



# PORTLAND FIRE & RESCUE



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October 1, 2012

To: Mayor Sam Adams  
Commissioner Nick Fish  
Commissioner Amanda Fritz  
Commissioner Dan Saltzman

From: Commissioner Randy Leonard *Randy Leonard*

Re: Portland Fire & Rescue (PF&R) 2013 Fall BMP Submittal

PF&R's 2013 Fall BMP submittal includes the Prior Year Budget/Actual reconciliation, updates on FY2011-12's Decision Packages and Performance Measures, as well as the Budget Amendment Request Report. Following is a brief synopsis of PF&R's BMP.

The prior year budget/actual reconciliation includes explanations for both expenditures and revenues. PF&R finished FY2011-12 with an unspent balance of approximately \$2.97 million; of this amount \$1.1 million represented personal services savings as a result of vacancy and overtime savings. However looking at this fiscal year, these two factors will not continue. Budget cuts reduced the overtime budget by \$500,000, and ten Return-to-Work positions which had been vacant for years were cut from the budget.

Of the remaining \$1.87 million unspent balance, \$1.8 million represents encumbrances for external material and services and capital outlay commitments and contractual obligations. These funds need to be re-appropriated to PF&R's current budget to support the associated expenditures.

PF&R's general fund carryover requests are for the following emergency response equipment: \$1.07 million for fire apparatus, \$200,000 for personal protective equipment, \$136,000 for deferred maintenance projects such as paving, driveway/sidewalk repairs. These encumbrance carryovers, as well as a number of smaller ones make-up the approximately \$1.8 million requested in PF&R's Fall BMP submission.

On the resource side, PF&R FY2011-12 program revenues exceeded the budgeted amount by \$350,000, primarily due to increased plan review and permit revenues that are closely tied to building construction activities which rebounded strongly in last fiscal year.

PF&R's Fall BMP budget amendments request Council to approve:

- Encumbrance carryovers to ensure completion of approved contracts and purchases from FY2011-12
- Returning the excess program revenue of \$175,244. This request is in accordance with the City's financial policies.
- Grant technical adjustments
- Returning vacancy savings to the general fund.
- Exemptions PF&R is requesting for three positions Financial Planning had identified as vacant, but weren't true vacancies. All front-line emergency response positions must be staffed at all times.

As always, PF&R strives to accomplish its mission and remain fiscally responsible. FY2012-13 will be especially challenging because of the significant budget reductions in overtime and external materials and services; as well as complying with OMF's directive to return vacancy savings. PF&R will continue to closely monitor the current year budget, especially personal services expenditures.

# BUDGET AMENDMENT REQUEST

Portland Fire and Rescue

PERIOD Fall BuMP

FISCAL YEAR FY 2012-13

## FR\_001 - Grant Carryover

This request adjusts the FY2012-13 Adopted Grant Fund Budget revenue and expense accounts to accurately reflect PF&R's available grant funds.

Dollar Amount: \$711,873  
Type: Carryover Request  
Resources: Grants

## FR\_002 - General Fund Encumbrance Carryovers

PF&R had encumbrance balances at the end of FY2011-12 that need to be carried over in the current fiscal year to provide funding to meet contractual obligations. The request totals \$1,825,225 of which \$1.07 supports fire apparatus, and the balance funds deferred maintenance projects such as paving, driveway and sidewalk repair, dry-docking, personal protective equipment, and defibrillators.

Dollar Amount: \$1,825,225  
Type: Encumbrance Carryover Request  
Resources: General Fund Discretionary

## FR\_003 - Recognize excess FY2011-12 program revenues

At year-end, PF&R's program revenues exceeded the budget amount by \$350,000, primarily due to increased plan and permit revenues. In accordance with City Financial policies, this request recognizes and re-appropriates \$175,000, or half of the excess. The appropriation will fund an unbudgeted payment (\$150,850) to Inspector Tom Hurley to satisfy the ERB Order in case No. UP-13-10. This payment was authorized by Council Ordinance 185594 in August 2012.

Dollar Amount: \$175,244  
Type: New Request  
Resources: General Fund Discretionary

## FR\_004 - Return PF&R vacancy savings to the GF

In response to Council directive, this request returns vacancy savings in the amount of \$147,218 to the General Fund. These savings were generated by the nine positions FPD identified as vacant.

Dollar Amount: (\$147,218)  
Type: New Request  
Resources: General Fund Discretionary

# BUDGET AMENDMENT REQUEST

Portland Fire and Rescue

PERIOD Fall BuMP

FISCAL YEAR FY 2012-13

## FR\_005 - Vacancy Exemption-Front Line Emergency Response

PF&R is requesting two of the positions included in the vacancy list be determined exempt and the associated savings of \$31,608 be returned to the bureau's budget. Both of these positions are assigned to the Emergency Operations Division, and do not represent true vacancies. All front-line emergency response positions must be staffed at all times; and as such vacancies do not and can not occur for operational and safety reasons.

Dollar Amount: \$31,608

Type: New Request

Resources: General Fund Discretionary

## Prior Year Business Area Reconciliation Report

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
<b>Portland Fire and Rescue</b>			
<b>EXPENDITURES</b>			
Personnel Services	\$85,042,925	\$83,918,479	99%
External Materials and Services	\$6,104,330	\$5,311,292	87%
Internal Materials and Services	\$5,677,722	\$5,665,537	100%
Capital Outlay	\$1,621,250	\$560,670	35%
<b>TOTAL EXPENDITURES</b>	<b>\$98,446,227</b>	<b>\$95,455,979</b>	<b>97%</b>
<b>REVENUES</b>			
Licenses & Permits	\$1,290,000	\$1,888,317	146%
Charges for Services	\$1,200,000	\$1,222,763	102%
Intergovernmental Revenues	\$505,000	\$495,691	98%
Interagency Revenue	\$2,658,622	\$2,444,300	92%
Miscellaneous	\$276,200	\$229,239	83%
General Fund Discretionary	\$92,341,264	\$0	0%

## Prior Year Business Area Reconciliation Report

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
<b>Portland Fire and Rescue</b>			
<b>REVENUES</b>			
General Fund Overhead	\$175,141	\$0	0%
<b>TOTAL REVENUES</b>	<b>\$98,446,227</b>	<b>\$6,280,310</b>	<b>6%</b>

### Bureau Reconciliation Narrative

#### EXPENDITURES

Personal Services - The actual Personal Services expenses were below budget by approximately \$1.23 million or 1.3% as a result of vacancy and overtime savings. However, these two contributing factors will not continue for FY 2012-13. The budget for ten Return-to-Work positions, which have been vacant for years, was cut from the FY 2012-13 Adopted Budget. In addition, OMF directs bureaus to return three months of salary and benefit savings for each and every vacant position during FY 2012-13. Furthermore, as a result of budget cuts, PF&R is required to lower its overtime budget by approximately \$500,000 this fiscal year.

PF&R stopped new firefighter hiring last fall as a result of aggressive hiring in the past several years in anticipation of a high number of retirements, which did not materialize in FY 2009-10 and FY 2010-11. Without the injection of new firefighters, the average of firefighters' salaries will rise as many firefighters are still eligible for step increases.

The step increase pressure and the loss of some of vacancy and overtime savings will erase PF&R's positive year-end balance last fiscal year. PF&R also anticipates a large number of retirements due to the incentive of 27 pay periods lookback in December. Depending on the actual retirement payouts, PF&R may need to request funds from the General Fund Compensation Set-Aside above the amount allocated to PF&R.

PF&R will closely monitor its personal services expenditures and provide projection updates to the City Council and OMF Financial Planning through the BMPs and the next fiscal year's budget development process.

External Materials & Services (M&S) - The actual External M&S expenditures were under budget by \$793,038 or 13% because the year-end actuals did not include approximately \$753,700 of encumbrances for goods and services purchases that were ordered but not received by June 30, therefore not paid for before the end of last fiscal year. If the encumbrances were included, the expenditures in this category would be more in line with the budget. In this fall BMP, PF&R is requesting these encumbrances be carried forward to FY 2012-13 to complete the purchases.

Internal Materials & Services - The actual Internal M&S expenditures were below budget by \$12,185 or .21%. Over spending in fuel was offset by savings in BTS Strategic Technology Billable as the Application Analysts assigned to PF&R had charged some of their time to the FIS Replatforming Project.

Capital Outlay - The actual Capital Outlay expenses were \$1,060,580 or 65% below budget. Like External M&S, the Capital Outlay category also has a large amount \$1.07M of encumbrance for apparatus purchases. In this fall BMP, PF&R is requesting the encumbrances be carried forward to FY 2012-13 to meet the contractual obligations.

#### REVENUES

The year-end actuals of Licenses & Permits exceeded the budgeted amount by approximately \$600,000 or 46%. The Plan Review and Permits revenues, which make up the majority of Licenses & Permits account, are closely tied to building construction activities and rebounded strongly in last fiscal year.

Interagency Revenues actuals were lower than budgeted by about \$214,000 or 8% primarily because reimbursements from FPDR for Return-to-Work positions expenditures were lower than projected due to vacancies.

Overall, PF&R's program revenues were higher than budgeted by \$350,488 in the last fiscal year. According to the City's financial policies, PF&R is eligible to retain 50% of the excess program revenues. This fall BMP includes a request to return \$175,244 of excess revenues to PF&R to restore some of the External Materials & Services budget reductions in this fiscal year.

**PORTLAND FIRE & RESCUE  
FY2012-13 FALL BMP PRIOR YEAR BUDGET NOTE STATUS**

The FY2011-12 Adopted Budget included the following budget note:

The Office of Management & Finance, working with Portland Fire and Rescue (PF&R), shall hire an independent expert consultant to prepare a report for Council consideration comparing PF&R staffing and deployment levels to like metropolitan fire and rescue departments. Particularly, the report shall address efficient and innovative methods of recognized service delivery.

The report shall also provide data to assist Council in determining whether the new response vehicles being purchased with funds from the 2010 Fire Bond shall be staffed utilizing existing or new personnel. The report shall be prepared and presented to Council within six months of the budget adoption in a Council Work Session.

**STATUS:** PF&R entered into a contract with TriData to conduct a staffing and deployment study that would identify options to implement the rapid response vehicle (RRV) program; specifically staffing the new vehicles with existing or new personnel. A steering committee was appointed and provided oversight to the project, and the final report was completed in December 2011, and the findings and recommendations were presented to Council at a January 2012 work session. In its final report, TriData outlined four staffing options to implement the RRV program;

1. Hire additional personnel to staff the new vehicles
2. Reassign staff from Rescues 11 and 19 to the new vehicles
3. Adjust the bureau's traveler's pool (employees who fill in for employees on vacation and sick leave)
4. Utilize two truck companies to staff the new vehicles on a limited daily basis

As approved by the Fire Commissioner, PF&R determined option #2 was the most feasible to implement. Resources from Rescues 11 and 19 were reassigned when the pilot program began in April 2012. Both of these rescues were funded with one-time resources until June 30, 2012. PF&R's Requested Budget included two decision packages for one-time resources to support the continued operation of these rescues. The FY2012-13 Adopted Budget provided one-time resources to support four FTE's for the RRV pilot program.

The six month pilot program began in April 2012 and is scheduled to end in October 2012. When the RRV program was implemented there were four vehicles assigned at Stations 1, 11, 19 and 30. The RRV's operated Monday thru Thursday from 8:00am to 6:00pm. Beginning in July 2012 two of the vehicles went out of service due to lack of funding; and the RRV's located at Stations 11 and 19 remained in service Monday thru Thursday from 8:00am to 6:00pm. In early September 2012, the vehicles ordered last fiscal year for the program arrived and are now being used to respond.

In response to a budget note included in the FY2012-13 Adopted Budget, PF&R is preparing a report to Council by October 31, 2012 to provide a preliminary analysis and assessment of the RRV's pilot program

**PORTLAND FIRE & RESCUE  
FY2012-13 FALL BMP PRIOR YEAR DECISION PACKAGE UPDATE**

**FY2011-12 Adopted Budget one-time reductions to ongoing reductions**

In the Fall BMP, PF&R included a request that made substitutions for the one-time reductions that were converted to ongoing in the FY2011-12 Adopted Budget. PF&R combined the efforts of Public Communications, Public Information, and Public Education to enhance the bureau's public outreach and communication, which allowed a vacant Assistant Public Education Officer position to be eliminated.

The remaining ongoing reductions were in external materials and services and affected the budget for personal protection equipment (PPE), self-contained breathing apparatus (SCBA), travel, office supplies, recruit testing and funds available for grant match. Since this is the first year of these reductions, the impact has not been fully realized. The impact will become much more apparent in the upcoming fiscal years, as PF&R falls behind in replacement of PPE and SCBAs.

Reductions in the Training and Safety Division affected the recruit testing process and EMT certification. The funds to hire an outside vendor to perform applicant testing were eliminated and the recruit testing is being done in-house and PF&R will no longer pay the salary costs associated with new hires EMT certification.

**UPDATE:** PF&R's Adopted Budget for FY2012-13 includes the reductions converted from one-time to ongoing in the FY2011-12 Fall BMP. The reductions affect the external material and services budgets for personal protection equipment, self-contained breathing apparatus, travel, office supplies, recruit testing, and grant match funds.

**One-time funding for rescues and station staffing**

The two rescues and all fire stations are operational until June 30, 2012 when the funding runs out.

**UPDATE:** The FY2012-13 Adopted Budget includes one-time resources to keep all of the fire stations operational, and Rescues 11 and 19 went out of service on July 1, 2012. PF&R received one-time resources to fund 4 FTE's for the RRV pilot program.



**PORTLAND FIRE & RESCUE  
SERVICE IMPROVEMENT PLAN UPDATE  
FY 2012-13 FALL BMP**

**Create and enhance viable opportunities for collaboration with other agencies to improve service to the public.**

- PF&R routinely applies for and receives grant funds that are used to improve emergency response capabilities and to educate and increase public's awareness of fire and life safety. Frequently, these activities are done in collaboration with other agencies throughout the region. Currently, PF&R acts as the purchasing agent for a regional group of emergency responders that have received federal funds. This is a significant benefit to smaller agencies because the city has greater purchasing power.
- PF&R's HazMat Coordinator was actively involved in training, outreach and interagency events at the state, regional, and national level focused on ensuring the safety of the public and emergency responders during a hazardous materials event. Some of the agencies include the Port of Portland, Portland Airport, Oregon Health & Sciences University, EPA, USAR, and fire agencies throughout Oregon.

**Continue to plan, coordinate, and communicate with City bureaus and partner agencies to enhance the City's response to Low Frequency/High Consequence events.**

PF&R was and continues to actively participate with other city bureaus, multiple disciplines, and outside agencies such as Multnomah County, Portland Public Schools, and Coast Guard.

Following are some examples:

- In September 2011 PF&R participated in the Liquefaction Exercise, which was a simulation of an earthquake occurring on the East Bank Fault Line. The earthquake response and recovery exercise focused on participants' emergency response plans, policies, and procedures.
- A marine drill was conducted in October 2011 aboard a vessel that tested the response capabilities of multiple agencies (fire, law enforcement, Coast Guard) to a shipboard fire in our harbor.
- The Mt. Tabor Hydroelectric tabletop exercise conducted in October 2011 focused on evaluating emergency response procedures, identifying areas for improvement, and achieving a collaborative attitude with city bureaus and regional partners.
- A Spring Flood tabletop exercise concerning flooding of the Willamette River and securing the sea wall downtown took place in April 2012.
- A statewide USAR event was conducted in May that brought together responders from multiple disciplines and agencies (fire, law enforcement, and military, EMS) to test our response in a structural collapse. USAR 1 with Station 1 personnel evaluated and rescued victims from collapsed buildings and structures, and Heavy Squad 18 & 24 executed capabilities for mass casualty care.

**Develop a coordinated leadership and management training program to meet the bureau's needs for current and future leaders.**

A task force was formed and charged with developing the leadership program. The task force created a leadership course covering each promotional step to ensure the training needs of current and future leaders were met. The leadership course is in place and will be updated on a regular basis.

# Portland Fire & Rescue

## Performance Measures

Performance Measure	Type	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2013-14
		Year-End Actuals	Year-End Actuals	Revised Budget	Performance No Dec Pkg	Performance With Dec Pkg
FR_0002 - Percent of residents rating service good or very good	EFFECTIVE	87%	87%	90%	0%	0%
FR_0003 - Total number of incidents	WORKLOAD	67,212	68,982	69,000	0	0
FR_0015 - Response time (turnout & travel) at 90th percentile (Goal: 5:20 or 5.33 minutes)	EFFICIENCY	7.22	7.35	7.20	0.00	0.00
FR_0016 - Number of inspectable occupancies	WORKLOAD	39,202	39,275	39,800	0	0
FR_0017 - Number of structural fires in inspectable occupancies	WORKLOAD	208	280	220	0	0
FR_0018 - Number of structural fires in non-inspectable occupancies	WORKLOAD	391	440	420	0	0
FR_0019 - Number of structural fires in inspectable occupancies per 1,000 inspectable occupancies	EFFECTIVE	5.31	7.13	5.53	0.00	0.00
FR_0021 - Average on-duty emergency staffing	WORKLOAD	169	169	166	0	0
FR_0022 - Number of fire incidents	WORKLOAD	1,673	2,005	2,000	0	0
FR_0023 - Number of medical incidents	WORKLOAD	47,958	49,620	49,000	0	0
FR_0024 - Number of other incidents	WORKLOAD	17,581	19,362	20,000	0	0
FR_0025 - Incidents per average on-duty emergency staff	EFFICIENCY	398	408	415	0	0
FR_0026 - Total number of structural fires	WORKLOAD	600	720	640	0	0
FR_0027 - Structural fires per 1,000 residents	WORKLOAD	1.03	1.23	1.07	0.00	0.00
FR_0028 - Total fires per 1,000 residents	WORKLOAD	2.88	3.42	3.33	0.00	0.00
FR_0029 - Medical incidents per 1,000 residents	WORKLOAD	82.48	84.70	81.67	0.00	0.00
FR_0030 - Lives lost per 100,000 residents	EFFECTIVE	0.52	1.37	0.60	0.00	0.00
FR_0031 - Property loss as a percent of value of property	EFFECTIVE	0.43%	0.38%	0.82%	0.00%	0.00%
FR_0034 - Number of frontline emergency vehicles	WORKLOAD	81	78	81	0	0
FR_0035 - Average age of frontline engines	EFFICIENCY	8.50	8.50	7.00	0.00	0.00
FR_0036 - Average age of frontline trucks	EFFICIENCY	11.40	11.40	10.50	0.00	0.00
FR_0037 - Average miles on frontline engines	EFFICIENCY	81,228	85,979	75,000	0	0
FR_0038 - Average miles on frontline trucks	EFFICIENCY	76,973	80,159	70,000	0	0
FR_0039 - Code enforcement inspections	WORKLOAD	15,693	14,861	15,800	0	0
FR_0040 - Code enforcement re-inspections	WORKLOAD	4,635	5,478	5,300	0	0
FR_0041 - Percent of inspectable occupancies inspected within 27 months	EFFICIENCY	83%	81%	83%	0%	0%
FR_0042 - Total code violations found	WORKLOAD	14,412	12,768	15,300	0	0
FR_0043 - Average violations per inspection	WORKLOAD	0.92	0.87	0.97	0.00	0.00
FR_0044 - Percent of violations abated within 90 days of detection	EFFICIENCY	57%	77%	60%	0%	0%
FR_0045 - Percent of structural fires where flamespread was confined to room of origin	EFFECTIVE	81%	80%	82%	0%	0%
FR_0046 - Response time (turnout & travel) at 90th percentile-EMS	EFFICIENCY	7.08	7.10	7.10	0.00	0.00
FR_0047 - Response time (turnout & travel) at 90th percentile-Fire	EFFICIENCY	7.03	7.12	7.00	0.00	0.00
FR_0048 - With patient time at 90th percentile (interval between dispatch and with patient in minutes)	EFFICIENCY	9.32	9.35	9.33	0.00	0.00
FR_0049 - Response reliability (overall-GO dates excluded)	EFFICIENCY	91%	90%	90%	0%	0%
FR_0050 - Total number of requests for service in the city of Portland, regardless of the fire agency responding	WORKLOAD	68,610	71,457	71,000	0	0

# Portland Fire & Rescue

## Performance Measures

<u>Performance Measure</u>	<u>Type</u>	<u>FY 2010-11 Year-End Actuals</u>	<u>FY 2011-12 Year-End Actuals</u>	<u>FY 2012-13 Revised Budget</u>	<u>FY 2013-14 Performance No Dec Pkg</u>	<u>FY 2013-14 Performance With Dec Pkg</u>
FR_0051 - Total arson incidents per 10,000 population	EFFECTIVE	5	4	5	0	0
FR_0055 - Percent of responses (turnout and travel) to all incidents within 5:20	EFFICIENCY	0%	58%	0%	0%	0%

### Performance Measure Variance Descriptions

**City of Portland**  
**Request for Vacancy Savings Exception**

Please return this form, completed and signed by the bureau director and commissioner in charge, to your Financial Planning Division analyst.

Bureau: Portland Fire & Rescue

Job Classification: Fire Lieutenant

Job Classification Number: 30000798

Position Number: 40003165

Date position became vacant (7/1/12 for newly created positions): 6/22/2012

Bureau estimate of 3-month value (including benefits) of position: \$15,804

Bureau estimate of savings exception requested: \$15,804

Funding split:  % General Fund  % Other Funds

Reason for exception request:

This Fire Lieutenant is a front-line emergency response position. Each fire engine or truck is staffed with four positions necessary for effective emergency operations, including fires, critical emergency medical calls, motor vehicle accidents, and other incidents that endanger peoples lives, property, and the environment. These assignments must be staffed at all times (24/7) for our firefighters to deliver effective emergency response equitably to our communities and ensure the safety of the public. Any vacancies in these front-line emergency response assignments need to be filled with off-duty sworn firefighters through overtime.

Requested by:

\_\_\_\_\_

10/1/2012

Director: Erin Janssens

Date

Approved by:

\_\_\_\_\_

10/1/2012

Commissioner in Charge: Randy Leonard

Date

**City of Portland**  
**Request for Vacancy Savings Exception**

Please return this form, completed and signed by the bureau director and commissioner in charge, to your Financial Planning Division analyst.

Bureau: Portland Fire & Rescue

Job Classification: Fire Captain

Job Classification Number: 30000803

Position Number: 40003265

Date position became vacant (7/1/12 for newly created positions): 6/20/2012

Bureau estimate of 3-month value (including benefits) of position: \$15,804

Bureau estimate of savings exception requested: \$15,804

Funding split:    % General Fund    % Other Funds

Reason for exception request:

This Fire Captain is a front-line emergency response position. Each fire engine or truck is staffed with four positions necessary for effective emergency operations, including fires, critical emergency medical calls, motor vehicle accidents, and other incidents that endanger peoples lives, property, and the environment. These assignments must be staffed at all times (24/7) for our firefighters to deliver effective emergency response equitably to our communities and ensure the safety of the public. Any vacancies in these front-line emergency response assignments need to be filled with off-duty sworn firefighters through overtime.

Requested by:

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10/1/2012

Director: Erin Janssens

Date

Approved by:

\_\_\_\_\_

10/1/2012

Commissioner in Charge: Randy Leonard

Date