



Fiscal Year 2023-24 and 2024-25 Budget Overview and Discussion

San Francisco Fire Department

Fire Commission – January 25, 2023

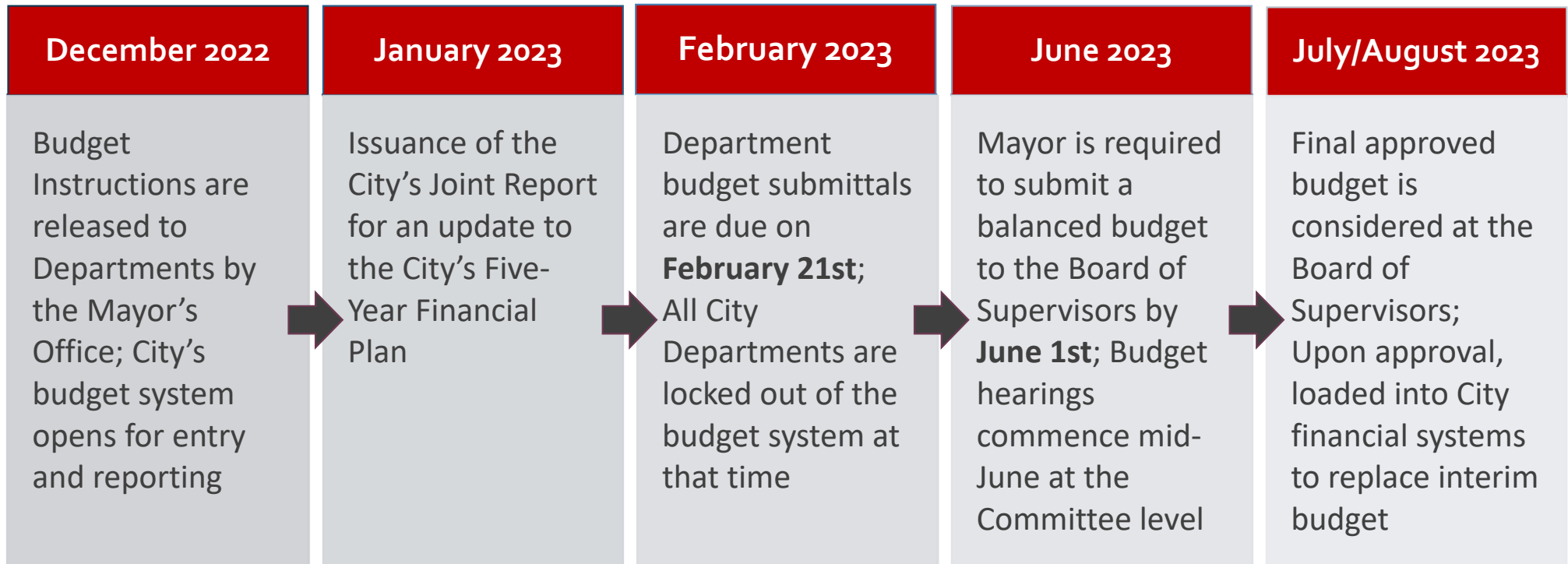
Budget Instructions

- Released January 13th, the City's Five-Year Financial Plan, jointly prepared by the Mayor's Office, Controller's Office, and Board of Supervisors Budget and Legislative Analyst's Office outlines the City's projected finances over the next five years
- These projections have been the basis for what are the Mayor's Budget instructions for the next two fiscal years as we kick off this process
- As a result of this report, the City is projecting a budget shortfall of **\$728 million** over the next two fiscal years

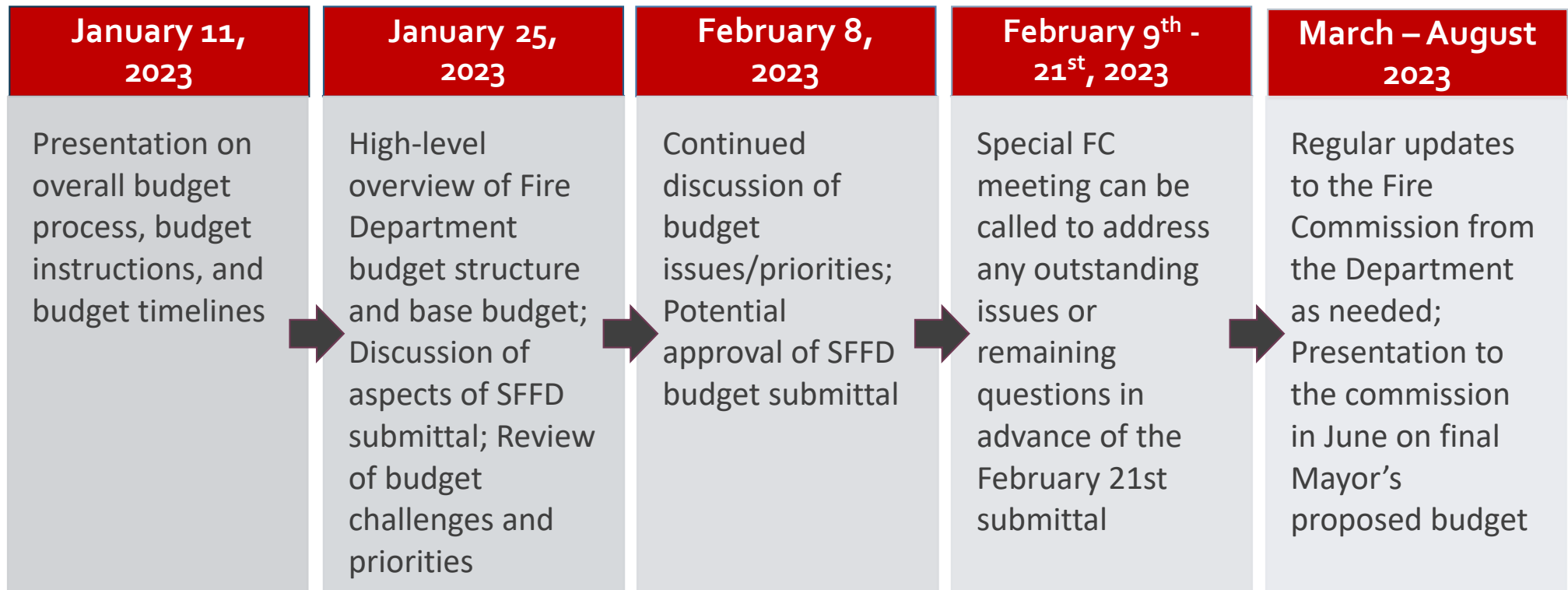
Budget Instructions

- As compared to last year when there were no mandatory budget reductions requested of general fund Departments, this year Departments are required to reduce their general fund support by **5%** in Fiscal Year 2023-24 and **8%** in Fiscal Year 2024-25
- Reductions are required to be on-going in nature (not one-time savings)
- Departments also are asked to prepare for a worsening economic outlook

Budget Process Timeline



Fire Commission Meeting Timeline



Budget Documentation

- Documentation provided before you represents a high-level summary of the Fire Department's base budget, specifically what was approved as the second year in last year's process and rolled over to populate the second year
- Looks at sources at the Departmental level by fund, as well as the uses both by type of expenditure as well as programmatic area of the budget that is impacted

Base Budget Overview

- Base budget consists of continuation of initiatives from current FY2022-23 and FY2023-24 budget approved in July 2022 over the next two years
- Includes information pertaining to salaries and benefits to the extent known, as well as assumptions on rates/items not yet formalized (MOU negotiations, etc.)
- Department worked with Mayor's Budget Office last year on significant structural updates as well as assumptions for certain areas as we recover from COVID

Base Budget Overview

- Assumptions for hiring of two H-2 Firefighter academies in each of the two fiscal years, as well as EMS academies to sustain current Ambulance and Community Paramedicine staffing levels
- Staffing levels in the budget consistent elsewhere across the Department to current levels
- Equipment allocation of \$3 million in line with five-year commitment from Mayor's Office

High-Level Budget Summary

FY23-24 SFFD Budget: \$501,183,828

Sources:

General Fund Support – \$348,605,888

Revenues/Recoveries – \$116,930,065

Non-General Fund – \$35,647,875

Uses:

General Fund – \$465,535,953

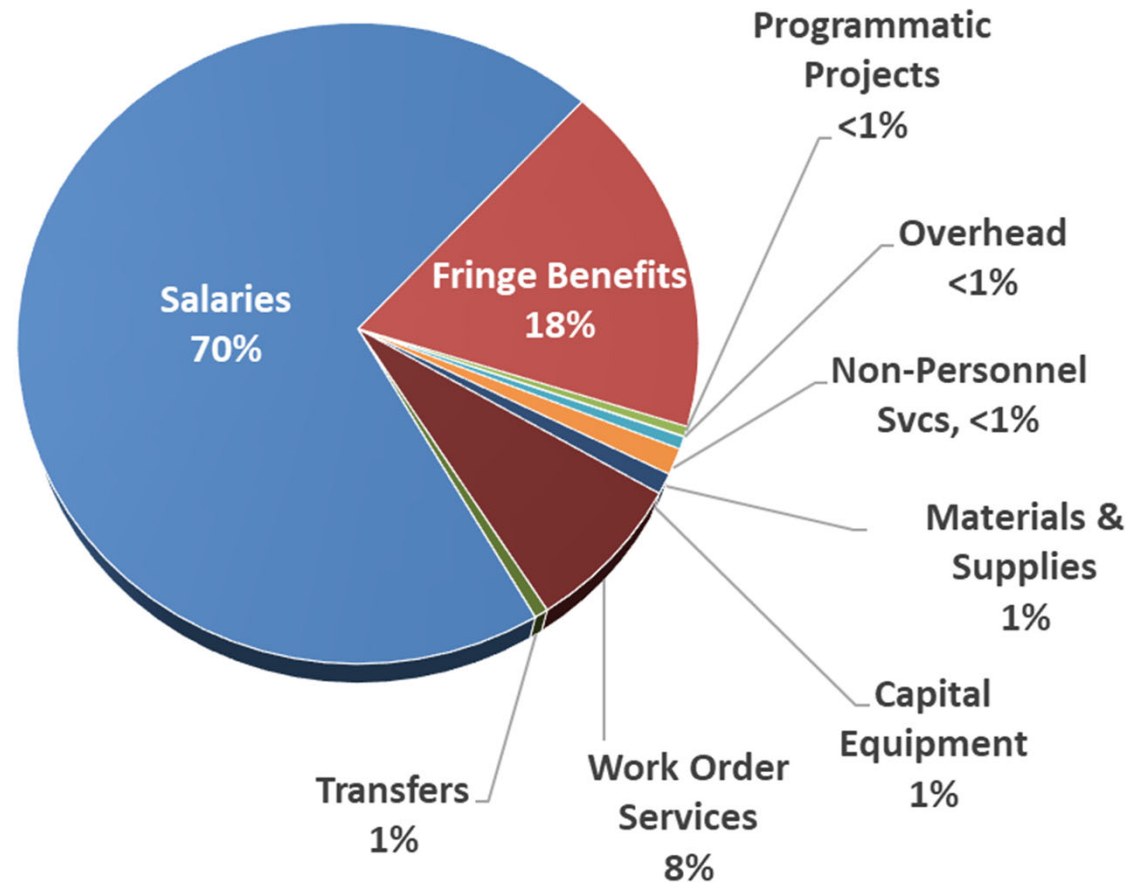
Non-General Fund – \$35,647,875

SFFD Revenue Overview

Revenue Type	FY23-24	% of Budget
General Fund Support	\$ 348,605,888	70%
Public Safety Sales Tax	\$ 49,030,000	10%
EMS Revenues	\$ 26,990,329	5%
Fire Prevention Revenues	\$ 17,389,081	3%
Recoveries	\$ 12,733,530	3%
Charges for Services	\$ 6,519,627	1%
Transfers	\$ 3,155,811	1%
Revenue-Funded Projects	\$ 1,800,000	0.4%
Miscellaneous	\$ 666,000	0.1%
Airport	\$ 34,293,562	7%
Total:	\$ 501,183,828	100%

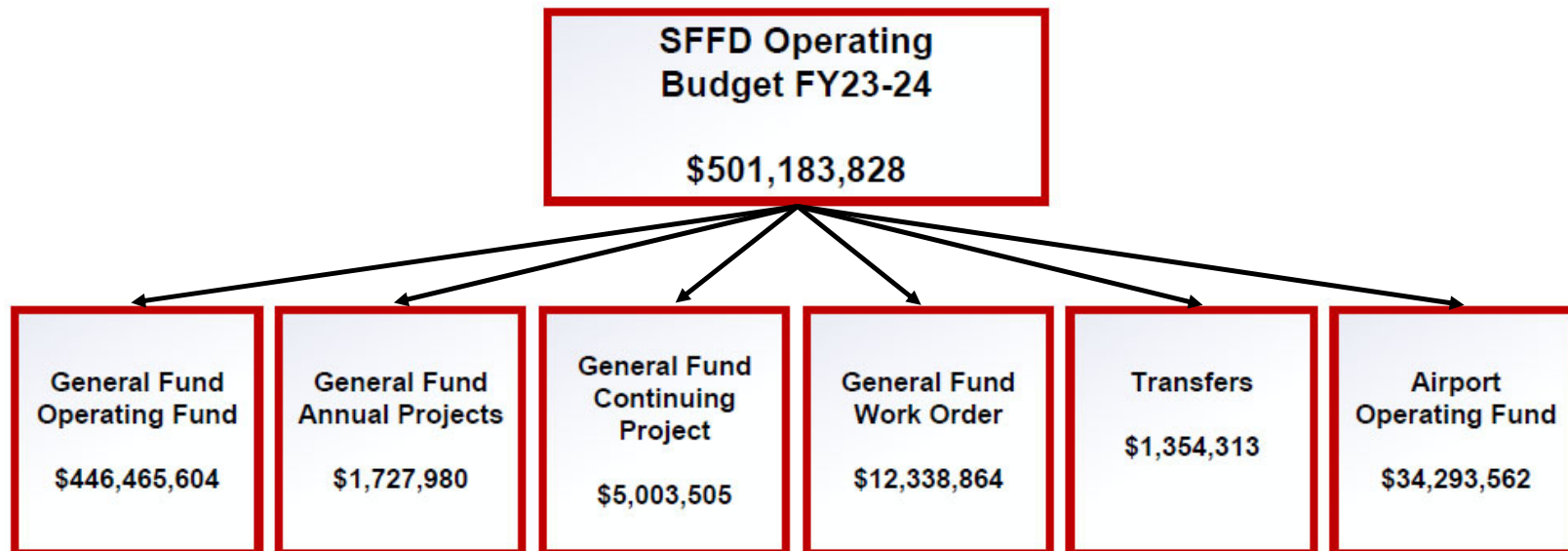
SFFD Expenditure Overview

Expenditure Type	FY23-24
Salaries	351,947,153
Fringe Benefits	90,171,911
Programmatic Projects	2,475,000
Overhead	186,251
Non-Personnel Svcs	3,101,959
Materials & Supplies	6,623,256
Capital Equipment	5,233,654
Work Order Services	38,288,833
Transfers	3,155,811
Total:	501,183,828



High-Level Budget Summary

SFFD Budget Uses by Fund



High-Level Budget Summary

**General Fund
Operating Fund**
\$446,465,604

Division	FY 2023-24 Base
Operations	343,032,404
Administration	31,633,941
Support Services	28,830,820
Prevention	21,039,370
Community Response Team	5,963,725
Training	4,438,326
Investigation	3,269,990
Communications Center	3,199,752
EMS 6 Operations	2,910,130
Fire Suppression	1,564,034
NERT Training Program	345,648
Capital Investment	237,464
Total:	446,465,604

Budget Challenges

- Limited budgetary flexibility given all costs related to front line operations
- Very limited staffing flexibility given mandatory minimum staffing requirements
- Depleted infrastructure (facilities, equipment) due to fiscal challenges
- Staffing/hiring challenges
- Impacts on revenues as the City recovers from the pandemic
- Potential for unknowns (recession, continued COVID impacts)

Budget Priorities

- Work to align Departmental priorities with Mayoral priorities
 - Supporting Public Safety and Street Conditions
 - Recovery of the local economy
 - Reducing Homelessness and Improving Mental Health Services
 - Accountability and Equity
- Among SFFD Departmental priorities:
 - Front-line Fire Suppression and EMS services, including Community Paramedicine initiatives
 - Diversity, Equity and Inclusion initiatives
 - Supporting Infrastructure

Internal Next Steps

- Meeting internally to develop and prioritize needs for the Fire Department
- Continued discussions on policy/budget items with the Mayor's Budget Office
- Evaluating and projecting revenues, including additional EMS Revenue opportunities
- Evaluating and updating staffing model based on projected staffing

Questions/Discussion

