of $119,000 is anticipated for the upcoming fiscal year, primarily due to the enhancement of the wellness program, which incorporates additional funding for new initiatives, including the Critical Wellness Program

Program Overview

The Wildland program's purpose is to enhance the knowledge, training and efficiency for personnel in wildland operations. This program increases resource versatility within the District's response area and during California Office of Emergency Services requests to wildland incidents.

Management Oversight

The Wildland program is directed by the Division Chief of Training with oversight authority delegated to the Battalion Chiefs. This program does not have any full-time equivalent employees. This program contains the expenses pertaining to general supplies and equipment purchases, contract services, and overtime for training and program administration.

Program Objectives

- Provide all personnel with the necessary training to develop effective and efficient tactics for operating in the unique wildland fire environment.
- Train or facilitate training opportunities for District members within the allocated program budget to ensure continuous professional development.
- Continuously research and evaluate tools, equipment, and personal protective gear suitable for the wildland fire environment, ensuring their effectiveness and practicality.
- Ensure personnel are outfitted with the best and most practical tools and equipment, while providing training on their effective use in wildland fire operations.
- Work toward the development and implementation of a Rapid Extrication Module Support Team (REMS) to enhance emergency response capabilities.

FY 2025-26 Accomplishments

- Successfully delivered comprehensive wildland fire training that equipped all personnel with effective, efficient, and situationally appropriate operational tactics for the unique wildland fire environment.
- Successfully coordinated and facilitated comprehensive training opportunities for District personnel within the established program budget, ensuring continuous professional development across all wildland fire roles.
- Conducted ongoing research and evaluation of wildland-specific tools, equipment, and personal protective gear, resulting in the adoption of effective and practical solutions that enhanced operational readiness.
- Ensured all personnel were equipped with high-quality, mission-appropriate tools and equipment while providing targeted training that improved their effective use during wildland fire operations.

FY 2026-27 Program Initiatives

- Develop and maintain a comprehensive training program that equips all personnel with effective, efficient, and environmentally appropriate wildland fire tactics.
- Provide and support ongoing training opportunities for District members within the established program budget to promote continuous professional development.
- Continuously research and evaluate tools, equipment, and personal protective gear suitable for the wildland fire environment, ensuring their effectiveness and practicality.
- Equip personnel with practical, high-quality tools and equipment and ensure they receive proper training on their effective application in wildland fire operations.
- Advance the creation and implementation of a Rapid Extrication Module Support (REMS) Team to strengthen the District's emergency response capabilities.

Program Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Overtime	$8,280	$30,000	$8,193	$30,000	$0	0.0%
Retirement	$120	$435	$119	$435	$0	0.0%
Materials and Supplies	$17,478	$15,000	$15,517	$14,500	($500)	(3.3%)
Contract Services	$3,600	$15,000	–	$5,600	($9,400)	(62.7%)
EXPENSES TOTAL	**$29,478**	**$60,435**	**$23,829**	**$50,535**	**($9,900)**	**(16.4%)**

MENLO PARK FIRE PROTECTION DISTRICT

CAPITAL IMPROVEMENT PROJECT FUND

Introduction

The Capital Improvement Project (CIP) Fund is designated for the planning, acquisition, renovation, and construction of fire stations and other essential facilities that support the operations and services of the Menlo Park Fire Protection District. This fund plays a critical role in ensuring that the District's infrastructure remains modern, efficient, and capable of meeting the community's evolving safety needs. Projects supported by the CIP Fund may include purchasing land for future facilities, upgrading existing structures, or undertaking complete rebuilds to align with operational demands and regulatory standards. The District finances its capital improvement projects through a combination of strategies. These include direct transfers from the General Fund, allocation of one-time funds such as proceeds from surplus property sales, and cost savings from operational efficiencies. By leveraging these funding sources, the District ensures prudent fiscal management while addressing its long-term infrastructure needs.

The Menlo Park Fire Protection District operates out of ten strategically located facilities, which include seven fire stations and several support buildings. Key facilities comprise the Special Operations Warehouse at 2470 Pulgas Avenue, which houses equipment and resources for specialized emergency responses. The District's administrative operations are based in two buildings located on Middlefield Road and Santa Margarita Avenue. Additionally, each fire station includes ancillary structures, such as storage buildings, training areas, and vehicle maintenance spaces, which are integral to supporting daily operations and emergency readiness. Investments made through the Capital Improvement Project Fund ensure that the District’s facilities remain resilient, adaptable, and capable of supporting the specialized equipment and personnel necessary for effective service delivery. These improvements also enhance the safety and functionality of workspaces for District personnel, contributing to their ability to respond efficiently to emergencies while serving the community at the highest standards.

Project Funding Sources

The Menlo Park Fire Protection District prioritizes a fiscally conservative approach to financing its capital improvement projects, with a strong preference for funding infrastructure investments through available financial resources rather than issuing debt whenever practical. This philosophy reflects the District's long-standing commitment to maintaining financial stability, preserving operational flexibility, and ensuring that capital investments are made in a manner that supports the District's long-term fiscal sustainability. By minimizing reliance on borrowing, the District reduces future debt service obligations, limits financing costs, and preserves financial capacity to respond to unforeseen operational or emergency needs.

A cornerstone of the District's capital financing strategy is the disciplined use of General Fund resources to build reserves for future capital projects. During the annual budget process, the District carefully evaluates operating revenues, expenditures, and projected financial performance to identify available budget surpluses or operational savings that can be transferred to the Capital Improvement Project (CIP) Fund. Rather than allowing these one-time resources to be absorbed into ongoing operating expenditures, the District strategically designates them for future capital needs. This practice enables the District to gradually accumulate funding for major facility improvements, station renovations, equipment replacement, and other significant infrastructure investments over time.

The District recognizes that many capital projects require substantial financial commitments that extend well beyond a single fiscal year. Accordingly, maintaining a dedicated CIP Fund allows resources to be accumulated over multiple years, providing a stable and predictable funding source for projects with long planning and construction horizons. This "pay-as-you-go" approach promotes sound financial stewardship by matching available resources with planned capital expenditures and reducing dependence on external financing. It also provides greater flexibility in project scheduling, allowing the District to prioritize capital improvements based on operational needs, facility conditions, strategic objectives, and available funding.

Consistent annual contributions to the CIP Fund also strengthen the District's overall financial position by creating reserves that can be deployed when major capital investments become necessary. This proactive approach helps mitigate the financial impact of large one-time expenditures, reduces volatility in annual budgets, and provides greater certainty for long-range capital planning. By regularly setting aside resources in advance of anticipated needs, the District is better positioned to address aging facilities, modernize infrastructure, improve service delivery, and respond to evolving operational requirements without placing undue pressure on future operating budgets.

While the District may evaluate additional funding opportunities as they become available, its primary capital financing strategy remains centered on prudent financial management, disciplined reserve accumulation, and responsible long-term planning. This approach provides the flexibility to address both current and future infrastructure needs while preserving the District's strong financial foundation. Through careful stewardship of public resources and a commitment to minimizing debt, the District ensures that capital investments support its mission of providing high-quality fire protection, emergency medical, rescue, and disaster response services while maintaining the organization's long-term fiscal health.

FY 2025-26 Accomplishments

- Completed the Design Development phase for the Fire Station 1 Replacement Project, conducted a neighborhood outreach meeting, participated in a Planning Commission study session, and retained Cumming Group to provide construction management services for the project.
- Completed the retrofit of the bifold apparatus bay doors at Station 2, improving the reliability and functionality of the apparatus bays.
- Awarded a contract to Bay Area Paving and completed the driveway curb improvements at Station 6.
- Completed construction of the new fitness building, mechanic shop, and carport at Station 77.
- Awarded a contract to Greenberg Construction for the Station 77 emergency generator replacement project, completed the required site improvements, and are awaiting generator delivery for installation and final commissioning.
- Awarded a contract to Build Corp Inc. and completed the HVAC improvements to the Station 77 mechanic shop.
- Awarded a contract to Selway Construction and completed the Station 77 kitchen renovation.
- Awarded a contract to Taddie and Jowers Construction for the Administration Building kitchen renovation.
- Awarded a contract to PC Inc. Power Solutions and completed the installation of a new emergency generator at the District warehouse.
- Awarded a contract to TEA and completed improvements to the District's fire station alerting system.
- Awarded a contract to DC Electric Group Inc. for traffic signal preemption improvements to enhance emergency response operations.

FY 2026-27 Program Initiatives

- Obtain Planning approval for the Fire Station 1 Replacement Project, complete construction documents, initiate the permitting process, and prequalify general contractors.
- Complete the District-wide traffic signal preemption project.
- Execute a construction contract and complete the dorm subdivision project at Fire Station 77.
- Complete the emergency generator replacement project at Fire Station 77.
- Complete the PG&E power cutover and commission the warehouse emergency generator.
- Complete the Administration Building kitchen renovation project.

Capital Projects

Capital Outlay Expenditure
A significant individual purchase of a capital asset that meets or exceeds the District's established capitalization threshold. These are individual items or standalone acquisitions with a unit cost of $10,000 or more and a useful life of more than one year.

Capital Improvement Project Expenditure
This is a cost incurred to acquire, construct, or significantly enhance a long-term asset, such as buildings, infrastructure, or equipment. These expenditures add value, extend the useful life, or increase the efficiency or capacity of the asset, and are capitalized on the financial statements. To be classified as a Capital Improvement Project (CIP), the total project cost must meet or exceed $50,000.

Capital Projects Identification Process

The process for identifying and prioritizing capital improvement projects is an integral part of the District's annual budget development process and long-term capital planning efforts. Throughout the year, District staff evaluates the condition, functionality, and operational effectiveness of facilities, infrastructure, and major equipment to identify capital needs. Project needs may arise from facility condition assessments, operational requirements, regulatory or safety compliance, deferred maintenance, technological advancements, or opportunities to improve service delivery and operational efficiency.

Department staff collaborate to identify projects involving the replacement, renovation, expansion, or construction of District facilities and other long-term assets. Each proposed project is evaluated to determine its purpose, scope, estimated cost, anticipated service life, operational benefits, and whether it will preserve existing assets, extend their useful life, increase capacity, improve efficiency, or enhance the District's ability to provide emergency services. Preliminary cost estimates and project schedules are developed to assist in determining budget requirements and funding needs.

Following staff evaluation, the Fire Chief reviews all proposed capital projects and establishes funding priorities based on the District's strategic goals, operational needs, risk mitigation, regulatory requirements, available financial resources, and the overall impact on service delivery. Projects are prioritized to ensure limited capital resources are directed toward investments that provide the greatest long-term benefit to the District and the community.

Capital projects approved for inclusion in the Capital Improvement Program are incorporated into the proposed budget and presented to the Board of Directors for review and approval as part of the annual budget process. The proposed CIP identifies project costs, anticipated funding sources, and estimated implementation schedules, if applicable to provide transparency and support informed decision-making.

For multi-year projects previously approved by the Board, any unspent appropriations are carried forward into the subsequent fiscal year to ensure continuity through project completion. If project scope, schedule, or cost estimates change, any requested budget adjustments are included in the annual budget with appropriate justification and supporting documentation. This process ensures that capital investments remain aligned with District priorities, available funding, and sound financial management practices while promoting accountability and responsible stewardship of public resources.

Approved Capital Improvement Projects

The Menlo Park Fire Protection District currently has various approved capital improvement projects and capital outlay expenditures aimed at enhancing its facilities and operational capabilities. The following projects are summarized below and represent active or proposed capital projects for the upcoming fiscal year. Projects completed in the prior fiscal year are excluded.

1. Fire Station 1 Rebuild Project: This includes the design and preconstruction planning for a new fire station, administration building, training facility, multipurpose room, and equipment storage. The project has progressed through programming, conceptual design, schematic design, and design development phases, with ongoing efforts focused on completing construction documents and required predevelopment activities, including environmental review.
2. Station 77 Fitness Room, Mechanic Shop Extension, and Kitchen Remodel: This project includes the construction of a new fitness room, carport, and expanded mechanic shop facility, along with a station kitchen remodel. Following completion of design and permitting, construction began in 2024, with building improvements substantially completed and remaining project activities focused on final closeout and related station enhancements.
3. Fire Station 77 Generator Replacement: This will replace the aging emergency generator and automatic transfer switch to improve reliability and provide backup power to additional station facilities, including the swamp and mechanic shop buildings. Design, permitting, and site improvements have been completed, with generator installation and final connection activities scheduled for FY 2026–27.
4. Administration Building Kitchen Remodel: The project will modernize the second-floor kitchen by replacing worn flooring, cabinetry, countertops, and appliances while improving the functionality and appearance of the space. The project scope includes updated finishes, new appliances, and minor layout improvements to provide a more durable and efficient staff and event-use area.
5. Traffic Pre-Emption System - This will replace outdated pole-mounted preemption equipment and associated cabling to ensure compatibility with the District's newer emergency response apparatus. The updated GPS-based system will improve emergency response times by allowing traffic signals to provide priority access for responding vehicles and includes equipment installations for new battalion chief vehicles and a mechanic shop test unit.
6. Enterprise Resource Planning (ERP) System Upgrade: The District is planning to replace its existing accounting, payroll, and human resources systems with a more comprehensive Enterprise Resource Planning (ERP) system to improve automation, reporting capabilities, system integration, and long-term operational efficiency. The project is currently in the needs assessment and vendor selection phase, with implementation of the new system expected to enhance the District's technology infrastructure, scalability, and administrative support capabilities.

Budget Impact

The approved projects are funded through the Capital Improvement Project (CIP) Fund, which is primarily supported through planned transfers from the General Fund and supplemented by other available revenue sources as appropriate. The District's capital funding strategy emphasizes long-term financial planning, responsible resource allocation, and maintaining sufficient reserves to support infrastructure investments without placing undue pressure on annual operating budgets. The Fire Station 1 Replacement Project represents a significant long-term investment and will require a multi-year planning, design, and implementation process due to the complexity, scale, and importance of the facility to future District operations. Collectively, these capital investments reflect the District's ongoing commitment to preserving, modernizing, and enhancing its facilities, technology, and infrastructure to support the delivery of reliable, high-quality fire protection and emergency services.

The capital projects identified above primarily consist of **nonrecurring expenditures** associated with the acquisition, replacement, improvement, or expansion of long-term assets. The anticipated costs and funding requirements for these projects are presented in the tables below. Given the District's strong financial position and proactive approach to capital planning, these current and future capital investments are not expected to create a significant impact on ongoing operating expenditures. Funding for these projects, as well as planned recurring capital needs, is expected to be provided through annual internal transfers from the General Fund to the CIP Fund. These transfers are incorporated into the District's budget planning process and are evaluated annually to ensure adequate funding is available while maintaining operational stability.

In addition to annual General Fund contributions, the District has established CIP reserve funds to provide additional financial capacity for future capital needs. These reserves are primarily derived from accumulated excess unassigned General Fund balances and provide a dedicated funding source for major infrastructure projects, facility improvements, and other significant capital investments. Maintaining these reserves allows the District to better manage the timing and financial impact of large-scale projects, reduce reliance on external financing, and provide greater flexibility in responding to emerging capital priorities.

While the District remains well-positioned to fund its current and anticipated capital needs, it continues to apply a conservative and disciplined approach to financial management. Staff regularly monitors financial performance, evaluates available resources, and reassesses capital priorities to ensure that investments remain aligned with operational needs and long-term strategic objectives. This approach enables the District to balance immediate service requirements with future infrastructure demands while preserving financial stability and ensuring the continued ability to provide essential fire protection and emergency response services to the community.

Approved Capital Outlay Expenditures

These assets include items such as fire engines, fire trucks, IT equipment, mobile radios, vehicles, self-contained breathing apparatus (SCBA), audio-visual equipment, airboats, and forklifts.

The proposed budget for FY 2026-27 is $1.1 million. Below are some of the key capital asset acquisitions planned for the fiscal year 2026-27.

- Security cameras: $50,000
- Barracuda web security gateway: $15,000
- Network server: $25,000
- Two new fill stations: $160,000
- Hydraulic rescue tool: $15,000
- Navigation equipment for the new airboat: $50,000
- Upgrades to Unmanned Aerial System (UAS) technology infrastructure components: $60,000
- Two 24/26-foot enclosed trailers: $110,000
- DFR dock: $31,000
- One defibrillator unit: $60,000
- District vehicles, including outfitting (e.g., radios, lights, and sirens): $305,000
- Cache storage containers for Community CERT Hubs: $180,000
- Fitness equipment: $54,000
- Trailer for the water rescue program: $30,000

Project Title	Amount	Year
Administration Buidling Kitchen Remodel	$92,000	2027
Station 1 – Rebuild	$2,390,566	2027
Station 77 – Fitness Room, Mechanic Shop Extension and Kitchen Remodel	$295,617	2027
Station 77 - Generator	$293,726	2027
ERP System Upgrade	$300,000	2027
Distict Capital Assets	$1,145,000	2027
	$4,516,909	

Capital Improvement Projects Fund-Revenue Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	Change in $	Change in %
Revenues						
Capital Improvement Projects Fund						
Transfers In	$29,533,915	$18,667,246	$18,667,246	$19,759,584	$1,092,338	5.9%

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	Change in $	Change in %
CAPITAL IMPROVEMENT PROJECTS FUND TOTAL	**$29,533,915**	**$18,667,246**	**$18,667,246**	**$19,759,584**	**$1,092,338**	**5.9%**
REVENUES TOTAL	**$29,533,915**	**$18,667,246**	**$18,667,246**	**$19,759,584**	**$1,092,338**	**5.9%**

Capital Improvement Projects Fund-Expenditure Summary

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
Expenses						
Capital Improvement Projects Fund						
Fixed Assets	$3,401,397	$7,217,824	$4,416,210	$4,516,909	($2,700,915)	(37.4%)

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE/ (DECREASE)	CHANGE IN %
CAPITAL IMPROVEMENT PROJECTS FUND TOTAL	$3,401,397	$7,217,824	$4,416,210	$4,516,909	($2,700,915)	(37.4%)
EXPENSES TOTAL	$3,401,397	$7,217,824	$4,416,210	$4,516,909	($2,700,915)	(37.4%)

MENLO PARK FIRE PROTECTION DISTRICT

ADMINISTRATIVE SERVICES AND FIRE PREVENTION

Administrative Services and Fire Prevention Buildings

The District purchased 170 Middlefield Road on December 21, 2007, for $3,600,000. The project was completed in January 2010, and both the fire prevention and administration divisions have taken occupancy. This two-story commercial office building with a sub-grade garage beneath is approximately 5,800 square feet. In October 2016, the District purchased 114 Santa Margarita Avenue for $2.8 million, which is located adjacent to 170 Middlefield Road. The acquisition has allowed the District to provide additional office space for District staffing. Per the 2020 space needs assessment, the District lacks adequate space at these two facilities on office and storage space for its administration and fire prevention divisions. The District is in the process of designing new office and storage space on the Station 1 lot. Included in the 2025-26 capital improvement project budget is the renovation of the second-floor kitchen at 170 Middlefield.

Administrative Kitchen Project

170 Middlefield's renovation was completed in January 2010. Since then, the small kitchen on the second floor has been excessively used by the administration and fire prevention staff. The finishes and fixtures show significant wear and tear and need replacement with more durable materials. The project includes complete renovation including the removal of the cabinets, countertops, appliances and linoleum flooring and the installation of new cabinets, countertops, appliances, and polishing of the existing concrete floor as well as painting. A contract has been awarded to Taddie and Jowers Construction and the project is expected to be completed prior to the end of FY 26-27.

Enterprise Resource Planning (ERP) System Replacement

Staff is planning to replace the District's existing accounting system, MIP Fund Accounting, and payroll system, ADP, while evaluating the potential integration of the District's current human resources system, NeoGov. Currently, these systems operate independently and require extensive manual integration and data transfer. Although the existing systems continue to meet current operational needs, they are becoming outdated and may have limited capacity to support future operational changes, increased reporting requirements, and organizational growth.

The District is pursuing a more comprehensive enterprise resource planning (ERP) solution that will provide enhanced functionality, improved reporting capabilities, greater automation, and better integration among financial, payroll, and human resources functions. Transitioning to a modern ERP platform will improve operational efficiency, strengthen system security, reduce manual processes, and provide greater scalability to support the District's current and future administrative needs.

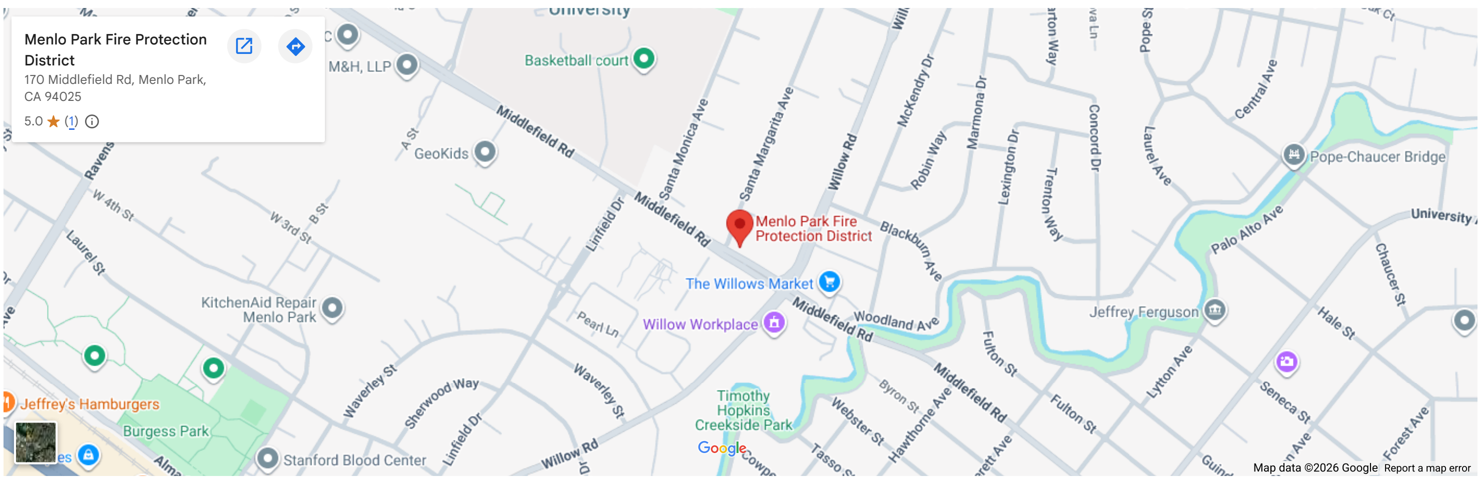
The project is being implemented in two phases. The first phase focuses on the planning and procurement process, including engaging a consultant to conduct a comprehensive needs assessment, develop and execute a Request for Proposal (RFP), assist with vendor evaluation and selection, and support contract negotiations. A budget of $100 thousand was included in the General Fund operating budget for this phase. This phase is expected to be completed by the first quarter of 2026 or sooner.

The second phase will involve implementation of the new ERP system. The estimated implementation cost is $300 thousand. Costs associated with software acquisition, system configuration, integration, data conversion from legacy systems, module implementation, and system testing are expected to be capitalizable under applicable GASB guidance when they are directly attributable to placing the system into service. These costs represent an investment in the District's long-term technology infrastructure and are expected to provide benefits over multiple years. Capitalizing qualifying implementation costs will allow the investment to be recognized over the periods benefited and provide a more accurate representation of the District's long-term assets and financial position.

Overall, the ERP replacement project will modernize the District's financial and administrative technology infrastructure, improve system integration and automation, enhance reporting capabilities, and provide a scalable platform to support the District's evolving operational and organizational needs.

Administration and Fire Prevention Building

Project Title	Amount	Year
Administration Buidling Kitchen Remodel	$92,000	2027
ERP System Upgrade	$300,000	2027
	$392,000	



MENLO PARK FIRE PROTECTION DISTRICT

FIRE STATION 1

Fire Station 1

The District is exploring the future development of the Fire Station 1 property. The District acquired 1.01 acres adjacent to Fire Station 1 from the Roman Catholic Church in 2018 for $6.6 million. The lot acquired has been merged with the existing lot to form a 1.96-acre lot. The District contracted with PBK Architects, Inc. in FY 23-24 for the preparation of design documents to include a new fire station, a training facility, and an administration building, which will include office space for both administration and fire prevention staff, storage of equipment and supplies, and a new classroom/board room/District operations center. In June 2024 the Board of Directors selected a conceptual design to include all the forementioned buildings which is estimated at $121 million. In FY 25-26, PBK Architects will be tasked with finishing the design development documents in order to obtain planning department approval and will begin on the construction documents. The project is estimated to be completed in March 2032.

Fire Station 1 has the primary response areas of the City of Menlo Park, the Town of Atherton, and unincorporated County areas. Assigned to Fire Station 1 are Engine 1 and Squad 401. In addition to its primary response area, all stations can be called for mutual aid to the City of Palo Alto fulfilling assignments in accordance with a District/Palo Alto mutual aid plan. Staffed units at this station include Engine 1 with a captain and two firefighters, one being a qualified engineer, and Squad 401 with a captain and one qualified engineer /paramedic. Each unit has at least one licensed paramedic providing advanced life support services.

Fire Station #1 - Rebuild Project

The District is in the process of designing the future development of Fire Station 1 property. The development of the site will include a new fire station, a training facility, and an administration building which will include office space for both administration and fire prevention staff, storage of equipment and supplies, and a new classroom/board room/District Operations Center.

In 2012, the District hired CH2M Hill to evaluate the District's facilities. Fire Station 1, which was constructed in 1955, was listed in fair condition and identified as having an original life expectancy of 35 years. The station has ongoing issues with water penetration. A new fire station is needed to address ongoing maintenance issues, as well as space needs issues and to incorporate smart alerting and safety improvements, such as having driven-through capability. In 2021, the District had the training tower evaluated by MLA Structural Engineers, Inc. which identified that the tower is unsafe in its current condition due to dry rot and would require a seismic retrofit. The training tower is a critical component of the District's safety personnel training program. The construction of a new, multi-story tower will allow the Fire District to properly train and prepare staff for the challenges and difficulties experienced in multi-story structures and other environments. Challenges associated with multi-story structures include proper search and rescue techniques, advancement of hose lines aloft, other physical difficulties, and technical fire ground operations. In addition, a newly designed multi-story training tower with a sub-surface basement is needed to adequately prepare firefighters for the challenges faced in certain types of emergencies.

In 2022, the District was notified by PG&E that PG&E may in the future expand its operations at the District's training site located at the PG&E substation adjacent to Highway 84. The proposed expansion would reduce the District's training capabilities at this location in half. The District proposes constructing a new training facility at Fire Station 1 to address the structural concerns of the existing training tower and the potential loss of training functions at the PG&E substation.

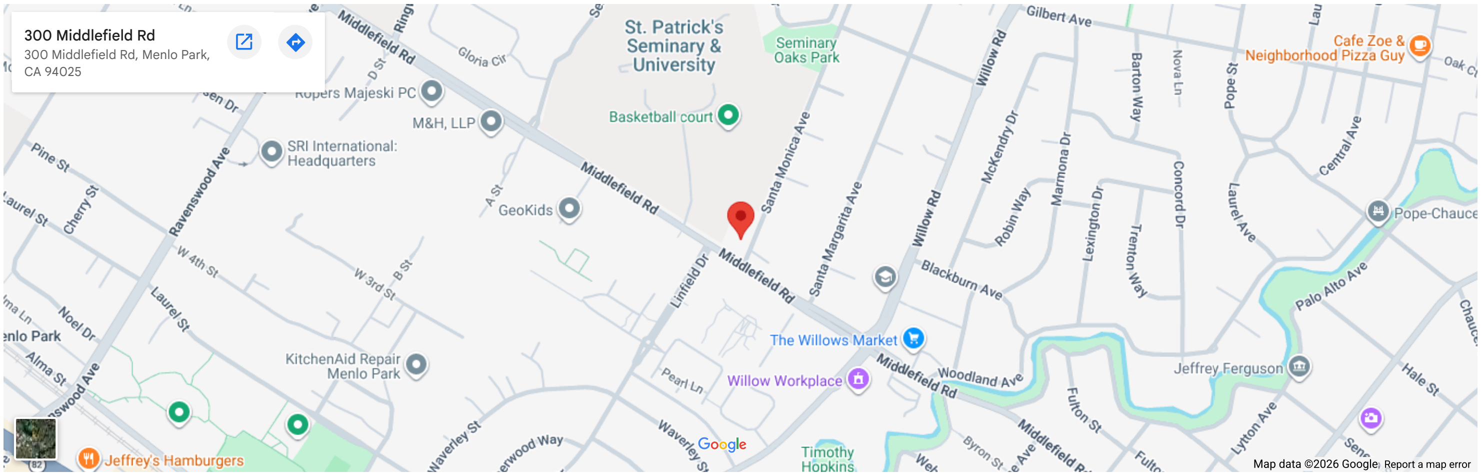
The development of the site will also include office space for administration and fire prevention staff along with a new classroom/board room/District Operations Center, a storage building, and underground parking. The District has outgrown the office space at 170 Middlefield Road, and 114 Santa Margarita and additional office space is needed to accommodate existing and future staffing. In June 2024 the Board of Directors approved the project which is estimated at $121 million. The project is estimated to be completed by March 2032. Upon completion of the project and relocation of staff, the properties at 170 Middlefield road and 114 Santa Margarita avenue can be repurposed or sold.

During fiscal year 2026-2027 the project is expected to obtain planning department approval and to be submitted to the building department for permitting. The District has contracted with Cumming Group Inc. to provide construction management support.

Project Information

Fire Station 1 Project

Project Title	Amount	Year
Station 1 – Rebuild	$2,390,566	2027
	$2,390,566	


300 Middlefield Rd
300 Middlefield Rd, Menlo Park, CA 94025
St. Patrick's Seminary & University
Seminary Oaks Park
Basketball court
Ropers Majeski PC
M&H, LLP
SRI International: Headquarters
GeoKids
KitchenAid Repair Menlo Park
The Willows Market
Willow Workplace
Jeffrey's Hamburgers
Cafe Zoe & Neighborhood Pizza Guy
Jeffrey Ferguson
Timothy Hopkins
Middlefield Rd
Ravenswood Ave
Santa Monica Ave
Santa Margarita Ave
Willow Rd
Blackburn Ave
Woodland Ave
Palo Alto Ave
Gilbert Ave
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MENLO PARK FIRE PROTECTION DISTRICT

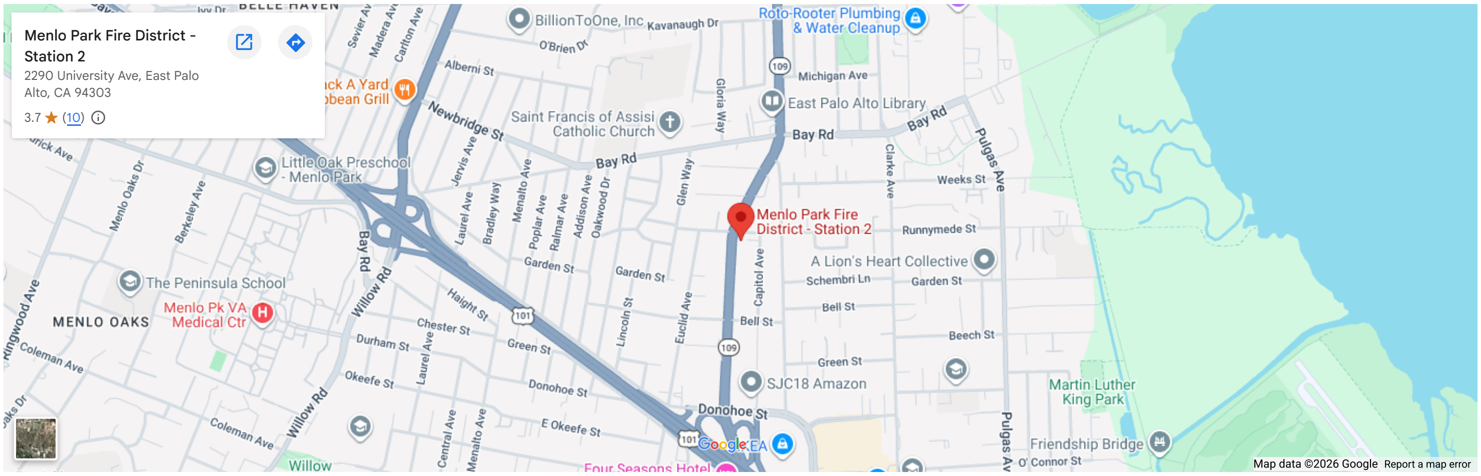
FIRE STATION 2

Fire Station 2

The District purchased 2293 Capitol Avenue for $685,000 on November 29, 2007. This property, along with an adjacent property purchased on June 27, 2006, at 2299 Capitol Avenue in the amount of $603,000, were joined together with the existing Fire Station 2 lot to form 100 feet wide by 200 feet deep area on which to construct a new, improved, and modern three bay, drive through, 12,562 square foot fire station, which also included a new detached communication building and 100' monopole. In fiscal year 2011-2012, the District entered a contract with S.C. Builders for the construction of site improvements which included the construction of the rear driveway and parking along with the communication building and monopole. S.C. Builders completed the work in December 2012. Shortly thereafter the temporary trailer was constructed and placed allowing for the firefighters to be relocated out of the existing fire station. DL Falk Construction Inc. was awarded the contract in December 2013 to construct the new fire station, and the notice of completion was filed in October 2016.

Fire Station 2 has the primary response areas of the City of East Palo Alto, City of Menlo Park, and San Francisco Bay. Station 2 is the busiest fire station in the District. Staffed units at this station include Engine 2 with a captain and two firefighters, one being a qualified engineer, Truck 2 with one captain, two truck operators and one firefighter, and

Battalion 101. Each unit, excluding Battalion 101, has at least one licensed paramedic providing advanced life support services. There are no capital improvement projects currently proposed for FY 2026-27 at Fire Station 2.



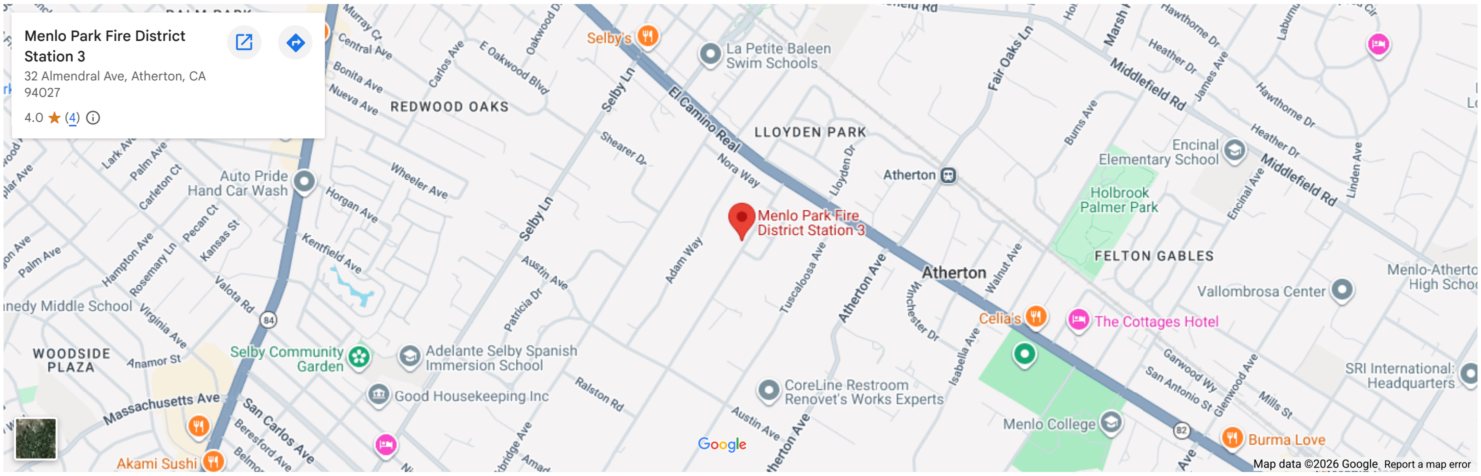
MENLO PARK FIRE PROTECTION DISTRICT

FIRE STATION 3

Fire Station 3

The Fire District purchased the parcel located at 28 Almendral Avenue, Atherton in June 2017. This property is 39,646 sq. ft., including a single-story 1950's ranch-style home, and is zoned R1-A. This property is located both adjacent to and behind Fire Station 3 lot. The acquisition of this property was an opportunity to strategically acquire additional land to provide the Fire District with the option to construct a new, larger fire station in the future at Fire Station 3's current location. The Board approved the construction of the accessory structure in December 2022 and awarded the contract to Greenberg Development and Construction, Inc. The 1,200-square-foot accessory building was completed in 2024. It is located directly behind the existing fire station and was constructed to provide additional space for the firefighters' need for their exercise equipment and storage of the EMS supplies. Additional parking for the fire station was also provided adjacent to the accessory building. There are no capital improvement projects currently proposed for FY 2026-27 at Fire Station 3.

Fire Station 3 has the primary response areas of the Town of Atherton, unincorporated county areas, and the City of Menlo Park. Station 3 responds to Redwood City as part of the County Closest Unit, Automatic Aid, and Move and Cover agreement. Staffed units at this station include Engine 3 with a captain and two firefighters, one being a qualified engineer. One of the three personnel is a licensed paramedic providing advanced life support services.

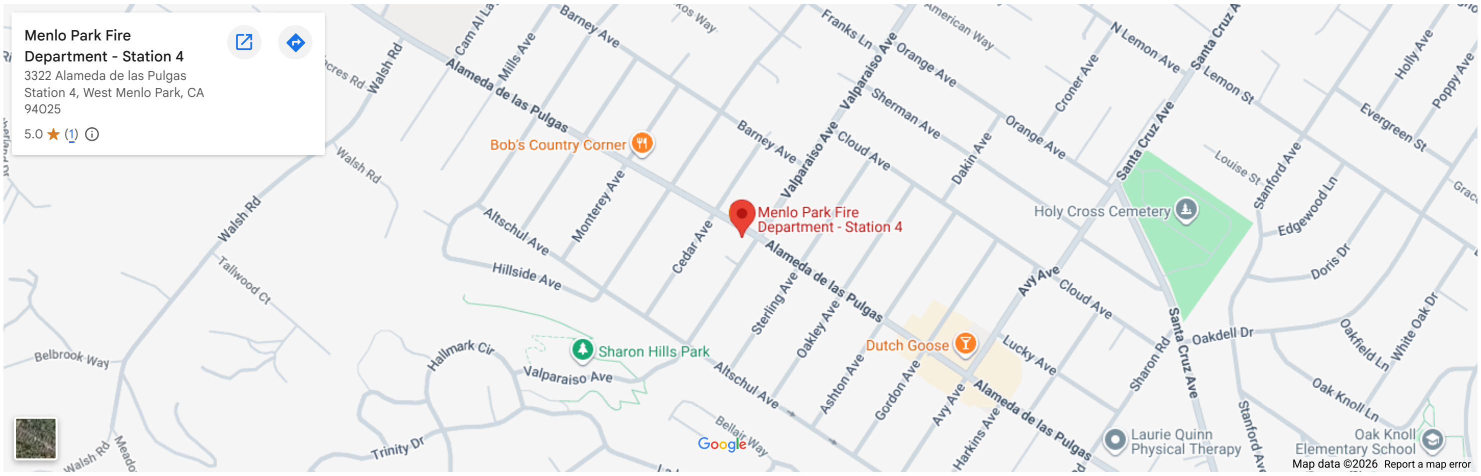


MENLO PARK FIRE PROTECTION DISTRICT

FIRE STATION 4

Fire Station 4

Fire Station 4 is located at 3322 Alameda De Las Pulgas, Menlo Park, and serves West Menlo Park, Sharon Heights, Atherton, and a secondary response to downtown Menlo Park. This area is the hilliest part of the Fire District and some of the largest homes are located in this area. In 2018, the District purchased 2110 Valparaiso Avenue in the amount of $3,248,033, in order to establish enough functional area to be used to support a new fire station to replace the 3,800-square-foot aging, undersized station, which was constructed in 1949. The two lots were merged to provide sufficient space for the construction of a new fire station. In December 2020, the Board approved a contract with Sausal Corporation for the construction of a new 13,200 sq. ft., two-story fire station. The project broke ground in 2021 and was completed in 2024. There are no capital improvement projects currently proposed for FY 2024-25 at Fire Station 4. Fire Station 4 has the primary response areas of unincorporated county areas, the City of Menlo Park, and the Town of Atherton. Station 4 responds to Woodside, Portola Valley, and Redwood City as part of the Closest Unit, Automatic Aid, and Move and Cover agreement. Staffed units at this station include Engine 4 with a captain and two firefighters, one being a qualified engineer, and Truck 4 with one captain, two truck operators and one firefighter. Each unit has at least one licensed paramedic providing advanced life support services. There are no capital improvement projects currently proposed for FY 2026-27 at Fire Station 4.



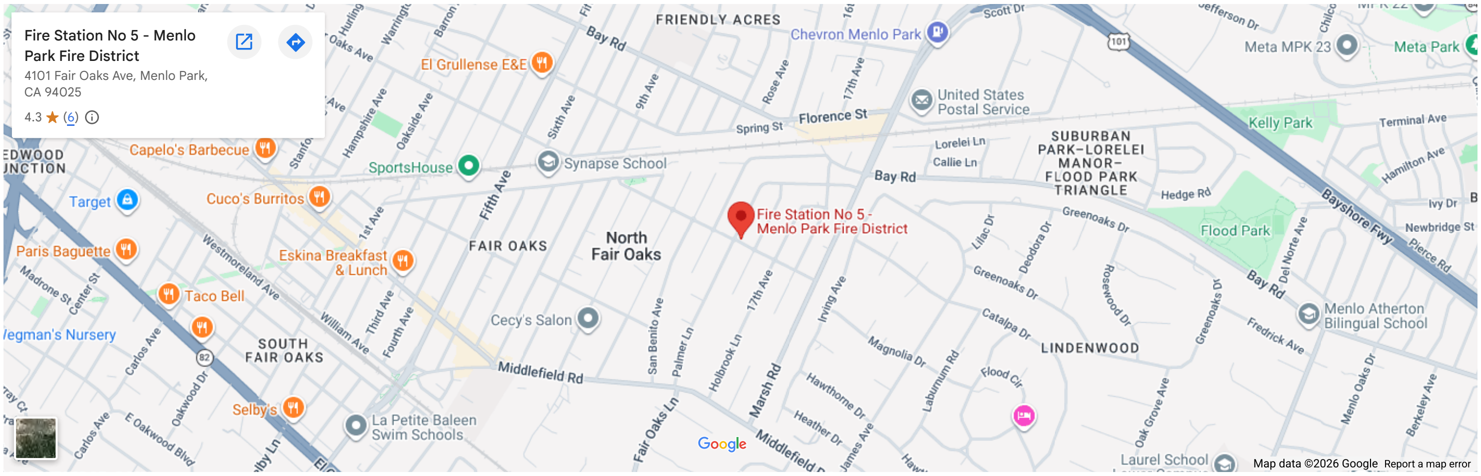
MENLO PARK FIRE PROTECTION DISTRICT

FIRE STATION 5

Fire Station 5

Fire Station 5 is a 3,200-square-foot single-story structure located in the City of Menlo Park, that was built and commissioned in 1998. Station 5 serves the North Fair Oaks area of the Fire District and unincorporated areas of Redwood City. The station will either need to be enlarged or relocated to address future needs. Currently, the station is in good condition. There are no capital improvement projects currently proposed for FY 2026-27 at Fire Station 5.

Fire Station 5 has the primary response areas of unincorporated North Fair Oaks, the City of Menlo Park, and the Town of Atherton. Station 5 responds to Redwood City as part of the County Closet Unit, Automatic Aid, and Move and Cover Agreement. Staffed units at this station include Engine 5 with a captain and two firefighters, one being a qualified engineer. At least one of the three personnel is a licensed paramedic providing advanced life support services.


Fire Station No 5 - Menlo Park Fire District
4101 Fair Oaks Ave, Menlo Park, CA 94025
4.3 (6)
Fire Station No 5 - Menlo Park Fire District
FRIENDLY ACRES
NORTH FAIR OAKS
FAIR OAKS
SOUTH FAIR OAKS
SUBURBAN PARK–LORELEI MANOR–FLOOD PARK TRIANGLE
LINDENWOOD
Middlefield Rd
Marsh Rd
Bay Rd
Bayshore Fwy
Flood Park
Kelly Park
Meta Park
Google
Map data ©2026 Google

MENLO PARK FIRE PROTECTION DISTRICT

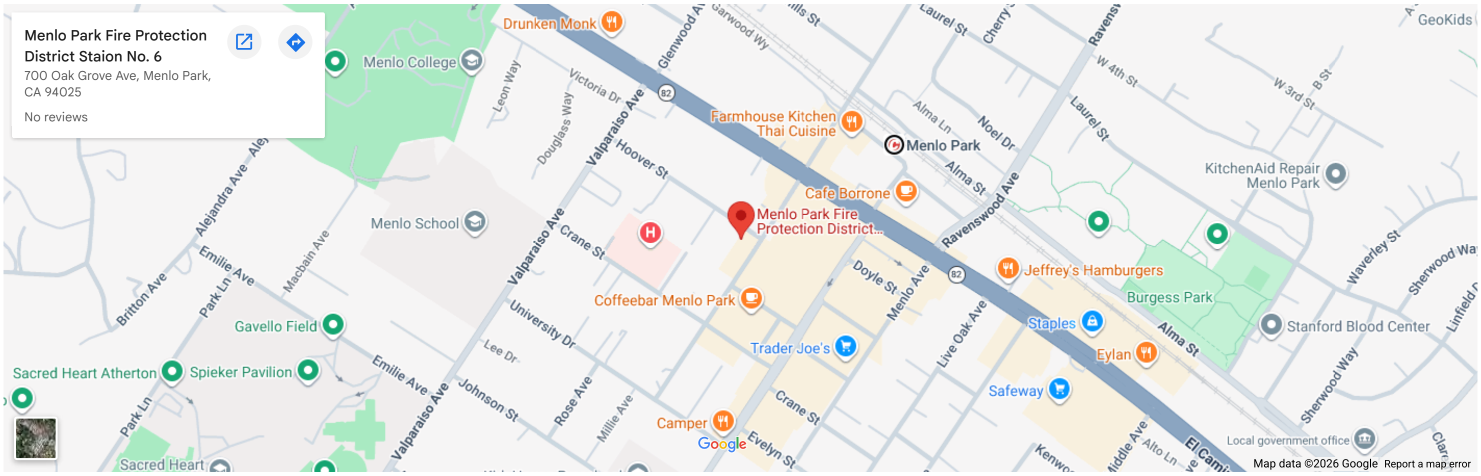
FIRE STATION 6

Fire Station 6

On July 31, 2008, the District purchased a property behind the station, at 1231 Hoover Street, for $1,507,300 to establish enough functional area to be used to support a new fire station to replace the aging, undersized station located at 700 Oak Grove Avenue, which was constructed in 1953. In October 2016 the Board awarded a contract to Gonsalves and Stronck Construction Co. Inc. for the construction of an 8,335 square-foot fire station and a 1,005 sq. ft. engine display building to store and display the District's antique apparatus.

Additionally, the contractor was tasked with the relocation of the Fire District's carriage house from Fire Station 1 to Fire Station 6. Construction started in November 2016 and the notice of completion for the multi-phased project was issued in May 2019. There are no capital improvement projects currently proposed for FY 2026-27 at Fire Station 6.

Fire Station 6 has the primary response areas of the downtown commercial district of the City of Menlo Park and the Town of Atherton. Because of its proximity to El Camino Real, it provides mutual aid to the City of Palo Alto. Staffed units at this station include Engine 6 with a captain and two firefighters, one being a qualified engineer, and Battalion 1. At least one of the three personnel is a licensed paramedic who provides advanced life support services.



MENLO PARK FIRE PROTECTION DISTRICT

FIRE STATION 77

Fire Station 77

Fire Station 77 is located at 1467 Chilco Street in the City of Menlo Park, adjoining the Dumbarton Branch rail line. This Station houses an engine company, the District's water rescue facility, and related equipment including an airboat, jet skis, and rigid-hull inflatable boats. The Mechanical Division is also housed at this facility which was built in 1996. The 9,259 sq. ft. of ancillary buildings includes a mechanic shop, classroom, water rescue facilities, and storage and parking enclosure. The 4,400 sq. ft. fire station is in good condition and serves the Belle Haven area of Menlo Park. The land is owned by the City of Menlo Park and is leased to the District. In 2018, the District purchased 1457 Chilco Street for the future purpose of merging the two lots for the construction of a new fire station. The District has recently constructed several improvements at Fire Station 77 to enhance the capabilities at this station. The additions are comprised of the remodeling of the kitchen, construction of a fitness room, an expansion of the existing mechanical shop, and the building of a carport. Additionally, the District is in the process of replacing its aging emergency generator. The new generator will be larger and capable of powering all three buildings. New projects for FY 26-27 include the subdivision of a dorm room in order to accommodate the staffing of a Squad at Fire Station 77.

Fire Station 77 has the primary response areas of the eastern section of the City of Menlo Park known as Bell Haven, the Bayfront, and the City of East Palo Alto. 77 Station personnel receive training in boat operations and water rescue and provide water rescue in waterways within the District and assist other agencies throughout the bay area. Staffed units at this station include Engine 77 with a captain and two firefighters, one being a qualified engineer, an airboat, a rigid bottom inflatable boat, jet skis, and CAL-OES swift water rescue inflatable boats in addition to the requisite equipment. The District maintains its vehicle maintenance shop at Station 77 with a fleet supervisor and mechanic. The District on-staff mechanics perform the maintenance of apparatus and equipment.

The existing Fire Station 77 site located at 1467 Chilco Street, Menlo Park is comprised of three main structures as well as several carports. The three structures include the fire station, a storage facility, and a mechanics shop where the District performs all its in-house maintenance and repairs to the District's apparatus and vehicles. All these structures were constructed in the late '90s.

Fire Station 77 - Generator Replacement Project

The Fire Station 77 15kw generator is failing and replacement parts are difficult to obtain. The generator only provides emergency power to the fire station. The project includes the replacement of the generator and automatic transfer switch (ATS). In addition, the new 50kw generator will be connected to all three buildings. To achieve this, additional conduit work will be required. This project is anticipated to be completed by the end of 2026.

Fire Station 77 - Dorm Subdivision Project

This station was constructed with three dorm rooms and a small fitness room. Recently, a new fitness room was constructed at the rear of the station which allowed for the old fitness room to be converted into a dorm room. During the upcoming construction of a new fire station 1, Squad 401 which is staffed by two personnel will be relocated to Fire Station 77. With five personnel and only four dorm rooms the District has contracted with Ron Paris Construction to subdivide the old fitness room in order to make two additional dorm rooms. This project is expected to start in 2026 and be completed by the end of fiscal year 2026-27. The project cost is included in the Station 77 Fitness Room, Mechanic Shop Extension and Kitchen Remodel budget.

Project Information

Fire Station 77 Projects

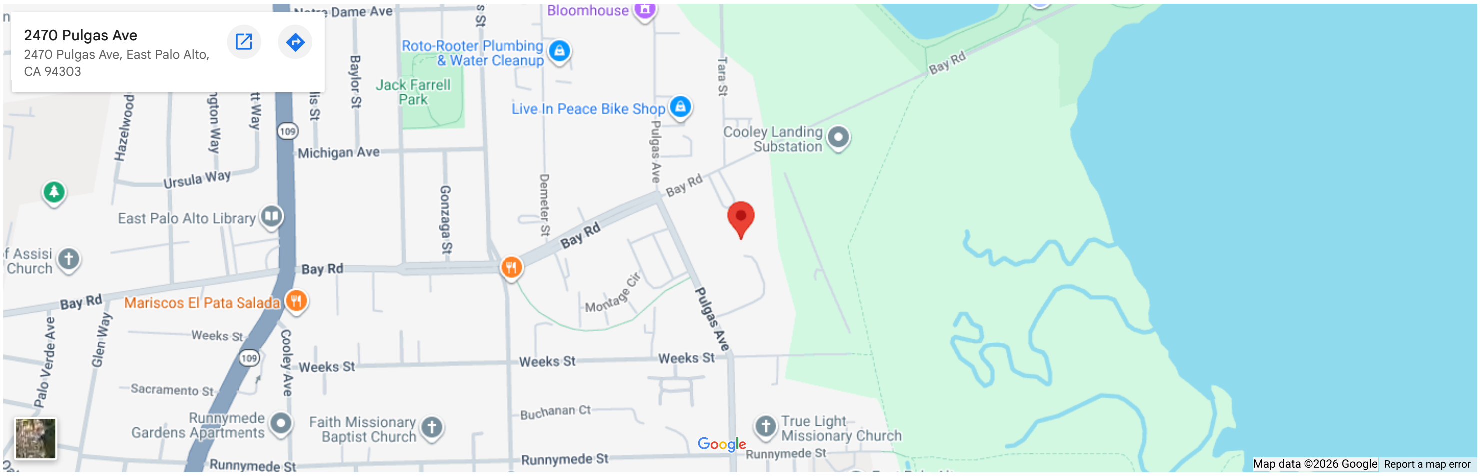
Project Title	Amount	Year
Station 77 – Fitness Room, Mechanic Shop Extension and Kitchen Remodel	$295,617	2027
Station 77 - Generator	$293,726	2027
	$589,343	

MENLO PARK FIRE PROTECTION DISTRICT

SPECIAL OPERATIONS WAREHOUSE

Special Operations Warehouse

The District purchased a warehouse located at 2470 Pulgas Avenue, East Palo Alto in 2017 for $5 million. This warehouse stores the CATF3 cache, and the CATF3 staff operate in this building. The warehouse currently has no emergency backup power functionality. In order to provide and ensure operational readiness, the warehouse needs to have reliable power to allow the task force to deploy. The District has contracted with PC Inc. for the installation of a generator to provide emergency power to the warehouse.


2470 Pulgas Ave
2470 Pulgas Ave, East Palo Alto, CA 94303
Bloomhouse
Roto-Rooter Plumbing & Water Cleanup
Jack Farrell Park
Live In Peace Bike Shop
Cooley Landing Substation
Michigan Ave
Ursula Way
East Palo Alto Library
Bay Rd
Mariscos El Pata Salada
Weeks St
Sacramento St
Runnymede Gardens Apartments
Faith Missionary Baptist Church
Buchanan Ct
Runnymede St
True Light Missionary Church
Pulgas Ave
Gonzaga St
Demeter St
Tara St
Baylor St
Hazelwood
Cooley Ave
Palo Verde Ave
Glen Way
Montage Cir
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MENLO PARK FIRE PROTECTION DISTRICT

SPECIAL REVENUE FUND

Special Revenue Fund Overview

The Special Revenue Fund is established to manage and account for financial resources received and expended for specific purposes, with a primary focus on federal emergency response and disaster management activities. This fund is dedicated to tracking and administering resources allocated through federal grants, such as those provided by the Federal Emergency Management Agency (FEMA) under its Cooperative Agreements. These funds are essential for supporting the District's involvement in California Task Force 3 (CATF3), which operates as part of the national Urban Search and Rescue (US&R) program.

Beyond supporting US&R operations, the Special Revenue Fund also encompasses the management of financial claims and assistance programs associated with disaster declarations. This includes tracking expenditures, reimbursements, and compliance with regulations tied to major emergencies where the District is eligible for federal or state assistance.

The fund ensures that all federal financial resources are appropriately allocated and utilized strictly for their designated purposes. It also facilitates adherence to grant requirements, regulations, and reporting standards, ensuring proper oversight of federally funded programs. Furthermore, the Special Revenue Fund enhances financial transparency and accountability, providing a clear record of all transactions related to federal emergency response, recovery efforts, and disaster-related activities.

California Task Force 3 Urban Search and Rescue

On October 12, 1990, the Menlo Park Fire Protection District entered into a formal agreement with the Federal Emergency Management Agency (FEMA) and the State of California, designating the District as the Sponsoring Agency for California Task Force 3 (CA-TF3). CA-TF3 is a vital component of the National Urban Search and Rescue (US&R) Response System, one of 28 highly specialized teams across the United States tasked with responding to large-scale emergencies and disasters.

As the Sponsoring Agency, the Menlo Park Fire Protection District is responsible for the coordination, management, and operational readiness of CA-TF3. This includes ensuring the availability of trained personnel, maintaining specialized equipment, and facilitating compliance with federal and state requirements. CA-TF3 is composed of a multidisciplinary team of professionals, including firefighters, engineers, physicians, paramedics, canine handlers, and logistical support staff. Together, they deliver critical emergency services during natural disasters such as earthquakes, hurricanes, and floods, as well as man-made events like building collapses and terrorist attacks.

CA-TF3 is renowned for its expertise in advanced rescue operations, including structural collapse rescue, confined space entry, swift-water rescue, hazardous material handling, and medical triage. The team has consistently demonstrated its ability to mobilize rapidly and respond effectively to some of the most significant emergencies in the nation's history. Their work has been instrumental in saving lives and mitigating the impacts of catastrophic events at both the local and national levels.

The Menlo Park Fire Protection District's continued leadership in supporting CA-TF3 ensures the task force remains fully prepared to respond at a moment's notice. This readiness includes maintaining a state of operational excellence through rigorous training, equipment updates, and strategic planning. The longstanding agreement with FEMA and the State of California highlights the District's unwavering commitment to public safety and emergency response, solidifying its role as a leader in disaster preparedness and response efforts both regionally and nationwide.

Cooperative Agreements

The CA-TF3 US&R team is fully funded through the FEMA Cooperative Agreement, with the District currently managing three active agreements that provide federal funding to support the program. The primary objective of the Cooperative Agreements is to ensure the continued development and readiness of the National Urban Search and Rescue Response System (US&R), enabling teams like CA-TF3 to respond to national emergencies. These agreements help maintain qualified personnel, resources, and equipment, supporting the National Incident Management System (NIMS) and the National Response Framework (NRF).

CA-TF3's efforts are structured around four main program areas:

1. Administration: This area supports the day-to-day operations of the task force, including staff management, program and grant oversight, administrative support, and logistical coordination. Responsibilities include managing personnel salaries, task force development, record-keeping, inventory management, and communication with team members and supporting parties.
2. Equipment: This program provides funding for purchasing equipment listed in the most current DHS/FEMA task force equipment cache, or any subsequent approved equipment list, ensuring that CA-TF3 has the necessary tools and technology for mission readiness.
3. Storage & Maintenance: This area covers costs associated with the storage and maintenance of equipment, including warehouse lease expenses or other associated maintenance costs for up to 12 months.
4. Training: This program ensures that CA-TF3 personnel receive the required US&R training, including local courses and those mandated by current US&R position descriptions or specific program requirements.

These four program areas work in tandem to ensure that CA-TF3 remains prepared, properly equipped, and continuously trained for rapid deployment in disaster response scenarios.

Special Revenue Fund Budget Summary

The FY 2026-27 Special Revenue Fund's final budget is balanced. The reimbursable expenditures and revenues budgeted in the fiscal year totaled $1,402,789. There are currently three Cooperative Agreements still open. New cooperative agreements to be received in the next fiscal year will also be added to the budget.

The current budget includes funding from three active Cooperative Agreements:

- EMW-2025-CA-05028
- EMW-2024-CA-05159
- EMW-2023-CA-05403

Since the Special Revenue Fund operates under a carry-forward system, any unspent funds from the current fiscal year will automatically carry over into the next fiscal year. Adjustments to the carry-forward budget will be made once the year-end financials are finalized. Furthermore, any new Cooperative Agreements anticipated during FY27 will be integrated into the final budget upon receipt and approval. This approach ensures the fund remains dynamic and accurately reflects all available financial resources.

Other Federal Emergency Responses

Beyond supporting US&R operations, the Special Revenue Fund also encompasses the management of financial claims and assistance programs associated with disaster declarations. This includes tracking expenditures, reimbursements, and compliance with regulations tied to major emergencies where the District is eligible for federal or state assistance. The other federal emergency responses are unpredictable and activities are not budgeted.

Special Revenue Fund - Expenditure Per Program

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATION
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Co-op Admin	$3,368,080	$3,734,471	$2,723,840	$953,134	($2,781,337)	(74.5%)
Co-op Equipment	$318,686	$883,941	$709,641	$190,244	($693,697)	(78.5%)
Co-op Storage/Maintenance	$102,549	$180,133	$93,394	$73,767	($106,366)	(59.1%)
Co-op Training	$88,413	$355,116	$160,980	$185,644	($169,472)	(47.7%)

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATIO N
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
EXPENSES TOTAL	**$3,877,72 8**	**$5,153,661**	**$3,687,855**	**$1,402,789**	**($3,750,872)**	**(72.8%)**

Special Revenue Fund - Expenditure by Category

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET	CALCULATION	CALCULATI ON
	FY2025	FY2026	FY2026	FY2027	FY27 vs FY26 INCREASE / (DECREASE)	CHANGE IN %
Expenses						
Special Revenue Fund						
Salaries	$593,891	$1,157,637	$589,446	$512,922	($644,715)	(55.7%)
Stipends	$108,766	$118,125	$88,733	$46,586	($71,539)	(60.6%)
Overtime	$282,284	$288,082	$314,945	–	($288,082)	(100.0%)
Retirement	$116,654	$141,711	$135,320	$131,952	($9,759)	(6.9%)
Benefits	$202,621	$477,814	$189,823	$127,557	($350,257)	(73.3%)
Materials and Supplies	$188,251	$679,935	$173,061	$199,852	($480,083)	(70.6%)
Contract Services	$2,199,8 49	$2,097,686	$1,592,016	$383,920	($1,713,766)	(81.7%)
Fixed Assets	$185,413	$192,670	$604,510	–	($192,670)	(100.0%)
SPECIAL REVENUE FUND TOTAL	**$3,877,7 28**	**$5,153,661**	**$3,687,855**	**$1,402,789**	**($3,750,872)**	**(72.8%)**
EXPENSES TOTAL	**$3,877,7 28**	**$5,153,661**	**$3,687,855**	**$1,402,789**	**($3,750,872)**	**(72.8%)**

Cooperative Agreement Grant Fund Balance

The FEMA Cooperative Agreement Grant awarded to the District is a federal funding mechanism designed to support emergency management capabilities, preparedness initiatives, and resilience efforts. This grant operates on a three-year spendable cycle, allowing the District to carry forward unspent funds across fiscal years within that period. Each year's allocation may be rolled forward, enabling the District to strategically plan and utilize the funds over the full three-year grant cycle. This flexibility supports efficient long-term project planning, ensures continuity of operations, and allows the District to maximize the impact of the grant in alignment with FEMA's programmatic goals and requirements.

Cooperative Agreement 2025

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET
	FY2025	FY2026	FY2026	FY2027
Expenses				
Co-op Admin	–	$922,517	$33,268	$918,517
Co-op Equipment	–	$240,649	$24,139	$98,795
Co-op Storage/Maintenance	–	$107,545	$4,924	$72,545
Co-op Training	–	$115,600	–	$114,100
EXPENSES TOTAL	**–**	**$1,386,311**	**$62,330**	**$1,203,957**

Cooperative Agreement 2025 - Budget Summary

The Cooperative Agreement award in FY 2025 (EMW-2025-CA-05028) was in the amount of $1,386,311. The period of performance for this grant is September 1, 2025, through August 31, 2028. The remaining estimated funds of $1,203,957 will be carried forward to FY 2026-27 budget year.

Cooperative Agreement 2024

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET
	FY2025	FY2026	FY2026	FY2027
Expenses				
Co-op Admin	$24,971	$923,054	$854,432	$34,617
Co-op Equipment	$19,407	$177,607	$93,382	$46,449
Co-op Storage/Maintenance	$20,035	$61,350	$88,470	$1,222
Co-op Training	$4,465	$175,496	$160,980	$71,544
EXPENSES TOTAL	**$68,877**	**$1,337,507**	**$1,197,264**	**$153,832**

Cooperative Agreement 2024 - Budget Summary

The Cooperative Agreement award in FY 2024 (EMW-2024-CA-5159) was in the amount of $1,406,384. The period of performance for this grant is September 1, 2024, through August 31, 2027. The estimated remaining funds of $153,832 will be carried forward to FY 2026-27 budget year.

Cooperative Agreement 2023

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET
	FY2025	FY2026	FY2026	FY2027
Expenses				
Co-op Admin	$747,656	$51,178	$0	–
Co-op Equipment	$61,387	$270,378	$396,814	$45,000
Co-op Storage/Maintenance	$72,637	$11,238	$0	–
Co-op Training	$78,272	$64,020	–	–
EXPENSES TOTAL	**$959,953**	**$396,814**	**$396,814**	**$45,000**

Cooperative Agreement 2023 - Budget Summary

The Cooperative Agreement award in FY 2023 (EMW-2023-CA-05403) was in the amount of $1,263,456. In addition, there was a supplemental award in the amount of $145,372 for a total award of $1,408,828. The period of performance for this grant is September 1, 2023, through August 31, 2026. The estimated remaining funds of $45,000 will be carried forward to FY 2026-27 budget year.

Cooperative Agreement 2022

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET
	FY2025	FY2026	FY2026	FY2027
Expenses				
Co-op Admin	$80	–	–	–
Co-op Equipment	$8,610	$195,307	$195,307	–
Co-op Storage/Maintenance	$2,975	–	–	–
EXPENSES TOTAL	**$11,665**	**$195,307**	**$195,307**	**–**

Cooperative Agreement 2022 - Budget Summary

The Cooperative Agreement award in FY 2022 (EMW-2022-CA-00049) was in the amount of $1,209,650. In addition, there was a supplemental award in the amount of $158,477 for a total award of $1,368,127. The period of performance for this grant is September 1, 2022, through August 31, 2025. The FY 2025-26 budgeted reimbursable expenditures were set at $195,307. This fund has been fully spent.

Disaster Deployment

	ACTUAL	AMENDED BUDGET	ESTIMATED ACTUAL	ADOPTED BUDGET
	FY2025	FY2026	FY2026	FY2027
Expenses				
Co-op Admin	$2,588,937	$1,837,722	$1,836,140	–
EXPENSES TOTAL	**$2,588,937**	**$1,837,722**	**$1,836,140**	**–**

Emergency Response Incidents - Budget Summary

The Disaster Deployment program experienced a decrease in both budgeted and estimated expenses from FY2025 to FY2026, reflecting a reduction in operational activity emergency response efforts compared to previous years.

The vast majority of the actual expenditures amounting to $1,751,430 were directed to Co-Op Administration, while a smaller amount, $84,710, supported Co-Op Storage/Maintenance and Supplies for three major disaster deployments during the fiscal year. As of now, no expenses have been projected for FY2027.

MENLO PARK FIRE PROTECTION DISTRICT

STATISTICAL SECTION

Statistical Section

(Please click the link above to see the statistical and supplemental information)

Annual Report Snapshot

Please click the link above to see the annual report.

MENLO PARK FIRE PROTECTION DISTRICT

GLOSSARY

Glossary of Budget and Financial Terms

Account - A formal record that represents, in monetary units, resources, claims to resources, transactions or other events that result in changes to those resources and claims.
Accounts Payable - Amounts owed for goods or services.
Accounts Receivable - Amounts due to the District.
Additional Discretionary Contribution - Amount(s) contributed to pension plan beyond the statutorily required employer minimum amount(s).
Adopted Budget — The finalized financial plan for a fiscal year, approved by the Board of Directors, detailing expected revenues and planned expenditures.
Advanced Life Support - A higher level of emergency medical care, usually provided by paramedics. Typically includes invasive techniques such as IV therapy, intubation, and/or drug administration.
Allocation - A sum of money alloted for a specific use, or a systematic distribution of costs between and among benefitting cost centers, departments, projects, etc.
Annually Required Contribution - Actuarially determined annual amount due for obligations such as pension and post-retirement health plans.
Apparatus - Vehicles for fighting or extinguishing fire, or for use in emergency medical response.
Appropriations - Funds set aside by formal action for specific use.
Asset - A financial resource, including cash, accounts receivable, and deposits or prepayments.
Budget - Financial plan that serves as an estimate of future revenues and expenditures.
Budget Priorities — Strategic focus areas identified for funding, such as fire protection, emergency services, training, and infrastructure improvements.
Capital Improvement Projects — Large-scale, long-term investments in physical assets (e.g., buildings, equipment, infrastructure) that enhance operational capacity.
Capital Improvement Projects Fund (CIP): Used for the acquisition of property, renovation, or reconstruction of fire stations and other facilities.
Carryover (Rollover) - The transfer of budgeted revenue or expenditure from one fiscal year to another, generally due the anticipation of receipt or expenditure of funds in one year, which is not executed prior to year-end.
Cooperative Agreements — Contracts with federal agencies (e.g., FEMA) that provide funding for specific programs, such as Urban Search and Rescue.
Deficit - Operating expenditures in excess of operating revenues within a financial reporting period.
Depreciation - Depreciation reflects the wear and tear on a capital asset over it's useful life. MPFPD utilizes the straight line method of depreciation. Front line apparatus is depreciated over 15 years, while equipment is depreciated over 5 years. Buildings and improvements other than buildings are depreciated over 30 years.
Discount Rate - Expected long-term rate of return on investment assets for pension and other similar obligations.
Dwelling - A building, house or other place of shelter where people live.
Encumbrance - Legal obligation or commitment of funds not yet expended, typically committed through a purchase order.
Estimate - A projection or forecast, generally based on the use of historical data, assumptions, forecasts, etc.
Expenditure - Payment, either in cash, by assuming a liability, or by surrendering an asset.
First Responder - Person with specialized training who is among the first to arrive and provide assistance at the scene of an emergency, such as an accident or natural disaster. First responders include paramedics, emergency medical technicians, firefighters, police officers, and other trained professionals.
Fiscal Year - Period of 12 consecutive months chosen by an entity as its accounting period, which may or may not be a calendar year. MPFPD's fiscal year ends June 30.
Fixed (Capital) Asset - Any tangible asset with a life of more than one year, used in an entity's operations.
Front-Line - Primary use vehicles or apparatus.
Full-Time Equivalent (FTE) — A measure representing one full-time position.
Fund Accounting - Method of accounting and presentation whereby assets and liabilities are grouped according to the purpose for which they are to be used. Generally used by government entities and not- for-profits.
Fund Balance - The difference between General fund assets and liabilities. Classifications of fund balance include: nonspendable, restricted, committed, assigned and unassigned.
General Fund - The primary operating fund, accounting for all financial resources not required to be recorded in another fund.
Generally Accepted Accounting Principles (GAAP) - Conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. The highest level of such principles are set by the Financial Accounting Standards Board (FASB).
Governmental Accounting Standards Board (GASB) - Entity that has authority to establish standards of financial reporting for all units of government.
Hazard - Danger, risk, peril or threat.
Jurisdiction - Power or right of a legal or political agency to exercise its authority over a person, subject matter, or territory.
Liability - Debts or obligations owed by one entity (debtor) to another entity (creditor) payable in money, goods, or services.

Long-Term - Generally matures, extends or applies for more than one year from the current date.
Memorandum of Understanding - A legal document outlining the terms and details of an agreement between parties, including each party's requirements and responsibilities.
Modified Accrual Basis - Recognizes revenues when when they becomes both measurable and available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred.
Mutual Aid - Organized, coordinated and cooperative reciprocal assistance in which personnel and equipment from participating surrounding fire departments and other appropriate emergency response agencies are utilized for fire or other generally larger scale emergencies.
Occupancies - Within the context of building construction and building codes, occupancy refers to the use, or intended use, of a building, or portion of a building, for the shelter or support of persons, animals or property.
Other Post-Retirement Benefits (OPEB) - Pensions, health care, life insurance and other benefits that are provided by an employer to retirees, their dependents, or survivors.
Paramedic - Healthcare professional, specially trained and licensed to provide emergency medical services, including advanced life support.
Pension Cost Sharing - Agreement or other arrangement whereby pension plan participants agree to pay some portion of pension costs beyond that which is statutorially required of the participant.
Projection - Prospective financial statements that include one or more hypothetical assumptions.
Purchase Order - Written, legally binding promise to pay for goods or services.
Reserves - Generally synonomous with unassigned Fund balance. Connotes sufficient cash and other liquid assets available to meet ongoing expenditures while providing for some additional funds to be available for contingency purposes.
Resolution - Formal approval of an action or policy, typically memorialized in written form.
Revenues - Sales of products, merchandise, and services; and earnings from taxes, interest, dividends and rents.
Standards of Cover - A comprehensive system for analyzing resource deployment, to determine
whether a fire department is properly deployed to meet its community's risks and expectations.
Short-Term - Current; ordinarily due within one year.
Special Revenue Fund (SRF): Accounts for funds received and disbursed for federal emergency activities, including grants for the District's California Task Force 3 Urban Search and Rescue, managed through FEMA agreements.
Succession Development or Succession Planning - The intentional act of developing and training internal people with the potential to fill key technical, managerial and leadership positions.
Suppression - Control and extinguishment of fire.
Surplus - Excess of operating revenues over operating expenses within a financial reporting period.
Tax - Charge levied by a governmental unit on income, consumption, wealth, or other basis.
Turnouts - Personal protective clothing worn by fire personnel.
Unfunded Actuarial Liability - Amounts owed for prior service obligations based on retirement or post-retirement benefit promises to current and former employees, as well as retirees.
Unincorporated - Geographical areas outside the jurisdictional boundaries of incorporated cities.
Urban Search and Rescue Task Force 3 (CA-TF3) — A specialized FEMA-funded emergency response team sponsored by the District to provide disaster response services.