

SALT LAKE CITY COUNCIL STAFF REPORT
BUDGET ANALYSIS – FISCAL YEAR 2008-09

DATE: May 13, 2008

BUDGET FOR: **FIRE DEPARTMENT**

STAFF REPORT BY: Jennifer Bruno, Budget & Policy Analyst

cc: David Everitt, Lyn Creswell, Chief McKone, John Vuyk, Steve Fawcett, Kay Christensen

The proposed fiscal year 2008-09 budget for the Fire Department is \$33,520,877. This represents an increase of \$790,290, or 2.4% over fiscal year 2007-08.

FIRE DEPARTMENT PROPOSED BUDGET					
	Adopted 2007-08	Proposed 2008-09	Difference	Percent Change	Explanation of Change
Office of the Chief (including financial management, payroll, purchasing, inventory, research, human resource management, facility maintenance)	\$ 2,276,159	\$ 2,019,798	\$ (256,361)	-11.3%	Eliminate Administrative Assistant
Operations (including airport operations)	24,332,998	24,854,593	\$ 521,595	2.1%	Pay Increases
Special Operations (including hazardous material incidents, water rescues, high-rise rescues, trench rescues)	232,336	232,356	\$ 20	0.0%	
Communications (dispatch, equipment maintenance & repair, technical support, records management, CERT - new)	1,649,501	1,844,999	\$ 195,498	11.9%	CERT Initiative Pay Increases Fuel Increases
Training (including managing fleet acquisitions, maintenance and supplies activities)	2,191,262	2,511,487	\$ 320,225	14.6%	Maintenance increases
Fire Prevention (business inspections, hazardous materials permits, new construction, special events, community training, public education)	1,198,988	1,161,515	\$ (37,473)	-3.1%	Transfer FTE to CERT
Emergency Medical Services (including medical training, certification, quality assurance)	825,859	896,129	\$ 70,270	8.5%	Medical Supplies
Total	\$ 32,730,587	\$ 33,520,877	\$ 790,290	2.4%	

POTENTIAL MATTERS AT ISSUE

A. Addition of positions – Community Emergency Response Teams (CERT) initiative (2 new FTEs, one transfer) located out of Fire Station #5. The cost breakdown is as follows:

	Description	Cost (salary and benefits)
1 FTE	CERT Captain	\$98,948 (transfer from Fire Prevention Bureau)
1 FTE (new)	CERT Firefighter	\$56,092
1 FTE (new)	CERT Clerical	\$39,956
	CERT Equipment	\$13,500 (one time)
Total CERT Initiative		\$208,496

1. The Administration has indicated that the CERT initiative will increase the Fire Department’s presence and visibility in the community, as well as better equip the citizens of Salt Lake City for a major disaster.
2. The Department will be equipped to train approximately 400 residents per year, as well as provide refresher courses for those already CERT trained. Further information on this program will be provided in the Fire Department budget briefing.
3. The Department has indicated that this proposal is “part of a citywide initiative on emergency preparedness that will be organized on a neighborhood basis, and will integrate with existing citizen-based safety programs including Neighborhood Watch and Mobile Watch.”
4. CERT training is 21 hours and covers emergency preparedness, disaster medical response, light search and rescue, and small fire extinguishment.
5. The objective is to have a sufficient number of teams in each area of the City to handle minor problems that may occur in the wake of a disaster, leaving the public sector to address major emergencies.
6. The department has estimated costs for this program, assuming a 3% inflationary adjustment per year:

Year 1	\$208,496
Year 2	\$196,048
Year 3	\$201,844
Year 4	\$207,814

7. *The Council may wish to request a full briefing from the Administration regarding this program.*
8. *The Council may wish to clarify with the Administration, how this initiative will coordinate with the proposed Emergency Management Director in the Office of the CAO.*

B. Elimination of fire call service from Fire Station #5 (reduction of 6 FTEs, savings \$416,280). The Administration is proposing eliminating structure fire service from Fire Station #5 in order realize budget savings as well as to accommodate Community Emergency Response Team (CERT) headquarters. The Station will retain the ability to service medical calls. The Administration indicates that the number of staff sent on a call will be determined by the type of call received, and will not necessarily be 4-handed staffing.

1. On average, 80% of the calls to Fire Station #5 are medical (In 2007, the station responded to 1,476 fire and 3,901 medical calls).
2. Fire Station #5 is also situated in a part of the City that is well served (within the 5 minute response time standard) by other existing Fire Stations (staff will provide a map of existing fire station coverage for the briefing).
3. The Administration has indicated that there are sufficient vacancies in the Fire Department to absorb the 6 fire fighters whose FTEs are proposed to be eliminated.
4. \$54,000 is requested for a fleet vehicle in the non-departmental budget for this paramedic unit that will remain at the station.
5. *The Council may wish to request further information from the Administration regarding fire coverage and response times from other stations, compared to the current situation, including but not limited to, current response times, expected response times, and national averages.*
6. *The Council may wish to ask the Administration how the proposed reduction in fire fighters in the field will affect the issue of overtime – considering the current executive order in place regarding 4 handed staffing and vacation buy-back (executive order is attached at the end of this document)*

C. Other Budget Changes –

On-going expenses

Insurance rate changes	\$ 263,608
Pension rate changes	\$ 235,127
Contractually obligated compensation adjustment	\$ 818,789
Fuel and Vehicle Maintenance	\$ 173,671
Reduction in Worker's Comp	\$ (15,700)
Software and Computer Maintenance	\$ 30,180
Medical supplies Increase	\$ 49,640
Operations and Fire investigations overtime	\$ 69,600
Personal Protective Equipment Replacement Plan	\$ 56,000
Operations schooling and training	\$ 5,600
Radio replacement (to 10 year cycle)	\$ 50,000

One-Time Expenses

New AEDs and Defibrillator Monitoring Units (2nd year of two year plan)	\$ 92,000
Mobile CAD software	\$ 35,700
Install electric shore lines in each fire station	\$ 10,000

D. Overtime Accounting Shift – Since last year’s budget adoption, the Fire Department has been accounting for overtime by operations instead of in one category. The five categories are Combat Crews, Airport/ARFF requirements, Dispatchers, Arson Investigation, and Special Events. The Council may wish to inquire with the Administration as to the status of overtime tracking in the SLCFD. The fire department tracks overtime by category on a monthly basis, and results are reviewed by executive staff. Staff can provide this comprehensive document to Council Members for their review if desired.

E. Install Electrical Shore lines in each Fire Station (\$10,000 one time) – Currently fire apparatus are equipped with computers which contain and track critical information, include Electronic Patient Care reporting software. There is a concern that this equipment will cause unnecessary draw upon engine

batteries. Installing “shore lines” in each fire station will enable all batteries to be charged. Currently there are 10 apparatus that do not have this shore-line capability (the engine battery is the sole power source for computer equipment on-board).

- F. Overtime request for Operations and Fire Investigations (\$69,600) – The Administration indicates that this budget increase is necessary to reflect a more realistic use of overtime for this category of fire operations, based on a full year experience in tracking overtime by category.

- G. Automatic Electronic Defibrillators (AEDs) and Electronic Cardiac Monitors – The Administration’s proposed budget includes a one time budget request for \$92,000 to purchase new Automatic Electronic Defibrillators and Electronic Cardiac Monitors to replace the current units which are aging and no longer meet the required standard of care. This is the last year in a two year plan. These units are used on more than 10,000 calls annually.

OTHER BUDGET RELATED ITEMS

- A. Retirement – The Department is continues to face challenges planning for and anticipating employee retirement. As of FY 2008, there were 46 employees with 30-plus years of experience. Current union contract specifies that only two weeks notice are necessary for a fire fighter to retire. As a result, if the timing of the retirement happens months away from when the next training class can be hired, the Fire Department can be left with multiple vacancies (which could otherwise be filled and used to help offset the 4-handed-staffing overtime issue).
 - 1. One option presented during the FY 07 budget that was not funded was providing a one-time “retirement incentive payout” for fire fighters nearing retirement. The management audit of the Fire Department also made this a recommendation to aid the SLFD in retirement planning and budgeting.
 - 2. The proposal would have given a \$5,000 payout for a fire fighter who agreed to retire. The total amount requested for this purpose was \$45,000, which would have addressed 9 firefighters but would not have addressed all eligible employees. The total amount needed to address all eligible SLCFD employees last year under that proposal would have been approximately \$230,000. This would have addressed only eligible employees in the Fire Department and would not have addressed any eligible employees in the Police or other City departments that face similar challenges.
 - 3. The Fire Department has noted that there would be a “base pay” savings of \$70,000 per person over the first five years, for every retired fire fighter (replacing an employee at the higher end of the pay scale with an employee at the lower end).
 - 4. The Council may wish to ask the Administration for more information or a strategy to deal with this issue.

AUDIT RECOMMENDATIONS RELATING TO THE BUDGET

The Council initiated an audit of the Salt Lake City Fire Department, which was completed in May, 2005. The audit was discussed at a Council briefing on January 17, 2006. Issues discussed included audit recommendations that SLCFD agrees can be implemented with little or no budget impact, as well as audit recommendations that would need additional appropriations. The Council asked the SLCFD to prioritize these audit recommendations and have basic cost estimates for implementation of those recommendations that are a priority to the department. While the department has not officially prioritized their audit recommendation responses, the proposed budget does incorporate a number of changes that stem directly from the Audit:

1. Computer Aided Dispatch (CAD)/Record Management System (RMS) – The Audit found the current system to be lacking. This item was partially funded in FY 2007. After further review the amount funded was not adequate to provide a system that would meet the department’s needs. The department is continuing to work closely with IMS to find a satisfactory solution.
2. Fees:
 - a. Fire Hazardous Materials Fees: The Fire Prevention Bureau currently collects fees for hazardous materials permits, tank permits, blasting permits, high rise permits, fireworks public display permits, temporary structure permits, health care facility inspections and day care inspections. A recent review of business license fees showed that the fee amounts were less than the costs. The Administration recommended fees be established based on size, difficulty, and the type of permit or inspection needed. The proposed ordinance established a fee schedule for open burning permits, flame effects permits, assembly permits, trade show permits, suppression, alarm or detection system installation permits, hot works operations permits and re-inspections.
 - b. The following is a review of the specific audit recommendations relating to Fire Permit and inspection fees (The Council may wish to inquire as to the status of these fees):
 - #104 Institute fees for all permits (only 14 fees out of 47 permits).
 - #85 Establish fees for fire construction permits that are sufficient to cover the cost of the entire construction code enforcement function including fire plan review and fire construction inspection.
 - #103 Fire construction permits *with fees* should be issued for the construction and renovation of permanent or temporary structures and for all fire protection systems (alarms, mains, standpipes, sprinklers, hood, etc.)
 - #105 Fees should be instituted for initial inspections and re-inspections for all operational code enforcement inspections.
 - #107 Fees should be instituted for initial inspections and re-inspections conducted by fire companies.
 - #108 Evaluate feasibility of building Services issuing all permits and collecting fees rather than the Fire Department.

3. Staffing Changes: While the staffing changes within the fire department do not tie directly to the audit (a shift of 1 FTE), the proposed budget includes the addition of a Fire Inspection Plan Reviewer in the Community Development Department to assist the “one stop” counter. The Council may wish to ask the department that if the “1 stop” concept is funded, are there any operational efficiencies that could be realized by re-assigning the staff in the Fire Department that currently do plan review. Specifically, what functions will the two staff members who have been conducting the 400 plus plan reviews per year be assigned in the future; might there be opportunity to enhance other Fire programs that have been reduced in recent years? The following are audit recommendations directly relating to fire plan review and inspections:

- #99 Require fire captains and/or battalion chiefs to become certified as fire inspectors so they can supervise company inspections.
- #86 Contract with 1 or 1.5 civilian certified fire plan examiners (or private companies) to provide fire code plan checking services. (*Staff Note*: to an extent, this is accomplished with having a certified fire plans examiner in the Building Services and Licensing division at the “one stop shop”)
- #88 The hazardous material inspector should become certified as a fire inspector to allow greater flexibility in assignment, (*Staff Note*: The Fire Department indicates that this has been accomplished)
- #91 .5 to 1 FTE clerical position is needed to provide 5-10 hour day coverage for reception and phone duties, at a lower cost than having certified fire inspectors perform these duties.

AUDIT BACKGROUND INFORMATION

The following section re-caps findings and recommendations from the audit report that relate directly to the budget, grouped in general categories. These recommendations, as well as the SLCFD responses, were presented to the Council in January. This list is intended for background information purposes:

1. Recommendations relating to overtime/retirement management:

- #30 The Fire Department uses salary savings from vacant positions to supplement overtime costs, which can result in more overtime. There are times of 20 or more vacancies. Consider some overhire process.
- #21 Design an incentive program to provide more notice of retirement.
- #10 Explore alternative work schedules that could reduce the reliance on overtime
- #11 Identify current trends in leave use and establish a smaller number of people allowed off each day on scheduled leave
- #12 Implement incentives to reduce sick leave taken (reduce overtime)
- #14 and #115 Assign some basic cause and origin investigation to company officers rather than bring investigator in (overtime) for clear-cut cases
- #161 Implement a sick leave reduction program to reduce overtime and provide some health insurance funding after retirement.

2. Recommendations relating to staffing changes:

- #49 Staff Station 9 during peak hours only.
- #48 In the next five years, move Station 9 further southeast to justify full-time operation with sufficient volume of calls.
- #46 Add a 2-person Advanced Life Support (ALS) unit in the downtown area from 10 A.M. to 10 P.M.
- #37 Continue using four-person staffing on all engines and trucks in the SLCFD.
- #144 Fire communications center requires a total of 20 employees, but the center has only 16 employees. (Previous year's budget partially addressed this recommendation)
- #47 Upgrade Engine 1 to advanced life support and downgrade Rescue Engine 4 to an engine to better address the distribution of EMS demand.
- #55 Institute an officer rotation policy for all captains
- #66 Consider adding a provision to its upcoming RFP for ambulance services that would include a single medical director for both the ambulance service provider and the fire department. (SLCFD has previously responded to this issue in a memo to Council Staff. Staff will provide a copy of this memo if desired.)
- #81 Convert all employees except four (fire marshal and three sworn fire investigators) in the Fire Prevention Bureau to civilian positions through attrition.
- #148 The radio technician position with the Fire Department should be consolidated into IMS Division.
- #99 Require fire captains and/or battalion chiefs to become certified as fire inspectors so they can supervise company inspections.
- #110 The deputy fire marshal (captain) over investigations should be a working captain active in fire investigations.
- #86 Contract with 1 or 1.5 civilian certified fire plan examiners (or private companies) to provide fire code plan checking services. (Accomplished through the one-stop counter)
- #88 The hazardous material inspector should become certified as a fire inspector to allow greater flexibility in assignment.
- #90 The civilian Public Education Specialist should be retained to provide adult and children programs.
- #91 .5 to 1 FTE clerical position is needed to provide 5-10 hour day coverage for reception and phone duties, at a lower cost than having certified fire inspectors perform these duties.

3. Recommendations relating to general operations:

- #36 Monitor response times in areas with traffic calming devices.
- #43 and #44 Call processing, dispatch and turnout times much higher than recommended standards. Implement changes such as to dispatch first fire unit before all call information is entered into the CAD system.
- #67 The City should maintain the current two-tiered system that involves the SLCFD and a private ambulance provider in the delivery of Advanced Life Support (ALS) and Basic Life Support (BLS) pre-hospital care and ambulance transport. (SLCFD has previously responded to this issue in a memo to Council Staff. Staff will provide a copy of this memo if desired.)

- #68 The SLCFD should formalize and strengthen its organizational structure and oversight of EMS service delivery within the Operations Division. (SLCFD has previously responded to this issue in a memo to Council Staff. Staff will provide a copy of this memo if desired.)

4. Recommendations relating to budget increases/fees:

- #6 Add technologies to eliminate manual processes for firefighter shift schedules and free up staff resources for other critical projects.
- #69 The SLCFD should explore a legal mechanism that will allow the ambulance transport provider to pay the City an annual fee for its “paramedic first responder” program. (Fee not allowed under state law. (SLCFD has previously responded to this issue in a memo to Council Staff. Staff will provide a copy of this memo if desired.)
- #16 Allocate revenue from special events back to the EMS Division to offset the cost of the bike patrol.
- #99 Establish a self-inspection program for the lower risk businesses.
- The following recommendations all relate to the issue of fees charged (or not charged) for permits and inspections:
 - i. #104 Institute fees for all permits (only 14 fees out of 47 permits).
 - ii. #85 Establish fees for fire construction permits that are sufficient to cover the cost of the entire construction code enforcement function including fire plan review and fire construction inspection.
 - iii. #103 Fire construction permits *with fees* should be issued for the construction and renovation of permanent or temporary structures and for all fire protections systems (alarms, mains, standpipes, sprinklers, hood, etc.)
 - iv. #105 Fees should be instituted for initial inspections and re-inspections for all operational code enforcement inspections.
 - v. #107 Fees should be instituted for initial inspections and re-inspections conducted by fire companies.
 - vi. #108 Evaluate feasibility of building Services issuing all permits and collecting fees rather than the Fire Department.
- #122-128 Workload data on the number of plans reviewed and the amount of time spent on each type of plan should be collected. Establish goals.
- #149 Mobile computer devices should be installed in fire apparatus to improve communication capabilities and response times.

PERFORMANCE MEASUREMENTS

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 2004. The Council may wish to ask for updated indicators.

1. Goal/Objective: Maintain an average time from dispatch to arrival on life-threatening emergencies of less than or equal to 5 minutes. *During 2006 the department maintained an average response time of four minutes nineteen seconds.*

2. Goal/Objective: Maintain a turnover rate below 10% per year. *The department's "turnover" rate during 2006 was approximately 3.6% (.3% higher than FY 2004).*
3. Goal/Objective: Fire Prevention Bureau inspectors will complete 6,500 fire inspections and preplans annually. *The department has exceeded this goal in 2006 with 17,527 building inspections and preplan reviews completed by FPB inspectors and firefighters (significantly higher than the 7,901 inspections completed in FY 2004).*
4. Goal/Objective: Complete 350 community training events with 19,000 participants annually. *The department far exceeded these goals in 2006 with 1,061 community training events and 34,665 participants (increased from 862 events in FY 2004).*
5. Goal/Objective: Ensure 90% of employees will perform at or above the "satisfactory" level on their annual performance evaluation. *Currently 99.7% (similar to the previous year) of the employees have received satisfactory or better on the annual performance evaluation.*

LEGISLATIVE INTENT STATEMENTS

- A. In previous budget years, the Council adopted a legislative intent regarding the reduction in reliance on overtime. The Audit of the SLCFD presented to the Council in 2005 made a number of recommendations relating to the use of overtime (see above). The Fire Department has responded to this intent this year with the following:

"The Fire Department has worked within the guidelines of the Fair Labor Standards Act to maintain four handed staffing without the payment of time and one half. The Department has also hired all of the additional positions awarded in the last budget [FY 2008] process and is beginning to see the benefit of the additional personnel through a reduction in staffing shortages. The Department continues to monitor its overtime budget to ensure that it will come in under budget while maintaining four handed staffing to the extent possible. The Department briefed the CAO and Council Staff on Fire Department overtime on February 7, 2008."

The Council may wish to ask the Administration how the proposed reduction in fire fighters in the field will affect this issue of overtime.

- B. The Council adopted a legislative intent in FY 2008 authorizing the over-hiring of dispatchers to address audit recommendations relating to dispatch staffing levels. The department indicates that this initiative was successful, and they were able to get dispatchers trained and on the system more quickly than if they had been unable to pre-hire.

The Council may wish to consider a legislative intent authorizing the overhiring of fire fighters, to address the 6 FTEs that are proposed to be eliminated as a result of the restructuring of Fire Station #5's service.

EXECUTIVE ORDER

Fire Department Combat Crews

RESPONSIBLE CITY AGENCY: Fire Department

1. General

1.1 The City has created a Vacation/Holiday Buy Back program within the Fire Department to provide staffing of four firefighters per engine or truck to the extent possible. The Fire Chief shall maintain the Vacation/Holiday Buy Back program as one of the highest budget priorities of the Fire Department and shall manage the Fire Department budget with a goal of adequately funding that program.

1.2 When staffing levels would otherwise be reduced, the Fire Chief shall solicit volunteers from the Vacation/Holiday Buy Back program only. The Fire Chief is not obligated to solicit other employees from the Department employee roster to provide staffing of four firefighters per engine or truck.

1.3 Fire Department personnel working either under the Vacation/Holiday Buy Back program or otherwise off the employee roster shall be compensated as required by City ordinance or by any memorandum of understanding between the City and the employees' representative organization.

CURRENT REFERENCES: None

EFFECTIVE DATE: June 19, 2002

EFFECTIVE DATE OF CURRENT REVISION (Date signed by Mayor): March 29, 2007