



CITY OF DETROIT
FIRE DEPARTMENT
DETROIT PUBLIC SAFETY HEADQUARTERS

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To: David Whitaker, Director, Legislative Policy Division
From: Charles Simms, Executive Fire Commissioner, Detroit Fire Department
Date: April 3, 2025
RE: Responses to 2025-2026 Budget Analysis

Please find below responses to your questions sent on March 7th, 2025, regarding the Fiscal Year 2026 Proposed Budget for the Fire Department.

- 1. Please briefly explain the department's new expense initiatives, new capital funding requests, operational reform and savings proposals, and new revenue initiatives/proposals to be implemented in FY 2026. Please provide which appropriation/cost center the new initiative/request/proposal is impacting in FY 2026.**

Expense initiatives:

- Nurse Navigation
- Maintain HEARTSafe Community designation
- BLS/Paramedic Engines and Squads

New capital funding requests:

- New fire station proposal
- Long term schedule replacement plan for vehicles and equipment

Operational reform and savings proposals:

- BLS/Paramedic engines and squads
- Nurse Navigation
- Paramedic training
- Business self re-inspections
- HAAS alert

New revenue initiatives/proposals:

- Medical response ordinance
- Ground Emergency Medical Transportation (GEMT)

- 2. In the recently approved FY 2026- 2030 Proposed Capital Agenda, \$3 million was planned for Detroit Fire Department (DFD) Annex Buildouts utilizing ARPA funds to be managed by the Construction and Demolition Dept. Please provide a brief description and an update on this project. Three other projects were prioritized for FY 2026: Fire Facility Improvements; In-Vehicle Technology and the Mobile Training Tower projects that have no funding sources identified or available.**



Please discuss the significance of these projects to department operations in FY 2026 and the forecast period.

The Fire Department is collaborating with the Construction and Demolition Department (CDD) to complete construction on two annexes by Fall 2025. CDD and the Fire Department (DFD) have developed a facility improvement plan and are coordinating with the budget office to secure funding. The Department of Innovation and Technology has received the department's request and will include it in the next year's capital plan. Additionally, CDD and DFD are working together to develop specifications for repairing the current training tower and enhancing its utilization.

- 3. Please discuss DFD-ISO (Insurance Services Office) rating and how the department plan to improve its rating if not rated number one. Note: an ISO rating is given to fire departments and their surrounding communities that measures how well a community is protected by its fire department. Its significance to residents is that many insurance providers consider an ISO rating when determining home insurance premiums.**

The department currently has an ISO score of 2 which is at the 95th percentile of all the fire departments in the nation. The department will work diligently with DWSD to achieve an ISO score of 1. Revising our current deployment plan would greatly increase our chances of obtaining a score of 1.

- 4. On page B24-1- B24-2, Under Operating Programs and Services, briefly describe the following activities.**

- a. Apprenticeship Program and CPR training conducted in partnership with the Detroit Public Schools Community District.**

The Detroit Fire Department is looking forward to continuing our partnership with Detroit Public Schools. Plans are to reinstitute the Apprenticeship Program for Fall 2025 with an outreach to Cody, Pershing, and Detroit Public Safety Academy.

- b. The Nurse Navigation Pilot Program-staffing levels, service areas, etc. Please elaborate on "used when clinically appropriate" and aims to match a low-acuity 911 caller to the right level of care".**

Nurse Navigation is currently in the bid phase with the Office of Contracting and Procurement (OCP). The Department plans to visit the current implementations of this program by two proposed contractors to ensure it meets the needs of the City of Detroit.

- c. Fire Marshal inspection of critical structures-does this include public or private facilities with certain capacity levels?**

The Fire Marshal's office inspects public and private facilities with certain occupancy requirements to ensure safe evacuation in emergencies.



d. **Fire Operations-who pays and is responsible for HAZMAT clean-ups and, if the city performs the clean-up is there an opportunity for reimbursement.**

Haz Mat cleanup is currently outsourced to Marine Pollution. DFD responds to Haz Mat incidents for initial response, rescue, and containment. Participating in the cleanup of Hazardous Materials would be costly and require extensive on-going training. The department has assessed the possibility of Hazardous Materials clean up and believes contracting out the cleanup service is being resourceful and prudent.

5. **On page B24-3, Under Goals, Strategic Priorities and Related City Outcomes:**

- a. Goal# 5: Please provide an outline of the firehouse replacement plan and the consolidation of assets through co-location process. Please explain the co-location process. Do any of the projects listed in question 2 above involve the achievement of this goal?

The 20-year firehouse replacement plan aims to modernize and optimize DFD’s infrastructure by replacing 34 aging stations with 30 new, efficient ones, achieving 99% city coverage. The timeline includes: Year 1 for assessments and prioritization; Years 2-5 replacing 10 high-risk area stations; Years 6-10 building 5 in growing neighborhoods; Years 11-15 renovating 8 stations; and Years 16-20 completing 7 replacements. Consolidation reduces the station count by co-locating assets, while new designs improve response times and cut costs.

- b. Co-location involves placing multiple emergency services (e.g., fire, EMS, or police) or apparatus types (e.g., engines and ladders) in a single, strategically located facility rather than separate stations. This process, part of the asset consolidation in the 20-year plan, optimizes resources by sharing space, reducing operational costs, and improving coordination. For example, a new station could house both fire and EMS units at a site with the Detroit Police Department.

6. **On page B24-4, under Metrics and Data, please compare the city’s response times to the national average or industry standards.**

DFD’s current response time is 7:25 compared to the national standard of 8 minutes.

Emergency Relex Times			
Code Type	2022	2023	2024
Code 1	8:12	7:50	7:23



7. Per the Positions Chart on page B24-5, the department has 65 vacant positions as of February 5, 2025. What is the actual number of uniformed positions as of this date? Please provide the budgeted and actual number of uniform and civilian employees as of February 28, 2025.

- a. February 5, 2025 the department had 1096 uniformed positions.
- b. February 28, 2025, the department had 1095 uniformed positions. Since the March 3rd fire academy class, the department has 27 vacancies which will be filled from our upcoming July class.

<u>Date</u>	<u>Type</u>	<u>Budget</u>	<u>Actuals</u>	<u>Vacancies</u>
2/28/2025	Uniform	1146	1096	50
	Civilian	154	139	15
		1300	1235	65

8. The total number of positions in the FY 2026 Proposed Budget is 1,309: an increase of 9 positions from the FY 2025 Adopted Budget. Similar to last year, the proposed budget contains several shifts in positions to the Emergency Medical Services/Paramedic designation in addition to new hires. What is the annual cost estimate for the EMT/Paramedic certification for FY 2026 – FY 2029? What are the nine additional positions?

- a. No additional cost for new hires because EMT/Paramedic certification is part of their initial training. There is no additional cost for EMT certification as it was offered to all current members. Paramedic certification costs average 80k per person which includes books, equipment, and backfilling their position during the 10 month training.
- b. 9 positions to be filled by civilians in Fire Operations and Administration.

EMT/Paramedic Certification Cost

Count	Position	FY26 Salary	FY26 Annual Salary	FY27 Salary	FY27 Annual Salary	FY28 Salary	FY28 Annual Salary	FY29 Salary	FY29 Annual Salary
58	Fire Fighter	\$ 61,066.00	\$ 3,541,828.00	\$ 62,897.98	\$ 3,648,082.84	\$ 64,784.92	\$ 3,757,525.33	\$ 66,728.47	\$ 3,870,251.08
58	Fire Fighter - EMT MR	\$ 62,222.00	\$ 3,608,876.00	\$ 64,088.66	\$ 3,717,142.28	\$ 66,011.32	\$ 3,828,656.55	\$ 67,991.66	\$ 3,943,516.24
	Variance	\$ 1,156.00	\$ 67,048.00	\$ 1,190.68	\$ 69,059.44	\$ 1,226.40	\$ 71,131.22	\$ 1,263.19	\$ 73,265.16

Nine (9) additional positions:

Quantity	Position Title	Division
2	Fire Dispatcher	29241-240075 - Fire Communications Dispatch
1	Chief of Training	29240-240220 - Fire Training
1	Fire Lieutenant	25240-240250 - Fire Marshal Inspection
1	Fire Prevention Inspector Lieutenant	25240-240250 - Fire Marshal Inspection
1	Manager 2	29241-240010 - Fire Administration
1	Digital and Social Media Specialist	29241-240010 - Fire Administration
1	Communications Specialist 2	29241-240010 - Fire Administration
0.5	Fire Boat Operator	25242-240205 - Fireboat Marine Operations
0.5	Fire Boat Deckhand	25242-240205 - Fireboat Marine Operations



9. On page B24-8, please explain the increase/decrease in the following General Fund expenditure categories:

- a. **Salary & Wages increase by \$.6 million, .5% in FY 2026. Does the proposed budget include any across-the-board salary and/or merit increases? How are the pay increases due to EMT/Paramedic certifications reflected in this budget (in full-time salaries or special account)? Does the FY 2026 budget include turnover savings? If so, what is the amount of turnover savings in the salary line for Fire in FY 2026?**

The proposed budget includes both salary and merit increases, which account for the annual wage increases outlined in labor contracts, as well as merit-based increases across the board. Pay increases resulting from EMT/Paramedic certifications are incorporated into the full-time salaries. No turnover savings are assumed in Fire's FY26 budget. Additionally, \$3.2m in costs for sick leave payouts was shifted from salaries and wages to employee benefits from FY25 to FY26.

- b. **Employee Benefits increase by \$7.9 million (25%) in FY 2026; please explain.**

The increase of \$7.9 million (25%) in employee benefits from FY 2025 to FY 2026 is due to two primary factors. First, fringe benefit rates have risen as a result of hospitalization enrollment patterns and contract negotiations for retiree benefits. Second, \$3.2 million was reallocated from salaries to benefits to cover sick leave payouts from FY25 to FY26.

- c. **Professional & Contractual Services decrease by \$.7 million (5.8%) in FY 2026; please explain. Are there any cost savings included in this amount? Are their yearly cost escalators included in this account?**

The \$0.7 million (5.8%) decrease in Professional & Contractual Services is primarily due to the removal of the one-time FY 2025 expense for the Nurse Navigation program, which was approximately \$600K. The remaining reduction is based on year-over-year spending trends. This adjustment is intended to maintain current operations.

- d. **Operating Supplies and Operating Services decreased by \$.5 million (17.9%) and (0%); respectively in FY 2026. In comparison, the FY 2025 budget for Operating Services is 54% lower than FY 2024 actual results. There is no change to the FY 2026 budget for this account and 1% growth for each year thereafter. Please explain the year-over-year change in Operating Supplies. Are their yearly cost escalators included in this account?**

The year-over-year change in Operating Supplies for the Mayor's FY26 proposed budget reflects an effort to better align with current-year spending trends and the final actuals for FY 2024. Given these trends, the proposed reduction aligns more closely with operational needs and includes consideration for any cost escalators.



- e. **Other Expenses decrease by (24%) in FY 2026 and increase by 1.0% thereafter, please explain the one-year decrease. Please describe the expenses included in this category and why a 1% growth factor is used for the forecast years.**

The decrease in other expenses is due to grant matching awards, it varies YOY depending on what is awarded the expense will increase or decrease to match. Due to the uncertainty of Federal Grants a 1% increase was for conservative growth.

10. On page B24-9, please explain the increase/decrease in the following revenue categories:

- a. **Sales & Charges increase by \$.8 million, 3.9% in FY 2026 followed by 11.4% in FY 2027; 10.4% in FY 2028 and 2% for FY 2029. In comparison, no growth was recorded between the FY 2025 budget and FY 2024 actual results. Please discuss.**

The FY26 increase is comprised of EMS revenue forecast changes based on prior-year and current-year collection activity. The FY27-29 forecasts represent anticipated increases in Medicaid EMS revenue from the recently enacted State Medicaid supplemental payment program.

- b. **Licenses, Permits & Inspection Charges increase by 2% in FY 2026 and for the forecast years. Fiscal year- end 2024 revenues recorded a negative balance; please explain.**

Licenses, Permits & Inspection Charges revenue forecast is based on actual activity, which is the expectation for a conservative growth of 2% based on yearly trends. The Negative balance in 2024 was an adjustment transaction posted by Plante Moran.

11. On page B24-10- B24-11, please explain the year-over-year change from the current fiscal year to the Proposed FY 2026 Budget for the following expenditures:

- a. **Appropriation 25240- Fire Ordinance Enforcement, cc 240260 – Fire Marshal Arson Investigation decrease by (8%) and (-1) position.**

One Fire Lieutenant moved to 29240-240220 (Fire Training)

- b. **Appropriation 25242- Fire Fighting and Response, please explain the decrease in EMS operations in the 3 cost centers: 240320- EMS Administration, 240340- EMS Field Operations and 240350- EMS Training.**

25242 – 240320 (EMS Administration):

The decrease in EMS Administration is attributed to a reduction in the professional and contractual services category. This adjustment is based on year-over-year and current year trends, aligning operating costs more closely with actual needs. Additionally, the one full-time equivalent (FTE) increase was offset by two FTE reductions at higher salary levels, which contributed to cost savings.



25242 – 240340 (EMS Field Operations):

The reduction in EMS Field Operations is primarily in the operating supplies category, which was adjusted to align with current and historical spending trends. Furthermore, position movements across cost centers impacted the budget, including the reallocation of EMT merge roles to Cost Center 240195, where these roles are associated with higher salary positions, further contributing to the decrease.

25242 – 240350 (EMS Training) 12 FTEs moved to 29240 – 240220 (Fire Training)

c. **Appropriation 29241- 240110- Fire Apparatus Stores decrease by (38.9%) in FY 2026.**

Manager 2 moved to 29240 – 240010 (Fire Administration)

12. Please provide an update on EMS billings, and Medicare/Medicaid reimbursements for the current fiscal year and FY 2026.


Medicare/Medicaid Billings/Reimbursements (July 1, 2024 - March 28, 2025)

	Gross Charges	Contractual Adjustments	Net Charges	Paid Amount	Balance Due
Medicaid	\$ 13,887,569.49	\$ 6,148,362.98	\$ 7,739,206.51	\$ 5,743,056.44	\$ 1,996,150.07
Medicare	\$ 8,268,953.42	\$ 1,345,389.68	\$ 6,923,563.74	\$ 5,333,479.48	\$ 1,590,084.26
Total	\$ 22,156,522.91	\$ 7,493,752.66	\$ 14,662,770.25	\$ 11,076,535.92	\$ 3,586,234.33

2025 Rate Schedule

HCPCS	Description	Detroit Rates	2025 Medicare Allowable Rates	2025 Medicaid Allowable Rates
A0425	Mileage	\$ 11.50	\$ 9.15	\$ 8.54
A0427	ALS -Advance Life Support	\$ 800.00	\$ 535.36	\$ 364.93
A0429	BLS- Basic Life Support	\$ 450.00	\$ 450.83	\$ 265.54
A0433	ALS 2 – Advance Life Support 2	\$ 800.00	\$ 774.87	\$ 409.40
A0998	TNT - Treatment no Transport	\$450/\$800	\$ -	\$ 265.54



 <div style="text-align: center;"> City of Detroit EMS Billing Procedures & Rates </div>				
Chargemaster Item	Rate	Medicaid	Medicare	
ALS Emergency Mileage	11.50	11.50	11.50	
ALS Non-Emergency Mileage	11.50	11.50	11.50	
ALS Treatment No Transport	800.00	800.00	800.00	
ALS1 Emergency Base Rate	800.00	800.00	800.00	
ALS1 Non-Emergency Base Rate	800.00	800.00	800.00	
ALS2 Base Rate	800.00	800.00	800.00	
BLS Emergency Base Rate	450.00	450.00	450.00	
BLS Emergency Mileage	11.50	11.50	11.50	
BLS Non-Emergency Base Rate	450.00	450.00	450.00	
BLS Non-Emergency Mileage	11.50	11.50	11.50	
BLS Treatment No Transport	450.00	450.00	450.00	
Non-Sufficient Funds Fee	25.00	*	*	
Oxygen	50.00	50.00	*	

- a. **Are there any proposed state/federal legislative changes that would impact these revenues in the near future? Please discuss possible cuts to Medicaid funding.**

At this time there are no cuts scheduled for Medicaid. Fire departments that provide Ground Emergency Medical Transportation (GEMT) services to Medicaid recipients can receive reimbursement through a State supplemental payment program. This program is designed to cover the difference between what Medicaid normally pays and the actual cost of providing the service. The process is currently with the State for development and there is no timeline currently for reimbursement.

- b. **Please discuss delinquent activity, age of delinquent accounts and estimated total amount outstanding. What is the plan for collection of delinquent accounts?**

Receivables Report - Financial Group Summary - Aged From Date of Service

City of Detroit				
Financial Group	181-270	271-365	366-730	Totals
PATIENT	1,704,249.71	1,734,650.97	4,901,865.02	8,340,765.70
MEDICARE HMO	185,045.23	241,364.30	369,410.06	795,819.59
OTHER	15,722.38	99,611.26	121,329.48	236,663.12
Grand Totals	1,905,017.32	2,075,626.53	5,392,604.56	9,373,248.41

Filter Criteria	
Sales Through:	03/20/2025
As Of:	03/20/2025

**NOTE: Outside contractor manages all collections.