



**Request for City Council Committee Action
From the Department of Finance**

Date Monday, July 18, 2005
To Barbara Johnson, Chair, Ways & Means Committee
Referral to Ways & Means Committee

Subject Fiscal Analysis of Fire Department Minimum Staffing

Recommendation

Receive and file the attached staff report.

Previous Directives

The report "Minneapolis Fire Department Standards of Response Coverage," presented to the City Council on July 1, 2005, was referred to the Ways & Means/Budget Committee for fiscal analysis.

Prepared or Submitted by Lindsey Alexander, Senior Financial Analyst, 673-2174

Approved by

Patrick Born, Finance Officer

John Moir, City Coordinator

Presenters in Committee Heather Johnston, Budget Director, 673-2918

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):**
Approval of minimum staffing would result in increase to the Fire Department allocation in the Five-Year Finance Direction.
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

Background/Supporting Information Attached

On July 1, 2005 the Fire Department presented its "Standards of Response Coverage" to the City Council. One section of this report outlined the optimal minimum staffing levels associated with a standard of coverage for the City. This report was referred to staff for a fiscal analysis of the minimum staffing levels outlined.

Minimum Staffing Levels – Standard of Coverage

The optimal staffing levels outlined in the Fire Department's report set the average daily staffing level at 96 personnel below the rank of Battalion Chief.¹ In order to reach this staffing level, the Fire Department would need resources in addition to those provided in the Five-Year Financial Direction.²

Year	Additional Resources Needed – Avg. Daily 96
2006	\$710,000
2007	\$740,000
2008	\$180,000
2009	\$210,000
2010	\$220,000
5-Year Total	\$2,060,000

These additional resources represent an elimination of the reductions outlined in the current Five-Year Financial Direction as well as an increase to the Fire Department's base funding level.

SAFER Grant

A second stage of minimum staffing pertains to the Fire Department's recent efforts surrounding the federal Staffing for Adequate Fire and Emergency Response, or SAFER, grant. This grant provides federal funding for *additional* Fire personnel. One of the grant's criteria is that the local government must also provide additional local funding for personnel. If the additional personnel added are not maintained for the full five years of the grant, the City must refund the entire federal share of \$1.6 million.

¹ The report states, While this staffing level puts all eligible companies at three fire fighters, it allows all trucks and quint companies to ride with four fire fighters.

² All cost estimates assume all labor contracts through 2010 will be settled within the City's 2% wage policy.

The additional federal and City resources would bring the Fire Department's average daily staffing level up to 100 personnel. The Fire Department estimates the amount of additional City resources required would be²:

Year	Additional Resources Needed – Avg. Daily 96	SAFER Grant Match	Total
2006	\$710,000	\$205,000	\$915,000
2007	\$740,000	\$340,000	\$1,080,000
2008	\$180,000	\$610,000	\$790,000
2009	\$210,000	\$820,000	\$1,030,000
2010	\$220,000	\$1,100,000	\$1,320,000
5-Year Total	\$2,060,000	\$3,075,000	\$5,135,000

Citygate Staffing Levels

If average daily staffing levels were to increase to the 114 recommended as part of the Citygate report and the City received the SAFER grant, Fire Department resources would need to increase an average of \$2.3 million annually. The SAFER grant would bring the Department's average daily staffing to 100 personnel. An additional 14 FTE's would need to be funded in order to reach the recommended 114 personnel.²

Year	Additional Resources Needed – Avg. Daily 96	SAFER Grant Match	Additional Resources Needed – + 14 FTE's	Total
2006	\$710,000	\$205,000	\$1,230,000	\$2,145,000
2007	\$740,000	\$340,000	\$1,250,000	\$2,330,000
2008	\$180,000	\$610,000	\$1,280,000	\$2,070,000
2009	\$210,000	\$820,000	\$1,300,000	\$2,330,000
2010	\$220,000	\$1,100,000	\$1,330,000	\$2,650,000
5-Year Total	\$2,060,000	\$3,075,000	\$6,390,000	\$11,525,000

Overtime

The department believes that no additional resources in excess of what is currently budgeted for overtime will be required to maintain minimum staffing levels.