




KRISTIN M. CROWLEY
FIRE CHIEF

May 26, 2022

BOARD OF FIRE COMMISSIONERS
FILE NO. 22-052

TO: Board of Fire Commissioners

FROM:  Kristin M. Crowley, Fire Chief

SUBJECT: MID-YEAR BUDGET REPORT 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 Withdrawn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

The Fire Department's Fiscal Year (FY) 2021-22 Budget is \$746 million. A year end expenditure deficit of up to \$19 million is anticipated as reported in the Midyear Financial Status Report (FSR) to the City Council (C.F. 21-0600-S112). Consistent with trends in recent years, the deficit is mainly attributed to a surge in sworn overtime expenditures earlier this year from emergency response deployments to various wildfires outside the City and, most recently, from recall overtime to address field vacancies. Other contributing factors include a historic deficit in the fleet parts account, additional workload for contracted brush clearance, and civilian overtime for fleet maintenance, fire life safety plan check inspections and systems support. Mutual aid and brush clearance expenses are reimbursable from the responsible agencies and property owners.

The requests in LAFD's Midyear report to the City Council included a transfer of \$5 million from the Unappropriated Balance to address impending shortfalls in sworn overtime accounts. Adjustments were also made to balance operating expenses in Contract Brush Abatement and administrative accounts. It is anticipated that a General Fund appropriation will be required at year end to address remaining shortfalls.

RECOMMENDATION

That the Board:
Receive and File.

FISCAL IMPACT

There is no fiscal impact as this report is for informational purposes only.

DISCUSSION

The following reflects the status of the Department's budget as of December 2021. The Year End FSR process is currently underway with a final Council report expected in mid-June.

Projections are not expected to deviate substantially from the Midyear report.

Total Budget Changes	Revised Budget	Projected Year-End Expenditures	Projected Surplus/ Deficit	Reappropriation Obligations	Midyear Adjust-ments	Estimated Year End Balance
\$ 8,857,543	717,428,739	738,305,273	(20,876,534)	(2,326,442)	4,324,000	\$ (18,878,976)
\$16,139,664	53,836,819	52,153,843	1,682,976	(4,067,182)	2,336,679	\$ (47,527)
\$ 24,997,208	771,265,559	790,459,116	(19,193,558)	(6,393,624)	6,660,679	\$ (18,926,503)

The Department anticipates meeting its General Fund revenue budget of \$221.05 million by year end. Significant deviations as of mid-year included increases in ambulance receipts, mutual aid reimbursements and brush clearance restitution. Although offset by a decrease in construction plan check revenue and other fire prevention fees as a continuing consequence of the pandemic, the net increase in Department revenue is \$10.9 million for a total of \$232 million.

Revised Revenue (\$ in millions)		
FY 2021-22 Adopted Revenue	FY 2018-19 Est Increase/Decrease	FY 2021-22 Revised Revenue
\$221.1	\$10.9	\$232

The Adopted Budget includes funding for three recruit training classes to support 180 firefighter recruits. All classes have undergone schedule revisions to compress timelines and to add a fourth new class, 21-4, to increase capacity to 225 recruits to meet critical field needs (Class 21-2 was scaled down from 60 to 45 recruits). Recruit training typically has an attrition rate of 20 percent. The estimated cost of \$2.8 million for the fourth class was addressed in the FSR reports.

FY 21-22 Academy Schedule

Drill Tower	Class #	Start Date	Graduation Date	No. of Recruits Authorized	No. of Recruits Appointed	No. of Graduates
DT 81	21-1	07/06/21	11/19/21	60	66	54
DT 81	21-2	10/25/21	02/10/22	45	49	36
DT 81	21-3	01/18/22	04/21/22	60	64	46
DT 81	21-4	03/28/22	06/30/22	60	51	TBD
Total				225		

Board report prepared by Emilio Rodriguez, Chief Management Analyst, ASB.