



# Fiscal Year 2024-25 and Fiscal Year 2025-26

## SFFD Budget Review

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FIRE COMMISSION

FEBRUARY 14, 2024



# FY 24-25 and FY 25-26 Budget Budget Timeline

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<u>Date</u>	<u>Description</u>
December 2023	Budget Instructions released; Joint Report issued
Early February 2024	Controller six-month report issued
February 21st, 2024	Budget Submissions Due from Departments
March-May 2024	Update to the Joint Report; Nine Month report update
June 1st, 2024	Mayor's Budget Submitted to Board of Supervisors
June 2024	Department Budget Committee Hearings
July 2024	Budget considered at Board of Supervisors



# FY 24-25 and FY 25-26 Budget

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## Budget Instructions Review

- City is looking at projected deficits over the next two fiscal years of approximately **\$244.7** million in FY24-25 and **\$554.5** million in FY25-26, totaling approximately \$800 million over two years, with deficits increasing in subsequent years
- Departments to propose on-going reductions to general fund support equal to **10%** in each year, with an additional **5% contingency** requested
- Departmental reductions are only part of the City's solution, as Mayor's Office must weigh other strategies to balance



# FY 24-25 and FY 25-26 Budget

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## Budget Challenges

- For the Department, there is limited flexibility given minimum staffing levels and operational mandates, as vast majority of personnel and non-personnel costs directly support the maintenance of front-line operations
- Limited staffing flexibility given minimum staffing mandates
- Depleted infrastructure, including facilities and fleet/equipment
- Reliance on general fund support means increased competition for limited general fund dollars across City departments



# FY 24-25 and FY 25-26 Budget

## Proposed Budget Reductions

- Given these issues and lack of flexibility, the size of the 10% general fund reduction request from the Mayor's Office would result in front-line services impacts for the SFFD due to its size.
- The 10% reduction is equivalent to:
  - A daily reduction of more than 4 engine companies or 3 truck companies for the entire fiscal year; or
  - 12 daily 12-hour ambulances in the 911 system; or
  - A reduction of all materials and supplies, equipment, and capital allocations currently in the Department's base budget



# FY 24-25 and FY 25-26 Budget

## Included in Budget Proposal

- Known impacts from changes to relevant memorandums of understanding (MOUs), including wage/premium changes
- Staffing levels consistent with current fiscal year
- The SFFD is proposing maintaining its uniform hiring schedule in the base budget, which includes two H-2 Firefighter academies in each of the two fiscal years, as well as H-3 EMT/Paramedic academies to backfill and maintain approved EMS/CP staffing levels
- Proposal of new Fire Prevention positions to implement recently passed legislation regarding fire alarm/sprinkler certification, supported by revenues from new fees



# FY 24-25 and FY 25-26 Budget

## Included in Budget Proposal

- Inclusion of positions the Department is currently staffing coming out of COVID pandemic/other policy changes that have not been fully reflected in SFFD budget
- Increase of \$4.7 million in budgeted EMS revenue due to positive impacts of State legislation establishing additional avenues for supplemental reimbursements for certain medical calls
- Inclusion of CPI increases for fee levels
- Reclassifications/other minor adjustments to positions to reflect current levels



# FY 24-25 and FY 25-26 Budget

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## SFFD Budget Status

- Updates to SFFD budget will continue up until the February 21<sup>st</sup> deadline, as the Department works to finalize a number of aspects
- Work orders with other City Departments being finalized
- Staffing model continues to be updated as we review assumptions on overtime, hiring, and retirements
- Internal review and discussion of priorities and needs
- No major operational/policy changes incorporated beyond what is being proposed before the Commission
- Capital/Equipment allocations to be reviewed





# FY 24-25 and FY 25-26 Budget

## SFFD Budget Proposal to Commission

- With budget reductions the size and scope of what is being requested, the SFFD is unable to meet target reduction requests due to major impacts to front-line emergency services
- The Department will continue working with the Mayor's Office over the next few months on budget issues and potentials for fiscal efficiencies that can be found
- Department will advocate to ensure that it is properly resourced for the work currently being provided
- SFFD will continue all efforts to secure additional funding sources to support operations as well as reduce general fund support



# FY 24-25 and FY 25-26 Budget

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Questions/Discussion