



# Fiscal Year 2021-22 and 2022-23 Department Budget Proposal

## San Francisco Fire Department

Fire Commission – February 10, 2021

# **Agenda**

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1. Review of FY21 and FY22 Budget Process
2. Review of Budget Instructions
3. Impact of Target Budget Reductions
4. Review of Budget Timelines
5. Budget Updates from Last Meeting
6. Fleet/IT/Capital
7. Next Steps
8. Questions/Discussion

## Review of FY21 and FY22 Process

- Last year's budget process resulted in numerous reductions for the Fire Department's budget, including:
  - \$2.5 million for elimination of Fire Academy
  - \$1.5 million for fleet reduction of a ladder truck
  - \$1.2 million for reduction of EMS Equipment
  - \$.7 million for reduction in Training staff
  - \$.6 million for Capital/Facilities reductions
  - \$.2 million for NERT due to COVID impacts to classes
- These reductions in addition to \$5.5 million in Departmental cuts as part of FY19-20 mid-year balancing plan

## Review of FY21 and FY22 Process (cont.)

- Significant Fire Prevention reductions (revenues and expenditures) as a result of COVID impacts
- Reduction in anticipated EMS Ambulance revenues due to reduced call volume
- No funding allocation for IT (via COIT) or Capital Improvement projects (via CPC)
- Combination of one-time funding cuts and on-going budget reductions

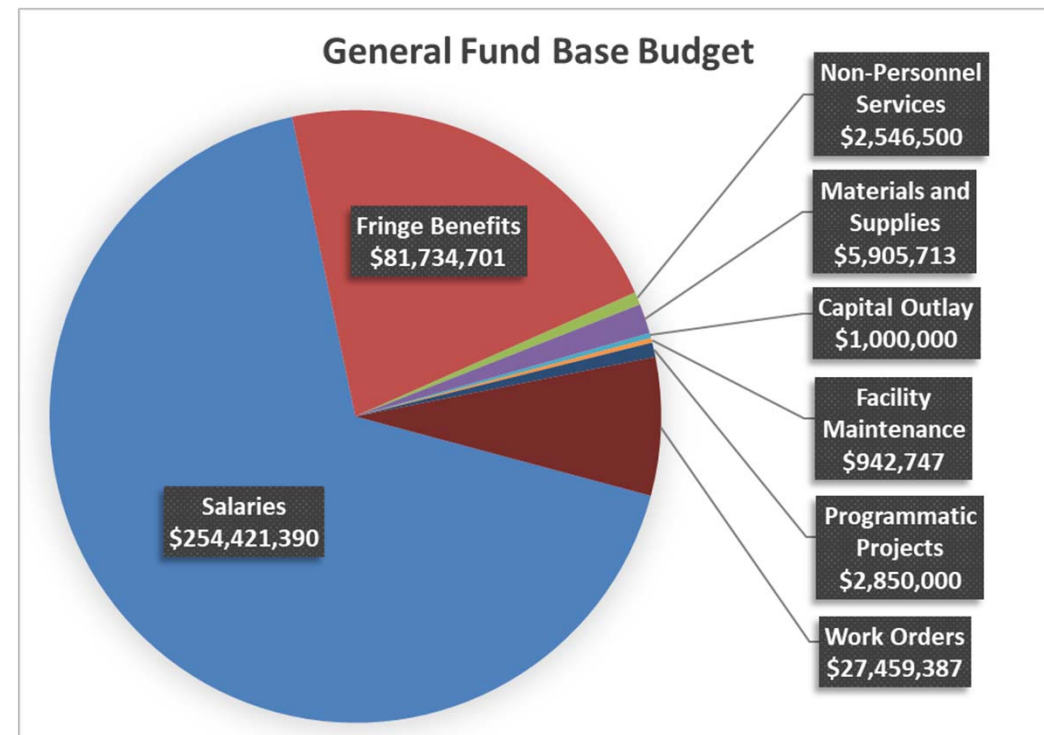
# Review of Budget Instructions

## Budget Instructions

- In order to balance the \$653 million projected deficit over the two years, Departments were asked to reduce their budgets
- Requested reduction proposals equating to 7.5% of adjusted general fund support proposed in each of the two upcoming future fiscal years, as well as a 2.5% contingency proposed should fiscal conditions worsen in both years as well
- Reductions requested to be on-going in nature
- Departments to prioritize core services

# Impact of Requested Budget Reductions

- Limited budgetary flexibility to deal with the scope of the requested budget reductions
- Majority of the budget allocated to personnel costs for Fire Suppression/EMS operations
- Implementation of full target and contingency reductions would have impacts to front-line operations



## Impact of Requested Budget Reductions (cont.)

- Department's budget proposal before Commission does not meet FY21-22 and FY22-23 target reduction amounts or contingency requests
- Given scale of reduction requests, front line services governed by MOU or legislative mandates would be impacted
- Department will continue to work with the Mayor's Office on creative budgetary solutions over the next few months and will update the Commission accordingly

# Review of Budget Timelines

| <u>Proposed Date</u> | <u>Description</u>                                     |
|----------------------|--|
| February 10th, 2021  | Final Budget for Commission Discussion/Possible Action |
| February 22nd, 2021  | Department budget submitted to CON/MYR                 |
| March – May, 2021    | Further budget discussions with Mayor's Office         |
| June 1st, 2021       | Mayor's Budget Submitted to Board of Supervisors       |
| June 2021            | Department Budget Committee Hearings                   |
| July 2021            | Budget considered at Board of Supervisors              |



## Budget Update From Last Meeting

- Budget before Commission for approval currently has some changes incorporated since the last meeting's presentation on base budget
- Given timeline as well as high levels of uncertainty in a few major areas, budget is still a work in progress
- Adjustments to be continued up to February 22<sup>nd</sup> submission date but no major policy changes
- Opportunity for formal Commission input prior to Mayor's balanced June 1<sup>st</sup> budget

## Budget Update From Last Meeting (cont.)

- Overview of changes:
  - *With restoration of hiring due to FEMA grant award, Department is proposing two H-2 Firefighter academies in FY21-22 to maintain staffing levels*
  - *Conversion of Street Crisis Response team to work order recover with DPH using Prop C special revenue funds*
  - *Substitution of various positions for equity/retention/other issues*
    - *Fire Investigation*
    - *Administration*
  - *Update to work orders and other miscellaneous items*

## Budget Update From Last Meeting (cont.)

- Items Department is continuing work on:
  - *Continuing discussions with DPW and City Administrator offices on additional resources pertaining to trades*
  - *Office of Racial Equity/Diversity, Equity, & Inclusion Office*
  - *Fee Revenue Models*
    - *Fire Prevention*
    - *EMS Revenue*
  - *Implementation and formalization of City EMT program*
  - *Refinement of staffing model*
  - *Updated work orders and other rates*

# Fleet/Capital/IT

- Capital and IT needs vetted through COIT and Capital Planning Committee, respectively
- Limited funding anticipated for those various scenarios
- Fleet requests submitted in accordance with existing Fire Commission vehicle replacement plan
- Will work to identify other funding possibilities for equipment/fleet, including the potential for use of lease purchase program as was done in the past



## Next Steps

- Continued work on budget up to February 22<sup>nd</sup> submittal
- In-depth discussion with Mayor's Office over the next few months in advance of the June 1<sup>st</sup> budget release, including discussion of Departmental needs and priorities
- Review of IT and Capital projects at those respective committees over March/April
- Commission updates as appropriate

# Questions/Discussion

