



Request for City Council Committee Action from the Department of

Date: October 16, 2008

To: Paul Ostrow, Chair, Ways & Means/Budget Committee

Subject: Fire Department Budget Update

Recommendation: Receive and File

Previous Directives: The MFD will provide a monthly update on their budget status

Prepared by: Karen Lowery Wagner, Director of Finance & Logistics

Approved by: Chief Alex Jackson

Presenters in Committee: Karen Lowery Wagner & Chief Alex Jackson

Financial Impact

- No financial impact
- Action requires an appropriation increase to the ___ Capital Budget or ___ Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

Supporting Information

The last report to the Ways & Means/Budget Committee occurred on October 6th. At that time, the budget for the MFD was estimated to be \$ 1,107,151.00 over projections.

As of October 9th, the 2008 budget for MFD is projected to be \$996,678.00 over projections. The slight decrease in the deficit amount is attributable to a decrease in the projections for regular salaries and overtime.

The report shows a deficit in our fringe projections of \$228,170.00. The Finance Department has recently informed us that an adjustment will be made to the fringe line which should significantly reduce our overall deficit.

**MINNEAPOLIS FIRE DEPARTMENT
GENERAL FUND 2008 PROJECTIONS**

74.05% OF YEAR LASPED

25.95% OF YEAR REMAINING

	<u>2007 ACTUAL</u>	<u>CURRENT BUDGET</u>	<u>Y-T-D ACTUAL 74.03%</u>	<u>AMOUNT REMAINING</u>	<u>PROJECTIONS TO YEAR END</u>	<u>TOTAL ACTUAL & PROJECTED</u>	<u>PROJECTIONS (OVER) UNDER BUDGET AS OF 9/27/08</u>	<u>PREVIOUS PROJECTIONS BUDGET AS OF 9/13/08</u>	<u>2008 VARIANCE</u>
SALARIES									
Regular	\$ 28,319,740	\$ 30,125,076	\$ 22,724,167	\$ 7,400,909	\$ 8,119,058	\$ 30,843,225	\$ (718,149)	\$ (796,691)	\$ 78,542
Vacation Pay off	159,546	141,800	4,846	136,954	136,954	141,800	0	0	-
Sick Leave Pay off	202,044	194,371	-	194,371	194,371	194,371	0	0	-
Overtime	717,572	584,662	437,641	147,021	\$ 165,927	603,568	(18,906)	(24,384)	5,478
Retro Pay	0	355,000	386,444	(31,444)	-	386,444	(31,444)	(31,444)	(0)
Total Salaries	29,398,903	31,400,909	23,553,098	7,847,811	8,616,310	32,169,408	(768,499)	(852,519)	84,020
FRINGE	10,118,652	10,948,562	8,010,565	2,937,997	3,166,176	11,176,741	(228,179)	(228,296)	117
		34.87%	34.01%			34.74%	29.69%		
NON SALARY/FRINGE									
Contractual Services	6,262,059	5,766,474	4,376,601	1,389,874	1,389,874	5,766,474	0	0	-
Supplies & Other	2,533,038	2,258,130	1,458,472	799,658	799,658	2,258,130	0	0	-
Capital Outlay	158,640	142,458	731	141,727	141,727	142,458	0	0	-
Total Non Salary/Fringe	8,953,738	8,167,062	5,835,803	2,331,259	2,331,259	8,167,062	0	0	0
TOTAL	\$ 48,471,293	\$ 50,516,533	\$ 37,399,465	\$ 13,117,068	\$ 14,113,746	\$ 51,513,211	\$ (996,678)	\$ (1,080,815)	\$ 84,137

	996,678
Retro Pay	(386,444)
FLSA	(94,099)
Fringes	(228,179)
3% step increase	(160,000)
Staff /uniform/other	127,956

Note:

- * Previous Projection (09/26/08 meeting): \$ 1,080,815
- * Current Projection (10/09/08): \$ (996,678)
- * Difference between Previous and Current Projection: \$ 84,137

Assumptions:

Sources: Time and Labor for salaries and Cognos for non-salaries

Salary projection based on current payroll except as noted below:

- Vacation pay equals budget
- Sick leave pay equals budget

Overtime is projected using average of current spending pattern plus \$50,000 projection for three Holiday pays remaining in 2008.

Includes projection of \$160,000 for step increase effective October 26 to the end of the year.

Fringe projection based on current payroll except as noted below:

Includes \$15,400 retiree incentive projection and cost of living increase of \$2,155 for new firefighters.

Contractual services assumes all will be spent:

Supplies & Other assume all will be spent:

Equipment assume all will be spent:

Approved Appropriation	50,348,533
Cardiac Science Contract	60,000
Appropriation above 2% salary assumption	108,000
Modified Total	<u>\$ 50,516,533</u>

RNC	Pre-Event	Event	Total
REG	27,303.21	14,709.87	42,013.08
OVERTIME	19,642.77	14,730.31	34,373.08
Fringe Benefits	6,736.75	4,224.67	10,961.41
	<u>53,682.73</u>	<u>33,664.84</u>	<u>87,347.57</u>