

October 21, 2014

LOS ANGELES FIRE DEPARTMENT



RALPH M. TERRAZAS
FIRE CHIEF

October 16, 2014

BOARD OF FIRE COMMISSIONERS
FILE NO. — 14-112 —

TO: Board of Fire Commissioners
FROM: Ralph M. Terrazas, Fire Chief *RM Terrazas*
SUBJECT: PROPOSED FISCAL YEAR 2015-16 BUDGET

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 Withdrawn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 Department's Proposed Fiscal Year (FY) 2015-16 Budget is being developed, to the extent possible, based on the guidelines provided by the Mayor's Office and City Administrative Officer (CAO). The Proposed Budget is due November 21, 2014.

The development of the proposed budget is guided by the Mayor's five over-arching outcomes:

- Make Los Angeles the best run city in America
- Promote good jobs for Angelenos all across Los Angeles
- Create a more livable and sustainable city
- Ensure our communities are the safest in the nation
- Increase partnerships with residents and civic groups to build a greater city

As shown on the attached list of proposed budget requests, the Department's focus is on restoring personnel to enhance public safety and firefighter safety. These requests will provide to the Department additional resources and the ability to continue to improve response times. Ultimately, a properly staffed Fire Department is essential in ensuring that our communities are the safest in the nation.

Priority requests two through thirteen include full-year funding for the FY 2014-15 Interim Budget Requests (six-months funding and position authorities) submitted to the City Council on October 14, 2014. During my confirmation as Fire Chief on August 8, 2014, several Council members, and the President, United Firefighter of Los Angeles City, expressed concern over the Los Angeles Fire Department's (LAFD) staffing challenges resulting from reductions in the FY 2011-12 Budget. The consistent

message was the need to rebuild the Department and restore personnel to enhance public safety and firefighter safety. The funding and positions included in the Interim Budget Request were to enable the Department to begin achieving my priorities of improving response times, providing additional resources, and establishing a Department workforce that is reflective of the communities we serve.

Another significant component of the Proposed Budget is funding for five new recruit classes and two classes that overlap from FY 2014-15. This level of hiring is necessary to meet anticipated vacancies due to exits from the Deferred Retirement Option Plan (DROP) and other service retirements. Funding is also requested to enhance recruitment efforts toward achieving the goal of a more diverse and multi-cultural Department.

The FY 2015-16 Proposed Budget totals \$660 million approximately, broken down as follows: \$626 million for the operating budget and \$34 million for MICLA. The table below provides a summary comparison of the Proposed FY 15-16 Budget and the FY 14-15 Budget.

Estimated Proposed Budget FY 2015-16	
Salary Base	\$ 531,089,643
Expense Base	34,034,188
Delete One-Time Funding	(5,470,000)
New Service Enhancement Packages:	
Salary Obligatory Changes	22,400,000
New Requests	<u>43,802,997</u>
	60,732,997
Operating Proposed Budget	\$ 625,856,828
Proposed MICLA – Fleet Replacement	34,114,031
Total FY 2015-16 Estimated Funding Request	\$659,970,859
FY 2014-15 Adopted Budget	
Operating Budget	\$ 565,123,831
MICLA – Fleet Replacement	<u>20,319,699</u>
Total Budget	\$ 585,443,530

The Proposed FY 2015-16 operating budget request is estimated at \$61 million above the FY 2014-15 budget. The additional resources, technology and other funding requirements are necessary to achieve the Department's priorities and comply with the Mayor's priority outcomes.

The Proposed Budget identifies only the most critical Department needs to maintain operations, and ensure that Department programs provide the City of Los Angeles with the highest level of service. While the Department continues to review and evaluate its various programs which can change the overall budget, there are also many variables

the Mayor and Council will have to consider before a final FY 2015-16 Budget is adopted.

RECOMMENDATION

That the Board:

1. Approve the Proposed FY 2015-16 Budget and authorize the Department's Financial Management Division to make technical adjustments, as necessary, to implement the Board's intention.
2. Authorize the Department to transmit the Proposed Budget to the Mayor and the Office of the City Administrative Officer, with a final copy submitted to the Board.

Board report prepared by Sandra Ocon, Senior Management Analyst II, Administrative Services Bureau.

Attachments

Dept. Priority	FY 2015-16 Proposed Budget Requests
1	Obligatory Changes: Expense (\$5,470,000); Salaries \$22,400,000 a) Delete one-time expense funding (\$5,470,000) b) Delete and Restore 3% funding (\$16,747,877) + \$16,747,877 = \$0 c) Civilian and Sworn Salary changes due to MOUs are pending further instructions from the Office of CAO d) Add Sworn Overtime Account 001092 to cover projected deficit in account resulting from members sent to fires outside the City. This amount may be reimbursable - \$1,000,000 e) Add Overtime Constant Staffing Account 001093 – UFLAC MOU 23 sunset clause regarding vacation hours' impact on FLSA - \$9,000,000 f) Add 10 months funding for Overtime Constant Staffing Account 001093 - Ambulance Augmentation - \$8,400,000 g) Add full year funding for Overtime Constant Staffing Account 001093 – Firefighter III/Dispatchers on platoon duty - \$4,000,000
	New Requests (Priority 2 to 34): Total \$43,802,997
2	Staffing for one Engine Company: \$1,849,134 Restores one engine company (12 positions): Add position authority for three Captain I, three Engineer, six Firefighter III
3	Emergency Incident Technicians (EITs): \$428,748 Restores EITs to one battalion as part of a multi-year phase-in plan: Add position authority for three Firefighter III.
4	Fire Inspectors for Development Services: \$762,252 Add position authority for five Inspector II's assigned to conduct inspections of new construction. Three positions would be assigned to Civic Center, two positions would be assigned to the West LA and Valley satellite offices to co-locate with Department of Building and Safety to create one-stop permitting and plan check services.
5	Supply and Maintenance Division, Rescue Maintenance Unit: \$430,364 Restores four sworn positions on administrative duty to ensure life-saving breathing apparatus and related equipment are working properly and available to field personnel. Add position authority for 2 Firefighter III and 2 Apparatus Operator.
6	Nurse Educators: \$244,542 Add position authority for two Nurse Educators needed to meet workload needs providing continuing education to Paramedics on proper patient care, including post-incident and remedial training.
7	Extractor Installations: \$240,000 Los Angeles Fire Foundation donated 14 extractor washing machines to clean personal protective equipment (PPE) to limit ongoing exposure to carcinogens that pose health risks to firefighters. Funding is for the cost of electrical and plumbing installation.
8	Staff Relocations/Moves/Buildouts: \$250,000 Funding for relocation costs to meet space needs for staff of various administrative assignments.
9	Add Second 24-Hr Assistant Chief to Four Bureau Concept: \$1,440,062 Add staff for a second 24 hour Division Office to enhance response coverage during emergency operations: a) Add authority for three platoon duty Fire Assistant Chief and delete one administrative duty Fire Assistant Chief; Upgrade three Firefighter III EIT to Fire Captain I Adjutant for consistency of administrative support staffing within the Geographic Bureaus b) Two Captains and two Clerk Typists authorities are proposed for deletion; duties to be performed by reassigning existing positions

Dept. Priority	FY 2015-16 Proposed Budget Requests
10	FireStatLA Unit: \$205,000 Add position authority for two Sr. Fire Statistical Analyst to enable the FireStatLA Unit to fulfill its objective to develop metrics, compile and analyze data sets, monitor performance and target improvements in the range of Department field and administrative operations.
11	Dispatch System Manager: \$132,310 Add position authority for Captain I. LAFD is in the process of developing the Tiered Dispatch System (TDS) for medical dispatch protocols. Requested position would work with Dispatch Quality Improvement Unit and Medical Director to perform dispatch system data analysis to determine modifications of TDS, and improve quality of protocols and training to Dispatchers.
12	Recruitment Staffing: \$1,740,941 Add position authority for one Captain II, one Captain I, two Firefighter III, and one Sr. Clerk Typist. Requested recruitment staff would augment the currently assigned Fire Captain I and Firefighter III, and allow Department to implement a comprehensive strategy that includes, Recruitment, Mentoring, Preparation and Youth Development.
13	Community Liaison: \$308,341 Add position authority for one Captain I, one Public Relations Specialist, and one Sr. Project Coordinator to address significant workload responding to telephonic media and public requests for information, providing media relations at emergency incidents, and preparing news releases and media advisories.
14	Staffing for two Engine Companies: \$5,291,386 Restores two additional engine companies (24 positions): Add position authority for three Captain I, three Engineer, 18 Firefighter III and two Fire Engines.
15	Restore EIT Positions: \$309,081 Emergency and administrative support for field Battalions. Restores EITs to a Battalion where the EITs were previously eliminated in the FY 2010-11 budget. Restoration of EITs are being requested as part of a multi-year restoration plan.
16	Upgrade to Paramedic Resource: \$621,720 Upgrade 36 FF III positions to Paramedics to add 12 more paramedic resources with appropriate equipment. This is necessary to meet Emergency Medical Services workload needs.
17	Recruit Training Drill Tower 81: \$2,180,257 <ul style="list-style-type: none"> a) Funding for two 20-week training classes of 60 firefighter recruits and funding for completion of one class started in FY 14-15. b) Add position authority for one Clerk Typist, one Senior Clerk Typist and one Systems Analyst II required for the daily support of Recruit Services Section, the Drill Tower and the Quality Assurance Unit
18	Recruit Training Drill Tower 40: \$8,948,695 <ul style="list-style-type: none"> a) Funding for three 20-week training classes of 45 firefighter recruits and funding for the completion of one class started in FY 14-15 b) Add positions authorities for drill tower training staffing of 20 sworn and one Clerk Typist required for the daily operations of Recruit Services Section and the Drill Tower c) Add funding for expense and equipment accounts
19	SCBA Face Pieces & Cylinder: \$3,730,298 Add funding to upgrade 3,500 Face Pieces; Annual replacement of 336 cylinders and additional 1000 Vhours to accommodate SCBA changeover.
20	Second Set of Turnouts – 2nd Year: \$1,917,965 Provides funding for the issuance of the second set of turnouts – Year 2 of a 3-Year program.

Dept. Priority	FY 2015-16 Proposed Budget Requests
21	Vehicle Management System (VMS): \$323,973 Joint Budget Package GSD, ITA, LAFD, LAPD Year 2 of VMS Project to replace existing mainframe VMS software with a new version that will be web based. a) Add funding for expenses and staffing for one Senior Systems Analyst I and one Management Analyst II to support VMS upgrade
22	Technology Staffing for Innovation and Support: \$553,235 Add funding for two Systems Programmer Analyst II, one Database Architect, and one Programmer Analyst V staffing to support the Department's various technology initiatives: Network Staffing System (NSS), Infrastructure Support, Application Development, and Mission Critical Support.
23	911 Dispatch – AVL and GIS Staffing Request: \$636,582 With the implementation of the AVL, additional staffing is required to provide: a) management and support for AVL mapping software, data and operating system updates b) GIS supervision for AVL Data Management and application development c) Perform AVL Data maintenance and application development Add funding for four System Analyst II, one Geographic Information System Supervisor I, and two Geographic Information Specialists.
24	Miscellaneous Technology Software and Training: \$720,475 Funding for new technology software, software version upgrades, IT training and IT User Conference attendance.
25	FDTime System Implementation: \$100,000 Add funding for the automation of time-reporting function of the NSS system.
26	Hydrants and Access Unit Staff Funding: \$831,956 Funding for staff salaries previously funded by the Hydrant Fund, which will be depleted by FY 15-16. The Hydrant Fund covers the full or partial salary of 6 sworn and four civilian authorities. Hydrants and Access Unit staff are responsible for ensuring that newly constructed buildings meet minimum requirements for Fire Department emergency response access and proximity to fire hydrants. Staff members work closely with the Department of Water and Power to facilitate the repair and replacement of damaged or defective hydrants, verify hydrant locations, and update water service maps throughout the City.
27	Diesel Exhaust Capturing System (DECS) "Plymovent": \$500,000 Upgrade of DECS in all 106 fire stations to accommodate firefighting apparatus/equipment, reconfiguration of systems where resource has been altered, etc.
28	EMS "Super Users " Program: \$104,661 Develop "Super Users" trial program. Add funding and authority for one Nurse Educator to work with the Department's Medical Director, meet with community stakeholders and assist "Super Users" by obtaining available services to reduce 911 system impact.
29	3090 Field Equipment Expense Account Increase: \$1,575,000 a) Increase to 3090 Field Equip Expense account due to historic annual shortage b) Adds funding for the Fuel Vehicle Management System – Year 4 of a 5-year program
30	Helitanker Contract Increase: \$608,000 Add funding for 150-day performance period for the Helitanker, and includes a 3% annual contract price increase.

Dept. Priority	FY 2015-16 Proposed Budget Request
31	Fire Station 80 Engineers: \$645,516 Add funding for six Fire Engineers to drive and operate the new Airport Rescue Firefighters (ARFF) apparatus at FS 80. Replacement of the ARFF apparatus at LAWA is a 2-phase procurement process. Phase I is proceeding and expected to be completed in one-year. Phase 2 will be initiated soon after. LAWA will provide reimbursement for these positions.
32	FireStat Unit - Data Management, Analytics and Reporting software: \$579,503 Add funding for a fully integrated solution that includes software, consulting services, training and technical support.
33	Communication Equipment: Hand-Held Radio Replacement - 1st Year of 3 year phase-in plan: \$5,200,000 Year one of 3-year replacement plan for 2,400 units of hand-held radios totaling \$15.6 million. Motorola hand-held radios have reached their optimum service life. No replacement has been made for past 5 to 6 years and servicing of the old XTS 5000 radios will end in a couple of years.
34	Communications Equipment: Mobile Satellite(MSAT), C3 Dispatch Console, Radio Signal Analyzer, Mast Antenna: \$393,000 Provide communication capability for the 4-Bureau configuration; enhance inter-operability communication capability with local, state and federal agencies during major emergencies; enhance communication capability on remote location/areas.

FY 2015-16 Proposed Budget Service Enhancement Requests Summary

Fiscal Year 2015-16 Total Estimated Funding Requests	\$ 625,856,828
Fiscal Year 2014-15 Adopted Budget	\$ 565,123,831
Total Estimate Increase for Operating Budget Requests	\$ 60,732,997

Request No.	Description	New Positions Sworn	New Positions Civilian	Estimated Salaries	Estimated Expenses/ Equipment Costs	Estimated Vehicles Costs	Estimated Total
1	Delete one time FY 2014-15 funding for one time purchases/expenses			\$ -	\$ (5,470,000)	\$ -	\$ (5,470,000)
1	Delete 3% funding	(120)		\$ (16,747,877)			\$ (16,747,877)
1	Restore 3% funding to return to FY 2014/15 staffing level	120		\$ 16,747,877	\$ -	\$ -	\$ 16,747,877
1	Other salary increases to properly fund Constant Staffing Overtime and Sworn Salary accounts						
1	Salary changes due to MOU or other obligatory changes - TBD						
1	Salaries General - Account 001010 - TBD						
1	Sworn Salaries - Account 001012 - TBD						
1	Overtime Constant Staffing - Account 001093 - TBD						
1	Overtime Sworn - Account 001092			\$ 1,000,000			\$ 1,000,000
1	Overtime Constant Staffing - Account 001093 - UFLAC MOU sunset clause regarding vacation added for FLSA			\$ 9,000,000			\$ 9,000,000
1	Ambulance Augmentation (additional 10 months funding; 2 months funding in the base)			\$ 8,400,000			\$ 8,400,000
1	Overtime for Dispatchers			\$ 4,000,000			\$ 4,000,000
	Salary account changes			\$ 22,400,000			\$ 22,400,000
2	Staffing for one Engine Company	12		\$ 1,849,134	\$ -	\$ -	\$ 1,849,134
3	Emergency Incident Technicians (EITs)	3		\$ 428,748	\$ -	\$ -	\$ 428,748
4	Fire Inspectors for Development Services	5		\$ 604,702	\$ 47,550	\$ 110,000	\$ 762,252
5	Supply and Maintenance Division, Rescue Maintenance Unit	4		\$ 430,364	\$ -	\$ -	\$ 430,364
6	Nurse Educators		2	\$ 203,042	\$ 19,500	\$ 22,000	\$ 244,542
7	Extractor Installations			\$ -	\$ 240,000	\$ -	\$ 240,000
8	Staff Relocations/Moves/Buildouts			\$ -	\$ 250,000	\$ -	\$ 250,000
9	Add Second 24-Hr Assistant Chief to Four Bureau Concept	6		\$ 1,440,062	\$ -	\$ -	\$ 1,440,062
10	FireStatLA Unit		2	\$ 200,000	\$ 5,000	\$ -	\$ 205,000
11	Dispatch System Manager	1		\$ 130,310	\$ 2,000	\$ -	\$ 132,310
12	Recruitment Staffing	4	1	\$ 1,603,991	\$ 48,950	\$ 88,000	\$ 1,740,941
13	Community Liaison/Inter-Governmental Relations	1	2	\$ 280,771	\$ 27,570	\$ -	\$ 308,341
14	Restore 2 Engine Companies	24		\$ 3,856,826	\$ -	\$ 1,434,560	\$ 5,291,386
15	Restore EIT Positions	3		\$ 309,081	\$ -	\$ -	\$ 309,081
16	Upgrade to Paramedic Resource (36 FF III to FF III/Paramedic)			\$ 172,800	\$ 448,920	\$ -	\$ 621,720
17	Recruit Training for DT 81 (Partial funding included in the base)		3	\$ 2,071,857	\$ 108,400	\$ -	\$ 2,180,257
18	Recruit Training for DT 40	20	1	\$ 7,821,695	\$ 1,127,000	\$ -	\$ 8,948,695
19	SCBA Face Pieces & Cylinders			\$ 65,000	\$ 3,665,298	\$ -	\$ 3,730,298
20	Second Set of Turnouts - 2nd Year of 2 Year Purchase Plan			\$ -	\$ 1,917,965	\$ -	\$ 1,917,965
21	Vehicle Management System (VMS)		2	\$ 192,576	\$ 131,397	\$ -	\$ 323,973
22	Technology Staffing for Innovation and Support		4	\$ 553,235	\$ -	\$ -	\$ 553,235
23	911 Dispatch - AVL and GIS Staffing Request		7	\$ 636,582	\$ -	\$ -	\$ 636,582
24	Misc. Technology Software and Training			\$ -	\$ 720,475	\$ -	\$ 720,475

Request No.	Description	New Positions Sworn	New Positions Civilian	Estimated Salaries	Estimated Expenses/ Equipment Costs	Estimated Vehicles Costs	Estimated Total
25	FTime System Implementation			\$ -	\$ 100,000	\$ -	\$ 100,000
26	Hydrants - Staff Funding			\$ 830,926	\$ 1,030	\$ -	\$ 831,956
27	Diesel Exhaust Capturing System (DECS) "Plymovent"			\$ -	\$ 500,000	\$ -	\$ 500,000
28	EMS "Super Users" Program		1	\$ 104,661	\$ -	\$ -	\$ 104,661
29	Field Equipment Expense Account 003090 Increase				\$ 1,575,000	\$ -	\$ 1,575,000
30	Helitanker Contract Increase				\$ 608,000	\$ -	\$ 608,000
31	Fire Station 80 Engineers	6		\$ 645,516		\$ -	\$ 645,516
32	FireStat Unit - SAS Software Data Management, Analytics and Reporting			\$ -	\$ 579,503	\$ -	\$ 579,503
33	Communication Equipment: Hand-Held Radio Replacement - 1st year of 3 year phased in plan			\$ -	\$ 5,200,000	\$ -	\$ 5,200,000
34	Communication Equipment: Mobile Satellite (MSAT), C3 Dispatch Console, Radio Signal Analyser, Mast Antenna			\$ -	\$ 393,000	\$ -	\$ 393,000
Total Estimate Increase for Budget Request		89	25	\$ 46,831,879	\$ 12,246,558	\$ 1,654,560	\$ 60,732,997

Off Budget

Request No.	Description	Estimated Expenses/ Equipment Costs	Estimated Vehicles Costs	Estimated Total
1	Fleet Replacement & communications equipment	\$ 34,114,031	\$ -	\$ 34,114,031
Total Estimate Requests for MICLA				\$ 34,114,031