MASTER MEMO

DATE: March 11, 2016

TO: All Fire Personnel

FROM: Jim Critchley
Fire Chief

SUBJECT: Budget Changes

Over the past few weeks, City Leadership has been working on the FY 17 budget. The City Manager has been reporting a $25 million dollar deficit, caused by a structural deficit in the general fund. In simple terms, the City is spending more money than it has. There are only two ways to correct this situation, reduce spending and increase revenue. While our Cost Recovery team is focusing on increasing our revenues, this memo will focus on our plan to reduce spending.

During this process, I have continued to keep the discussion focused on the mission and needs of the fire department. These needs include station replacement, vehicle and equipment replacement and employee compensation. However, before these needs can be addressed, the deficit must be eliminated; this will require significant changes. Every department, including the Fire Department, has been asked to identify budget-reducing options. This was a difficult task, but I have submitted a 4.7 million dollar budget reduction plan to the City Manager.

Like all City Departments, Tucson Fire will be faced with many changes. These changes may impact how we provide services to the community. Change can cause stress, but it can also provide opportunity for improvement. As difficult as it may be, rethinking how we do things today may reveal new, innovative, and more efficient ways to provide services tomorrow while still adhering to our mission:

The Mission of the Tucson Fire Department is to protect the lives and property of the citizens of Tucson from natural and manmade hazards and acute medical emergencies through prevention, education and active intervention.

The following adjustments are being considered in order to realize the $4.7 million in savings for the coming fiscal year.

- **Reduce Non-Commissioned vacant staff positions at Logistics (Saving of $177,450)**
  - Vacant Positions consist of an AA, Fleet Service Attendant, and Emergency Vehicle Tech Supervisor.
- **Reclassify 13 Paramedic positions on PAUs to Firefighters (Saving of $323,470)**
  - Accomplished by restructuring the staffing of three of our eight Paramedic Assessment Engine companies to standard Engine companies and the decommissioning of one Rescue truck.
  - This will result in fewer non-transport paramedic capable response units.
- **Eliminate one of the four Rescue Truck units (Savings of $682,080)**
  - These two person units staffed with a Paramedic and a Firefighter have proven to be valuable assets.
  - These units help keep wear and tear off of larger more expensive fire apparatus.
  - As part of this cost cutting program, utilizing staff in support sections deployed in alternate modes may be a possible method to partially fill the gap left by the decommissioning of this one unit.
  - This is a loss of seven commissioned FTEs.
- **Move Commissioned Fire Prevention Inspectors into Operations and convert some commissioned Fire Prevention Inspector positions to civilian positions (Saving of $438,890)**
  - Accomplished by reassigning six Inspectors and one Captain from 8hrs to shift.
  - This will result in lateral transfers and possible demotions of commissioned staff from inspectors to Paramedic, Engineer and/or Firefighter ranks depending on the qualifications of those being transferred back to Operations.
  - Result is the elimination of seven vacant Commissioned staff positions.
  - Hire four Civilian Inspectors and one Manager.
  - Will require the development of the civilian job classification and a training program.
  - This is an addition of five civilian positions, for a net reduction of 2 FTEs.
- **Reducing Overtime (Savings of $3,162,400)**
  - A large portion of this $1,354,150 reduction is realized by converting Paramedic positions to Firefighters eliminating the Paramedic class, removing the need to be backfilled with overtime.
  - Other cuts in overtime include a $600,000 line item reduction. By reassigning Prevention staff to Operations, this will cut down on overtime to backfill for vacations and sick leave.
  - Overtime reductions result in a $1,208,250 reduction in pension cost.
  - Two Hourly Captains that had been taken from the pool of swing personnel in operations will be returned; this will have a positive impact on overtime costs. Operations will need to determine what support sections these will come from.

In order to successfully implement these possible changes, I am asking all of you to be flexible, understanding, and to take active roles in finding ways to cut costs and improve efficiency. For example, our Communications section will be working closely with Fire Operations, Tucson Police Department's Communications, and Police Field Services leaders to identify the most efficient and effective communication model possible. Fire Inspectors and Investigators will be challenged with finding new ways to complete their tasks, including working with a new civilian inspection team and developing stronger working relationships with City building inspectors, while providing high quality inspection and prevention programs in an effective and streamlined manner. Fire Operations will be challenged to maintain excellent emergency response services with fewer resources. While we may see reductions in the number of Paramedics, it is our hope that those members who have diligently kept their Paramedic Certifications current, will help minimize the impact of this reduction. It is critical that we continue to provide outstanding emergency services to the community.

The budget cycle is always a dynamic process and will continue to evolve; it can sometimes change up to the adoption of the final budget. Some of the proposed changes may need to be implemented sooner, while other changes will need more time to fully iron out. It might be some time before we have a clear understanding of the total impact these changes will have. Tucson Fire has a long history of overcoming adversity while performing professionally as a team to protect our community. We have been working hard for several years to make our Department as efficient as possible; continuing to do so will have a substantial impact in helping the City's budget to be structurally sound in the coming years. We cannot have a strong department without a strong City.

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