

14-0600-S108

ADOPTED BUDGET RECOMMENDATION

REFER to the Public Safety Committee 2014-15 Budget Memo No. 87 regarding a funding proposal to develop the Automated False Alarm Tracking and Billing System.

(Pursuant to adoption of the Mayor's 2014-15 Budget on May 21, 2014)

MAY 21 2014

REFERRED TO

PUBLIC SAFETY

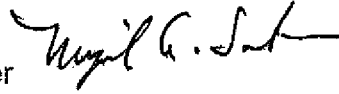
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 87

Date: May 6, 2014

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE DEPARTMENT – FUND PROPOSAL TO DEVELOP THE AUTOMATED
FALSE ALARM TRACKING AND BILLING SYSTEM**

During its consideration of the Fire Department's 2014-15 Proposed Budget, the Committee requested the Department to report back on what funding is necessary to develop the automated false alarm program tracking and billing system. The Department's response is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of the Fire Department's request for a False Alarm Tracking and Billing System would be \$1,034,000, which includes \$500,000 for system development; \$400,000 for Information Technology Agency system customization; and \$134,000 for one Fire Captain II position to administer the program. Estimated revenues for this program would not be recognized until Fiscal Year 2015-16, when the system is anticipated to be fully operational. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:MCD:04140108

Question No. 224

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 6, 2014

TO: Miguel A. Santana, City Administrative Officer
City Administrative Office

FROM: James G. Featherstone, Interim Fire Chief
Los Angeles Fire Department



SUBJECT: BUDGET MEMO NO. 224 – FALSE FIRE ALARM BILLING PROGRAM

The Budget and Finance Committee requested a report back on funding to develop an automated system to track and bill for cost recovery of the Department's response to repetitive false alarms. The intent of the Program is to educate businesses and homeowners of the need to repair their alarm systems so limited and valuable LAFD resources would be available to respond to actual emergencies.

The draft ordinance is being finalized and should be submitted to the Fire Commission for consideration before the end of the fiscal year. Full cost recovery would include: (a) \$55 initial registration fee; (b) \$15 annual permit fee; and (c) approximately \$200 for the cost to operate a 4-member Engine Company for one-half hour, which is the average time for the LAFD to respond to the call and to determine that no emergency situation exists.

Below is an estimate of the potential revenues to be received and expenses for a vendor to process billings, and for a Captain II to administer the Program.

	Year 1	Year 2	Year 3	Year 4	Year 5
Program \$ Received	\$597,410	\$630,088	\$655,655	\$675,648	\$691,282
Total Expense	\$658,621	\$658,621	\$658,621	\$658,621	\$658,621
Net	\$(61,212)	\$(28,533)	\$(2,967)	\$ 17,026	\$ 32,661

Upon further evaluation of the implementation process, it was determined that, in addition to the requested \$500,000 for systems development, funding for the following will be required: (a) \$100k for ITA to make changes to the Computer Assisted Dispatch system in order to accurately assess resource activity; and, (b) \$300,000 for ITA or a private vendor to make changes to the program utilized by the Department to track incident outcome information. This program is based on the National Incident Fire Reporting System (NFIRS).