



Fire Department

Aaron Lipski
Chief

Joshua Parish
Assistant Chief
Andrew Timm
Assistant Chief
Russell Rivard
Assistant Chief

February 17, 2022

Common Council
City of Milwaukee

Subject: CC File #211505 – Substitute resolution relating to expenditure of funds to be reimbursed by greater than anticipated revenue (Fire Department).

Dear Honorable Members:

The CC Resolution #211505 is necessary to balance out the 2021 Fire Department accounts. Although accounts haven't been closed for 2021, currently the following budget shortfalls are estimated to be:

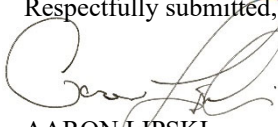
Salaries and Wages	\$545,000
Operating Expenditures	\$300,000

During 2021 the Milwaukee Fire Department accrued greater than anticipated revenue in the approximate amount of \$2.5M based on higher than projected billable transports. The following billing data provides explanation for the \$2.5M greater than anticipated revenue in 2021:

Year	Billable Incidents	Number of Accounts with Payment
2019	13,985	11,668
2020	14,483	11,543
2021	23,056	18,381

The Milwaukee Fire Department 2021 Salaries and Wages shortfall is primarily due to increased attrition causing increased backfills, higher than projected backfills due to high leave accruals (including but not limited to Sick Leave and Injury Leave), and COVID expenditures pending FEMA reimbursement.

Our 2021 Operating Expenditures shortfall is due to the increased cost of our billing contractual costs associated with the above mentioned increase in revenues collected. Fees are based on a percentage of revenue collected. Therefore, contractual costs paid to our billing contractor in 2021 is higher than budgeted. Our 2021 billing costs are approximately \$295,000 over what we paid in 2020. This accounts for the entire budget shortfall in our Operating Expenditures.

Respectfully submitted,

AARON LIPSKI
Chief

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