



Conor M. Baldwin  
Chief Financial Officer

Allison Chambers  
Deputy CFO

## MEMORANDUM

**TO:** Eileen M. Donoghue, City Manager *EMD*  
**FROM:** Conor Baldwin, Chief Financial Officer  
**CC:** Phil Charron, Fire Chief  
**DATE:** January 26, 2022

**SUBJECT: MOTION RESPONSE: 1/18/2022 - C. Robinson** - Req. City Mgr. Provide Council With An Update On The Current Status Of The City's Plan To Mitigate And/Or Eliminate The Practice Of Brownouts Within The Lowell Fire Department

This memo is in response to the motion approved by the City Council on January 18<sup>th</sup>, as well as to provide an update to the City Council regarding the Lowell Fire Department's FY2022 budget for overtime and the efforts made to reducing company closings by the City Administration and the Fire Department.

To recap the efforts in addressing the ongoing closures of fire companies or so-called "brownouts" in the City of Lowell; in the Spring of FY2021, two meetings were convened with the Fire Chief, the Executive Board of the local fire union (IAFF, Local 853), and the City Administration, to discuss relevant financial and operational barriers to keeping all companies open. At the time, the parties agreed to implement a policy of closing a maximum of one company within a 24 hour period, with priority for keeping all companies open on the evening shift.

In an effort to finance this policy, the appropriation in the FY2022 budget for overtime in the Fire Department ("LFD") was increased to \$1.1 million. In the prior year (FY2021) the overtime budget for the LFD was \$750,000. The five-year average for actual annual overtime expenditures in LFD between FY2016 – FY2020 was \$839,929. Typically, in those years any amounts in excess of the original overtime appropriation was addressed through an internal transfer from the surplus balance available in the LFD account for permanent salaries and wages.

It became clear early in FY2022, upon analysis by finance, that the increased overtime allocation would still be insufficient to maintain the company closure policy at the current rate of expenditure. A supplemental appropriation of \$1.5 million was therefore recommended and approved by the City Council at the regular meeting on December 7, 2021, prior to setting the FY2022 tax rate. The revised budget in the general fund for OT is \$2.6 million. As of the date of this memorandum, the LFD has spent \$1.3 million in overtime, or 51.1% of the revised budget.



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It is important to note that the overtime expenditures quoted above do not include any LFD overtime related to COVID-19, or overtime which was funded by grants. When all funding sources are taken into account, the total overtime spent, to date, in FY2022 is \$1.9 million.

Attached to this memorandum is a chart which overlays the number of company closings per month with the overtime expenditures in each month by the LFD. Since April of FY2021, the number of company closings has decreased significantly and the city has been able to meet the aforementioned policy throughout FY2022. The finance department has met to discuss this matter with the Fire Chief, who concurs that the FY2022 supplemental appropriation provided sufficient funding to maintain the company closure policy through the end of the current fiscal year.

During the discussion on the motion, a request was made to include further detail on the reasons for the “brownouts”. The Fire Chief has provided a breakdown between closures which were caused due to staffing issues and those which may have been caused due to maintenance or equipment related issues. The breakdown is included in the table below.

<b>Month</b>	<b><u>Maintenance/ Equipment Related Brownout</u></b>	<b><u>Staffing Related Brownouts</u></b>	<b><u>Total Station Closings</u></b>
July FY2021	0	72	<b>72</b>
August FY2021	0	90	<b>90</b>
September FY2021	1	53	<b>54</b>
October FY2021	1	34	<b>35</b>
November FY2021	1	75	<b>76</b>
December FY2021	2	105	<b>107</b>
January FY2021	1	79	<b>80</b>
February FY2021	0	46	<b>46</b>
March FY2021	2	42	<b>44</b>
April FY2021	0	29	<b>29</b>
May FY2021	0	35	<b>35</b>
June FY2021	3	28	<b>31</b>
July FY2022	0	30	<b>30</b>
August FY2022	1	28	<b>29</b>
September FY2022	1	21	<b>22</b>
October FY2022	2	28	<b>30</b>
November FY2022	1	28	<b>29</b>
December FY2022	0	26	<b>26</b>



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In discussing this matter further with the Fire Chief, a few additional items are relevant policy matters for consideration. The implementation of the current “close one company during the day and keep them all open at night” policy in the last quarter of FY21 has led to an estimated 740 brown outs being reduced to 691. The first two quarters of FY22 show 166 brown outs which puts the Fire Department on-track for a fiscal year ending estimate between 320 to 330 brown outs, a nearly 52% decrease in brown outs.

The amount of maintenance brown outs listed in the table on the previous page are not indicative of the condition of the fire department fleet, they merely indicate when a front line truck, and a spare truck to replace it, are not available. According to the Fire Chief, the LFD will substitute a spare vehicle for a front line vehicle, on average, three (3) out of every seven (7) days of the week. The City has filed for an AFG grant request for a new engine, but the Chief has indicated he intends to request funding for the replacement of an aerial ladder truck in this year’s capital investment plan.

Please let me know if there are any questions.

# Station Closings & LFD OT Per Month

