



Request for City Council Committee Action from the Fire Department

Date: May 10, 2010

To: Betsy Hodges, Chair, Ways & Means/Budget Committee

Subject: Fire Department Budget Update

Recommendation: Receive and File

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

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

Approved by: Alex Jackson, Chief

Presenters in Committee: Karen Lowery Wagner

Supporting Information

The 2010 budget for the Minneapolis Fire Department is showing improvement over the last reporting before the Committee. At that time we reported the budget was estimated to be \$231,768.00 over budgeted spending levels. As of June 5, 2010, the over budget amount has been reduced to \$103,460.00. The improvement is reflected in the salary line items on the attached report.

With regard to non-salary line items, we continue to project a deficit in these categories. The current amount is \$184,745. The year-to-date projections are very aggressive and will be reviewed after July expenditures have been recorded. However, there is anticipated to be a large savings within our fleet service charges. As the attached report shows, through May a savings of \$323,610 is projected. Because we have experienced some large equipment repairs to fire apparatus in the past, we will not transfer any funds related to labor or parts; we will continue to monitor the fuel line item for possible reallocation.

As previously reported, a contingency fund one-time increase of \$2,000,000 was approved by the Council for the Fire Department's budget. One-half of that funding is reflected in the 2010 budget and one-half is projected to carry over for the 2011 budget. The amount estimated to be available at the end of the year for carry forward is \$896,540.

Two additional appropriations are also applied towards the Fire Department budget to help off-set personnel expenses.

- First, there is a one-time appropriation of \$810,000 to adjust fire protection coverage during the outage of the Camden Bridge. The funding for coverage began on April 5th and is projected to continue through the end of August. Any acceleration in the construction schedule will impact the collection of the full amount of the appropriation.
- Second, a CDBG appropriation of \$225,000 became available beginning June 1 and is being used for the purchase of fire protection equipment. Use of these federal dollars helps to “off-set” general fund purchases.

The Department also received a second CDBG appropriation of \$469,000 which is available for fire protection equipment purchases. This additional funding will be used as an off-set in the operating supply line of the budget.

As a final point, the attrition rate for the Department remains very low; to date, we have had two separations. For 2009 there were a total of 9 separations and 12 in 2008. Over the last decade, the average has been 28.

Revenue

To date, the Fire Department has collected 9% of projected revenue. For 2009 the revenue collection rate was 91%.

10 PW Equipment Cost Analysis as of 06 23 10.xls
10ExpSumm



Account Budget	509201	509202	509203	509204	509301	510101	609101	609201
	\$ 1,533,343	\$ 2,661	\$ 4,278	\$ 1,692	\$ 734,181	\$ 28,231	\$ 368,565	\$ 439,917
January	133,000				28,215	7,416	29,668	24,906
February	132,749				38,375	3,381	24,665	22,551
March	132,280				76,755	5,169	33,158	21,858
April	131,868				64,962	6,908	30,539	23,128
May	131,868				20,689	1,244	14,470	23,705
June								
July								
August								
September								
October								
November								
December								
Actual	\$ 661,765	\$ -	\$ -	\$ -	\$ 228,997	\$ 24,119	\$ 132,500	\$ 116,147
								\$ 1,163,529

2009 Actual Posted to GL Variance	661,765	-	-	-	228,997	24,119	132,500	116,147	1,163,529
BUD vs ACT	871,578	2,661	4,278	1,692	505,184	4,112	236,065	323,770	1,949,339
Projection/Actual	1,584,841	-	-	-	549,594	57,885	318,000	278,938	2,789,258
BUD vs PROJ	(51,498)	2,661	4,278	1,692	184,587	(29,654)	50,565	160,979	

MINNEAPOLIS FIRE DEPARTMENT
GENERAL FUND 2010 PROJECTIONS

42.91% OF YEAR ELAPSED

57.09% OF YEAR REMAINING

	2009		Y-T-D		AMOUNT PROJECTIONS		TOTAL		PROJECTIONS (OVER) UNDER BUDGET AS OF 6/5/10
	ACTUAL	BUDGET	ACTUAL 41.41%	ACTUAL 41.41%	REMAINING TO YEAR END	PROJECTED	ACTUAL & PROJECTED		
SALARIES									
Regular	\$ 31,089,261	\$ 30,414,985	\$ 13,725,766	\$ 16,689,219	\$ 18,236,618	\$ 31,962,384	\$ (1,547,399)		
Vacation Pay off	186,242	152,440	11	152,429	188,000	188,011	(35,571)		
Sick Leave Pay off	243,329	211,239	2,714	208,525	232,000	234,714	(23,475)		
Overtime -FLSA	251,579	153,029	118,002	35,027	133,676	251,679	(98,650)		
Overtime -Holiday	160,828	125,543	34,009	91,534	135,991	170,000	(44,457)		
Overtime -Other	209,410	117,864	86,766	31,098	161,290	248,056	(130,192)		
Retro Pay	(7,394)		3,908	(3,908)		3,908	(3,908)		
Total Salaries	32,133,255	31,175,100	13,971,176	17,203,924	19,087,576	33,066,752	(1,883,652)		
FRINGE	12,345,758	12,839,178	5,432,864	7,406,314	7,476,377	12,909,241	(70,063)		
	38.4%	41.18%							
NON SALARY/FRINGE									
Contractual Services	5,984,681	5,695,326	2,486,689	3,208,637	3,361,352	5,848,042	(152,716)		
Supplies & Other	1,822,672	1,841,522	678,442	1,163,080	1,298,661	1,977,103	(135,581)		
Capital Outlay	0	135,384	-	135,384	-	-	135,384		
Grant Match							31,832		
Total Non Salary/Fringe	7,807,353	7,672,232	3,165,131	4,507,101	4,660,013	7,856,977	(184,745)		
2010/2011 Contingency Fund		2,000,000					1,000,000		
Camden Bridge Closure offset		810,000					810,000		
CDBG Equipment Allocation offset to General Funds	0	2,810,000	0	2,000,000	0	0	2,035,000		
TOTAL	\$ 52,286,367	\$ 54,496,510	\$ 22,569,172	\$ 31,117,338	\$ 31,223,966	\$ 53,824,970	\$ (103,460)		