



City of Houston

Budget & Fiscal Affairs Presentation – Fire Department Budget Status Report

Finance Department
February 20, 2014



Fire Budget Overview

- HFD Adopted Budget = \$452.3 million, including \$24 million overtime budget all divisions
- Current projection = \$462.8 million, \$10.5 million over budget net of small underruns and two significant overruns:
 - \$8.5 million - overtime budget
 - \$2.7 million - increase in workers' compensation claims - plan to cover this with fund balance during General Appropriations
 - \$750 thousands savings in health benefits
- 86% of overtime budget has been exhausted
 - \$2.6 million remaining to fund 130 remaining days in FY14
 - This will fund 23 members / day for remainder of FY14
 - 98% of overtime expenditures have been used for minimum staffing
- The Administration is requiring HFD to stay within its adopted overtime budget to comply with the Pennington/Martin amendment



Management Challenges

- Only four months remain in FY 2014 to achieve savings required
- Fire Department faces challenges that constrain its ability to address the problem
- Maintaining minimum staffing on each vehicle sets daily required staffing for vehicles in service at fixed level – 832 as of today
- Serious paramedic shortage exacerbating the overtime problem
- Management's ability to constrain time off is limited by collective bargaining process and agreements