



Fiscal Year 2025-26 and 2026-27

**Fire Department
Budget Review**

San Francisco Fire Department

Fire Commission – February 12, 2025

Budget Process Timeline

<u>Date</u>	<u>Description</u>
December 2024	Budget Instructions released; Five Year Financial Plan Released
Early February 2025	Controller six-month report issued
February 21st, 2025	Budget Submissions Due from Departments
March-May 2025	Update to the Joint Report; Nine Month report update
June 1st, 2025	Mayor's Budget Submitted to Board of Supervisors
June 2025	Department Budget Committee Hearings
July 2025	Budget considered at Board of Supervisors

Fire Commission Timeline

<u>Meeting Date</u>	<u>Item for Consideration</u>
January 8 th , 2025	Budget Instructions presented to Commission
January 22 nd , 2025	Budget Discussion continues at Commission
February 12 th , 2025	Submission of Final Budget for Commission Approval
February 13 th -20 th , 2025	Special meeting called if necessary
February 21 st , 2025	Department budget submitted to CON/MYR

Budget Instructions Review

- City is projecting a deficit over the next two budget years of approximately **\$876 million**, made up of \$253 in year one and \$623 in year two. The deficit in subsequent years is expected to reach \$1.5 billion as currently constructed.
- Departments submit their proposed budget to the Mayor's Office on February 21st, and as part of their proposal, City Departments must propose permanent, on-going reductions in the amount of **15% of their general fund support** beginning in Fiscal Year 2025-26

Budget Challenges

- Department must address day-to-day needs along with aging infrastructure (facilities, equipment, etc.)
- Limited budgetary flexibility given minimum staffing level requirements and operational mandates
- Majority of budget dedicated to personnel costs for front-line operations
- Reductions the size and scope of what is being requested would result in operational impacts

Budget Overview

Expenditures				
Fund	Fund Title	FY 2024-25	FY 2025-26	FY 2026-27
10000	General Operating Fund	471,291,625	490,261,984	501,974,006
10010	Annual Fund	1,727,980	1,727,980	1,727,980
10020	Continuing Fund	5,340,140	6,085,683	3,481,297
10060	Work Order Fund	16,302,748	16,806,885	17,191,456
13550	Transfer Fund	1,387,784	1,422,427	1,321,974
17960	Airport Fund	36,113,364	37,768,981	38,612,620
		532,163,641	554,073,940	564,309,333
Revenues				
Fund	Fund Title	FY 2024-25	FY 2025-26	FY 2026-27
10000	General Operating Fund	114,569,359	117,624,972	119,044,519
10020	Continuing Fund	1,850,000	2,350,000	2,350,000
10060	Work Order Fund	16,302,748	16,764,880	16,764,880
13550	Transfer Fund	1,387,784	1,422,427	1,290,721
		134,109,891	138,162,279	139,450,120

SFFD Budget Proposal

- Included in budget proposal are known wage/benefit changes stemming from existing memorandums of understanding (MOUs) as well as Controller Office projections, which make up the material portion of the increase from current year to FY26 and from FY26 to FY27
- Fire Department is proposing to maintain its current scheduled hiring plan over the next two years, which includes two H-2 Firefighter academies in each of the two fiscal years, as well as EMT/Paramedic academies as needed to backfill for EMS and Community Paramedicine staffing levels

SFFD Budget Proposal (cont.)

- SFFD is proposing to maintain the existing front-line emergency services levels, outlined in minimum staffing level and response time mandates. This encompasses the continuation of current staffing levels for Fire Suppression, EMS, and Community Paramedicine.
- Fleet request to adhere to Fire Commission apparatus replacement plan from 2009, which dictates certain levels of replacement on an annual basis. Department request addresses backlog.

SFFD Budget Proposal (cont.)

- Inclusion of CPI increase for Department fees per municipal code allowances (2.76% CPI and .13% Medical CPI)
- Increase of approximately \$3.8 million in on-going EMS ambulance revenue as a result of legislative programs at the State level for supplemental reimbursement for certain MediCal patients
- Additional revenue changes to certain fees related to a true-up for historical activity or changes in City policy through new legislation

SFFD Current Budget Status

- Updates will continue through the February 21st submittal deadline, as various items still need to be finalized:
 - Staffing model, including hiring, overtime, retirement, and leave assumptions
 - Work orders with other City Departments, both with Fire as the requesting Department as well as the performing Department
- No major operational/policy changes will be incorporated beyond what is proposed before the Commission today

Budget Proposal to Commission

- Reductions the scale of what is being requested would result in direct impacts to front-line staffing and services
- Department will continue working with Mayor's office on budget issues over the next few months as priorities for new Department and Mayoral administrations become more clear
- Department will continue work to support existing operations are properly supported and Department infrastructure (fleet, facilities) is addressed to the fullest extent
- Review all possibilities for alternative funding solutions support City-wide efforts to reduce general fund expenses

Questions/Discussion

