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CITY COUNCIL

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ANNE MARIE LANGAN
DEPUTY DIRECTOR
(313) 224-1078

TO: James Mack, Executive Fire Commissioner
Fire Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 29, 2010

RE: 2010-2011 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2010-2011 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Monday, May 3, 2010 at 1:00 p.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General
Tom Lijana, Finance Director
Pamela Scales, Budget Director
Alia Moss, Budget Manager
Chief Charlene Graham, Fire Department
Kamau Marable, Mayor's Office

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Fire (24)

FY 2010-2011 Budget Analysis by the Fiscal Analysis Division

Summary

The Fire Department is a General Fund agency. The recommended 2010-2011 General Fund appropriation budget is $182.9 million, a $4.2 million decrease over the current year's Redbook budget. There is no general obligation (g.o.) bond sale recommended for 2010-2011.

The Fire Department protects life and property through fire, rescue and emergency response services and resources. The department provides pre-hospital medical service and enforces all laws, ordinances and regulations relating to fire prevention and suppression, as well as maintains a high state of emergency management preparedness.

2009-2010 Surplus/Deficit

The Budget Department has projected a $5.7 million net deficit for the Fire Department - $6.02 million appropriation deficit due to overtime and a $287,000 revenue surplus.

Overtime

The department has a 2009-2010 overtime budget of $4.64 million, and $8.83 million has already been paid out as of March 31, 2010.

The 2010-2011 Budget recommends an overtime budget of $6.19 million.

Personnel and Turnover Savings

Appropriation/Program	Redbook Positions FY 2009-10	Filled Positions 03/31/2010	Mayor's Budget Positions FY 2010-11	Over/(Under) Actual to 09/10 Budget
Fire Department (24):				
240010 Administration General Office	8	8	6	0
240020 Admin.-Community Relations	6	5	3	(1)
240030 Admin.-Research & Devel.	5	4	5	(1)
240040 Admin.-Medical Services	5	3	0	(2)
240220 Training Division	8	7	8	(1)
00064 Executive Management	**32**	**27**	**22**	**(5)**
240240 Fire Marshal-Administration	17	17	17	0
240250 Fire Marshal-Inspection	10	12	10	2
240260 Fire Marshal-Arson Invest.	18	16	18	(2)
240290 Fire Marshal-General Office	1	1	1	0
00065 Ordinance Enforcement	**46**	**46**	**46**	**0**

Appropriation/Program	Redbook Positions FY 2009-10	Filled Positions 03/31/2010	Mayor's Budget Positions FY 2010-11	Over/(Under) Actual to 09/10 Budget
Fire Department (24):				
240320 EMS Administration	24	22	24	(2)
240340 EMS Field Operations	221	204	221	(17)
240350 EMS Training	3	3	3	0
00067 Emergency Medical Service	**248**	**229**	**248**	**(19)**
240103 Apparatus-Administration	0	0	0	0
240105 Apparatus-Repair	1	1	1	0
240110 Apparatus-Stores	0	1	0	1
00715 Vehicle Management & Supply	**1**	**2**	**1**	**1**
240191 Fire Fighting-Administration	32	32	32	0
240195 Fire Fighting Operations	1,037	955	1,037	(82)
240205 Marine Operations - Fireboat	3	0	3	(3)
240215 Airport Operations-Crash Crew	11	7	11	(4)
00718 Fire Fighting Operations	**1,083**	**994**	**1,083**	**(89)**
240065 Fire Communication-Admin.	4	3	4	(1)
240075 Fire Communication-Dispatch	30	23	30	(7)
00760 Communication System Support	**34**	**26**	**34**	**(8)**
241000 Fire Fighting-Casino Mun. Svc.	21	8	21	(13)
241010 Fire Marshal-Casino Mun. Svc.	7	5	7	(2)
241015 EMS Casino Municipal Svc.	8	7	8	(1)
10151 Casino Municipal Service	**36**	**20**	**36**	**(16)**
10580 Emergency Management	**0**	**4**	**0**	**4**
24XXXX Leave of Absence	0	(4)	0	(4)
24XXXX Worker's Comp.	0	3	0	3
24XXXX Unmatched Positions	0		0	0
	1,480	**1,347**	**1,470**	**(133)**

The following positions are recommended to be moved out of the Fire Department:

Appropriation/Cost Center	Title	Fund	Add/Delete
00064 - Administration			
240010 - Administration	2nd Deputy Fire Commissioner	GF	(1)
	Executive Secretary III	GF	(1)
240020 Community Relations	Asst. Fire Dept Comm Rel Coord.	GF	(1)
	Ltnt. Fire Dept Comm Rel Coord	GF	(1)
	Senior Stenographer	GF	(1)
240040 Medical Services	Manager II - Fire	GF	(1)
	Medical Case Manager	GF	(3)
	Office Assistant III	GF	(1)
	Total		(10)

Significant Revenue Changes by Appropriation and Source

EMS revenues are projected to increase by $.9 million in 2010-2011. This follows the $1.3 million decrease in the current year to reflect actual collections in 2008-2009.

DWSD continues to reimburse for overtime for 24-hour haz/mat service. The current budget is $1.2 million and the estimated collection for 2010-11 is $1.8 million.

Fire (24)

Budgeted Professional and Contractual Services by Activity	FY 2009-10 Budget	FY 2010-11 Recommended	Increase (Decrease)
Fire Suppression & Control	$ 2,196,651	$ 1,197,272	$ (999,379)
Fire Prevention & Investigation	-	-	-
Physical Health	2,017,040	1,609,000	(408,040)
Total	$ 4,213,691	$ 2,806,272	$(1,407,419)

Issues and Questions

1. Please explain the projected revenue surplus of $287,000 for 2009-2010. What are the actual collections for EMS through March 31, 2010? What is the projected total for June 30?

2. What is the rationale for increasing EMS revenues by almost $1 million?

3. What contractual services are being cut by $1.4 million?

4. Last year, the administration recommended 71 proposed cuts in the EMS division for 2009-2010 and Council restored 19 positions at $2.6 million and added revenues of $1.5 million. Has the department determined that currently based on runs and revenues that the correct staffing level is in place, in concert with contractual services for EMS runs? What is the amount of contractual service that is appropriated? Has it been reduced from the current year?

5. How in the surplus deficit analysis projection did the department have an $8 million swing to the bad from last year? 2008-2009 was projected to end the fiscal year with a $2.5 million surplus due to vacancies and this year the projection is a $5.7 million deficit due to overtime. The overtime figure has remained similar to last year, and the number of vacancies is greater than last year. What else could be causing the variance?

6. In the last three years, over $7 million was appropriated to Fire for capital projects through the g.o. bond sale process. It has been determined that those bonds will not be sold in the near future. What projects were begun with those funds and now are partially complete? How much was spent against those appropriations? Is any capital work currently being accomplished at the firehouses? What funds are being used?

7. Please explain the benefit of moving medical staff to Risk Management.