

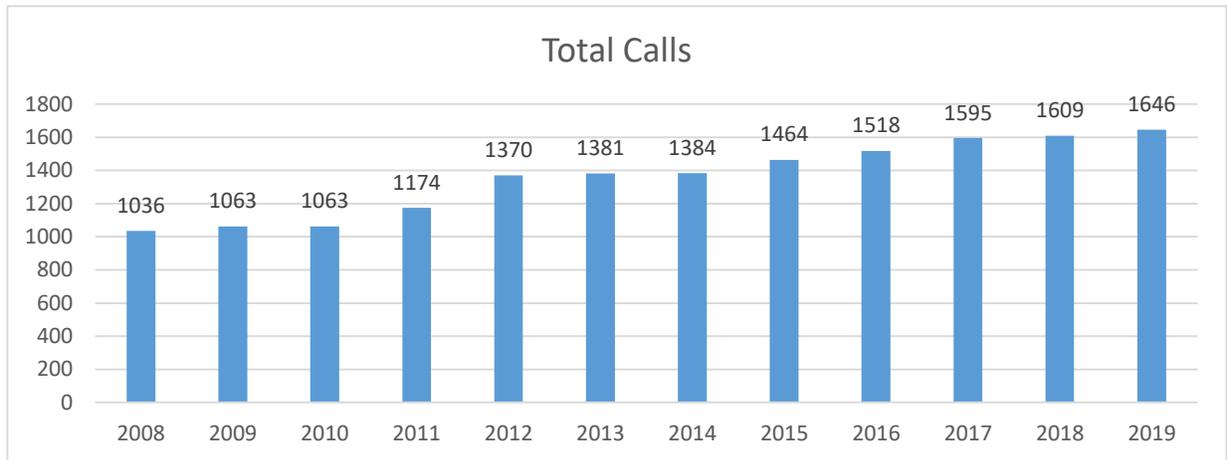
Safety and Human Resources
Committee Meeting Information
January 27, 2020

Over the past few months, discussions have taken place regarding the increase of the number of calls to service for Napoleon Fire and Rescue (NF&R) and the staffing levels at the Department. A solution was proposed to increase the number of staff members at the Department by using a grant and potentially implementing a vehicle crash fee. Concerns were raised during these discussions and it was determined that the proposal is not sustainable. Therefore, staff investigated other options. After further review, we are proposing a solution for not only the fire department, but the police department, capital improvement fund, and general fund operations.

The current proposals on the agenda have been brought to the attention of Napoleon City Council due to the need of additional staffing and associated funding. The National Volunteer Fire Council (NVFC) reports that there is a decrease in the number of volunteer firemen across the United States. The NVFC study found this decrease is due to several contributing factors. Here are a few listed in no specific order:

- a. Time demands
- b. Training requirements
- c. Changes in the nature of the business
- d. Aging communities

In order to make up for the loss in volunteers and the increase in calls in our aging community, we are tasked to find a solution that works for the City of Napoleon. The solution must be affordable, sustainable and able to handle the growing call volume (See the chart below for the call volume trend for the City of Napoleon since 2008).



Vehicle Crash Fees

At the previous meeting, Chief O'Brien was tasked to bring back more information.

- a. *How much has Swanton Fire Department billed out and recovered?*
 - a. According the Swanton Fire Chief, they billed out a little over \$30,000 and recovered about \$4,000.
 - b. Ridgeville Fire Department bills for crashes but use a different company than Swanton to recover the assessed fee. They collect around \$20,000 a year.
- b. *At the request of Councilman Comadoll, contact was made with the State of Ohio Department of Insurance by Chief O'Brien*
 - a. The representative informed Chief O'Brien they understand the need to bill for this service. There is not a "blanket liability policy" meaning that the fee would not likely be covered if it isn't within the description of the liability on their policy. It was further stated liability policies are all different, therefore the fire department could charge the

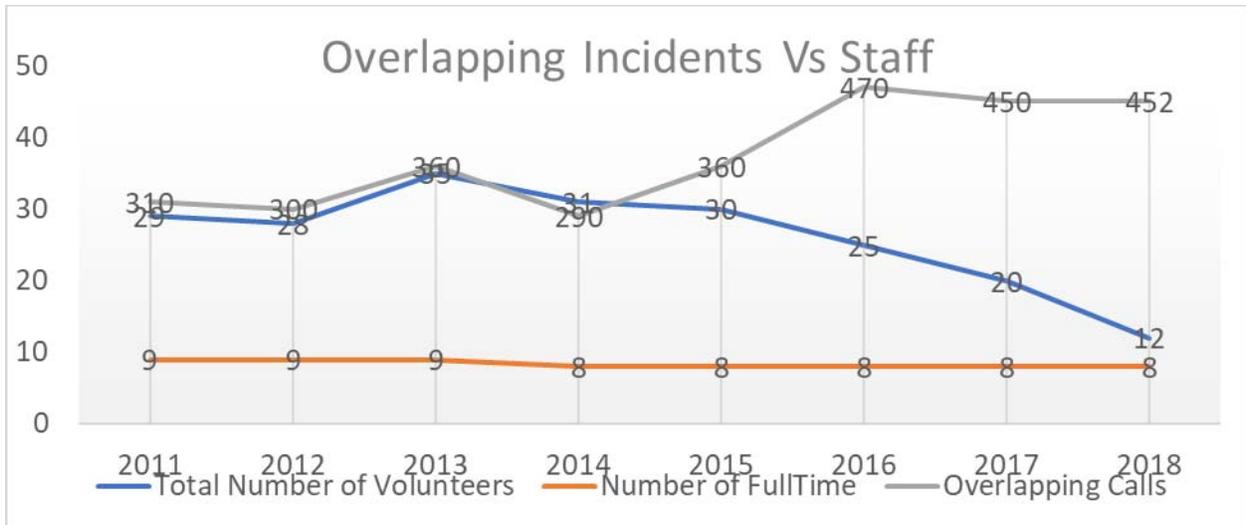
fee. If the insurance company does not pay, then they are required to provide an explanation.

NF&R Staffing Levels and the SAFER Grant

The goal of the fire department is to have four (4) firefighters at the fire station around the clock. The SAFER grant (Staffing Adequate Fire and Emergency Response) is a federal grant that is intended to help local governments put on new firemen. The term of this grant is for three (3) years.

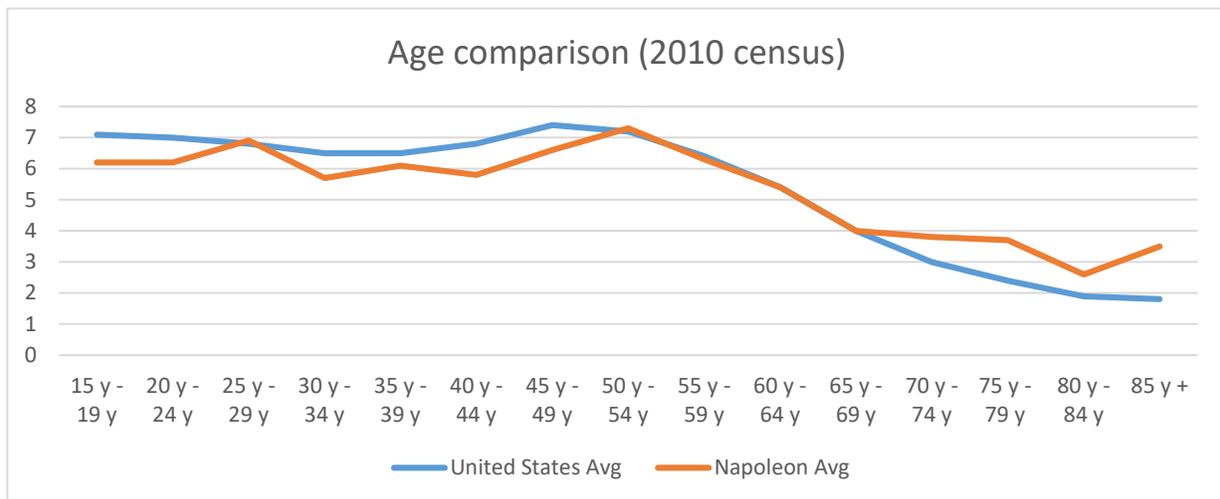
- a. 1st year – 75% covered by grant with 25% paid for by City (\$55,203.07 net township contract reimbursement of 24%)
- b. 2nd year - 75% covered by grant with 25% paid for by City (\$61,793.47 net township contract reimbursement of 24%)
- c. 3rd year – 35% covered by grant with 65% paid for by City (\$168,664.43 net township contract reimbursement of 24%)
- d. 4th year – 100% paid for by City (\$281,595.39 net township contract reimbursement of 24%)

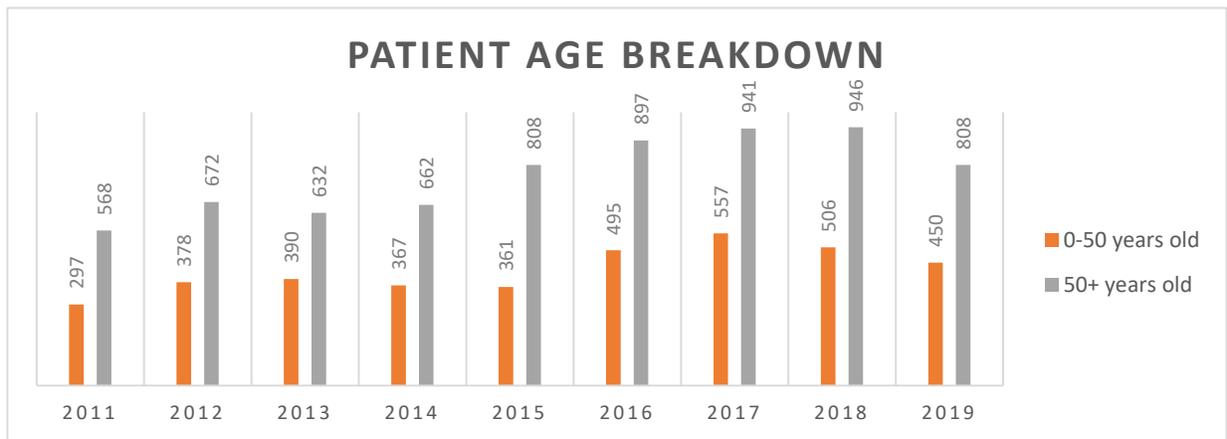
The SAFER grant would provide four (4) additional firefighters allowing for four full-time firefighters per shift. This would provide enough personnel to handle the first fire or EMS call and the overlapping calls. However, we believe this staffing structure would have a significant impact on the volunteer staffing structure within the Department. As you can see from the chart below, due to the increase in our call volume, we are seeing an increase in the number of overlapping calls. This is a point of concern for the service that the City of Napoleon provides for the citizens and businesses within the NF&R coverage area, which covers portions of the townships surrounding Napoleon.



The fire department has seen a 60% increase in calls for service since 2008. In 2008 the fire department responded to 1,036 calls for service; whereas, in 2019 the fire department answered 1,646 calls for service.

There are many factors that play a part in the increased call volume with the City of Napoleon’s aging population at the forefront. Compared to 2011, the fire department responded to a 40% increase in patients that are 50 and older prior to the senior apartments and other housing units being built. Below are two charts that show the comparison of the median age for Napoleon and the nation, and the Napoleon patient age breakdown by year.





Police Department Dispatch Staffing

Between 2001 and 2006 the department saw a 30% increase or approximately 3,000 calls. This increase precipitated the need to increase staffing. In 2006, the approved dispatchers went from five (5) to six (6). A performance audit was performed in 2012 with a large focus on the elimination of the dispatch center. In 2014, the voters with a margin of 68% to 32% approved maintaining the city dispatch center. Since 2008, the service calls have increased an additional 40% or 4,000 calls. Emergency 911 calls for service have doubled since 2008.

Since 2014, the sixth (6th) approved dispatcher position was not refilled and eliminated within the city budget. This was part of a personnel restructuring of positions within City administration. Loss of the 6th dispatcher, continues to be a great concern of the Napoleon Police Department (NPD). There have been many unintended consequences due to this reduction in staffing, which include the following:

- a. Turnover in dispatchers
- b. Overtime and multiple consecutive 12-hour shifts
- c. Significant decrease in experience among dispatchers
- d. Extended work weeks or shorten regular days off

- e. Cancelled time off
- f. Burnout, less job satisfaction, and concern for overall wellbeing of employees

Dispatching is provided for the following agencies:

- a. Police, Fire and EMS
- b. Electric, Water/Wastewater, and Operations
- c. Secondary dispatch center for Henry County Emergency Services

(*Note-any increase to the above agencies results in an increase in workload to the dispatch)

On top of answering the calls, many administrative duties are assigned to these employees. Records requests/maintenance, various levels of court ordered documentation, and help with administrative tasks within the department.

NPD Overtime

The table below contains the number of hours that are required in the schedule based on the level of staffing. These numbers are before any discretionary time off is approved, which includes vacation, compensatory time, sick leave, personal days or other types of leave.

(6) Six Dispatchers	<u>0</u> Hours of OT required before any discretionary time approved
(5) Five Dispatchers *Current Approved Staffing*	<u>120</u> Hours of OT required before any discretionary time approved
(4) Four Dispatchers <i>(Loss of (1) dispatcher due to any reason, extended sick leave, trauma leave, vacation, resignation, termination or other reason)</i>	<u>960</u> Hours of OT required before any discretionary time approved

(*Note – These numbers are based on a 1-year cycle)

Experience

Since 2008, the NPD has hired 16 dispatchers. In 2008, the dispatchers had an average 5.5 years of experience compared to a current average of 1.33 years of experience, thus a loss of over 67 years of experience. This can be attributed to the performance audit and inadequate staffing.

Every time a dispatcher position is vacant the financial impact to the City is approximately \$9,800.00. This figure represents the amount required for overtime net the vacancy savings, fringe benefits, drug testing, uniforms, potential partial vacation payouts and emergency medical dispatch certification.

Extended Work Hours/Cancelling Time Off

As a result of the turnover in the dispatch center, eight (8) days of discretionary time had to be cancelled. This was with a significant collaborative effort between patrol, dispatch and command to prevent this. The police department was faced with times where there would have been no available personnel to operate the dispatch center. In an effort keep this from happening we had to negotiate the ability to have patrol officers working in the dispatch center. The officers can only sign up for the dispatch overtime on a voluntary basis. Even with restriction, officers covered 166 hours of overtime last year. In 2015, we had five (5) officers certified in dispatch with currently only two (2) due to legal certification requirements.

Impact on Employees Under Current Conditions

Job satisfaction is defined as the extent to which an employee feels self-motivated, content and satisfied with his/her job. Job satisfaction happens when an employee feels he or she has job stability, career growth and a comfortable work life balance. The positive effects of job satisfaction include: higher efficiency, employee loyalty, morale and employee retention. Overtime is inevitable in safety services but too much overtime will lead to employee burnout by cutting into the employees' work-life balance. Working excessive hours is not what employees seek, people work to live not live to work. Working excessive overtime is taking away from their personal life. The Centers for Disease Control and Prevention states that overtime can contribute to poorer general health, increased rates of injury, and more illnesses. A study by the American

Psychological Association (APA) claimed that burned-out employees are 2.6 times as likely to be actively seeking a different job; 63% more likely to take a sick day; and 23% more likely to visit the emergency room. During the times that the Dispatch Center is not fully staffed the dispatchers routinely work 12-hour shifts. Studies have linked 12-hour schedules to increased fatigue, especially when compared to 8-hour schedules. Sleep deprivation/fatigue has a list of unintended consequences, which may include:

- a. Increased irritability and lacking levels of tolerance
- b. Reduced levels of alertness and increased propensity for accidents
- c. Memory impairment, Lack of concentration and overall inattention
- d. Stress-related illnesses, obesity, hypertension, and changes in both metabolic and hormonal functions.

Having a more adequately staffed fire department and dispatch center would likely result in higher employee retention, employee satisfaction, and a boost in department morale.

Proposed Solution

The intent of the SAFER Grant was to use federal funds to finance the front end of the initial proposal. But this was not financially sustainable without a significant income tax increase in the long run. This is why we are proposing to eliminate 50% of the Reciprocity Income Tax Credit offered to residents that live in the City limits, but work in another jurisdiction that collects income tax from them. A Reciprocity Income Tax Credit is described as this: If you live in one city but work in another, you get credit from the city you live in for the tax withheld from the city in which you work. If there is a difference in the tax rate between those two cities, then you still pay the difference when you file your tax return. For example, if you live in Napoleon (1.5% income tax) and work in Bowling Green (2.0% income tax), then you do not have to pay

income tax to Napoleon. But if you live in Napoleon (1.5% income tax) and work in Deshler (1.0% income tax), then you must pay 0.5% income tax to Napoleon.

By implementing a 50% reciprocity income tax credit instead of the current 100% credit, we would be able to resolve not only the NF&R Department and NPD Dispatch Center staffing issues, but also help address concerns with the amount of capital improvement funds used for road resurfacing and the City's General Fund operations. The proposed solution would provide funding for the following:

- One (1) full-time fireman – (this will allow for three (3) full-time firefighters on each shift)
- 12-hour part-time fireman (restructure the part-time schedule to work 24-hour shift)
- Result is four (4) firemen around the clock – made up of full-time and part-time. This would accomplish the same outcome as the SAFER grant for less cost.
- One (1) full time dispatcher (bringing the staffing level back to six)
- Increase the amount of funding for the capital improvement fund, which we propose to use strictly for additional road resurfacing projects.
- Any additional funding from this change will help lessen the gap of the projected revenues to the proposed budget, thus reducing the impact on the general fund reserve.

Financial Outlook

As stated, the funding for the proposed solution would come from a reciprocity income tax. We are recommending a 50% reciprocity instead of the current 100%. Reciprocity can be achieved by council action and would generate approximately \$400,000 per year. Based on average projections, this revenue would be able to fund the above issues the city is facing. Below is information regarding the impact of the fifty (50) percent reciprocity change along with other jurisdictions percents.

Impact of Reciprocity - if someone lives in the City of Napoleon but works outside, then they would receive 50% credit instead of 100% credit for host employer location. The person would also have to pay the difference between the City of Napoleon income tax rate and the host employer.

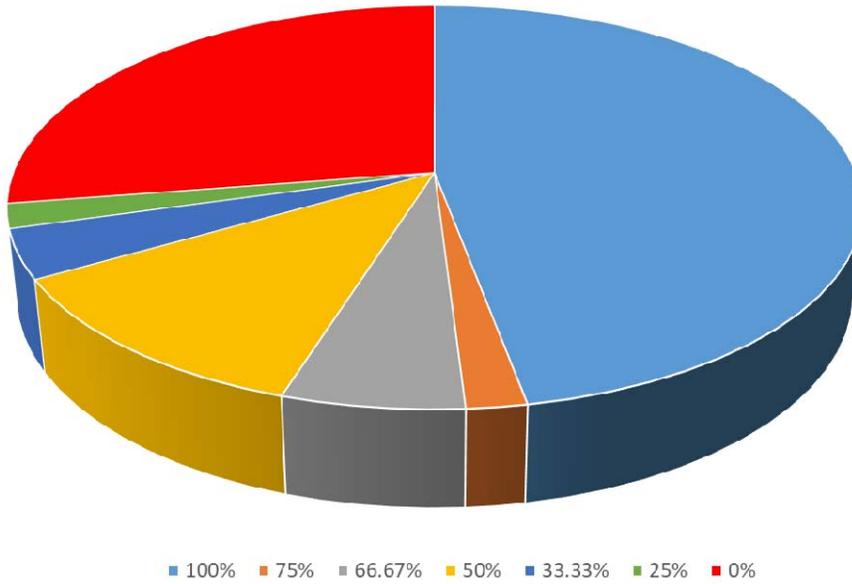
Potential Estimated Additional Tax Generated -50% Reciprocity based on 3 year average (2017, 2016 & 2015)	\$	392,229.67						
Est. Portion to General Fund (based on 65% split-2020 and 62% for other years)	\$	254,949.28	\$	243,182.39	\$	243,182.39	\$	243,182.39
Est. Portion to Capital Improvement Fund (based on 35% split-2020 and 38% for other years)	\$	137,280.38	\$	149,047.27	\$	149,047.27	\$	149,047.27
Cost of 1 Full time Firefighter		1st Year		2nd Year		3rd Year		4th Year
Salary (includes \$2,000 for Paramedic Bonus)	\$	40,357.49	\$	45,498.00	\$	46,845.42	\$	50,539.71
Fire Pension 24%	\$	9,685.80	\$	10,919.52	\$	11,242.90	\$	12,129.53
FICA	\$	585.18	\$	659.72	\$	679.26	\$	732.83
Worker's Compensation	\$	807.15	\$	909.96	\$	936.91	\$	1,010.79
Health Insurance (Family-new) -projected at 10% increase per year	\$	21,200.00	\$	23,320.00	\$	25,652.00	\$	28,217.20
SUBTOTAL FT FIREFIGHTER	\$	72,635.62	\$	81,307.20	\$	85,356.49	\$	92,630.06
Cost of Part time Fire fighter								
Salary (estimated) -projected at 2% per year	\$	66,500.00	\$	67,830.00	\$	69,186.60	\$	70,570.33
Social Security (6.2%)	\$	4,123.00	\$	4,205.46	\$	4,289.57	\$	4,375.36
FICA	\$	964.25	\$	983.54	\$	1,003.21	\$	1,023.27
Worker's Compensation	\$	1,330.00	\$	1,356.60	\$	1,383.73	\$	1,411.41
SUBTOTAL PT FIREFIGHTER	\$	72,917.25	\$	74,375.60	\$	75,863.11	\$	77,380.37
Cost of 1 Full time Dispatcher								
Salary (estimated) -projected at 2% per year	\$	34,775.68	\$	38,042.86	\$	41,616.98	\$	45,526.90
PERS	\$	4,868.60	\$	5,326.00	\$	5,826.38	\$	6,373.77
FICA	\$	504.25	\$	551.62	\$	603.45	\$	660.14
Worker's Compensation	\$	695.51	\$	760.86	\$	832.34	\$	910.54
Health Insurance (Family-new) -projected at 10% increase per year	\$	21,200.00	\$	23,320.00	\$	25,652.00	\$	28,217.20
SUBTOTAL FT DISPATCHER	\$	62,044.04	\$	68,001.33	\$	74,531.14	\$	81,688.54
LESS 24% REIMBURSEMENT FOR TOWNSHIP FIRE CONTRACT (FT & PT FIREFIGHTER)	\$	(34,932.69)	\$	(37,363.87)	\$	(38,692.70)	\$	(40,802.50)
TOTAL COST FOR FIREFIGHTER (FT & PT) AND DISPATCHER	\$	172,664.22	\$	186,320.26	\$	197,058.04	\$	210,896.47
REMAINING BALANCE OF GENERAL FUND RECIPROCITY ALLOCATION (USING 3 YEAR AVERAGE OF INCOME TAX FIGURES)	\$	82,285.07	\$	56,862.14	\$	46,124.36	\$	32,285.93

Working Draft 1.21.20

NORTHWEST OHIO CITY & VILLAGE TAX RATES AND CREDITS GIVEN (Rates Listed as of 10/8/18)

<u>CITY/VILLAGE</u>	<u>CITY TAX RATE</u>	<u>CREDIT TO ANOTHER CITY (Up To)</u>	<u>PERCENT % OF TOTAL TAX (CREDIT)</u>	<u>NET % of TAX DUE AFTER CREDIT</u>
ARCHBOLD	1.50%	1.50%	100.00%	0.00%
ARLINGTON	1.00%	1.00%	100.00%	0.00%
BELLEVUE	2.00%	2.00%	100.00%	0.00%
BLOOMDALE	1.00%	0.00%	0.00%	100.00%
Bowling Green	2.00%	0.50%	25.00%	75.00%
Bradner	1.00%	0.00%	0.00%	100.00%
Bryan	1.80%	1.80%	100.00%	0.00%
Clay Center	1.50%	1.50%	100.00%	0.00%
Clyde	1.50%	1.50%	100.00%	0.00%
Defiance	1.80%	1.80%	100.00%	0.00%
Delta	1.50%	1.00%	66.67%	33.33%
Edgerton	1.75%	1.75%	100.00%	0.00%
Elmore	1.75%	0.00%	0.00%	100.00%
Fayette	1.50%	1.50%	100.00%	0.00%
Findlay	1.00%	0.00%	0.00%	100.00%
Fostoria	2.00%	0.00%	0.00%	100.00%
Fremont	1.50%	1.50%	100.00%	0.00%
Genoa	1.50%	0.00%	0.00%	100.00%
Gibsonburg	1.00%	0.00%	0.00%	100.00%
Grand Rapids	1.00%	0.50%	50.00%	50.00%
Green Springs	1.00%	0.50%	50.00%	50.00%
Holgate	1.00%	0.00%	0.00%	100.00%
Holland	2.25%	2.25%	100.00%	0.00%
Leipsic	1.50%	1.50%	100.00%	0.00%
Liberty Center	1.00%	0.50%	50.00%	50.00%
Lima	1.50%	1.50%	100.00%	0.00%
Luckey	1.00%	0.00%	0.00%	100.00%
Maumee	1.50%	1.50%	100.00%	0.00%
Millbury	1.50%	0.00%	0.00%	100.00%
Montpelier	1.60%	1.60%	100.00%	0.00%
Napoleon	1.50%	1.50%	100.00%	0.00%
N.Baltimore	1.00%	0.00%	0.00%	100.00%
Northwood	1.50%	1.50%	100.00%	0.00%
Oak Harbor	1.00%	0.00%	0.00%	100.00%
Oregon	2.25%	2.25%	100.00%	0.00%
Ottawa Hills	1.50%	0.50%	33.33%	66.67%
Pemberville	1.00%	0.00%	0.00%	100.00%
Perrysburg	1.50%	0.75%	50.00%	50.00%
Port Clinton	1.50%	0.50%	33.33%	66.67%
Rossford	2.25%	2.25%	100.00%	0.00%
Swanton	1.50%	1.00%	66.67%	33.33%
Sycamore	1.00%	0.50%	50.00%	50.00%
Sylvania	1.50%	1.50%	100.00%	0.00%
Tiffin	1.75%	1.75%	100.00%	0.00%
Toledo	2.25%	2.25%	100.00%	0.00%
Tontogony	1.00%	1.00%	100.00%	0.00%
Walbridge	1.50%	1.00%	66.67%	33.33%
Wartsville	2.00%	1.50%	75.00%	25.00%
Wauseon	1.50%	1.50%	100.00%	0.00%
Weston	1.00%	0.00%	0.00%	100.00%
Whitehouse	1.50%	0.75%	50.00%	50.00%

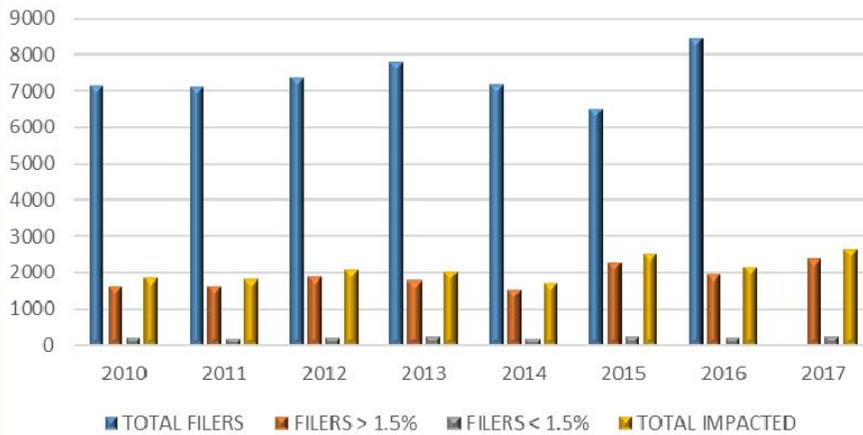
Percent of Reciprocity by Jurisdiction



Reciprocity	Number
100%	24
75%	1
66.67%	3
50%	6
33.33%	2
25%	1
0%	14
TOTAL	51

YEAR	TOTAL FILERS	FILERS > 1.5%	FILERS < 1.5%	TOTAL IMPACTED	% OF FILERS IMPACTED
2010	7127	1648	215	1863	26.1
2011	7086	1647	184	1831	25.8
2012	7364	1886	200	2086	28.33
2013	7786	1787	232	2019	25.66
2014	7181	1549	171	1720	23.9
2015	6499	2293	236	2529	39
2016	8446	1949	195	2144	25.4
2017		2399	239	2638	

TOTAL IMPACTED BY 50% REDUCTION



Implementation

Legislation amending Napoleon Ordinances 143.01, 145.01, and 194.081 will be needed to effectuate the proposed changes.

Other Options

In seeking solutions to this issue, we had to look at alternatives. The first alternative is to do nothing and keep the staffing and funding levels the same. We do not believe that this is a good option due to the reasons above; safety and increased call volume/workload being the main drivers. In addition to this, we are projecting that Napoleon's population will start to increase steadily in the near term. This not only includes the residential population with approximately 113 housing units built or under construction over an 18-month period, but an increase in business growth. The daytime population of Napoleon has increased greatly over the past few years due to increased business activity, which contributes to the workload increase.

Another option would be to raise the proposed Reciprocity Income Tax Credit to 70% and forgo collecting anything additional for capital improvement funding for roads. This would cause the annual income tax split of the typical 62% Operating and 38% Capital Funds to widen. The effect would be that the margin would widen by approximately 6%, which would require a 65% Operating and 35% Capital Fund under current conditions. Also, keep in mind that we are within striking distance of funding the repaving of Oakwood Avenue from Perry Street to the Commissioner's office complex. Though we received a grant for \$2 M, we still need to finance an additional \$2 M more to complete the entire project. There are also many roads throughout the City that are in need of resurfacing or will be in need of resurfacing in the near future. More funding is required in order to stay ahead of the need, even though the two ballot issues were voted down in 2017.

Another option would be to go to the voters to increase the City income tax by approximately 0.2%. This is not recommended because the people that are already paying income tax to the City would be getting taxed again and may not be in favor of this solution. Under current conditions, those that get the Reciprocity Income Tax Credit now are receiving the services, but not paying for them. The reduction of the Reciprocity Income Tax Credit would essentially cause those that are not paying for the services now to at least pay for a portion from their income tax.

Conclusion

We feel that the above identified solution of the fifty percent (50%) reciprocity solves important issues facing the City of Napoleon and would be the best solution of any other options. This approach will offer long term funding for basic essential services for the citizens and businesses of Napoleon. Although this change affects a small percent of our citizens, we believe the benefit of providing these additional resources for public safety outweigh the impact. Those individuals live in this community and may need the service, but do not pay for it now. It is only fair to the citizens who live and work in the City, for them to share the burden of the cost of providing these valuable services.