

SALT LAKE CITY COUNCIL STAFF REPORT
BUDGET ANALYSIS – FISCAL YEAR 2004-05

DATE: May 7, 2004

BUDGET FOR: FIRE DEPARTMENT

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The proposed fiscal year 2004-05 budget for the Fire Department is \$27,588,092. This represents an increase of \$640,291, or 2.4% over fiscal year 2003-04. Total staffing for the department is proposed to remain at 359 FTE positions.

FIRE DEPARTMENT PROPOSED BUDGETS				
	Adopted 2003-04	Proposed 2004-05	Difference	Percent Change
Administration (including financial management, payroll, purchasing, inventory, research, human resource management, facility maintenance)	\$1,700,650	\$1,806,617	\$105,967	6.23%
Operations (fire companies)	20,482,544	20,694,134	\$211,590	1.03%
Special Operations (including hazardous material incidents, water rescues, high-rise rescues, trench rescues)	185,999	198,592	\$12,593	6.77%
Communications (dispatch, equipment maintenance & repair, technical support, records management)	1,542,746	1,532,814	(\$9,932)	(0.64%)
Training (including managing fleet acquisitions, maintenance and supplies activities)	1,355,614	1,648,822	\$293,208	21.63%
Fire Prevention (business inspections, hazardous materials permits, new construction, special events, community training, public education)	1,080,216	1,036,988	(\$43,228)	(4.00%)
Medical (including medical training, certification, quality assurance)	600,032	670,125	\$70,093	11.68%
Total	\$26,947,801	\$27,588,092	\$640,291	2.38%

POTENTIAL MATTERS AT ISSUE

Some of the major changes reflected in the proposed budgets include:

- Pension/Insurance rate changes – The Fire Department is recommending an increase to the pension rate and insurance rate expenditure categories due to higher costs to the City. Health insurance is projected to increase by 8.3% which results in expenditure increase of \$184,244. Pension expenses for 400 series (firefighters) remained the same while pension rates for all other department employees are expected to increase 10.3%.
- 4 Handed Crews – The Fire Department is recommending the continuation of the 4 handed crew staffing arrangement of calling in a replacement when a fire fighter is ill or otherwise absent. The Department feels that they can save \$53,000 in overtime expenses through better management of this arrangement. The Council may also wish to request information on the extent to which the Fire Department needed to rely on overtime in fiscal year 2003-04 to achieve the 4 handed status and information on whether there are increased administrative costs with managing the program.
- Salary Increases – The Fire Department is recommending an increase of \$208,311 in salary expenses. Contractual salary adjustments for AFSCME employees account for \$199,961 of this increase, the remaining \$8,350 is due to adjustments made during fiscal year 2003-04.
- Vehicle Maintenance / Fuel and Utility Rates – The Department anticipates an increase in vehicle maintenance and fuel costs of \$120,436. There is also \$37,900 budgeted for anticipated utility rate increases.
- Equipment Apparatus – The Department is proposing an increase of \$41,100 for apparatus and \$40,000 for air bottles.

PERFORMANCE MEASUREMENTS (Goals and measurable results)

The Council has initiated an audit of the Fire Department. The Audit Committee will be forwarding a list of recommended firms to the Council in the coming weeks. The results of the audit will not be available for several months. Once the audit has been completed, a briefing will be scheduled to review the operations and management of the department.

The Fire Department has several goals and objectives to guide the budgeting process and provide a means for management to better evaluate overall Department performance. In order to assist the Council in evaluating progress, Council staff summarized the goals and noted the results or steps taken by the Department through December of 2003.

1. Goal/Objective: Maintain an average time from dispatch to arrival on life-threatening emergencies of less than or equal to 5 minutes. During fiscal year

2002-03 the department maintained an average response time of less than four minutes for each month. *During the first six months of fiscal year 03-04 the average response time was 4:35. It was anticipated that the response time would slow slightly given some of the budget cuts made during the fiscal year 2002-03 budget cycle.*

2. Goal/Objective: Fire Prevention Bureau inspectors will complete 6500 fire inspections annually. *The bureau has completed 5,593 building inspections and preplan reviews.*
4. Goal/Objective: Implement a web-based hazardous materials and chemical inventory reporting program. *The department had a goal of completing this task during fiscal year 2003-04. The department is 20% complete on this goal.*
5. Goal/Objective: Ensure 90% of employees will perform at or above the “satisfactory” level on their annual performance evaluation. *Currently 95% of the employees have received satisfactory or better on the annual performance evaluation.*

LEGISLATIVE INTENT STATEMENTS

The Council did not issue any legislative intent statements in June 2003 that relate to the Fire Department.

During the briefing on the proposed budget, the Council may wish to identify legislative intents relating to the Fire Department.