

FIRE

MISSION

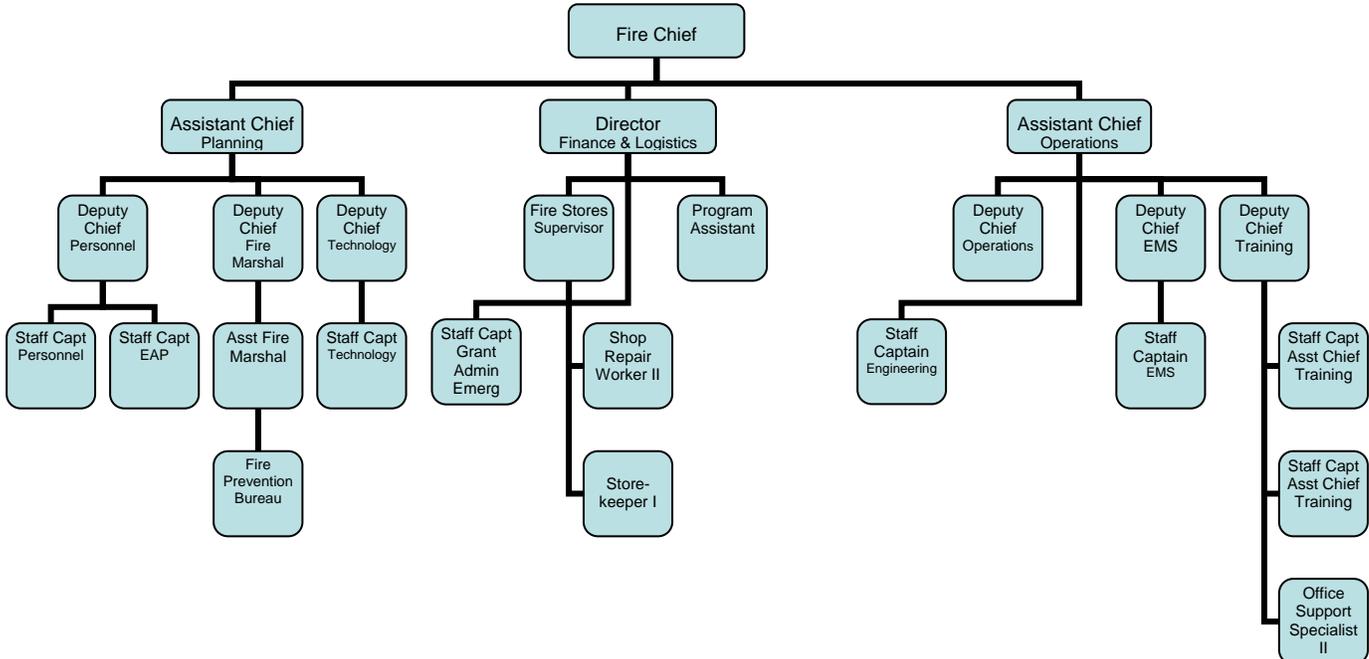
To provide professional emergency services that ensure the public safety of our community and the region we support.

BUSINESS LINES

- **Response Business Line:** Safely minimize the loss of life and property due to emergency events.
 - Emergency Medical Services (EMS) – providing emergency medical services
 - Fire Response – providing effective response to fires
 - Haz-Mat and Specialized Rescue – providing other emergency response services such as Haz-Mat and specialized rescue services

- **Prevention Business Line:** Anticipate, prepare for and prevent future emergency events.
 - Emergency Preparedness – preparing the City for major emergency events, including nuclear, biological and chemical weapons of mass destruction
 - Fire Inspections and Enforcement – providing fire prevention inspections and enforcing the Fire Code
 - Fire Education – providing fire/EMS education programs and safety information to the public

ORGANIZATION CHART



FIVE –YEAR DEPARTMENTAL GOALS AND OBJECTIVES

City Goal	Department Goal	Objectives
A safe place to call home: C. Lifecycle housing One Minneapolis: C. Equitable City services	Provide effective customer service	Meet the standard of cover.
		Increase customer satisfaction with the Fire Department
A safe place to call home: C. Lifecycle housing D. Make healthy choices	Reduce risk in the community	Reduce public illness, injury and death
		Deliver life safety information to the public
		Keep structures safe
One Minneapolis: C. Equitable City services Lifelong learning: E. Education: stronger partnerships	Strengthen the workforce	Recruit and retain a diverse workforce
		Improve employer employee relationships
		Capture revenue from sources outside the General Fund
One Minneapolis: C. Equitable City services	Provide good value to the taxpayers	Measure budget against benchmark cities

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE

Measure Name	2004 Data	2005 Data	2006 Data	2007 Data	2008 Target	2011 Target
Percent of time that response to emergency events is five minutes or less	88.1%	85.8%	84.8%	83.2%	86.0%	90%
Percent of time 14 firefighters are on the scene at structure fires in eight minutes or less	90.5%	91%	85%	88%	90%	90%
Number of lives lost due to fire	6	5	2	2	1	0
Number of civilian injuries due to fire	37	31	29	21	24	20
Number of firefighter injuries	244	259	234	267	200	200
Total number of fires	2068	1775	1808	1859	1700	1500

What key trends and challenges does the department face and how will each be addressed?

- **Staffing Levels.** Adequate staffing levels continue to be the most significant challenge for the Fire department. To assist with staffing levels, a cadet class of 23 graduated in May

2008. The addition of the 23 new firefighters temporarily brought total staffing levels above the authorized levels. The addition of the firefighters will help the department attempt to meet National Fire Protection Association (NFPA) standard 1710 and will provide timely coverage during the busy summer months. Long term, the new firefighters will help address the expected attrition rates.

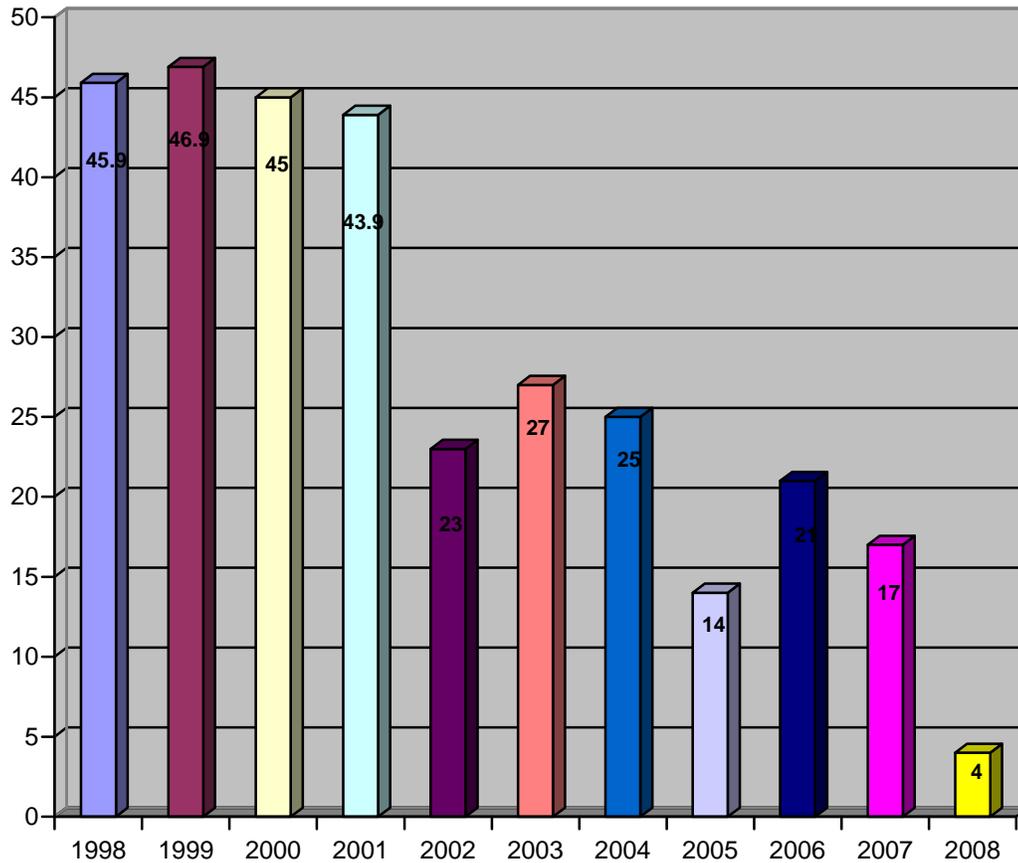
Traditionally, the department has experienced approximately 28 separations per year. However, over the next decade, a projected 147 employees will be eligible for retirement - peaking at 26 in 2008 and declining for several years until the year 2018, when it climbs to 23. To counter balance this potential loss of employees, future cadet classes will have to be considered. The stability of the budget will play a key role in determining the feasibility of new hires.



- Departmental Attrition.** Over the last ten years, the Fire department has averaged 28 employment separations per year. The department continuously operates within a few positions above or below authorized staffing level depending on the timing of retirements and resignations throughout the year. For 2008, the retirements were significantly lower than expected. In 2008, the retirements were significantly lower than expected. In 2008, 27 employees were eligible for retirement. As of June 1, only four employees had separated from service.

The department believes the recent negotiations over the possible merger of the Minneapolis Fire Relief Association into PERA Police and Fire has caused several retirees to delay their decision on retirement, awaiting an outcome on possible benefit increases. This development has resulted in the department operating above authorized levels. The goal of the department is to always keep the maximum number of firefighters available for emergency response within the limits of our approved expense budget, but the decrease in separations has caused staffing to plateau.

Minneapolis Fire Department Attrition Rates



As previously mentioned, a stable budget forecast allowed the department to hire a cadet class in January of 2008. Ideally, the department would have also hired a class of 15 in January of 2007, providing close to 40 new firefighters. Because the 2007 class was deferred, the department's staffing plan needs to be re-examined and a determination made as to whether a cadet class for 2009 is feasible and affordable. Again, the decrease in the number of employees retiring has caused staffing levels to rise above authorized levels. Considerable staff turnover looms on the horizon. The department faces a balancing act between having cadets available to restore staff levels should the retirement rates again climb.

- Personal Protective Equipment.** The condition of personal protective gear (turnout gear) has severely deteriorated over the last five years. Of approximately 500 sets of turnouts, 129 are over 15 years old and 200 sets are between 6-10 years old. Many of these turnouts have been repaired more than once and are showing wear anticipated in a department that responds to over 30,000 calls per year. The current cadre of turnout gear fails to meet several mandated National Fire Protection Association standards: lack of a safety drag rescue device, to assist in rescuing a downed firefighter; the older turnout gear does not meet the level of thermal protection required; and, many sets exceed the 10-year life span recommendation. Each of these is a safety concern in itself, but combined pose an even greater risk for the safety of firefighters.

New turnout gear would also increase the efficiency of operation. The new turnouts are lighter and much easier to work in, meaning firefighters will be able to better perform their duties on the fire ground. The new turnouts will lead to less fatigue which has the potential to increase fire ground efficiency as well. Another efficiency of operation created by the purchase of new turnouts is some of the less worn, older gear could be used to create a replacement pool of turnouts. These turnouts would be loaned out when a set needs repair or maintenance. This would assure regular maintenance of the new turnouts prolonging their usefulness.

The department has taken several measures to gradually improve the condition of turnout gear, but most have been stop-gap measures that only address a small portion of the gear. The department has been applying private donations to the purchase of new gear, but again, this only allows for the infusion of a small number of sets. To generate a larger and much more immediate impact, the department has applied for a 2008 FEMA Assistance to Firefighters Grant to purchase 329 sets of turnout gear and bring the entire stock up-to-date and in compliance.

- **Apparatus Replacement.** Over the past three years, the department has fallen behind on its apparatus replacement schedule. There was either no budget accommodation provided, or the apparatus scheduled for delivery was delayed in an effort to address budget concerns. As a result, in the beginning of 2008 the department had four engines that were seven years past their life span; five engines that were four years past their life span, which included two primary front line apparatus. In addition to the engines, one aerial device (ladder truck) is three years past its average life span. Delayed apparatus replacement has resulted in an aging fleet out of service for repairs. Consequently an upward trend in vehicle repair and parts costs has occurred. In an effort to put the department's apparatus replacement schedule back onto a 13-year replacement schedule, the department has scheduled the delivery of three new engines in 2008.
- **Response Times.** With the current combination of projected staffing levels and apparatus deployment, the department is not able to meet response time requirement to arrive at the scene of 90% of emergency calls for service within 5 minutes or less. For 2007, response performance citywide was 83.2%, with outstanding performance in the core of the city making up for areas of the city performing much worse than adopted response standards.

Last year, the department revisited the entire Citywide response and deployment plan with the goal of identifying opportunities to increase emergency response performance within current personnel and equipment resources. **Using Results Minneapolis data, the department identified an issue of response depth around Station 21 in South Minneapolis.** Response performance in this area of the city ranged from 40-70%. This area had also seen a 20% increase in call volume since 2003. Also the area experienced to response delays caused by light rail train traffic. In January of 2008, the department implemented a new coverage plan with the assignment of a new truck at Station 21. Preliminary data indicates these changes have resulted in marked improvements in response times.

- **Training Facility/Emergency Operations Center (EOC).** Another key challenge for the Fire department will be costs associated with the new training facility/emergency operations center. While the new facility will primarily be used on a day-to-day basis by the Fire department, a majority of the operational costs are driven by the technology needs of the

EOC. Federal grant dollars will be used to purchase and implement the technology, but there is no cost-sharing plan to address ongoing operational costs for technology.

- **Internal Service Charges.** The department's increasing internal service charges continue to be of concern. The growing fuel costs, anticipated to be 30% higher in 2009, will cause major budget implications. As the annual fuel expenditure rises to over \$500,000, reallocation within other budget areas will have to be made.

The department has taken steps to implement fuel efficient vehicles by voluntarily converting all staff vehicles to E-85 beginning in 2004. The department is noted for having the highest percentage of E-85 utilization among city vehicles of that type. The department is also deploying hybrids into the vehicle replacement schedule and Fire was the first department to move toward apparatus powered by bio-diesel fuel.

- **Equipment Replacement Costs.** The City has been the beneficiary of millions of dollars worth of grant-funded equipment over the past five years. As all of this equipment reaches the end of its useful life, it will need to be replaced. None of the grants included maintenance or replacement funding. This issue will have to be addressed in the next five to ten years.

New Initiatives

- **Commercial Buildings.** The Fire department is working with Regulatory Services to explore options regarding the efficiencies of inspections divisions and the utilization of common tools for code compliance. One new area currently under discussion is the issuance of permits for commercial buildings. While Regulatory Services has the authority to permit a commercial building, the Fire department has the authority for inspection and enforcement of the fire codes. The implementation of a commercial permit or registration program would generate sufficient revenue that would be designated for the hiring of additional positions to create a cost recovery program that promotes safety throughout the city.
- **Video Conferencing.** The department has an opportunity to utilize the upcoming technology from the new Training Facility/EOC for video conferencing. Equipping all 19 fire stations with this upgrade would allow for on-site training and eliminate the need to travel away from stations, increasing response times.
- **Gas Line Damage.** Under state law, fire departments have the authority to charge for gas line hits in an attempt to recover costs associated with responding to these incidents. Minneapolis Fire has not executed this authority, but would like to investigate the cost efficiencies of initiating a plan to charge for services rendered.
- **Update of Fees.** Upon review of the fee increase mentioned above, the fire prevention services division identified several other fees and inspection opportunities that need to be re-examined and updated. For instance, our current fee for a hazardous materials permit has not been updated since it was enacted in 2001. The permit fees for 2007 generated \$157,000 which covers the cost of one hazardous materials coordinator. An increase in the fee would allow the department to pursue an additional FTE to assist with permitting additional businesses and provide for much needed follow-up on non-compliant permit holders. The inclusion of consumer price indexing.

The Fire Marshall is requesting an increase to the fees charged for fire safety systems plan review and inspections of new systems. The increased fees would cover the cost of an additional fire prevention plan reviewer – one new FTE. The additional plan reviewer will reduce the turn around time for reviewing plans to two weeks from the current six week average. The fire sprinkler industry is in support of this initiative.

FINANCIAL ANALYSIS

EXPENDITURE

The Fire Department's 2009 expense budget for all funds of \$51.3 million represents a 0.9% increase over the 2008 adopted budget. Personnel expenses make up \$43.4 million or 84% of the total budget. Salaries are 61% and benefits are 23%.

Non-personnel expenses make up \$7.9 million or 16% of the total budget. Contractual services are 12% and operating costs are 4%

In 2008, the Fire Department requested and Council approved the change to an ordinance related to increasing the fees for fire safety systems (plan review and inspections of new systems). The new fee was effective January 1, 2009. The change adds an additional fire prevention plan reviewer (one new FTE). The increased fees cover the cost of the new FTE.

REVENUE

The Department anticipates \$4.7 million in revenue in 2009 compared to \$4.4 million in 2008. The increase is primarily due to anticipated revenue from the new commercial inspection program. Federal Government revenue was dramatically reduced to \$60,000. The Fire Department is no longer the fiscal recipient of state homeland security grants. The Department also receives \$1.9 million state government funds accounted for in the general fund that is allocated to offset most of the pension costs for active firefighters since 1980.

FUND ALLOCATION

The Fire Department expense budget of \$51.3 million or 99.9% of total budget is funded through the general fund. The other \$70,000 or 0.1% is funded through the special revenue funds – primarily federal government, state and other local grants, and donations.

ORIGINAL BUDGET

The Mayor recommended an addition of \$900,000 for turnout gear and other equipment on a one-time basis. The Mayor's recommended reduction of \$280,000 in 2009 to reflect the five-year financial direction results in a total of \$620,000 in one-time resources in 2009.

The Council approved the Mayor's recommendations and directed the Fire Department to amend its business plan by adding a key initiative to aggressively pursue automatic aid and mutual aid agreements with surrounding jurisdictions.

The Council also directed the Fire Department to allow the one-time resources to be used to purchase new turnout gear, apparatuses, and other firefighting equipment. Additionally, the Fire Department is directed to create long-term plans to address equipment needs for consideration in the 2010 budget, reporting back to PSRS/W&M no later than June 15, 2009 on the status of these plans.

MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$2,647,000. The Mayor further recommended the department implement process improvements to improve its service level on housing inspections. The Mayor also recommended the department implement a commercial inspection program and increase its revenue budget by \$800,000 in order to preserve firefighter positions.

COUNCIL REVISED BUDGET

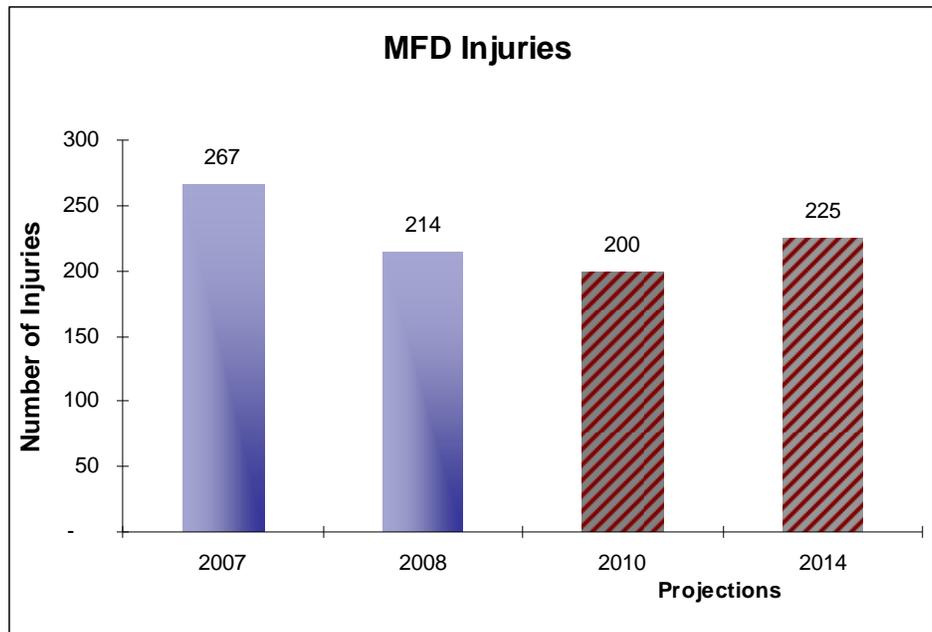
The Council concurs with the Mayor's recommendations.

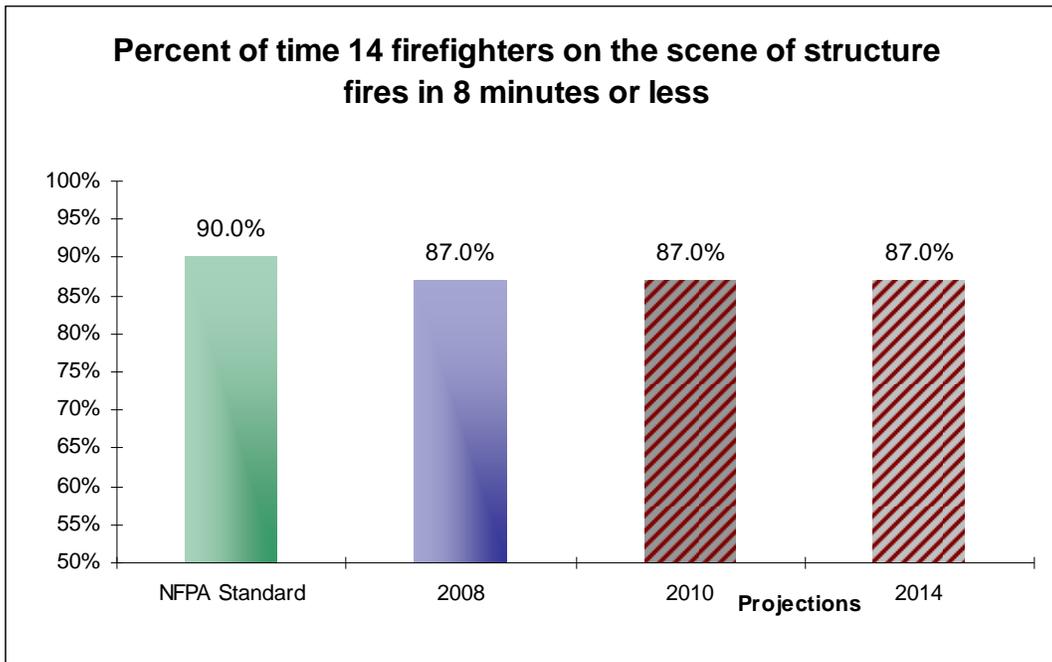
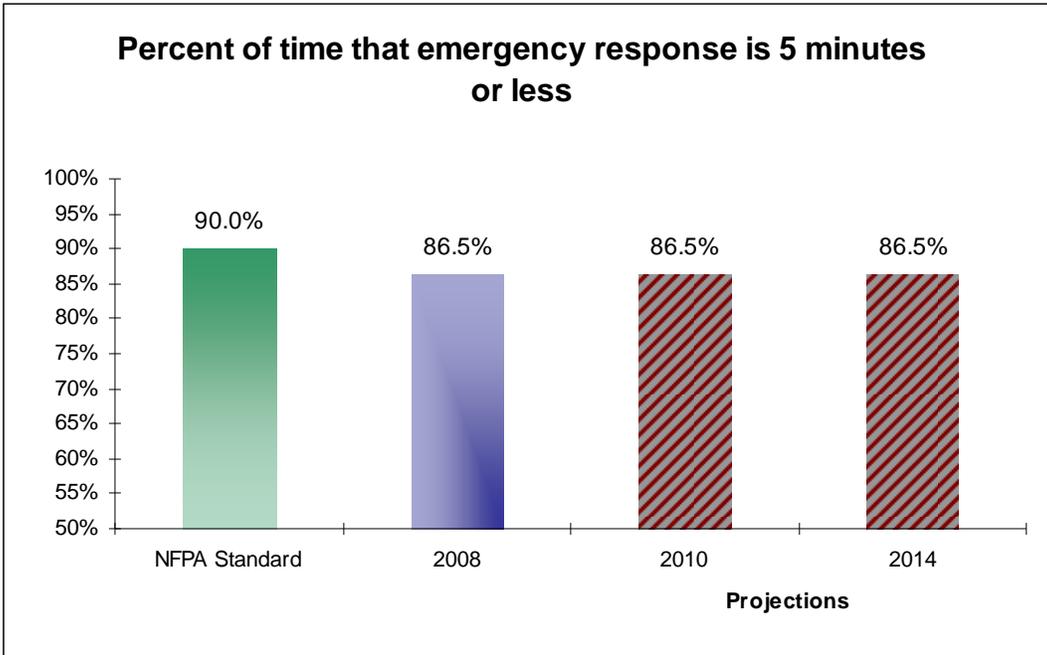
The Council further directs the Fire Department to report back to the Public Safety and Regulatory Services Committee on process improvements to housing inspections and further to work with Finance on responsible budget projections for citation revenue to be incorporated into the 2010 budget.

The budget for this department includes a reduction of BIS charges of \$29,300 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Fire is \$51,325,015, a 1.0% increase over the 2008 Adopted budget.

RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.



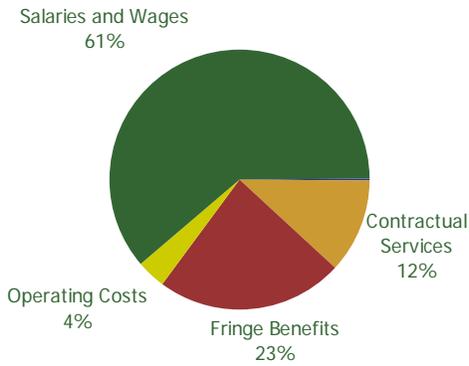


FIRE DEPARTMENT EXPENSE AND REVENUE INFORMATION

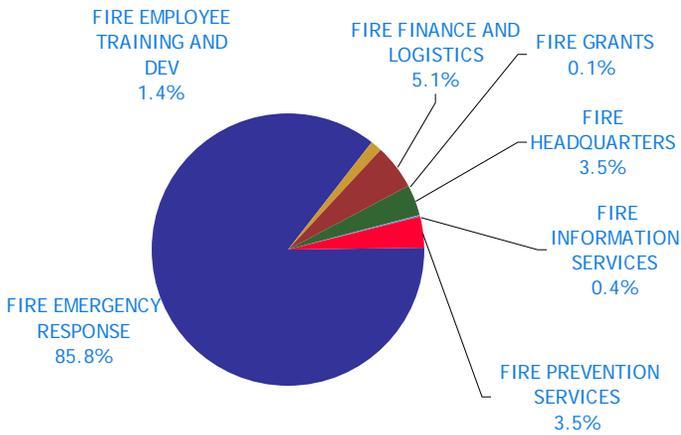
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
GENERAL						
Salaries and Wages	29,070,604	29,398,898	31,232,909	31,423,246	0.6%	190,337
Fringe Benefits	9,235,797	10,118,653	10,948,562	11,949,377	9.1%	1,000,815
Contractual Services	6,506,339	6,262,058	5,766,474	5,860,976	1.6%	94,502
Operating Costs	2,799,791	2,533,047	2,258,130	1,859,386	-17.7%	(398,744)
Capital	50,490	158,640	142,458	132,730	-6.8%	(9,728)
TOTAL GENERAL	47,663,021	48,471,296	50,348,533	51,225,715	1.7%	877,182
SPECIAL REVENUE						
Salaries and Wages	65,419	285,993	0		0.0%	0
Fringe Benefits	0	18,110	0		0.0%	0
Contractual Services	1,331,038	174,180	255,493	67,000	-73.8%	(188,493)
Operating Costs	635,441	511,620	200,000		-100.0%	(200,000)
Capital	376,038	268,680	15,029	3,000	-80.0%	(12,029)
TOTAL SPECIAL REVENUE	2,407,936	1,258,583	470,522	70,000	-85.1%	(400,522)
TOTAL EXPENSE	50,070,957	49,729,879	50,819,055	51,295,715	0.9%	476,660

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
GENERAL						
License and Permits	1,514,585	1,425,528	1,521,100	2,269,062	49.2%	747,962
State Government	2,014,000	1,822,357	2,000,000	1,863,000	-6.9%	(137,000)
Charges for Service	206,802	166,531	174,600	174,600	0.0%	0
Charges for Sales	1,257	436	370	400	8.1%	30
Other Misc Revenues	308,813	299,904	280,000	290,000	3.6%	10,000
TOTAL GENERAL	4,045,458	3,714,755	3,976,070	4,597,062	15.6%	620,992
SPECIAL REVENUE						
Federal Government	5,358,970	2,716,019	450,508	60,000	-86.7%	(390,508)
State Government	38,493	81,339	0		0.0%	0
Local Government	5,451	0	0		0.0%	0
Contributions	3,912	17,163	20,014	10,000	-50.0%	(10,014)
TOTAL SPECIAL REVENUE	5,406,827	2,814,520	470,522	70,000	-85.1%	(400,522)
TOTAL REVENUE	9,452,285	6,529,276	4,446,592	4,667,062	5.0%	220,470

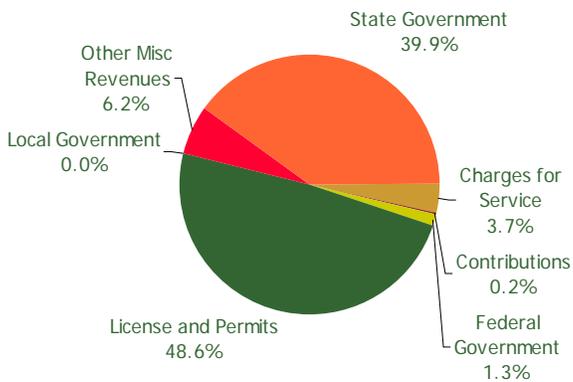
Expense by Category



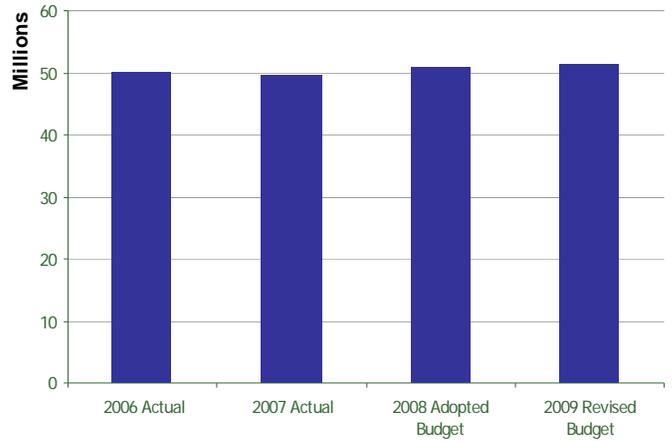
Expense by Division



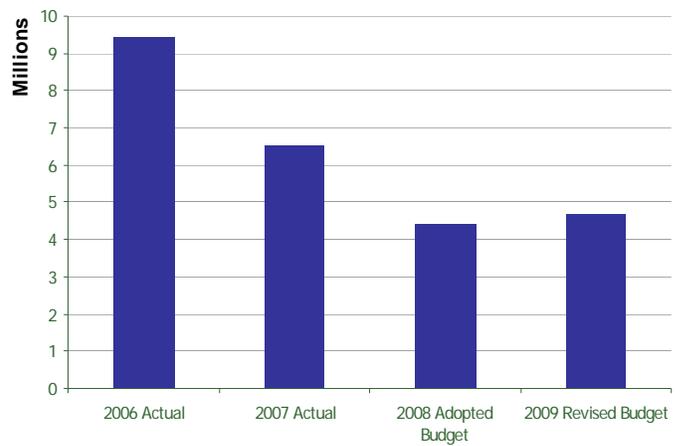
Direct Revenue by Type



Expense 2006 - 2009



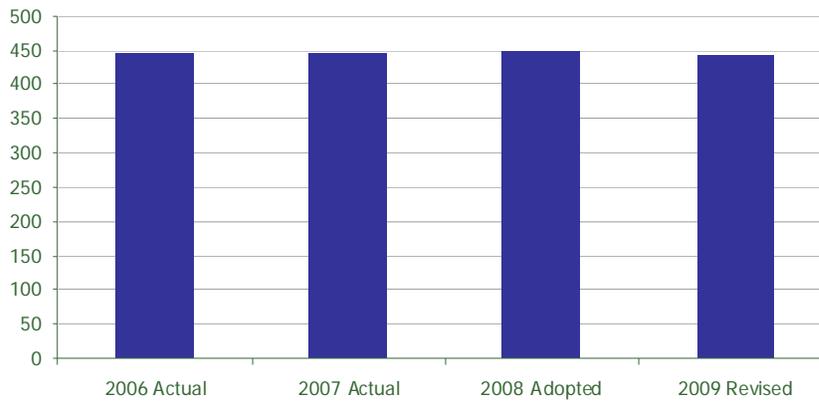
Revenue 2006 - 2009



FIRE DEPARTMENT Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
FIRE EMERGENCY RESPONSE	405	403	405	406	0.2%	1
FIRE EMPLOYEE TRAINING AND DEV				6		6
FIRE FINANCE AND LOGISTICS				5		5
FIRE HEADQUARTERS	21	22	22	8	-63.6%	(14)
FIRE INFORMATION SERVICES				2		2
FIRE PREVENTION SERVICES	19	22	22	17	-22.7%	(5)
TOTAL	445	447	449	444	-1.1%	(5)

Positions 2006-2009



Positions by Division

