



LOS ANGELES FIRE DEPARTMENT

RALPH M. TERRAZAS
FIRE CHIEF

November 23, 2020

BOARD OF FIRE COMMISSIONERS
FILE NO. 20-121

TO: Board of Fire Commissioners

FROM:  Ralph M. Terrazas, Fire Chief

SUBJECT: FINAL PROPOSED BUDGET FOR FISCAL YEAR 2021-22

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

On October 20, 2020, the Board of Fire Commissioners (Board) approved the Los Angeles Fire Department's (LAFD) preliminary Proposed Budget for Fiscal Year (FY) 2021-22. The Department submits for approval the attached final Proposed Budget. An advance copy was provided to the Mayor and City Administrative Officer by the due date of November 20, 2020 for their budgetary scoping purposes. Any requests made by the Board resulting in changes to the final document would be forwarded to those offices.

The Department requests a total of \$829 million from various resources which includes \$786 million for the operating budget and \$43.5 million in non-departmental requests for MICLA fleet replacement, facilities maintenance and Unappropriated Balance reimbursable expenses (Mutual Aid overtime, Quality Assurance Fee payments and Self-Contained Breathing Apparatus replacement). The \$786 million operating budget for FY 2021-22 is estimated at \$54 million (7.5% increase) above the current fiscal year of \$732 million, which is mostly attributed to the final segment of MOU salary adjustments for sworn and civilian employees. This estimate incorporates a three percent reduction, as instructed, and other reductions and revenue enhancements that offset budget requests by \$24 million. The three percent reduction primarily involves strategically managing sworn resources over the 106 fire stations and maintaining field vacancies. The focus of this budget, as illustrated in the requests herein, is on:

- Continuing Firefighter recruitment with three new academy classes for the placement of up to 170 Firefighters to address an upcoming surge in retirements and departures over the next few years;
- Maintaining robust fire suppression support through the restoration of an Emergency Incident Technician, the continuation of SAFER engine resources and sworn overtime for mutual aid deployments, and coverage of a cost increase in aerial firefighting contracted resources;

- Reorganizing the Arson Section to enhance oversight for Arson Investigator staffing to improve operational efficiencies, accountability and investigative outcomes in Arson operations. This proposal will achieve over \$643,000 in eliminated backfill savings by aligning most operations to a 4/10 schedule;
- Adding and restoring staffing resources for fee-supported hazardous materials and fire safety enforcement support, including Certified Unified Program Agency (CUPA) program management, fire alerting and safety systems (Regulation 4) compliance, and a False Fire Alarm program;
- Ensuring field resources are properly and safely equipped to deliver first responder services through funding for end-of-service replacements for Personal Protective Equipment including Self-Contained Breathing Apparatus (SCBA), turnout gear and helmet systems; cardiac monitors and defibrillators; and, emergency apparatus under the MICLA-funded Fleet Replacement Program;
- Providing funding to keep apparatus on a proper maintenance schedule to ensure public safety and avoid costly deferred maintenance, which has been a significant issue with fire boats in the past;
- Providing a minimal level of funding for hardware needs and commercial licensing and broadband services for field information technology applications, employee telecommuting as a continued pandemic response, and Fire data analytics;
- Continuing Capital Improvement Expenditure Program (CIEP) funding for health and safety improvements at various Fire Stations and completion of the Operations Valley Bureau Headquarters; and,
- Continuing funding for mandatory quarterly payments under the Ground Emergency Medical Transport (GEMT) Quality Assurance Program (QAF) which adds revenue to the City through federal matching funds.

Inclusive above are changes from the preliminary Proposed Budget report, after further consideration of Department, Mayor and Council priorities, as follows:

- Arson and Counter-Terrorism Section (ACTS) – New – Reorganization for improved supervision, oversight and operational efficiencies.
- California Public Records Act (CPRA) Support – Deleted – to be managed internally.
- Operations Valley Bureau (OVB)/CIEP – Reduced from \$2.5 million to \$1 million (CIEP), pending revised cost estimates.
- Installation of extractors at Fire Stations - \$250,000 (CIEP) – Deleted – to be deferred.

The breakdown for the FY 2021-22 Proposed Budget is, as follows:

FY 2020-21 Adopted Budget **\$723,143,241**

FY 21-22 Budget Requests

Base Changes:	\$24,625,040
New Requests & Reductions:	\$29,422,403
Total Estimated Changes:	\$54,047,443

FY 2021-22 Proposed Departmental Total **\$786,290,684**

MICLA – Fleet Replacement	\$20,000,000
Capital Expenditure Improvement Program (CIEP) – Facilities	\$ 2,000,000
Unappropriated Balance – Mutual Aid, QAF, SCBA	\$21,500,000
Separation Incentive Program savings	(944,760)
Total	\$42,555,240

FY 2021-22 Proposed Budget w/ Non-Departmental **\$828,845,924**

The Proposed Budget will continue moving the Department forward in improving response times and furthering the goal to ensure our communities are the safest in the nation.

RECOMMENDATIONS

That the Board:

1. Approve the final FY 2021-22 Proposed Budget and authorize the Department's Financial Management Division to make technical adjustments, as necessary, to implement the Board's intention, and,
2. Authorize the Department to transmit all budget documents, inclusive of any amendments and corrections, to the Mayor, Office of the City Administrative Officer and Chief Legislative Analyst.

Board report prepared by Emilio Rodriguez, Senior Management Analyst II, Administrative Services Bureau.

Attachment

FY 21-22 LAFD Proposed Budget

Attachment

CATEGORY: OPERATIONAL REQUESTS

Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
01	TSB	Recruit Services	Valley Recruit Training Academy (VRTA)	Recruit Firefighters - 120 (DT 81 - two new classes at 60 each) Sworn Salaries - \$3,899,948 Variable Staffing Overtime - \$4,691,304 Expenses - \$1,275,848	0	0	\$9,867,100	Funding request for two new recruit classes in DT 81 (22 weeks) for a total of 120. As field vacancies increase, the Department is subject to the closure of engines, ambulances and other resources, affecting response times, or excessive amounts of overtime to maintain constant staffing. The request reflects the minimum level of recruits needed to maintain attrition due to departures and retirements, particularly with a surge in retirements expected by 2023.
02	TSB	Recruit Services	Harbor Recruit Training Academy (VRTA)	Recruit Firefighters - 50 (DT 40 - one new class) Sworn Salaries - \$705,583 Variable Staffing Overtime - \$407,672 Expenses - \$376,995	0	0	\$1,490,250	Funding request for one new class in DT 40 (10 weeks) for a total of 50 recruits. As field vacancies increase, the Department is subject to the closure of engines, ambulances and other resources, affecting response times, or excessive amounts of overtime to maintain constant staffing. The request reflects the minimum level of recruits needed to maintain attrition due to departures and retirements, particularly with a surge in retirements expected by 2023.
03	EOP	EOPS	SAFER Grants - City Funding Requirements	Salary funding for City match requirement and costs not reimbursed by FEMA 21-Firefighter (SAFER 17) \$2,257,070 - Sworn Salaries (reflects 35% grant share for remaining 6-mth performance period) \$1,173,704 - Constant Staffing Overtime	21	0	\$3,430,774	Funding request for the continuation of Firefighter staffing under the 2017 SAFER grant which restored a Light Force in Wilmington. The budget request includes the City share of salary costs for FY 21-22 (65% for first six months; 100% for remaining six months) and additional costs not reimbursed by FEMA such as constant staffing overtime. The grant period for the SAFER 16 grant supporting 48 positions has been completed and, therefore, those positions will be requested as fully funded continuing authorities.

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Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
04	EOP	ACTS	Arson / Counter Terrorism Section (ACTS) Budget Request	Reallocation of three (3) investigators on Platoon Duty to Fire Captain I Platoon Duty 3-FCI (3)-FFIII (Investigator bonus) Conversion of six (6) investigators from PD constant staffing to a 4/10 schedule	0	0	(\$643,043)	Request for the reallocation of three Arson Investigators to Fire Captain I. This staffing reconfiguration will enhance oversight for a large majority (63%) of Arson Investigators who are currently working without supervision, thereby improving operational efficiencies, accountability and investigative outcomes in Arson operations. The conversion of six investigators from platoon to special duty reduces backfill requirements significantly, thereby resulting in savings.
05	EOP	EOPS	Incident Command Support	1-Firefighter III/EIT	1	0	\$187,318	Staffing request to restore one Emergency Incident Technician (EIT) that was deleted in FY 20-21. EITs assist incident commanders with accountability, situation awareness, resource status and emergency safety procedures during fires. EITs have been restored to all Battalions in the process of reinstituting critical field resources in the last several years after the last economic recession. However, Battalion 14A in South Van Nuys is now left with a void that must be addressed indefinitely with constant staffing overtime or other means.
06	ASB	False Alarm	False Fire Alarm Program	1-Sr. Management Analyst 1-Accountant 1-Accounting Clerk	0	3	\$195,580	Staffing request to manage a pending false fire alarm enforcement program which imposes fees and penalties on property owners with chronic false fire alarm activations. The objective of the program is to significantly reduce the deployment of critical field resources to unwanted false fire alarms. The Sr. Management Analyst will supervise a new False Alarm unit and have the primary responsibility of reviewing fee/penalty appeals by property owners. The Accountant and Accounting Clerk positions will receive, process and reconcile thousands of new payments and perform related clerical work. These tasks cannot be absorbed by existing staff. The program is expected to generate annual revenue of \$1.7 million. All positions are fee supported.

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07	TSB	S&M Division	Turnout Gear and Maintenance	Second Set of Turnouts - Year Two - \$1,275,000 Turnout Maintenance - \$125,000	0	0	\$1,400,000	Funding request of \$1,275,000 to provide Firefighters with a second set of protective turnout gear. Additional funding of \$125,000 in the Contractual Services account is requested for professional cleaning, inspection and repair of turnout gear in compliance with NFPA standards, with an incremental goal of \$500,000 for this purpose (\$375,000 has been funded to date). Every set of turnout gear must meet shelf life standards to reduce the risk of injury and carcinogens at significant fire suppression events.
08	TSB	S&M Division	NFPA Compliant Helmet System	1,100 -Helmets and accessories	0	0	\$300,000	Funding request for the third year of a three-year plan totaling approximately \$900,000 to replace 3,300 helmets approaching end of service life. New helmets will meet NFPA standards and include a shroud and goggle system.
09	TSB	S&M Division	Cardiac Monitors	16-Units (\$28,224 each plus tax) = \$500,000	0	0	\$500,000	Funding request of \$500,000 for the incremental lifecycle replacement of 250 cardiac monitors. Present LifePak cardiac monitors have exceeded service life per American Hospital Association guidelines. The current units are also reliant on proprietary Getac computers for ePCR functionality, whereas the industry standard has leaned toward conventional iPad units at one third the cost. The requested funding will cover approximately 16 units.
10	TSB	EOPS	Automatic External Defibrillators (AED)	30-AED units - \$67,000	0	0	\$67,000	Funding request for the third year of a five-year plan totaling approximately \$331,156 to replace 150 AED units deployed in the field.
11	EOP	OSB	Fireboat Haul Outs	Boat 1 - \$1,000,000 Boat 4 - \$1,000,000	0	0	\$2,000,000	Funding request for the haul out and routine maintenance of fireboats. Work includes dry dock storage, hull cleaning, surface preparation, anti-fouling paint from waterline to keel, hull paint from waterline to top rail, non-skid deck paint, hull and fire main non-destructive testing, zince replacements, and rudder / propeller maintenance. Fireboat maintenance is subject to reimbursement by the Port of Los Angeles.

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Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
12	ITB	ITB	Hardware and Software Support	Contractual services funding for various ITB needs.	0	0	\$475,000	Funding request to address ongoing ITB service, subscription and product needs to support department operations. One-time funding was provided in FY 20-21. An appropriation is requested for FY 21-22.
13	ITB	FCDS	Telecom Recurring Cost	Operating expense funding for service provider costs.	0	0	\$250,000	Funding request of \$250,000 to account for increased usage of broadband and other telecom services that support LAFD operations.
14	EOP	AOS	Helitanker Lease	Type I Helicopter Lease	0	0	\$40,500	Funding request for annual lease of Type I Helicopter, representing the year-over cost increase for the \$4.1 million Erickson contract.
15	FPB	Admin	Regulation 4 Staffing	1-Fire Inspector II	1	0	\$118,689	Staffing request for Regulation 4 administration and compliance. There are approximately 10,000 occupancies with 72,000 fire alerting and protection ("Reg 4") systems in need of inspection, testing and management. Reg 4 systems are expected to grow at a rate of 10% annually due to ongoing construction and changes in fire protection requirements. Legal Unit staffing is minimally addressing inspections and enforcement, and certification testing for Reg 4 inspectors is lacking proper oversight. The position is fee supported.
16	FPB	CUPA	CUPA Program-Administrative Support	1-Hazardous Materials Supervisor	0	1	\$90,089	Staffing request to provide supervision and technical assistance to inspection staff in the field. The CUPA Program has become increasingly complex as evidenced by a growth in State mandated programs and regulated inventory. Current oversight includes intermittent supervision by a Unit Captain and Fire Inspector which is insufficient and unsustainable. This position would also be instrumental in efforts to assume the County's Hazardous Materials Program which has a revenue potential of \$8 million. This position was approved in a previous budget cycle but, as a new classification, was subject to a lengthy review process and delays prior to receiving Civil Service Commission. The position was consequently not continued FY 20-21 although the classification now exists. The position is fee supported.

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Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
17	ADM	FireStat	Third-party Data Validation	Continuation of funding for Justice & Security Strategies contract	0	0	\$50,000	Funding request to continue the services of an independent and objective third-party statistical and data analysis consultant to review and validate the accuracy and reliability of the performance metrics (a major issue in 2012), reports and dashboards produced under FireStatLA. Current projects include ambulance wall time and electronic patient care record (e-PCR) benchmark analysis. A three-year contract of \$50,000 annually is currently in effect through December 3, 2022. One-time funding of \$25,000 was provided in the FY 20-21 Budget.
OPERATIONAL REQUESTS Total					23	4	\$19,819,257	

CATEGORY: NON-DEPARTMENTAL REQUESTS

Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
01	EOP		Operations Valley Bureau (OVB) Facility	**CIEP Request** Conversion of old Fire Station 39 to consolidate OVB headquarters and command staff. Predevelopment Funding: \$600k FY 20-21 Funding: \$2.25M FY 21-22 Request: \$1.0M Total Cost: \$3.85M (pending revised cost estimates)	0	0	\$1,000,000	Funding request for labor, materials, and build out costs necessary for the Operations Valley Bureau (OVB) permanent facility. Since implementation of the four geographic Bureau model in January 2015, the OVB main office has operated from Fire Station 83 and its platoon Command 42 from Fire Station 81. The two functions need to be relocated to a permanent facility in order to accommodate Unity of Command overseeing the Department's largest operational Bureau with high volume of activity. Efforts are underway to reevaluate the project scope and costs in light of ongoing fiscal constraints. Costs are subject to change pending Bureau of Engineering, General Services and CAO review of the scope of work for immediate occupancy.
02	TSB	Fire Facilities	Fire Facilities Repairs and Improvements	**CIEP Request** Conversion of old Fire Station 39 to consolidate OVB headquarters and command staff. Predevelopment Funding: \$600k FY 20-21 Funding: \$2.25M FY 21-22 Request: \$1.0M Total Cost: \$3.85M (pending revised cost estimates)	0	0	\$1,000,000	Funding request to support ongoing repairs, upgrades and improvements and various Fire Department stations and facilities.
03	TSB	S&M Division	Self Contained Breathing Apparatus(SCBA) Replacement	**Unappropriated Balance request** Phase-in Purchase Plan Year 1 - \$12M Unappropriated Balance (pending AFG grant) Year 2 - \$12M General Fund Year 3 - \$12M General Fund \$36M Total Cost Five-Year Lease Alternative Option \$6,838,85	0	0	\$12,000,000	Funding request for a complete inventory replacement of SCBA systems. The current LAFD SCBA systems are NIOSH 2013 certified. In 2023 the current SCBA equipment will no longer be supported by the manufacturer. This will require replacement of air packs, bottles, facepieces and all supporting equipment for a total cost of \$36 million. The budget request represents year one of a two-year phase in plan with anticipated grant support from the Assistance to Firefighters (AFG) program in year two. In view of fiscal constraints, a lease option is available from the manufacturer at \$6.8 million annually for five years. Funding is requested from the UB pending a successful application with the Assistance to Firefighters (AFG) grant program.

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Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
04	EOP	EOPS	Mutual Aid Overtime	<p>**Unappropriated Balance request**</p> <p>Sworn overtime funding for deployed members/strike teams.</p>	0	0	\$3,000,000	Funding request for sworn overtime to address a consistent pattern in mutual aid response for fire and disaster response needs outside of the City. This item has been funded in the Unappropriated Balance over the last two years. Expenditures are recovered through reimbursements from the receiving agencies and/or through state or federal emergency response funds.
05	EMS		GEMT Quality Assurance Fee (QAF) Program	<p>**Unappropriated Balance request**</p> <p>Quarterly Payments for FY 21-22</p>	0	0	\$6,500,000	Funding request for quarterly QAF Program payments and related contractual services costs resulting from the program. The amount requested is subject to change pending anticipated revisions in State fees and reimbursements. This item was funded in the UB in FY 20-21.
NON-DEPARTMENTAL REQUESTS Total					0	0	\$23,500,000	

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CATEGORY: MICLA

Priority	Bur	Unit	Budget Package Title	Positions or Items Requested	Sworn	Civ	Total	Brief Justification
	TSB	S&M Division	MICLA Fleet Replacement Program	Annual replacement of apparatus, fleet vehicles and other equipment.	0	0	\$20,000,000	Funding request for Fleet Replacement Program under the Muncipal Improvement Corporation of Los Angeles (MICLA).
				MICLA Total	0	0	\$20,000,000	