



MEMORANDUM

DATE: March 3, 2014
TO: Mayor and City Council
FROM: Michael A. Zywanski, Fire Chief
SUBJECT: SAFER Grant Award

PURPOSE:

This memorandum provides information regarding the Grant Award to the City of Park Ridge for the Staffing for Adequate Fire and Emergency Response (SAFER Grant) from the Federal Emergency Management Agency (FEMA).

BACKGROUND:

The Park Ridge Fire Department has been notified by the Federal Emergency Management Agency (FEMA), that the City will be awarded a 2013 Grant for \$512,850.00 under the Staffing for Adequate Emergency Response Grant (SAFER). This is a very competitive grant program, with approximately 10 – 12% of the applicants being awarded federal funding. The purpose of this grant is to fund 100% of payroll costs to hire three firefighter/paramedics. Unlike in the past, the grant has a two year period of performance and after two years these positions do not need to be retained by the department. Additionally, there is no city dollar match component, which was also a requirement of this grant in the past.

History:

The Fire Department used to be staffed with 51 firefighters, but due to budget cuts in 2010, three positions were eliminated through attrition. Currently, there are 48 full-time firefighter positions and this grant would allow the fire department to get back to its previous staffing level.

DISCUSSION:

The Fire Department currently has 15 personnel assigned to each of the three, 24 hour shifts. Each 24 hour period, 12 firefighters are needed on duty at a minimum in order to staff the Department's two ambulances and three firefighting units. When staffing falls below 12 firefighters, due to earned time off or sick days, the city needs to fill that position, resulting in overtime. This grant would allow the Department to add one firefighter/paramedic each 24 hour shift and significantly reduce annual overtime expenditures.

Looking at overtime costs for the past three calendar years (see attached), the city would be projected to save approximately \$100,000 in overtime costs in the first year of the Grant, with \$200,000 savings to overtime in the second year if staffing is increased by one firefighter/paramedic per shift.



Consideration of this federal grant must include a discussion of the Pros and Cons of accepting the Grant.

Pros of accepting the Grant

- Grant provides the funding for salary and benefits for three firefighter/paramedics, for two years.
- Operations can be enhanced/made safer with more personnel available.
- Reduction in overtime is the main driving factor in acceptance of this grant.
- Grant has a two year performance period, after which, the positions can be eliminated.
- No city matching funds component to this grant, as had been the case in the past.
- The Department anticipates retirements in the next two years.

Cons of accepting the Grant

- The Grant funds do not cover the cost of Fire Academy training, uniforms and protective gear for the new hires.
- City Pension contribution to the Fire Pension Fund for the new hires.

RECOMMENDATION:

Staff recommends the acceptance of the SAFER Grant due to the enhancement of operations and the projected overtime savings for the Fire Department. Additionally, the changes to the Grant performance criteria eliminated the requirement that the City must keep the positions open beyond the Grant period.

BUDGET IMPACT:

Year 1

Account: 2023-910000	Increase Regular Salaries in FY15:	\$181,542
Account: xxxx-xxxxxx	Increase Health Insurance Expense in FY15:	\$ 61,449**
Account: 2023-943700	Increase Fire Training Account in FY15:	\$ 10,500
Account: 2023-952000	Increase Materials Account in FY15:	\$ 12,300
Account: xxxx-xxxxxx	Increase Grant Revenue in FY15:	\$251,850
Account: 2023-915200	Reduce Overtime Budget in FY15:	<u>\$100,000</u>
	Net Savings to the City:	\$ 86,059

Year 2

Account: 2023-910000	Increase Regular Salaries in FY16:	\$188,805
Account: xxxx-xxxxxx	Increase Health Insurance Expense in FY16:	\$ 70,665*
Account: xxxx-xxxxxx	Increase Grant Revenue in FY16:	\$261,000
Account: 2023-915200	Reduce Overtime Budget in FY16:	<u>\$200,000</u>
	Net Savings to the City:	\$201,530

Two Year Total Savings: \$287,589

Note: **Assumes Family PPO Coverage

*Assumes 15% increase in health insurance cost in Year 2.

Grant Award Amount	\$512,850.00		\$512,850.00	\$512,850.00
Grant covers Salary and Benefits for three FF/PM for a two year period				

FINANCIALS:

	<u>SALARY</u>	<u>BENEFITS (Health and Life Insurance)</u>		
YEAR 1 Salary	\$60,514 (per FF)	\$20,483 x 3 FF's =	\$242,991	\$242,991.00
YEAR 2 Salary	<u>\$62,935</u>	<u>\$23,555 x 3 FF's =</u>	<u>\$259,471</u>	<u>\$259,471.00</u>
			<u>\$502,462.00</u>	-\$502,462.00

Note: Projected Benefit Cost could be less due to Single Coverage vs. Family

Salary and Benefits Projected:	\$502,462.00	<u>\$10,388.00</u>
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Expense:

Academy Cost: \$3,500 x 3	\$10,500.00		
Uniforms Cost: \$2,000 x 3	\$6,000.00		
Protective Gear: \$2,100 x 3	<u>\$6,300.00</u>		
Total Expense:	\$22,800.00		-\$22,800.00

Expense Offset in Overtime Expense:

YEAR 1 Projected:	\$100,000.00		
YEAR 2 Projected:	<u>\$200,000.00</u>		
Total Overtime Expense Reduction: (Projected)	\$300,000.00		\$300,000.00

Net Savings to Park Ridge Over Two Year Grant:	<u>\$287,588.00</u>
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