



REPORT

LEGISLATIVE REFERENCE BUREAU

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30. Fire Department, 2014

Proposed Plan and Executive Budget Review

30. Fire Department

I. EXECUTIVE SUMMARY.

Table 30.1. Statement of Changes in Operating Budget, 2013 to 2014.

2012 Actual Expenditures	\$107,470,461
2013 Adopted Budget	\$103,873,221
Personnel Costs	
Salaries & Wages	(\$250,252)
Fringe Benefits	\$572,741
Total Changes	\$322,489
Operating Expenses	(\$55,643)
Equipment Purchases	\$429,720
Special Funds	(\$32,880)
Total Changes	\$341,197
2014 Total Changes	\$663,686
2014 Proposed Budget	\$104,536,907

1. Decommissioning another company and continuing 3 brownouts. Another heavy apparatus company – engine or truck – is scheduled for decommission in 2014 eliminating 15 positions and saving at least \$1 million. Engine 03 was decommissioned at the end of 2012. Brownouts of 3 engines continue for 2014, sustaining ongoing savings of more than \$3 million annually.

2. Response times remain strong. Fire and EMS response times remain faster than NFPA standards despite decommissioning and brownouts in 2013, and are not expected to be significantly affected by the decommission and continued brownouts in 2014.

3. Diversity expansion slow. Despite hiring 56 recruits and 39 Fire Cadets, diversity among firefighters has been slow to expand. Milwaukee firefighters continue to be 80% white and 96% male.

4. Health and Wellness Program seeks to improve job performance and curb injury. The department has spent approximately \$450,000 (\$284,000 grant-funded), and projects to spend another \$450,000 in 2014 on a comprehensive health and wellness program tailored to the unique needs of firefighters.

5. Labor Relations. Labor contract negotiations continue with the Milwaukee Professional Fire Fighters' Association, Local 215, representing 867 non-management sworn firefighters after the last contract expired on January 1, 2013.

6. Fire Ground position cuts have little impact on reducing personnel costs. Despite 111 fire ground position cuts since 2008, fire ground base salary cost are down only \$565,893.

7. Fewer engines than firehouses. With the decommissioning of Engine 3 and the continued brownout of 3 engines, the Fire Department continues to operate only 32 engines from 36 firehouses.

8. New repair facility dilemma. A new repair facility could save \$1 million in capital maintenance on the old facility, but funding the project could crowd out other needed capital improvements in the City.

II. INITIATIVES AND PROGRAMS.

1. Decommission of a Heavy Apparatus Company and Continued Brownouts.

The Fire Department will be decommissioning one heavy apparatus company in 2014—either an engine or a ladder truck company—eliminating 15 positions. The Budget Office projects this decommission will save \$1 million. LRB estimates the base salary savings will be \$1 million, and the savings will be \$1.4 million with benefits.

Brownouts of 3 engines will continue in 2014. Engines 10, 11 and 35 have been browned out in 2013. Before the decommission, the Fire Department staffs 32 engines and 15 trucks. Engine 03 was decommissioned at the end of 2012.

The Fire Department will determine which engine or ladder truck is decommissioned. Some companies are less busy than others: Engine 25 responded to only 403 calls in 2012, averaging one call every 21.74 hours; Engine 01 and 14, while more active, have similar low usage, averaging one call every 11.23 hours and 11.73 hours, respectively.

Ladder Truck 08 responded to only 153 calls in 2012, averaging one call every 1½ days, every 38.25 hours. Ladder Truck 06 is twice as active, averaging one call every 15.67 hours, but is still significantly less busy than other ladder trucks in the department.

2. Historic Low Impact of Personnel Cuts.

Table 30.2. Budgeted Fire Ground Position Comparison, 2008 vs. 2014

	2008 Budget	2014 Budget	Change	Percent
Chiefs - Assistant, Deputy & Battalion				
Census	21	20	(1)	-4.76%
Base Salary	\$1,806,378	\$1,775,511	(\$30,867)	-1.71%
Fire Captains & Lieutenants				
Census	228	209	(19)	-8.33%
Base Salary	\$15,336,646	\$16,150,601	\$813,955	5.31%
Firefighters				
Census	490	414	(76)	-15.51%
Base Salary	\$26,889,768	\$24,620,253	(\$2,269,515)	-8.44%
Heavy Equipment Operators				
Census	186	171	(15)	-8.06%
Base Salary	\$11,303,524	\$11,978,250	\$674,726	5.97%
Paramedics				
Census	53	53	0	0.00%
Base Salary	\$2,960,059	\$3,205,867	\$245,808	8.30%
Total				
Census	978	867	(111)	-11.35%
Base Salary	\$58,296,375	\$57,730,482	(\$565,893)	-0.97%

The average combined personnel and fringe benefit costs for the 1,028 authorized positions in the Fire Department in 2013's Adopted Budget were roughly \$95,000. Based on this average, one might expect to see a reduction in combined personnel and benefit costs from cutting 16 positions of \$1.5 million. The fact that the net elimination of 16 positions in the 2014 Proposed Budget results in an increase of \$322,489 in the Fire Department's payroll cost suggests cutting positions in the department may serve more to contain personnel cost rather than reduce them.

In the 6 years since 2008, 111 fire ground positions have been cut; yet base salary costs before adjustments and without fringe benefits for the annual operation of the Fire Department have declined only \$565,893, or \$5,098 per position cut.

Although total authorized positions have been cut 11%, the average base wage per remaining position has increased 12%. A breakdown of changes in the average salary between 2008 and 2014 and the percent of that change per position category appears in Table 30.3.

Table 30.3. Change in Average Salary between 2008 and 2014.

Position	Change	Percent
Chiefs - Assistant, Deputy & Battalion	\$2,758	3.21%
Fire Captains & Lieutenants	\$10,010	14.88%
Firefighters	\$4,592	8.37%
Heavy Equipment Operators	\$9,277	15.26%
Paramedics	\$4,638	8.30%

3. Response Types.

The Fire Department continues to be Milwaukee's catchall emergency, rescue and service provider, responding not only to fires and medical emergencies but rescuing people from stuck elevators, extracting would-be burglars from HVAC ducts, assisting people locked out of their cars and hosing gasoline off the street after a car crash. Only 5% of the department's responses in 2012 were for fires, and of the 3,736 fires responded to, 829 (22%) were traditional "structure" or garage fires. Nearly half (47%) were either rubbish or cars on fire.

Three engines, 3 ladder trucks, one Heavy Urban Rescue Team (HURT) vehicle, one ALS ambulance MED unit, a Fire Safety Officer and 2 Battalion Chiefs are dispatched to every fire – a total of 31 firefighters plus the Safety Officer and the 2 Chiefs. Twelve percent of Fire Department responses are for rescues.

The vast majority of calls—over 80%—are for Emergency Medical Service – EMS. In 2012, the Fire Department responded to 59,587 EMS calls. Of these 59,587 calls, 31,286 (52.5%) were for Basic Life Support (BLS) service, while 28,301 were for Advanced Life Support (ALS).

Milwaukee contracts with 4 private ambulance services to provide BLS service in the City, but Fire Department dispatchers use department protocols to evaluate EMS calls to determine seriousness and urgency, and dispatch either the nearest engine or ladder truck along with a private ambulance, if the situation warrants. Engines and ladder trucks are both considered BLS vehicles because they are equipped with defibrillators and all firefighters are trained as EMT's.

An engine or a ladder truck is also dispatched with every ALS ambulance MED unit call. An ALS ambulance MED unit is also dispatched to most fires. In 2011, MED units were dispatched to 2,000 of 3,736 fires in 2012.

In 2012, the Fire Department's 12 MED units responded to 32,979 calls for service including fires and calls for assistance for what started as BLS dispatches. That's one response every 3.19 hours, or 7.5 per day. The department's busiest MED unit – M05 – was almost double the average with 13 calls every 24 hours.

4. Response Times.

The decommissioning of Engine 03 in December, 2012, and the continued brownout of 3 engine companies have not affected response times.

The average fire response time in the first 6 months of 2013 is 3 minutes and 13 seconds, a statistically insignificant 6 seconds slower than the 3 minutes and 7 seconds average in 2012. Both averages are well below the NFPA standard of 5 minutes and 20 seconds. Ninety-five percent of all fire responses are faster than the 5 minute and 20 second NFPA standard.

The average BLS response in 2013 (3 minutes and 36 seconds) is slightly better than 2012's 3 minute and 49 second average, both well below the 5-minute NFPA standard. Eighty-two percent of all BLS responses are faster than the 5-minute NFPA standard which is consistent with prior years, and an indication that private ambulance providers are the primary BLS responders while the Fire Department is the backup.

The average ALS response in 2013 (5 minutes and 6 seconds) is slightly better than 2012's 5 minute and 22 second average, both are well below the 9-minute NFPA standard. Ninety-three percent of all ALS responses are faster than the 9-minute NFPA standard.

5. Firehouse Locations.

The Fire Department operates 36 firehouses in Milwaukee's 96.12 sq. mi. area, or a firehouse every 2.67 sq. mi.

While a 2005 performance audit of the Fire Department conducted by Matrix Consulting did do some GIS modeling to determine firehouse staffing levels needed to meet the NFPA response standard, no comprehensive location study has been done to determine where a firehouse should be located to optimize the department's efficiency.

Reconfiguring a cluster of firehouses may require building new, more efficiently located firehouses which could cost \$5 million each. If the reconfiguration reduces the number of heavy apparatus companies needed while maintaining acceptable response times, then the potential savings of \$1.4 million annually per company eliminated would recoup the investment in 3.6 years on a firehouse with a useful life over 50 years.

6. Hiring for Diversity.

Table 30.4 shows the impact on “combined” diversity of sworn firefighters after adding the current Cadet Class, then calculates the “combined” diversity after adding the Recruit Class that is scheduled to graduate from the Fire Academy on January 14, 2014, along with the Cadet Class. For simplicity, calculations assume there are no retirements of current firefighters. One Cadet and one Recruit declined to provide diversity information.

Table 30.4. Combined Diversity Including Cadet and Recruit Classes.

	Current		Cadets		Combined		Recruits		Combined	
Asian	4	0.48%	1	2.63%	5	0.58%	0	0%	5	0.56%
Black	85	10.27%	12	31.58%	97	11.20%	1	3.57%	98	10.96%
White	673	81.28%	18	47.37%	691	79.79%	22	78.57%	713	79.75%
Indian	11	1.33%	1	2.63%	12	1.39%	0	0.00%	12	1.34%
Hispanic	55	6.64%	6	15.79%	61	7.04%	5	17.86%	66	7.38%
Total	828	100%	38	100%	866	100%	28	100%	894	100%
Male	799	96.5%	34	87.18%	833	96.08%	28	96.55%	861	96.09%
Female	29	3.50%	5	12.82%	34	3.92%	1	3.45%	35	3.91%
Total	828	100%	39	100%	867	100%	29	100%	896	100%

Note that continued dependence on markedly less diverse Recruit Classes tends to eliminate diversity gains from hiring diverse Cadet Classes. Diversity expansion is slowed in part because the number of new hires is so small compared to the number of current firefighters. Adding larger numbers of diverse new hires, and possibly taking a more “affirmative action” approach could speed diversity expansion.

7. Health and Wellness Program.

The Fire Department has spent roughly \$450,000 to date on its Health and Wellness Program, which was \$283,566 grant-funded, and projects to spend roughly the same amount in 2014 - \$15,000 grant-funded and \$354,566 coming from the City’s Wellness Program.

The Fire Department initiated a comprehensive health and wellness program in May, 2010, to address chronic diseases associated with firefighters, improve job performance, reduce injuries, manage stress and improve injury rehabilitation. In 2010, Peer Support Teams were developed, which are teams of firefighters trained to help fellow firefighters with incident stress management, suicide prevention and mental health wellness training.

Peer Fitness Trainers were trained in 2011 to act as fitness coaches for fellow firefighters. Every firehouse is equipped with fitness equipment designed to promote “firefighter” fitness, fitness targeted to improve firefighter job performance and address health and fitness needs unique to firefighters. Peer Fitness Trainers conduct health and fitness classes, run “boot camps” 3 days a week and train monthly to maintain their professional fitness trainer credentials.

As part of the program, all Fire Department employees (except 4 who refused) were given extensive physical examinations in 2013 including EKG’s, chest x-rays, spirometry and cancer screening. Lab work included heavy metal and infectious disease screening. The department intends to administer these physicals annually. The \$354,457 cost of the 2013 exams was funded through a \$283,566 grant plus \$70,891 from the City. The department understands these annual physical examinations will be funded through the City’s Wellness Program in 2014 and beyond.

From inception to date, Peer Fitness Trainers have been paid \$70,605 to attend training and train fellow firefighters. Peer Fitness equipment purchases are budgeted for \$15,000 in 2014; \$25,053 was used for Annual Fitness Assessment Equipment in 2012 and 2013. Grant funds of \$14,988 will be used to buy firefighter fitness analysis equipment in 2014.

Vendor services for professional development training for Peer Fitness Trainers will cost \$5,000 a year, and a contract for an Orthopedic Patient Navigator to facilitate medical services for firefighters rehabilitating from injury will cost \$7,000 annually.

Overtime of \$53,100 for Peer Fitness Trainers to train and be trained is included in the 2014 budget.

8. Insourcing of Turn-out Gear Repairs.

The Fire Department commenced a program to insource repair of turn-out gear – the gear firefighters wear when responding to emergencies – to save costs in August, 2013. The 2014 Proposed Budget allocates \$74,160 for the turn-out repair program (\$72,260 for equipment and supplies, and \$1,900 in overtime), and the department expects to save \$150,000. The Budget Office has estimated the annual savings at \$90,000.

9. Defibrillator Replace Program.

Milwaukee County purchases all automated external defibrillators for the Fire Department’s ALS ambulance MED units, while the department funds a smaller version defibrillator used on engines and ladder trucks. Because these small defibrillators are reaching the end of their 5-year useful life, the department will replenish its inventory over a 2-year period, and the 2014 Proposed Budget provides \$458,000 to make the first round of purchases.

Purchasing new defibrillators saves the department \$80,000 originally budgeted for repairs.

10. Labor Relations.

Labor contract negotiations continue with the Milwaukee Professional Fire Fighters' Association, Local 215, representing 867 non-management sworn firefighters after the last contract expired on January 1, 2013.

The City is still asking that Local 215 agree to increase the work week to the FLSA minimum of 53 hours for firefighters working 24-shifts, which amounts to 3.2 hours per week more than currently contracted in exchange for salary increases for all department employees.

See also ISSUES TO CONSIDER, Section VIII.

III. EXPENDITURES.

Table 30.5. Changes in Expenditure Amounts by Account.

Expenditure Account	2012 Actual	2013 Adopted Budget	% Chng.	2014 Proposed Budget	% Chng.
Salaries and Wages	\$70,152,432	\$68,285,025	-2.7%	\$68,034,773	-0.4%
Fringe Benefits	\$31,033,351	\$29,362,560	-5.4%	\$29,935,301	2.0%
Operating Expenditures	\$5,368,366	\$5,649,156	5.2%	\$5,551,053	-1.7%
Equipment Purchases	\$598,076	\$309,500	-48.3%	\$781,680	152.6%
Special Funds	\$318,236	\$266,980	-16.1%	\$234,100	-12.3%
Total Operating Budget	\$107,470,461	\$103,873,221	-3.3%	\$104,536,907	0.6%

1. Budget Summary.

The 2014 Proposed Budget of \$104,536,907 is up \$663,686 or 0.6% over 2013's Adopted Budget amount of \$103,873,221.

2. Personnel Costs.

The combined 2014 Proposed Budget for Salaries & Wages and Fringe Benefits is up \$322,489 over 2013. A net of 16 authorized positions were cut as detailed in Table 30.6 .

Table 30.6. Changes in Salaries & Wages and Fringe Benefits in 2014.

Category	Units	Change
Fire Ground Personnel	(19)	(\$1,153,920)
Sworn Admin. & Training Personnel	2	\$288,483
Fire Cadet	0	\$448,742
Overhead Payroll Changes	1	(\$79)
Non-Fire Ground Adjustments	NA	\$247,603
Non-Fire Ground Fringe Benefits	NA	\$491,660
Total Changes	(16)	\$322,489

Fire Ground Personnel Costs down \$1,153,920.

Nineteen fire ground positions—the Fire Department’s first responders—are being cut, reducing base salary expenses \$1.55 million. One company (either an engine or a ladder company) is being decommissioned. The decommission cuts 15 positions. LRB estimates the savings from this cut save \$1.44 million in personnel costs including fringe benefits.

Approximately 25% of this fire ground personnel cost savings is offset by:

- \$89,268 in raises for other sworn fire ground personnel.
- A \$223,859 increase in adjustments including:
 - \$192,054 for “Other” adjustments stemming from labor contract payments and benefit entitlements – special team bonuses, buyouts of vacations and comp time, EMT premiums, 1% fire lieutenant pay and terminal leaves.
 - A \$31,208 loss in Grants & Aids funding.
 - A \$597 reduction in furlough allocation. Sworn Fire Ground management—all Chiefs—are subject to the City’s 3-day furlough policy.
- \$81,081 in increased fringe benefit costs. The Fire Department’s fringe benefits went up from 43% to 44%, so projected fringe benefits are up despite a decline in base salary costs.

Table 30.7 summarizes these changes in the Fire Ground payroll budget.

Sworn Administration & Training Personnel up \$288,483.

A net of 2 sworn positions were added for Administration and Training at the Fire department in 2014 – a captain and 2 fire lieutenants were added while a battalion chief position was cut – for a net increase in personnel costs of \$288,483.

Table 30.7. Changes Fire Ground Payroll in 2014.

Category	Unit	Change
Eliminated Positions		
Fire Captain	(2)	(\$256,596)
Fire Lieutenant	(5)	(\$607,917)
Firefighter	(9)	(\$383,817)
Heavy Equipment Operator	(3)	(\$299,797)
Total Eliminated Positions	(19)	(\$1,548,128)
Various Salary Adjustments	0	\$89,268
Total Salary & Wage Changes	(19)	(\$1,458,860)
Adjustments		\$223,859
Fringe Benefits		\$81,081
Total Fire Ground Payroll Changes	(19)	(\$1,153,920)

Fire Cadets up \$448,742.

The net increase of \$448,742 in projected 2014 base salary costs for fire cadets is the difference between the 2014 projected base salaries of \$845,009, which funds 39 cadets for an entire year, and \$396,267 in the 2013 budget. Thirty-nine cadets were authorized in both years. The difference is timing. During 2013, Cadets were being hired, so most worked only a portion of the year. All Cadets have now been hired, so 2014's budget is for 39 Cadets working the entire year. The average annual base pay budgeted is approximately \$21,667 per cadet.

Non-Fire Ground Adjustments up \$247,603.

Table 30.8 summaries \$247,603 in personnel cost increases attributable to various adjustments to non-fire ground payroll for 2014. Of particular note in this category is a \$113,548 loss of Grants & Aids funding which increases the department's personnel cost. Grants & Aids funding is down Citywide.

Overtime expectations more than double from \$47,000 to \$102,000, chiefly due to a projected \$53,100 increase in overtime for participants in the department's Peer Fitness Training Program. The slight increase in projected furlough savings for 2014 is a reminder that while the 867 sworn non-management firefighters in the department are exempt from furlough, the remaining 145 sworn management and civilian employees are subject to 3 furlough days in 2014.

Table 30.8. Changes Non-Fire Ground Payroll Adjustments in 2014.

Category	Change
Overtime	\$53,000
Other Adjustments	\$6,431
Reimbursements from Other Depts.	\$74,797
Grants & Aids Funding	\$113,548
Furlough	(\$173)
Total Changes	\$247,603

Non-Fire Ground Fringe Benefits up \$491,660.

Increases in base salary for sworn non-fire ground personnel and increasing the multiplier for estimating fringe benefits from 43% to 44% combine to increase projected 2014 fringe benefit projections for non-fire ground staff by \$491,660.

3. Operating Expenditures down \$98,103 or 1.7%.

Operating Expenditures proposed for 2014 of \$5,551,053 are down \$98,103 or 1.7% from 2013's Adopted Budget of \$5,649,156. While energy costs are projected to increase \$109,000 because of rising prices, this is offset by a \$230,000 reduction in Other Operating Services stemming from a \$150,000 reduction in equipment repair parts and labor as the department insources the repair of "turn-out" gear, and an \$80,000 reduction stemming from the department's decision to replace aging defibrillators rather than repairing them.

4. Equipment Purchases up \$472,108 or 152.6%.

Equipment Purchases proposed for 2014 of \$781,680 are up \$472,180 or 152.6% from 2013's Adopted Budget of \$309,500. This increase stems primarily from the department's \$458,000 defibrillator replacement and repair program plus a \$42,460 purchase of equipment to insource repair of "turn-out" gear.

5. Special Funds down \$32,880 or 12.3%.

Special Funds spending proposed for 2014 of \$234,100 are down \$32,880 or 12.3% from 2013's Adopted Budget of \$266,980. This change is the net of following 2 increases and one reduction:

- A \$26,000 increase to help fund the insourcing of turn-out gear repair as described in detail in Section II, Initiatives and Programs, above.
- A \$5,000 increase for antennae and shoulder microphone replacements for radios no longer under warranty.
- A \$64,000 reduction computer replacement costs in anticipation of a new patient billing program contract that will provide ePCR and computer tablets at no cost.

IV. PERSONNEL.**Table 30.9. Changes in Full-Time Equivalent (FTE) and Authorized Positions.**

Position Category	2012 Actual	2013 Adopted Budget	Change	2014 Proposed Budget	Change
O&M FTEs	1,006.96	1,010.99	4.03	1,004.99	(6.00)
Non-O&M FTEs	6.84	4.00	(2.84)	1.80	(2.20)
Total Authorized Positions	1,013.80	1,014.99	1.19	1,006.79	(8.20)

Note that while a net of 16 authorized positions are being cut in 2014 (see Personnel Changes below), total FTEs are down only 8.2 because 7.5 FTEs for full-time Fire Cadets were authorized for only half the year in 2013.

1. Personnel Changes.

A net of 16 authorized positions have been cut from the 2014 Proposed Budget – 19 from sworn firefighters who respond directly to fires and other emergencies, 2 sworn firefighter positions assigned to administration and training and one civilian equipment repair technician. The position changes are summarized in Table 30.10 below.

Fifteen of the 19 positions cut from sworn fire ground staff are the result of decommissioning one fire company—either an engine or ladder truck company.

Table 30.10. Summary of 2014 Position Changes.

Category	Number of Positions	Change
Fire Ground		
Fire Captain	(2)	(\$256,596)
Fire Lieutenant	(5)	(\$607,917)
Firefighter	(9)	(\$383,817)
Heavy Equipment Operator	(3)	(\$299,797)
Total Fire Ground	(19)	(\$1,548,128)
Sworn Admin. & Training		
Battalion Chief - Grant Funded	(1)	(\$85,963)
Fire Captain – Administration	1	\$82,656
Fire Lieutenant – Training	2	\$293,635
Total Sworn Admin. & Training	2	\$290,328
Civilian		
Fire Equipment Repairer I	1	\$38,869
Total Staffing & Base Salary	(16)	(\$1,218,931)

2. Vacancies.

Table 30.11 projects department vacancies net of 13 positions eliminated in the 2014 Proposed Budget. There were no vacancies as of October 2, 2013, to “absorb” the elimination of one captain and 3 heavy equipment operator positions. The department expects to make these positions through attrition.

Table 30.11. Projected Vacancies Net of 2014 Position Eliminations.

Position	Number
Battalion Chief	3
Fire Lieutenant	2
Firefighter	59
Paramedic	12
Equipment Mechanic	1
Dispatcher	5
Total	82

V. SPECIAL PURPOSE ACCOUNTS (SPA).

None.

VI. REVENUES.

Revenues are projected at \$5,881,971 for 2014, up \$99,871 or 1.7% from 2013's Adopted Budget of \$5,782,100. Table 30.12 details the changes by revenue source, and 2 sources which account for approximately 92% of the total change are described below the table.

Table 30.12. Changes in Revenue by Category.

Revenue Category	2012 Actual	2013 Adopted Budget	% Chng.	2014 Proposed Budget	% Chng.
Paramedic Program	\$4,258,722	\$4,600,000	8.0%	\$4,661,422	1.3%
Fire Service, West Milw.	\$899,713	\$890,000	-1.1%	\$850,000	-4.5%
Haz-Mat Cost Recovery	\$403,028	\$268,700	-33.3%	\$268,686	0.0%
Misc. Charges	\$45,302	\$15,000	-66.9%	\$21,023	40.2%
Insurance Recovery & Miscellaneous	\$63,345	\$1,000	-98.4%	\$35,900	3490.0%
Claims Reimbursement	\$16,436	\$7,400	-55.0%	\$13,500	82.4%
Sale of Equipment	\$4,900	\$0	-100%	\$0	---
Fire Vehicle Auction	\$31,440	\$0	-100%	\$31,440	---
Total	\$5,722,886	\$5,782,100	1.0%	\$5,881,971	1.7%

Paramedic Program, up \$61,442, or 1.3%, to \$4,661,422. These revenues are the Fire Department's largest revenue source and stem from a contract with Milwaukee County for the Fire Department to provide Advanced Life Support services. The City receives tax-levy funding annually from Milwaukee County and is allowed to retain 100% of all revenues generated by Advanced Life Support transports conducted by its 12 MED units.

Auction-Fire Vehicles, up \$31,400 from \$0 budgeted to 2013. The Fire Department only projects revenues in this category when its apparatus replacement schedule indicates vehicles will be sold through auction.

VII. CAPITAL PROJECTS.

The 2014 Proposed Budget includes \$4,437,000 in funding for 4 capital projects, an increase of \$1,031,000 (30.4%) from the 2013 Budget. Proposed funding will provide for the replacement of 3 fire engines and 3 medical units. Capital projects for 2014 are summarized in Table 30.13 and the discussion that follows.

Table 30.16. Capital Program Summary, 2014.

Program	2014 Proposed Budget	2013 Actual Budget	Change	% Chang.	6-year Request
Major Capital Equipment	\$2,232,000	\$2,230,000	\$2,000	0.1%	\$19,260,000
Fire Facilities Maintenance	\$1,245,000	\$1,063,000	\$182,000	17.1%	\$4,570,000
Auxiliary Power Supply	\$110,000	\$110,000	\$0	0.0%	\$660,000
Regional Video Conferencing	\$850,000	\$0	\$850,000	---	\$850,000
Total	\$4,437,000	\$3,403,000	\$1,034,000	30.4%	\$25,340,000*

Total does not include projects that were not funded in 2014. The total 6-year capital request for the Fire Department is \$39,160,000.

1. Currently-Funded Projects.

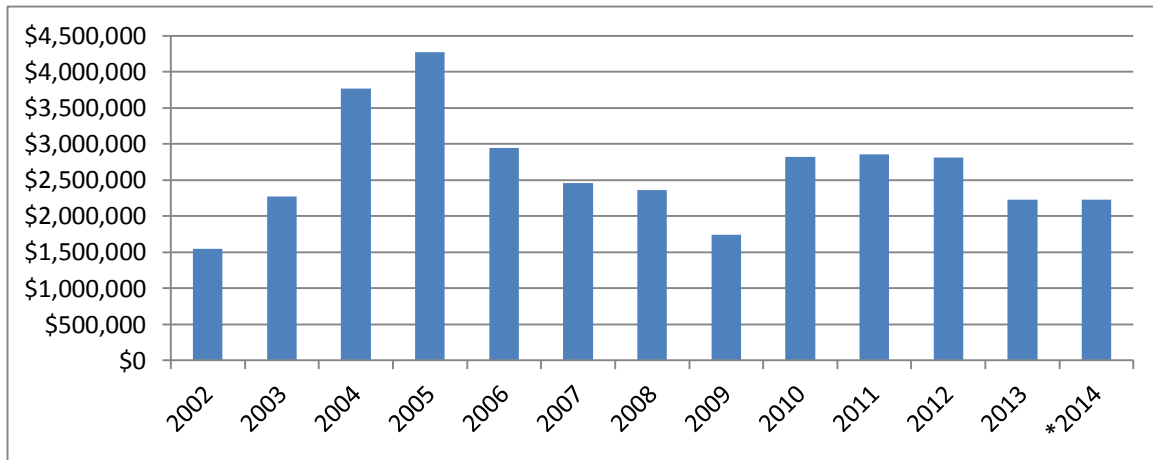
Major Capital Equipment, \$2,232,000.

The 2014 Proposed Budget includes \$2,232,000 for the purchase of major capital equipment for the Fire Department, an increase of \$2,000 (0.1%) from the 2013 Budget. The 6-year capital request for this program is \$19.3 million.

This program provides for the replacement of major fire-fighting equipment and apparatus, including fire engines, ladder trucks and ambulances. Funding for this program rose significantly from 2002 through 2005 and then declined steadily until 2009. Recent funding has been relatively stable, averaging \$2.5 million since 2010. This program has \$7.4 million in carryover authority. Carryover amounts are often related to the long lead times that are associated with purchasing firefighting apparatus.

The department maintains equipment that includes 50 engines (36 frontline and 14 reserve) 22 ladder units (15 frontline and 7 reserve) and 20 medical units (15 frontline and 5 reserve). The National Fire Protection Association (NFPA) recommends shifting frontline firefighting apparatus to reserve status after 15 years.

Table 30.13. Fire Dept. Major Capital Equipment Budgeted Funding, 2002 to 2014.



*Proposed Budget.

Assuming all companies are staffed on a daily basis, in order to maintain the NFPA recommended replacement cycle for the active fleet, the budget should provide enough funding to purchase, on average, 2.4 engines and one ladder unit per year. To maintain a 5-year replacement cycle for medical units the budget should provide for 3 medical units per year. Proposed funding in 2014 will provide for the replacement of 3 fire engines and 3 medical units.

The Fire Department has requested funding that will replace front line equipment on a cycle of 13.5 years for engines, 11.3 years for ladder trucks and 6 years for med units. Although the department has reduced the number of engines requested in each 6-year cycle, the request is still based on a 36 engine fleet. The department currently uses 33 engines on a daily basis.

Table 30.14. MFD Proposed 6-year Purchasing Cycle for Major Equipment.

Unit Type	Unit Cost (in 2014)	2014	2015	2016	2017	2018	2019	Total
Engines	\$529,000	3	3	2	3	3	2	16
Ladder Units	\$768,000	1	2	1	1	2	1	8
Medical Units	\$205,000	3	2	3	2	3	2	15
Total		7	7	6	6	8	5	39

Stable funding for the acquisition of firefighting apparatus will allow the department to replace equipment each year and will create a smooth age distribution throughout the fleet. This will avoid the need for large capital expenditures in any given year. Managing the procurement process through City Purchasing is also important to avoid taking delivery of several vehicles at the same time.

Table 30.15. Fire Dept. Major Capital Equipment Actual Acquisitions 2006 to 2013.

Unit Type	2006	2007	2008	2009	2010	2011	2012	2013	Total
Engines	3	0	8	0	3	3	0	7 ²	24 ²
Ladder Units	6 ¹	0	0	0	1	1	1	2 ³	11 ³
Medical Units	3	3	3	0	5	0	3	6 ⁴	23 ⁴
Total	12 ¹	3	11	0	9	4	4	9 ⁵	58 ⁵

¹ Includes 2 Tower Ladder Units

² Includes 2 units expected to be delivered prior to year end

³ Includes 1 units expected to be delivered prior to year end

⁴ Includes 6 units expected to be delivered prior to year end

⁵ Includes 9 units expected to be delivered prior to year end

Properly managing equipment break-in periods, maximizing warranty repairs and installing radio equipment is easier when trucks are received over a period of time instead of in a larger group. Receiving large number of trucks in a single year makes it more difficult to avoid spikes in budgeting because the equipment should be replaced 15 years after it was received and put into service, not 15 years after it was budgeted.

Fire Facilities Maintenance, \$1,245,000.

The 2014 Proposed Budget includes \$1,245,000 for the Fire Facilities Maintenance Program, an increase of \$182,000 (17.1%) This program was funded as requested. The 6-year capital request is \$4,750,000.

This program funds the repair and maintenance of internal, external and mechanical systems for the Fire Department's 36 engine houses. The average age of the City's firehouses is 58 years. The median age is 50 years. Eight of the fire houses (22.2%) are at least 100 years old. The department has been working on a project to evaluate the condition of the firehouses and has been developing a data-driven capital asset maintenance program.

The largest categories of work proposed for 2014 are roofs (\$621,000), tuck-pointing (\$132,000) and mold remediation (\$123,600). Funding in this program will also be used to begin to make repairs to the apparatus floors at 2 firehouses. (see discussion below) The Fire Department anticipates making improvements at 20 fire houses in 2014.

Work typically funded by this program includes:

- HVAC and boiler replacement.
- Roofs repair and replacement.
- Electrical upgrades.
- Overhead door, window and door replacement.
- Environmental remediation.
- Concrete repair and replacement.
- Flooring and paint.

Auxiliary Power Supply, \$110,000.

The 2014 Proposed Budget includes \$110,000 for the Auxiliary Power Supply program, the same amount as was provided in the 2013 Budget.

This program provides funding for the purchase and installation of backup generators at each of the Fire Department's 36 engine houses. Communications equipment, garage door openers and fueling stations are especially important for the operation of fire houses in the event of a power failure. As of April 2013, 21 stations have been retrofitted with generators. The generators are customized for each location, resulting in costs that may vary significantly by site.

The cost of copper and the complexity of the installation are the key drivers of installation costs. Generally, this use of funding will replace one or 2 generators each year. The Fire Department utilizes the Department of Public Works to install the generators.

Funding in 2013 provided for the installation of a generator at Engine 21. Construction will start shortly on the generators at Engine 8 and Engine 24. Engine 17 will be constructed in 2014.

Regional Video Conferencing, \$850,000.

This one-year project will install video conferencing equipment in all 36 engine houses, the Fire Academy and the Fire Chief's conference room. Funding for this request will provide the 20% match for the grant that was jointly applied for by several area departments. MFD will be partnering with the fire departments from Cudahy, Franklin, Greendale, Greenfield, Hales Corners, Milwaukee County, North Shore, Saint Francis, South Milwaukee, Wauwatosa and West Allis.

A significant portion of this project (\$680,000) will be grant-funded. The City portion of this project is \$170,000. Annual savings are estimated to be \$70,000 in personnel and \$10,000 in fuel costs. These savings will be partially offset by annual maintenance costs which are expected to be between \$40,000 and \$50,000. The department has estimated that the system will have a 7-year useful life.

The system will include 61 video conferencing systems with H.323/460 CODEC, 42" LCD monitors, cameras, microphones and other miscellaneous hardware. Fifty two media carts will allow video conferencing to be moved to a space appropriate for the type of training being provided. Eight large training rooms will have AV support equipment with projection display, speakers and microphones.

The department currently uses web-based training in groups of 4 to 8 employees using computers that were designed and configured for individual training. These computers are typically set up in areas that cannot easily accommodate larger groups. In order to be seen by the instructor, trainees often have to sit so far from the computer that they can't read the information on the screen. The quality of the training is not optimal and technical difficulties often require training sessions to be rescheduled.

The new video conferencing system will have cameras and monitors designed to accommodate groups. Instructors will be able to teach from a classroom-setting instead of from their desks, allowing them to use visual aids and demonstrate hands-on procedures. Fire Department staff will be trained to resolve technical issues allowing for faster resolution of problems and expediting training.

2. Unfunded Capital Requests.

Fire Repair Shop, \$4,100,000.

The 2014 Proposed Budget provides no funding for this project.

The Fire Department believes that the construction of a new repair facility for firefighting apparatus could result in significant savings, primarily through operational efficiencies and a reduction in the need to use outside vendors to facilitate repairs. The department submitted a request for the 2011 Budget of \$5,945,000 to construct a new repair facility adjacent to the existing facility on S. 1st Street and W. Virginia Street. That request was not funded.

While the garage proposed in 2011 at the Virginia Street site provided an improved repair space, it did not address all the functional deficiencies at the existing repair facility. The department has developed a more comprehensive plan for a new facility that would maximize efficiencies for vehicle repair, department shops, apparatus storage and energy use. The Fire Department is working with other City departments to identify an appropriate parcel of land on which to locate the new repair facility. A conceptual plan and preliminary cost estimates have been completed. The total cost of the new facility is estimated to be \$14.5 million.

The existing repair facility on W. Virginia Street is over 100 years old. The Fire Department has identified nearly \$1 million in upcoming capital maintenance at the Virginia Street facility which could be avoided if a new facility is constructed.

The new facility would generate operational efficiencies and be far more energy-efficient. The department estimates that just over 1,350 staff hours are used each year to pick up, deliver and move apparatus for repair and maintenance work. Energy savings are difficult to estimate because although the building will be more energy-efficient, it is likely to have larger temperature-controlled areas than the existing facility.

3. Project Updates.

Apparatus Floor Survey.

Twelve fire stations (see table 30.17) have basement space below the apparatus floor where equipment is stored. The increased size and weight of ladder trucks and engines raises concerns about the structural integrity of the flooring where the equipment is parked. The results of this study will influence future capital requests for this program. The average age of the 8 stations which require further evaluation is over 90 years.

Phase I of the study, which included a visual inspection of the 12 stations with basements, has been completed. The study determined that 8 of the stations require further investigation or repair. The amount of distress at these stations was classified as “severe” or “urgent”. One station was rated severe. Temporary shoring has been installed at that station to ensure the safety and stability of the floor.

A consultant was hired to perform Phase II of the study which will complete more rigorous investigations of the floors to determine their structural integrity and the necessity of repairs. Inspections were performed at all affected stations in 2012. Site inspections will be followed by a radar study and core sampling. A preliminary report has been completed. The department is in the process of shoring the floors in 3 firehouses to bring them up to code.

Although no separate capital request has been submitted to address the apparatus floors, some work is being included in the Fire Facilities Maintenance account. Engine houses 6 and 26 are anticipated to have work done in 2014.

Table 30.17. Firehouses with Basements Below Apparatus Floors.

Company	Address
Engine 3	100 W. Virginia Street
Engine 6	1693 N. Franklin Place
Engine 7	3174 S. Chase Avenue
Engine 10	5600 W. Oklahoma Avenue
Engine 21	2050 N. Palmer Street
Engine 22	8814 W. Lisbon Avenue
Engine 26	1140 S. 26 th Street
Engine 27	2647 N. Bartlett Avenue
Engine 28	424 N. 30 th Street
Engine 30	2903 N. Teutonia Avenue
Engine 31	2400 S. 8 th Street
Engine 34	6205 W. Burleigh Street

4. Future Capital Requests.

There are no capital future capital requests that are not part of on-going programs or proposed projects.

VIII. ISSUES TO CONSIDER.

1. Consider what measures should be taken to speed diversity expansion.
2. Consider the possibility of conducting a firehouse location study to determine where firehouses should be located to increase personnel productivity while maintaining acceptable response times.
3. Consider the need for a dive team when Milwaukee County and the Coast Guard have dive teams that can respond.
4. Consider whether other means of reducing fire ground personnel costs, like productivity gains, should be sought considering the fact that cutting 111 fire ground firefighter positions since 2008 has served to only contain the impact of salary increases without reducing costs significantly.
5. Consider whether it is necessary to send 3 engines, 3 ladder trucks, one Heavy Urban Rescue Team (HURT) vehicle, one ALS ambulance MED unit –a total of 31 firefighters to every fire.
6. Consider whether it is necessary to send an engine or a ladder truck on every ALS ambulance MED unit call.
7. The extent and cost of remedial work needed to ensure the safety and stability of the garage floors where firefighting apparatus is stored is unknown. The average age of the 8 stations which require further evaluation is over 90 years. Consideration should be given to the overall condition of each facility before investing large amounts of money in remedial repairs.
8. Consider the pros and cons of building a new repair facility. The construction of a new repair facility will allow the department to realize significant operational efficiencies. It will also allow the City to avoid nearly \$1 million of anticipated capital maintenance on the existing, aging facility. However, the new facility will require a significant capital investment at a time when the City's borrowing capacity is increasingly constrained by debt and levy limits. Without operational savings to offset the cost, the inclusion of this facility in the 2014 Budget would be at the expense of other capital programs.

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