

Fire Department Overview and Initial Issue Identification

Staff: John McCoy

Date Prepared: October 22, 2010

| Expenditures | | | | | |
|-----------------------------|-----------------------|-----------------------|-----------------|-----------------------|-----------------|
| Budget Control Level | 2010 Adopted | 2011 Proposed | % Change | 2012 Proposed | % Change |
| Administration | \$ 14,274,271 | \$ 14,403,693 | 0.9% | \$ 14,956,094 | 3.8% |
| Fire Prevention | \$ 6,991,897 | \$ 6,465,466 | -7.5% | \$ 6,645,525 | 2.8% |
| Grants & Reimbursables | \$ - | \$ 1,266,025 | n/a | \$ 839,501 | -33.7% |
| Operations | \$ 133,107,809 | \$ 133,785,398 | 0.5% | \$ 136,976,229 | 2.4% |
| Risk Management | \$ 2,608,784 | \$ 2,666,814 | 2.2% | \$ 2,746,607 | 3.0% |
| Total Expenditures | \$ 156,982,760 | \$ 158,587,395 | 1.0% | \$ 162,163,956 | 2.3% |

| Revenues | | | | | |
|--------------------------------------|-----------------------|-----------------------|-------------|-----------------------|-------------|
| Tax Revenues | | | | | |
| Property Tax - Medic 1 Levy | \$ 36,440,000 | \$ 35,164,000 | -3.5% | \$ 35,083,000 | -0.2% |
| E-911 Reimbursement & Cell Revenue | \$ 587,000 | \$ 594,000 | 1.2% | \$ 605,000 | 1.9% |
| Payment for Reimbursable Work | | | | | |
| Sound Transit | \$ - | \$ 666,759 | n/a | \$ 682,495 | 2.4% |
| Other City Departments (e.g. SDOT) | \$ - | \$ 443,280 | n/a | \$ - | -100.0% |
| Transfer from - Fire Facilities Levy | \$ 149,914 | \$ 164,251 | 9.6% | \$ 168,105 | 2.3% |
| Fee Revenue | | | | | |
| Fire Special Events Services | \$ 634,112 | \$ 661,438 | 4.3% | \$ 661,438 | 0.0% |
| Fire Permits | \$ 3,504,452 | \$ 4,089,377 | 16.7% | \$ 4,088,577 | 0.0% |
| AMR Service Fees | \$ 680,000 | \$ 800,000 | 17.6% | \$ 800,000 | 0.0% |
| Fire Prevention Reinspections | \$ 8,500 | \$ 9,775 | 15.0% | \$ 9,775 | 0.0% |
| Other General Fund | \$ 114,978,782 | \$ 115,994,515 | 0.9% | \$ 120,065,566 | 3.5% |
| Total | \$ 156,982,760 | \$ 158,587,395 | | \$ 162,163,956 | |
| Authorized FTEs* | 1,155.55 | 1,151.55 | (4.00) | 1,151.55 | - |

*Proposed Budget abrogates 5 FTEs but assumes 1.0 FTE Fire Captain was added in a 2010 Supplemental.

Introduction

The Fire Department budget provides core fire and medical response throughout the City. The Mayor's proposed budget cuts about 1.3% from the 2011 baseline budget, a much lower budget reduction target than other General Fund departments. To meet that reduction target, the department adopted a variety of cost containment measures, including:

- A \$200,000 reduction in overtime by allowing more training activities to happen while on duty;
- \$96,000 in reductions to non-essential training and travel;
- A \$1.4 million reduction from baseline for cost of living adjustments, per union agreements;
- A reorganization of the Fire Marshall's office, which included abrogating a Deputy Chief position, two inspectors, and a permit supervisor;

- The reduction of one Battalion Chief from the minimum staffing model (see Issue #3, below); and
- Other abrogations and reductions in the Administration BCL.

Potential Issues Under Assessment

1. *Vacant Positions* -- The Fire Department has about a 3% vacancy rate. While this is not especially high for a large department, there are six positions that have been open more than two years and 15 positions that are listed with Personnel as never having been filled. These long-vacant and never filled positions include Firefighters, Dispatchers, and Firefighter/Paramedic Techs. A Greensheet could abrogate some or all of these positions. Budget savings are uncertain, since the vacancies interact with the department's staffing model and use of overtime. Review is ongoing.
2. *Sound Transit Tunnel Rescue Training Captain* – The Fire Department has proposed adding 1.0 FTE Fire Captain for reimbursable work for about 2.5 years to conduct training related to Sound Transit's light-rail tunneling project through Capitol Hill. The training would center on tunnel rescue and fire response during construction, and the arrangement mirrors prior contracts for the Beacon Hill tunneling phase. Central Staff have been exploring ways to provide this service within existing FTE counts, possibly saving some General Fund in the process. The department currently has 53 Captain FTEs, nine of which are in administrative functions and 44 of which are in operations. Within the Risk Management division, two Captains are already assigned to training activities, supported, between them, by five Lieutenants and supervised by a Deputy Fire Chief. In addition, some training activity happens among on-duty operations staff. It may be possible to shuffle duties and fulfill the Sound Transit contract without adding a Captain FTE, with possible budget savings. Review is ongoing.
3. *Battalion Chief Staffing Cut* – The Proposed budget reduces the minimum staffing requirement from 7 to 6 chiefs on duty at all times, specifically by eliminating the Battalion Chief in Battalion 2, which serves the downtown core. This configuration restores a level of service present before 2001. Battalion 2, unlike other parts of the City, also houses a Deputy Chief and a Safety Chief on duty at all times. Under the proposal, all the same first responders (engine and ladder companies) in Battalion 2 would respond to fire and medical calls as before, but on days when no Battalion Chief was on duty, a Chief would follow on the scene from a neighboring battalion. The department estimates that a Battalion Chief would still be on duty at Battalion 2 about 100 days per year during regular shifts, but approximately 255 overtime shifts would be avoided, for a savings of \$578,000 in 2011 and \$592,000 in 2012. Central Staff are exploring ways to reduce costs further, possibly by eliminating the remaining 100 regular shifts at Battalion 2. Review is ongoing.
4. *Safety Chief* – Currently, the Fire Department's minimum staffing requires a Battalion Chief to be on duty at all times as Safety Chief to review incident response for safety issues. This requires four Battalion Chief FTEs. At Council request, Central Staff are exploring how other jurisdictions provide similar services. It may be possible to provide safety review with just one Safety Chief on a more nine-to-five type shift, with possibly \$600,000 in salary and overtime savings and the abrogation of three FTEs. An additional Council concern is to find ways to insulate the Safety Chief from the regular chain of command to make sure he or she could be candid in flagging any

safety issues that exist. Review is ongoing.

5. *Overtime Reductions* – The Fire Department relies relatively heavily on overtime shifts. The Proposed 2011 overtime budget totals \$13.9 million, on a base salary budget of \$99.3 million, or approximately 14%. In many cases, the department asserts, use of overtime shifts to meet staffing requirements can be more cost effective than hiring additional staff, who may cost more when salary and benefits are considered. Central Staff are exploring whether there may be ways to reduce the reliance on overtime by converting more work to regular shifts. This may entail more assertive management of vacation time, sick time, out-of-class time and other regular shift absences. In addition, the contracts for the Firefighters and the Fire Chiefs unions are up for negotiation in 2011 for 2012, which may provide an opportunity to address some of these issues. A 5% reduction in overtime would save the General Fund nearly \$700,000. Review is ongoing.

Budget Legislation

Fire Fees – The Executive submitted budget legislation to raise fees for a variety of required fire permits and inspections. These include permits for special events and hazardous materials, and inspections for new construction and code compliance. Today, these fees generate \$3.6 million per year for the General Fund and recover about 65% of the cost of providing these services. The legislation would raise that recovery rate to 75% and bring in an additional \$560,000, which the proposed budget already assumes. The 75% cost recovery rate has been an informal department target and is not set by ordinance or rule. Increasing the fees to recover 5% more would raise an additional \$280,000. Some work in the Fire Prevention BCL is unbillable, as it arises from requests for technical assistance or investigation of complaints. As shown in the following table, Seattle's fire fees are already significantly higher than neighboring jurisdictions in many categories, but below the level that would recover the full cost of service.

| Sample of Permits | Seattle, WA Proposed | Bellevue, WA Current | Tacoma, WA Current | Renton, WA Current |
|--|-------------------------|-------------------------|-----------------------|-----------------------|
| Assembly with occupant load of 300 | \$439 | \$50 | \$201 | \$84 |
| Tent or canopy | \$229 | \$50 | \$201 | \$84 |
| Liquefied Petroleum Gas storage or use | \$319 to \$455 | \$50 | \$101 to \$236 | \$150 |
| Indoor pyrotechnics | \$455 | \$100 | \$302 | \$150* |
| Non-compliant re-inspection | \$183 | | \$151 | \$250 |

*No specific permit listed for pyrotechnics; hazardous materials permits are \$150