



**Auditor of State
Betty Montgomery**

**CITY OF TROTWOOD
POLICE AND FIRE & RESCUE DEPARTMENTS
PERFORMANCE AUDIT**

JULY 6, 2004



Auditor of State Betty Montgomery

To the Mayor, City Officials, and residents of the City of Trotwood:

In August of 2003, the City of Trotwood (the City) requested that the Auditor of State conduct a performance audit of its Police and Fire & Rescue departments. The performance audit is primarily an assessment of the efficiency and effectiveness of department operations, including a review of staffing and salary levels and collective bargaining provisions, as well as an evaluation of vehicle maintenance and training practices. These components were selected by City officials and department chiefs to help improve operational practices through increased efficiency, and to identify areas of potential cost savings.

In addition to pro-active steps the City has already taken to reduce expenditures, the performance audit contains information that will help the City address future financial challenges. The audit also evaluates performance measurement and reporting and makes recommendations for improving measurement indicators and reporting models used by the Police and Fire & Rescue departments. While the conclusions contained within the report are intended to assist the City in improving operations, City and department officials are encouraged to independently assess overall operations and seek additional operational enhancements.

This report has been provided to the City Council and department chiefs, and its contents discussed with appropriate administrative and management officials, such as the mayor, city manager, and finance director. The City has been encouraged to use the results of the report as a resource in improving the overall operations of its Police and Fire & Rescue departments and has indicated its commitment to implementing the recommendations contained in this report.

Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or toll free at (800) 282-0370. In addition, this performance audit can be accessed online through the Auditor of State of Ohio website at <http://www.auditor.state.oh.us/> by choosing the "Audit Search" option.

Sincerely,

A handwritten signature in black ink that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

July 6, 2004

City of Trotwood

Police and Fire & Rescue Departments

Project History

The City of Trotwood (the City or Trotwood) engaged the Auditor of State’s Office (AOS) in August 2003 to conduct a performance audit of its Police and Fire & Rescue departments, which represent the largest portion of the City’s expenditures. City officials requested this performance audit to address future financial difficulties, most notably in the General Fund, which is projected to experience a revenue decrease of nearly 10 percent in 2004. The performance audit provides an independent assessment of selected areas of operations and includes recommendations which, if implemented, can foster operational efficiencies and service level enhancements. Based on discussions with City officials, the following areas were selected for assessment:

- Departmental expenditures and staffing levels, including an assessment of compensation, work hours, and leave usage;
- Service levels, including an evaluation of available training, dispatch operations, response times, and other operational indicators;
- Equipment maintenance and replacement policies; and
- Personnel management.

City officials have acknowledged the importance of continuous improvement and have been proactive in approaching AOS for assistance through the performance audit process. The recommendations contained in the performance audit provide a framework for management decision-making, which can result in cost savings, operational improvements, and enhanced accountability. The high level of support for the audit process exhibited by Trotwood is an indication of the positive environment for change which currently exists with respect to the City’s safety services.

Objectives, Scope, and Methodology

A performance audit is defined as a systematic and objective assessment of the performance of an organization, program, function, or activity to develop findings, conclusions, and recommendations. Performance audits are usually classified as either economy and efficiency audits or program audits. Economy and efficiency audits consider whether an entity is using its resources efficiently and effectively. Program audits normally are designed to determine if the entity’s activities or programs are effective, if they are reaching their goals, and if the goals are

proper, suitable, or relevant. This performance audit primarily contains elements of an economy and efficiency audit and is divided into two subsections: (A) Police Department, and (B) Fire & Rescue Department.

AOS has designed this audit to serve as a management tool for City officials in identifying areas where cost savings may be achieved without impacting service levels. The following questions were used as objectives to evaluate the City’s Police and Fire & Rescue departments:

- What specific programs and services are provided and how are they organized and implemented?
- Are staffing levels sufficient to meet the needs of the City or is there a need to reduce staffing levels and eliminate vacant positions?
- Are salaries and benefits comparable to peers and can expenditures be reduced by renegotiating bargaining unit contracts?
- Can the City reduce vehicle maintenance and prisoner housing costs?
- Are dispatch services sufficient to meet the needs of the City and are associated costs reasonable when compared to peers and/or industry standards?
- Does the City apply for and receive grants for which it is eligible in order to offset operational expenditures?
- Is the City’s ambulance fee structure appropriate when compared to the peers and/or industry standards?
- Is Fire & Rescue training sufficient and cost effective when compared to peers and/or industry standards?

To complete this report, AOS gathered and assessed a significant amount of data pertaining to the selected audit areas, conducted interviews with various individuals associated with Trotwood’s safety service departments, and assessed available information from selected peer cities. In addition to reviewing this information, AOS gathered and reviewed other pertinent documents and information, such as State and national best practices in safety services. For example, when assessing the Police and Fire & Rescue departments, auditors compared operational practices with standards recommended by the U.S. Department of Justice (USDOJ),

the International City/County Management Association (ICMA), as well as the Ohio State Fire Marshal.

Interviews and discussions were held with individuals involved internally and externally with Trotwood. Furthermore, the following three peers were selected to provide benchmark comparisons: the City of North Royalton (Cuyahoga County), the City of Riverside (Montgomery County), and the City of Xenia (Greene County).

The performance audit process involved information sharing with City officials, including preliminary drafts of findings and recommendations. Periodic status meetings were also held throughout the engagement to discuss key issues and proposed recommendations. These meetings gave City officials the opportunity to provide input which facilitated the completion of the performance audit.

Overview of the City of Trotwood

Trotwood is located in Montgomery County, approximately six miles northwest of Dayton and has a population of about 27,400 residents. Originally incorporated as a village in 1901, Trotwood was designated a city in 1971 and is a home rule municipal corporation under Article XVIII of the Ohio Constitution. Overall policy is set by the City council which includes a separately elected mayor and six council members: four elected from geographic districts and two elected at-large. Trotwood also employs a city manager, hired by the council, who is responsible for overseeing daily operations and appointing department directors. The City provides many services, including police and fire protection, street maintenance and repair, parks maintenance, recreation programs, water and sewer utilities, trash collection, and zoning enforcement.

In 1996, Trotwood merged with neighboring Madison Township, more than tripling its population and land area. The City currently encompasses 31 square miles, much of which is undeveloped and includes aging urban neighborhoods and an underdeveloped industrial base. Moreover, according to the city manager, the area includes several commercial corridors in need of reinvestment.

The City's General Fund budget increased significantly with the addition of Madison Township tax revenue, allowing for programmatic expansions and staffing level increases in both the Police and Fire & Rescue departments. For example, with a budget increase of approximately \$700,000, the Police Department introduced its Citizens' Academy and Citizens on Preventive Patrol (COPP) programs and employed 13 additional officers. With support from Special Revenue levies, the Fire & Rescue Department expanded its programs to include the delivery of emergency medical services (EMS) and fire prevention education. Furthermore, Fire & Rescue Department staffing levels increased with the addition of six firefighters/paramedics. According to the city manager, however, the City has been faced with a number of financial challenges

since the merger, including a projected revenue decrease in the General Fund. This drop in revenue can be attributed to more realistic estimates for receipts in estate and income tax collections.

In response to these challenges, the City has reduced staffing levels in some areas and has used budget reserves to satisfy service demands. According to its proposed 2004 budget, the City is adopting a new budgeting philosophy to help address its financial challenges. Specifically, this philosophy includes a more conservative approach to projecting revenue, restructuring departments and positions to maximize productivity, restructuring employee benefits to better control labor costs, and eliminating deficit budgeting in the General Fund.

The City's proposed budget for 2004 totals approximately \$21.2 million. This performance audit focuses primarily on those General and Special Revenue funds that directly support Police and Fire & Rescue department operations. Trotwood's General Fund is the largest of the City's 27 funds, comprising approximately \$9.2 million in revenue, and is the primary funding source for the Police Department. With a reserve balance projected to exceed \$1 million at the end of 2004, the City intends to meet its goal of eliminating the budget deficit. However, in order to meet this goal and to accommodate a projected revenue decrease of 7.2 percent, Trotwood proposed a reduction of \$811,000 in General Fund expenditures. This includes proposed staffing level reductions in both the Police and Fire & Rescue departments. The City also intends to consolidate its parks and recreation and public works functions under one department.

According to the City's proposed budget, in addition to the General Fund, the following Special Revenue Funds support Police and Fire & Rescue department operations in 2004:

- **Drug Law Reimbursement Fund:** With a balance of nearly \$13,000, this fund includes revenues collected from mandatory drug fines and must be used for activities related to drug law enforcement (e.g., undercover operations). This fund does not represent a fixed, steady source of income.
- **Local Law Enforcement Block Grant Fund:** With projected revenues of approximately \$50,800, these funds require a 10 percent match and must be used to improve or enhance existing law enforcement efforts through improved technology and/or equipment.
- **Enforcement and Education Fund:** With an existing balance of nearly \$2,100, this fund captures the local share of DUI fines to be used for related enforcement activities and public education. This fund is also subject to fluctuations based on the number of fines imposed by the County judges.
- **Fire Levy Fund:** This fund receives property tax collections from four permanent levies which were replaced by voters in 2003 and are projected to generate an additional

\$870,000 in revenue. This fund is projected to have a beginning cash balance of about \$99,100 in 2004. Revenues are projected at approximately \$1.7 million, which includes a \$440,000 transfer from the General Fund and the collection of nearly \$1.3 million in property taxes. Although expenditures are expected to exceed revenues by \$85,000, they include the proposed elimination of one full-time position and one part-time position. The ending cash balance of this fund is projected at \$14,130.

- EMS Levy Fund:** This fund receives property tax collections levied for emergency medical services. In 2001, this fund began receiving billings paid by patient insurance companies for ambulance transportation services. The estimated beginning balance of this fund, as of January 2004, is \$230,000. Revenues are projected at approximately \$1.5 million and expenditures are projected to exceed \$1.7 million.

The Fire & Rescue Department is also supported by the Fire Facilities Improvement Fund, a capital improvement fund created in 2003 to finance the renovation of Fire Station 72 at an estimated cost of \$850,000. Due to unacceptably high bids, however, this project has been put on hold indefinitely.

Comparative Statistics

In order to gain a general understanding of Trotwood's performance in relation to peers, information has been gathered for comparison in a number of areas. **Table 1** compares 2002 financial and demographic data of Trotwood and the peers.

Table 1: Comparative Statistics for 2002

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
Residents	27,400	28,600	23,500	24,200	25,400
Governmental Fund Revenues	\$13,688,800	\$17,184,500	\$10,072,700	\$16,914,700	\$14,724,000
<i>Per Resident</i>	\$500	\$601	\$429	\$699	\$580
Governmental Fund Expenditures	\$15,638,800	\$17,245,700	\$8,927,300	\$17,908,300	\$14,693,800
<i>Per Resident</i>	\$571	\$603	\$380	\$740	\$578
Surplus (Deficit)	(14.2%)	(0.4%)	11.4%	(5.9%)	0.2%
Square Miles	30.5	21.3	7.9	12.2	13.8
Per Capita Income	\$18,300	\$26,600	\$18,700	\$16,500	\$20,600
Average Property Value	\$54,900	\$88,000	\$79,000	\$70,200	\$79,100

Source: Trotwood and peer financial audits for 2002, and the U.S. Census Bureau

Note: Figures are rounded to the nearest 100.

Trotwood serves 2,000 more residents over a significantly larger area, compared to the peer average. The City experienced a government fund deficit of 14.2 percent in 2002, significantly

exceeding the deficits of both North Royalton and Xenia. Also, Trotwood collects less governmental revenues per resident than the peer average. Despite deficit spending, the City spends slightly less per resident than the peer average. Finally, Trotwood's per capita income and average property value fell below the peer average by about 11 and 31 percent, respectively.

Although the peers were initially selected jointly by the City and AOS, during the final stages of the performance audit City officials expressed concern with the applicability of Riverside as a valid peer. They noted Riverside's slightly smaller size and its relatively low level of operating expenditures in public safety as issues. However, the exclusion of Riverside would not change Trotwood's performance in relation to the remaining peers, and for that reason, no change was made.

Noteworthy Accomplishments

During the course of this performance audit, several noteworthy accomplishments or best practices were noted within the Police and Fire & Rescue departments. These are outlined below.

- **CALEA Accreditation:** In 2003, the Police Department became accredited through the Commission on Accreditation for Law Enforcement Agencies (CALEA). A leading authority on law enforcement agencies, CALEA offers its accreditation program for the purpose of helping agencies improve service delivery. Based on widely accepted best practices, CALEA has established standards and operating procedures covering the following topics: organization and management, personnel structure, operations, prisoner and court-related activities, as well as technical services. Agencies seeking accreditation must comply only with those standards that are specifically applicable to them and the cost varies depending upon the number of employees. Trotwood paid approximately \$7,000 to become accredited and is expected to pay an annual reaccreditation fee of about \$4,000.

By becoming accredited through CALEA, Trotwood's Police Department will be better able to control liability insurance costs through reduced premiums, minimize the risk of legal liability through formalized policies and procedures, and increase accountability with other government entities and the community. Neither Riverside's nor North Royalton's police departments are accredited through CALEA. Xenia's Police Department has been accredited since 1993.

- **Prisoner Housing:** Similar to Riverside, the Police Department's prisoner housing function is performed by a full-service jail operated by the Montgomery County Sheriff's Office. According to the Police Department, tickets for felony offenses, which require jail-time, are issued under State statute rather than municipal ordinance. As a result, the City forgoes potential revenues from fines; however, prisoner housing and defense costs

are incurred by the County. Accredited through the American Correctional Association, CALEA, and the National Commission on Correctional Health Care, the Montgomery County Jail offers a number of programs, including Day Reporting, Prisoner Work, and Juvenile Prisoner Work, as well as opportunities for prisoners to perform community service activities. The facility also provides medical, mental health, and dental services under a prisoner healthcare co-payment program. Co-payments for self-initiated, non-emergency medical problems range from \$3 to \$5 and over-the-counter medications (e.g., sinus medications) are available for purchase through a prisoner commissary. In addition, the Montgomery County Sheriff's Office operates a Video Arraignment Court, virtually eliminating work-hours needed to transport inmates.

By working with the Montgomery County Sheriff's Office, the Police Department effectively minimizes personnel and service costs related to prisoner housing. In contrast, North Royalton spent approximately \$670,800 in 2003 to operate its jail internally. Although Xenia's prisoners are also housed externally, it paid \$53,800 in 2003 for fees associated with issuing tickets under municipal ordinances.

- **Dispatch Services:** Prior to May 2001, dispatch services for both Police and Fire & Rescue departments were performed in-house. However, in order to reduce operating costs, the City contracted this function out to the Montgomery County Sheriff's Office, and to the City of Dayton Fire Department (similar to Riverside). The Montgomery County Sheriff's Office, which is also accredited through CALEA, currently serves as the primary public safety answering point (PSAP) for all Trotwood residents and responds to emergency 9-1-1 calls for both the Police and Fire & Rescue departments. As a result of this contract, the City has reduced communications-related expenditures by approximately \$409,400 since 2001.
- **Overtime:** The Fire & Rescue Department's practice of using part-time personnel to address its staffing needs has resulted in low overtime expenditures. In 2003, for example, Trotwood spent \$16,800 in overtime costs, while on average, the peers spent nearly \$246,300 for overtime.

Issues Requiring Further Study

Auditing Standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditors do not have the time or the resources to pursue. AOS has identified two such issues.

- **Length of Work Week for the Police Department:** Unlike the peers, Trotwood's road patrol officers and sergeants have the option to work either a 5/2 or 6/3 schedule (see

Table A-6). The 5/2 schedule consists of five consecutive 8-hour shifts (40-hour work week) with two days off. The 6/3 schedule, however, consists of six consecutive 8-hour shifts (48-hour work week) with three days off. As stipulated in negotiated agreements, employees working the 6/3 schedule work 1,920 hours annually, while those working the 5/2 schedule work 2,080 hours annually. This creates a 160 hour deficit between the two schedules. Therefore, all road patrol employees – regardless of schedule – are required to report to roll-call 15 minutes early, reducing the deficit by 80 hours. Furthermore, road patrol officers working the 6/3 schedule must credit court time to the deficit and attend Department meetings and trainings without compensation to eliminate the remaining 80 hours. Similarly, all sergeants must report to roll call 15-30 minutes early and remain up to 15 minutes later in order to eliminate the deficit. Although AOS did not perform a detailed assessment of this contractual provision, a comparative review of peer collective bargaining agreements indicates that police department employees at North Royalton and Xenia uniformly work a 5/2 schedule, while all Riverside employees work a 6/3 schedule. The City should work with the Ohio Patrolmen’s Benevolent Association (OPBA) to assess the efficiency and effectiveness of the dual-schedule system.

- **Grants Administration:** The Police Department employs personnel, typically the administrative captain, whose responsibilities include researching and applying for grants as supplemental revenue. According to the City, these primarily include the Local Law Enforcement Block Grant (LLEBG) for which the City indicated it received about \$50,100 in 2003, as well as a USDOJ grant for the purchase of bullet-proof vests. Nevertheless, the Police Department indicates that it does not work closely with Trotwood’s grants administrator. Based upon a comparative review of the peers, it appears that Trotwood may not be applying for all of the grants for which it is potentially eligible. For example, in addition to the LLEBG, Riverside receives a traffic overtime grant to offset the overtime costs of traffic officers. Furthermore, Xenia receives a number of grants including the LLEBG, a DARE grant, as well as a USDOJ grant designed to supplement Internet investigations. The Police Department should consider working with the City’s grants administrator to ensure it is applying for all grants for which it is eligible. By increasing grant revenue, the Police Department can more effectively offset the cost of providing additional services to residents.
- **Average Response Time:** The Fire & Rescue Department initially provided an average response time of 4.5 minutes, which was derived from an internal database. Near the end of the performance audit process, the fire chief provided another average response time of approximately 6.0 minutes. The contracted entity responsible for dispatch services, the City of Dayton Fire Department, calculated the 6 minute (6.02 minutes) response time using data generated from a computer-aided dispatch (CAD) system. However, the 6 minute response time included un-timed calls, calls over 12 minutes (reduced to 6 minutes), and mutual aid response times. The City also provided a third response time

reportedly excluding mutual aid runs which was 5.99 minutes. While AOS recognizes that average response times may vary depending on those factors used in the calculation, the Fire & Rescue Department and the City should address the differences that make up the calculation and ensure a consistent methodology is used. By using a consistent methodology when calculating its average response time, City officials can more confidently make management decisions which are contingent upon valid performance data.

Audit Conclusions

The Police Department serves more residents over a significantly larger area and it is commensurate with the peers in average response time, salaries and wages, fringe benefits, and overtime use. The Police Department is also CALEA accredited and has effectively minimized expenditures related to prisoner housing and dispatch services. In order to minimize expenditures further, however, the City should consider negotiating with the OPBA to reduce contractually stipulated personal leave days and sick leave incentives. Although the Police Department has eliminated 3 vacant positions in 2004, it should maintain a staffing level of no more than 51 sworn positions, which is 4 fewer than its 2003 budgeted level but exceeds the peer average by approximately 12 FTEs. This will also help to bring Trotwood more in line with peer average service level ratios (e.g., incidents per total FTE).

Based upon USDOJ benchmarks and peer averages, the Police Department maintains a larger vehicle fleet. This contributes to higher capital outlay expenditures, as well as maintenance, repair, and fuel expenditures. In order to facilitate a fleet reduction, the Police Department should develop a formal vehicle replacement plan that is linked directly to the City's budget for capital outlay expenditures. When determining the appropriate size of its fleet, however, the Department should take into account those unique factors that impact Trotwood's vehicle usage levels, such as its larger geographical size and its higher number of incidents. Nevertheless, by reducing the size of its fleet in conjunction with a replacement plan, Trotwood can more effectively ensure the availability of required capital outlay funds and reduce fuel costs.

The Fire & Rescue Department serves more residents over a significantly larger area and provides a significantly higher number of responses for emergency services than the peers. Furthermore, it is commensurate with the peers in salaries and wages, and well below the peer average in overtime use. The extensive use of part-time firefighters has helped the Fire & Rescue Department maintain cost controls while extending a high level of service to the community. To further control costs the City should consider negotiating with the IAFF to share health insurance costs. During the course the performance audit, the City negotiated a collective bargaining agreement which requires covered Fire & Rescue Department employees to share the cost of health insurance premiums.

The Fire & Rescue Department maintains appropriate levels of equipment and staff when compared to peer ratios and benchmarks outlined in a national survey conducted by the Phoenix Fire Department. Nevertheless, fire prevention and inspection activities were recognized as an area where process redesign should help the City reduce its overall number of fire incidents. Moreover, increased attention to fire prevention could help the Fire & Rescue Department reduce community losses resulting from fire and other hazards.

A. Police Department

Background

This section provides recommendations to enhance service levels and reduce costs related to the City's Police Department (the Department). The analysis includes comparisons with the police departments of the following cities: North Royalton, Riverside, and Xenia. Additional comparisons are made to other sources, such as the U.S. Department of Justice's (USDOJ) Bureau of Justice Statistics.

In addition to a number of value statements, the Department has formalized and published the following mission statement:

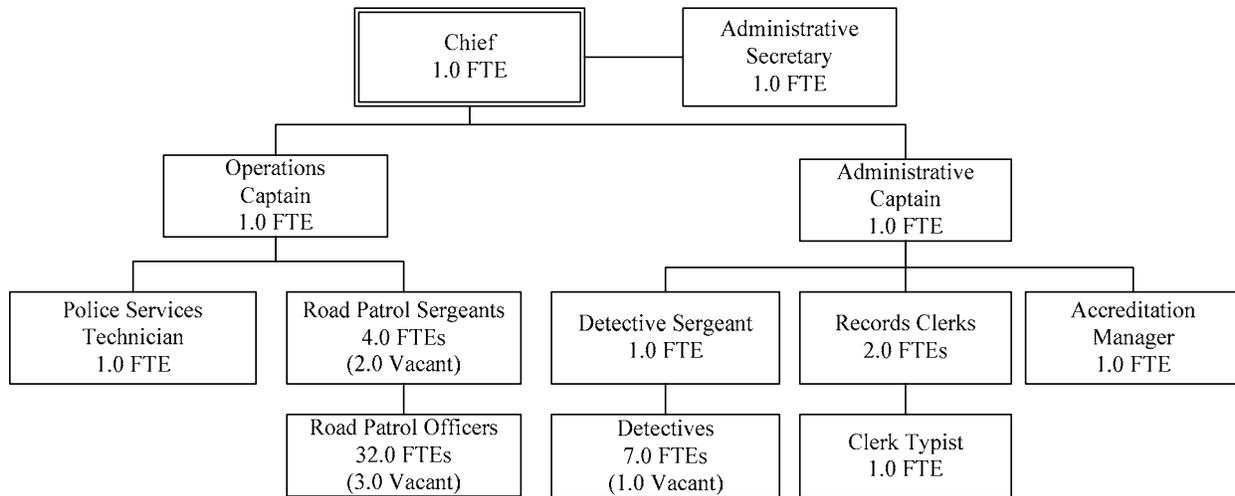
We, the men and women of the Trotwood Police Department, are committed to excellence in partnership with the community by upholding the Constitution of the United States, the laws of Ohio and the City of Trotwood. We acknowledge our responsibility to be role models by promoting diversity, building trust, reducing crime, and providing a safe environment, thus enhancing the quality of life.

The majority of Department employees, including sworn officers and sergeants, are organized into two collective bargaining units represented by the Ohio Patrolmen's Benevolent Association (OPBA). See **Recommendation A-2** for more information on collective bargaining agreements.

Organization and Staffing

As of December 2003, the Department employed 59 FTEs, including 49 sworn employees, 4 non-sworn employees, and 6 vacancies. **Chart A-1** illustrates the organizational reporting structure and staffing levels, by budgeted position, for all personnel.

Chart A-1: Police Department Organization



Source: City of Trotwood

Note: All positions are shown as full-time equivalents (FTEs) - 40-hour per week employees.

The Department’s two primary functions, operations and administration, are each overseen by a captain. Specifically, the Road Patrol Division - the most visible within the Department, is under the command of the operations captain and includes 6 sergeants and 35 officers, all of whom work full-time. The Road Patrol Division’s primary responsibilities are preventive, and include enforcing traffic laws, maintaining order, as well as responding to service calls. Some Road Patrol Division employees perform additional duties within other sub-divisions (e.g., Bike Patrol, K-9, and Community Service Officer). The operations captain also supervises the police services technician, who is responsible for prisoner transport and responding to animal complaints.

Both the Detective and Records divisions are commanded by the administrative captain and include 1 sergeant, 8 detectives, 2 records clerks, and 1 clerk typist, all of whom work full time. The Detective Division is primarily responsible for internal and external investigations. Department detectives are responsible for conducting follow-up investigations on all felony offenses, performing property room functions, and conducting background investigations of new hires. Department detectives also maintain working relationships with the County Prosecutor’s Office, the Drug Enforcement Agency (DEA), and many other federal, State, and local agencies. The administrative captain also supervises the accreditation manager (also a sergeant) who is responsible for ensuring the Department meets CALEA standards and obtains accreditation. However, according to the police chief, this position was eliminated in January, 2004. The Records Division is responsible for maintaining and retrieving Department reports. Specifically, records clerks ensure the availability and confidentiality of all reports and records and distribute copies to authorized persons or agencies.

Table A-1 compares 2003 Trotwood and peer staffing levels for sworn and non-sworn personnel.

Table A-1: 2003 Police Department Staffing Levels

Positions	Trotwood		North Royalton ¹	Riverside	Xenia ²	Peer Average
	Budgeted	Actual	Actual	Actual	Actual	Actual
Sworn FTEs						
Rank FTEs						
• Chief	1.0	1.0	1.0	1.0	1.0	1.0
• Captains/Lieutenants	2.0	2.0	3.0	1.0	3.0	2.3
• Sergeants ³	8.0 ⁴	6.0	6.0	5.0	6.0	5.7
Non-Rank FTEs						
• Detectives	8.0	7.0	5.0	4.0	6.0	5.0
• Road Patrol Officers	35.0	32.0	27.0	19.0	28.0	24.7
• Police Services Technician	1.0	1.0	0.0	0.0	0.0	0.0
<i>Subtotal</i>	<i>55.0</i>	<i>49.0</i>	<i>42.0</i>	<i>30.0</i>	<i>44.0</i>	<i>38.7</i>
Non-Sworn FTEs						
• Administrative Secretary	1.0	1.0	1.0	0.0	1.0	0.7
• Records Clerk	2.0	2.0	1.0	1.5 ⁵	3.0	1.8
• Clerk Typist	1.0	1.0	2.0	0.0	3.0	1.7
<i>Subtotal</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>1.5</i>	<i>7.0</i>	<i>4.2</i>
TOTAL	59.0	53.0	46.0	31.5	51.0	42.9

Source: Trotwood and the peers

Note: Both Trotwood and Riverside outsource public safety dispatch services to the Montgomery County Sheriff's Office. These employees are not depicted in this table.

¹ North Royalton employs eight in-house communicators who perform dispatch functions, not depicted in this table.

² Xenia operates a multi-jurisdictional dispatch center in cooperation with the Green County Sheriff's Office. These employees are not depicted in this table.

³ Includes both road patrol and detective sergeants.

⁴ Includes the accreditation manager (a sergeant), a position that was eliminated in 2004.

⁵ Includes a part-time property room clerk.

Trotwood exceeds the peer average number of actual sworn FTEs by approximately 27 percent and falls below the peer average number of non-sworn FTEs by nearly 5 percent. High staffing levels may be attributable to the City's relatively large population and size. For example, Trotwood has nearly 10 percent more residents and is more than twice the size of the peers. According to **Table A-1**, with the exception of captain/lieutenant FTEs, the Department appears commensurate with or exceeds the peer average for every position. See **Recommendation A-1** for more information on staffing levels.

Organization Function

Similar to the peers, the Department has established a number of additional sub-divisions and programs to accomplish its mission to reduce crime and provide a safe environment. These include the following:

- **Bike Patrol:** As part of the Road Patrol Division, the Bike Patrol operates year-round. These officers patrol apartment complexes, businesses, rural areas, and special events, and are certified through the International Police Mountain Bike Association (IPMBA).
- **K-9:** Comprised of two Road Patrol Division officers, this sub-division is primarily responsible for the training and supervision of dogs used to search and seize illegal narcotics. K-9 also trains dogs to conduct searches, track suspects and missing persons, and control crowds.
- **Community Service Officers:** Also part of the Road Patrol Division, Community Service Officers (CSOs) are citizen volunteers who are trained to help resolve complaints that are classified as lower priority duties. For example, CSOs are trained to address animal complaints, inoperable vehicles, parking infractions, found property, as well as to control traffic. The Department currently has two CSOs, who are usually on duty during day and evening hours. According to the Department, when a CSO is on duty, other police officers have more time to deal with more serious crimes and crime prevention.
- **Citizens on Preventive Patrol (COPP) Program:** Supplementing operational functions, the COPP program is designed to train civilian volunteers on methods of patrolling and protecting the community. Once trained, these volunteers can assist officers on non-violent calls by controlling traffic and performing other duties. In 2002, COPP program volunteers donated approximately 1,500 hours of their time and issued nearly 400 “junk-vehicle” citations.

Police Department Budget

Table A-2 summarizes the Department’s actual operating expenditures for 2001-03.

Table A-2: Police Department Operating Expenditures 2001-03

	Actual 2001	Actual 2002	Annual Percent Change	Actual 2003	Annual Percent Change
SALARIES AND BENEFITS					
Salaries and Wages ¹	\$2,774,236	\$2,718,344	(2.0%)	\$2,839,677	4.5%
Overtime	285,617	316,025	10.6	293,676	(7.1)
Holiday Pay	85,581	75,996	(11.2)	75,248	(1.0)
Longevity Pay	27,287	29,574	8.4	28,406	(3.9)
OPERS	54,365	36,472	(32.9)	35,992	(1.3)
OP&F	535,000	541,654	1.2	554,009	2.3
Health & Life Insurance	308,984	330,283	6.9	382,152	15.7
Unemployment/ Workers' Compensation	101,249	32,669	(67.7)	32,828	0.5
Uniform Allowance	44,690	31,990	(28.4)	31,192	(2.5)
SUBTOTAL	\$4,217,009	\$4,113,007	(2.5%)	\$4,273,180	3.9%
SERVICES AND SUPPLIES					
Professional and Consultant Services ²	\$72,374	\$65,052	(10.1%)	\$69,644	7.1%
Other Contracted Services	289,986	347,404	19.8	231,313	(33.4)
Equipment/Facility Maintenance ³	68,915	56,110	(18.6)	58,455	4.2
Gasoline	92,838	83,025	(10.6)	96,647	16.4
Clothing	18,404	9,383	(49.0)	9,434	0.5
Supplies and Materials ⁴	56,292	53,497	(5.0)	50,128	(6.3)
Miscellaneous ⁵	48,494	56,048	15.6	62,218	11.0
SUBTOTAL	\$647,303	\$670,519	3.6%	\$577,839	(13.8%)
CAPITAL OUTLAY					
Vehicles/Equipment	\$226,701	\$344,325	51.9%	\$199,392	(42.1%)
TOTAL EXPENDITURES	\$5,091,013	\$5,127,851	0.7%	\$5,050,411	(1.5%)

Source: City of Trotwood

¹ Includes part-time and temporary wages.

² Includes travel and training.

³ Includes rents and leases.

⁴ Includes small tools, minor equipment, and office furnishings.

⁵ Includes communications, postage, printing, advertising, books, periodicals, and dues.

The Department's total operating expenditures have remained relatively consistent over the past three years. According to the City, salary and benefits reductions in 2002 can be attributed primarily to its contract with the Montgomery County Sheriff's Office for dispatch services. Although expenditures in several line-items increased significantly (health and life insurance and gasoline), total expenditures actually decreased by nearly 2 percent in 2003. This can be attributed to significant decreases in services and supplies, as well as capital outlay. Explanations of the significant 2002-03 operating expenditure variances are as follows:

Salaries and Benefits

- Expenditure increases for *salaries and wages* in 2003 can be attributed to the City's collective bargaining agreement with road patrol officers, which was recently renegotiated. See **Recommendation A-2** for additional information on guaranteed annual wage increases.
- Expenditures for *health & life insurance* have increased annually at a rate of about 7 to 16 percent, which are attributable to increases in premium costs. According to a 2002 report, the State Employment Relations Board (SERB) indicates that medical insurance premiums increased at an average rate of 18.2 percent for both single and family coverage. As stipulated in the collective bargaining agreement, patrol officers are responsible for paying 10 percent of insurance premiums, which helps the City to minimize costs.

Services and Supplies

- Expenditures for *professional and consultant services* increased in 2003 as a result of increases in fees for the use of the Miami Valley Crime Lab.
- Expenditures for *gasoline* have fluctuated each year. The increase in 2003 can be attributed to rising gas prices which were experienced on a national level.
- Expenditures for *miscellaneous* increased in 2003, which was attributed primarily to a 17 percent increase in communications and postage.

Capital Outlay

- Expenditures for *vehicles/equipment* increased in 2002 with the purchase of technology upgrades for Department vehicles, as well as for the dispatch system. Absent these costs in 2003, expenditures in this line-item decreased significantly.

Key Operating Statistics

Table A-3 compares 2003 key operating statistics for Trotwood and the peers.

Table A-3: Key Operating Statistics

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
	Actual 2003	Actual 2003	Actual 2003	Actual 2003	
Operating Costs	\$5,050,400	\$5,780,200	\$2,799,800	\$5,336,800	\$4,638,900
Total Actual FTEs	53.0	46.0	31.5	51.0	42.9
• Sworn FTEs	49.0	42.0	30.0	44.0	38.7
• Non-Sworn FTEs	4.0	4.0	1.5	7.0	4.2
Residents	27,400	28,600	23,500	24,200	25,400
Square Miles	30.5	21.3	7.9	12.2	13.8
Incidents	5,581 ¹	7,109	5,515	4,317	5,647
• Violent ²	107	163	113	24	100
• Property ³	1,623	374	1,320	1,309	1,001
• Drug/Weapon Violations	103	79	84	111	91
• Traffic Citations/DUI	2,925	6,193	3,551	2,496	4,080
• Domestic Violence	566	284	261	297	281
• Missing Juveniles	257	16	186	80	94
Vehicles ⁴	38	27	25	23	25
Average Response Time	5.5 minutes ¹	6.5 minutes ¹	N/A	4.6 minutes	5.6 minutes

Source: City of Trotwood, the peers, and the U.S. Census Bureau

Note: Dollar and resident figures are rounded to the nearest 100.

N/A: Riverside did not submit average response time data.

¹ Due to availability, 2002 data was used.

² Includes homicide, rape, robbery, and felonious assault.

³ Includes burglary, theft, and stolen vehicles.

⁴ Includes marked and unmarked.

The Department's total operating costs exceed the peer average by approximately 9 percent or \$411,500. The peer average is impacted by Riverside's lower total operating costs, which can be ascribed to its relatively lower staffing levels. Although the Department serves more residents and polices a larger area, the total number of incidents reported in Trotwood is in line with the peer average. Finally, the Department maintains a larger vehicle fleet than the peers (see **Recommendation A-4**) and has a slightly lower average response time.

Assessments Not Yielding Recommendations

In addition to the analyses presented in this report, assessments were conducted on several areas which did not warrant changes and did not yield any recommendations. These areas include the following:

- **Average Response Time:** The Department's average response time of approximately 5.5 minutes falls slightly below the peer average (see **Table A-3**). However, as discussed by David N. Ammons, author of *Municipal Benchmarks – Assessing Local Performance and*

*Establishing Community Standards*¹, various studies of comparative performance confirm the reasonableness of a 5-minute standard for excellent police emergency response. Trotwood exceeds this benchmark by only 30 seconds.

- **Salaries and Wages:** Although the Department’s total expenditures for salaries and wages exceed the peer average by approximately \$673,400 (31 percent), the City is responsible for serving more residents and policing a significantly larger area. Furthermore, on a per FTE basis, the Department’s salaries and wages are in line with those of the peers. In fact, compared to the peer average, Trotwood pays less per non-rank FTE (road patrol officers and detectives), which comprises the majority of police personnel.
- **Fringe Benefits:** In 2003, the Department’s overall fringe benefit expenditures exceeded the peers by approximately 17 percent. On a per FTE basis, however, these expenditures fell \$1,067 (5 percent) below the peer average. This can be attributed to lower workers’ compensation and unemployment claims costs and because road patrol officers – which comprise the majority of police personnel – are required to contribute to the cost of health and life insurance premiums. Although Ohio Public Employee Retirement System (OPERS) and Ohio Police & Fire (OP&F) pension expenditures exceed the peer average by nearly \$139,000, they are only slightly higher (6 percent) on a per FTE basis. Furthermore, the City does not pick-up employees’ share of retirement contributions, which helps to minimize costs.
- **Overtime:** In 2003, the Department’s overtime expenditures totaled approximately \$293,700, exceeding the peer average by 21 percent. This can be attributed to Trotwood’s relatively higher staffing levels (see **Recommendation A-1**). However, the Department’s overtime expenditures fell \$100 per FTE below the peer average. Furthermore, Trotwood’s overtime expenditures as a percentage of total salaries and wages also fell below the peer average.

¹ Ammons, David N., (2001). *Municipal Benchmarks – Assessing Local Performance and Establishing Community Standards*, 2nd Edition. Thousand Oaks, CA.: Sage Publications, Inc.

General Recommendations

Staffing Levels

- A-1** Given its current and projected financial condition, the City should maintain a staffing level of no more than 51 sworn positions, which is 4 fewer than its 2003 budgeted level but exceeds the peer average by approximately 12 FTEs. The Department has already made reductions in its ranks by eliminating three vacancies in 2004 (two sergeant positions and one patrol officer/detective position). Based on discussions with the police chief, and the demographic factors affecting crime levels in Trotwood, slightly higher staffing levels may be necessary to manage its relatively high level of serious crime. Nevertheless, the police chief should closely monitor the effects that these staffing adjustments have on operational efficiency and effectiveness. Finally, the police chief should have the latitude to assign sworn officers as staffing needs dictate.

Table A-4 compares staffing ratios of Trotwood and the peers based on a number of financial and demographic indicators.

Table A-4: Staffing Ratio Comparison

	Trotwood		North Royalton	Riverside	Xenia	Peer Average
	Budgeted 2003	Actual 2003	Actual 2003	Actual 2003	Actual 2003	
Total FTEs	59.0	53.0	46.0	31.5	51.0	42.9
• Sworn FTEs	55.0	49.0 ¹	42.0	30.0	44.0	38.7
• Non-Sworn FTEs	4.0	4.0	4.0	1.5	7.0	4.2
OPERATING EXPENDITURES						
	\$5,623,000	\$5,050,400	\$5,780,200	\$2,799,800	\$5,336,800	\$4,638,900
Per Total FTE	\$95,300	\$95,300	\$125,700	\$88,900	\$104,600	\$108,100
Per Sworn FTE	\$102,200	\$103,100	\$137,600	\$93,300	\$121,300	\$119,900
Per Non-Sworn FTE	\$1,405,800	\$1,262,600	\$1,445,100	\$1,866,500	\$762,400	\$1,104,500
INCIDENTS						
	5,581²		7,109	5,515	4,317	5,647
Per Total FTE	95	105	155	175	85	132
Per Sworn FTE	101	114	169	184	98	146
Per Non-Sworn FTE	1,395	1,395	1,777	3,677	617	1,345
RESIDENTS						
	27,400		28,600	23,500	24,200	25,400
Per Total FTE	464	517	622	746	475	592
Per Sworn FTE	498	559	681	783	550	656
Per Non-Sworn FTE	6,850	6,850	7,150	15,667	3,457	6,048
SQUARE MILES						
	30.5		21.3	7.9	12.2	13.8
Per Total FTE	0.5	0.6	0.5	0.3	0.2	0.3
Per Sworn FTE	0.6	0.6	0.5	0.3	0.3	0.4
Per Non-Sworn FTE	7.6	7.6	5.3	5.3	1.7	3.3

Source: City of Trotwood, the peers, and the U.S. Census Bureau

Note: Dollar and resident figures are rounded to the nearest 100.

¹ Includes detective and road patrol officer positions, as well as the police services technician.

² Due to data availability, actual 2002 incidents were used.

In 2003, the Department budgeted for 59 FTE positions including 55 sworn and 4 non-sworn personnel. However, 6 sworn FTE positions remained vacant at year-end. While operating expenditures per sworn FTE fall below the peer average, operating expenditures per non-sworn FTE exceed the peer average. However, when compared on a per total FTE basis, the Department's actual operating expenditures are nearly \$13,000 below the peer average per FTE. Additionally, Trotwood's number of incidents is commensurate with the peer average. However, the Department handled 27 fewer incidents per total FTE and 32 fewer incidents per sworn FTE than the peer average. Only Xenia handled fewer incidents on a per FTE basis. Although each sworn officer at Trotwood is responsible for policing more square miles, these FTEs serve 97 fewer residents than the peer average. Therefore, from an operational perspective, the Department's number of sworn FTEs appears high compared to the peers.

According to **Table A-1**, Department vacancies include 2 sergeants, 1 detective, and 3 patrol officer positions. During the course of this performance audit, the Department reduced 2004 staffing levels by eliminating two sworn sergeant positions, including the accreditation manager, resulting in annual savings of nearly \$200,000 in salaries and benefits costs. The Department also eliminated one vacancy in its patrol officer/detective ranks, resulting in an additional \$58,800 in annual savings. Nevertheless, the Department intends to fill the remaining three vacant patrol officer/detective positions in 2004, which would bring the Department up to 52 sworn positions. Based on performance indicators, however, this may be above necessary staffing levels for sworn officers.

Table A-5 uses additional performance indicators to compare the Department’s actual 2003 sworn FTE staffing levels by rank and non-rank officers with those of the peers.

Table A-5: Sworn Officer Staffing Levels

	Trotwood		North Royalton	Riverside	Xenia	Peer Average
	Budgeted 2003	Actual 2003	Actual 2003	Actual 2003	Actual 2003	
Total Sworn FTEs	55.0	49.0	42.0	30.0	44.0	38.7
• Rank FTEs ¹	11.0	9.0	10.0	7.0	10.0	9.0
• Non-Rank FTEs ²	44.0	40.0	32.0	23.0	34.0	29.7
Performance Indicators/Ratios						
Non-Rank FTEs per Rank FTE	4.0	4.4	3.2	3.3	3.4	3.3
Incidents						
• Per Rank FTE	507	620	711	788	432	627
• Per Non-Rank FTE	127	140	222	240	127	190
Residents						
• Per Rank FTE	2,491	3,044	2,860	3,357	2,420	2,822
• Per Non-Rank FTE	623	685	894	1,022	712	855
Square Miles						
• Per Rank FTE	2.8	3.4	2.1	1.1	1.2	1.5
• Per Non-Rank FTE	0.7	0.8	0.7	0.3	0.4	0.5

Source: Trotwood and the peers

¹ Includes chief, captain/lieutenant, and sergeant positions.

² Includes detective and road patrol officer positions, as well as the police services technician.

Trotwood’s overall number of sworn FTEs in 2003 significantly exceeds the peer average. More specifically, the Department’s budgeted number of rank personnel of 11.0 FTEs slightly exceeds the peer average of 9.0 FTEs. However, the actual number of rank personnel is commensurate with those of the peers. Conversely, the Department’s budgeted and actual number of non-rank employees significantly exceeds the peer average by approximately 48 and 35 percent, respectively. This can be attributed to the Department’s higher levels of detective, patrol officer, and police services technician positions. The City’s level of non-rank personnel may be necessary to effectively handle the higher levels of serious crime that occurs in Trotwood,

relative to the peer communities (see **Table A-3**). For example, Trotwood experiences significantly more property crime (burglary, theft, and stolen vehicles) and domestic violence incidents than the peers.

Based upon performance indicators, it appears that the Department employs an appropriate number of actual rank FTEs. For example, Trotwood's number of non-rank FTEs per rank FTE is 33 percent higher than the peer average; an indication that the Department has a more efficient span of management control per FTE. Moreover, the Department is commensurate with or exceeds the peer average in number of incidents, residents, and square miles per actual rank FTE. However, the City falls below the peer average in number of incidents and residents per actual non-rank FTE by 26 and 20 percent, respectively. This is an indication that, despite existing vacancies, the Department is overstaffed in non-rank FTEs. Although 12 more than the peer average, with a recommended 42 non-rank positions, the Department may be better able to handle the high levels of serious crime that occur in Trotwood (see **Table A-3**).

Financial Implication: Assuming the Department eliminates one patrol officer/detective vacancy, Trotwood can avoid annual salaries and benefits costs of approximately \$58,800. This cost avoidance assumes Trotwood would otherwise employ one full-time, step 1 patrol officer who would receive \$58,800 annually in salaries and benefits. This financial implication does not account for the hiring of two patrol officer/detective positions for which the City budgeted in 2004.

Collective Bargaining Issues

A-2 Subject to negotiations, the City should consider reducing contracted personal leave by two days. In addition to reducing expenditures, this will bring the Department in line with the peer average number of combined days for personal and holiday leave. Furthermore, the City should negotiate to eliminate the sick leave incentive that allows employees to cash-in unused sick leave for additional personal leave days. In consideration of the City's projected financial condition, this will also help to reduce overall Department expenditures and bring contracted supplemental benefits more in line with the peers.

Table A-6 compares key differences between current collective bargaining provisions governing the police officers and sergeants of Trotwood and the peers. Because the majority of contractual provisions are identical for both positions, they are combined in the following table, unless otherwise specified.

Table A-6: Police Department Contract Comparison

	Trotwood Road Patrol Officers & Sergeants	North Royalton Patrolmen & Sergeants	Riverside Road Patrol Officers & Sergeants	Xenia Officers & Sergeants
Actual Length of Work Day	8 consecutive hours (includes paid 30 minute lunch).	8 consecutive hours (includes a paid 30 minute lunch).	8.5 consecutive hours (includes paid 30 minute lunch).	8 consecutive hours (includes paid 30 minute lunch).
Length of Work Week	<u>5 Days on 2 off Schedule:</u> 40 hours per week in shifts of 8 consecutive hours, or; <u>6 Days on 3 off Schedule:</u> 48 hours per week in shifts of 8 consecutive hours	<u>5 Days on 2 off Schedule:</u> 40 hours per week in shifts of 8 consecutive hours.	<u>6 Days on 3 off Schedule:</u> 48 hours per week in shifts of 8 consecutive hours	<u>5 Days on 2 off Schedule:</u> 40 hours per week in shifts of 8 consecutive hours.
Vacation Leave Accrual ¹	<u>Road Patrol Officers:</u> 1-year: 40 hours 2-4 years: 80 hours 5-7 years: 96 hours 8-9 years: 104 hours 10-12 years: 120 hours 13-14 years: 136 hours 15-19 years: 160 hours 20+ years: 200 hours <u>Sergeants:</u> 1-4 years: 80 hours 5-7 years: 96 hours 8-9 years: 104 hours 10-12 years: 120 hours 13-14 years: 136 hours 15-19 years: 160 hours 20+ years: 200 hours	<u>Patrolmen and Sergeants:</u> 1-4 years: 80 hours 5-9 years: 120 hours 10-14 years: 160 hours 15-19 years: 200 hours 20+ years: 240 hours	<u>Road Patrol Officers and Sergeants:</u> 1½ - 6 years: 80 hours 7-14 years: 120 hours 15-24 years: 160 hours 25+ years: 160 hours plus an additional day per year over 25.	<u>Officers and Sergeants:</u> 1-9 years: 96 hours 10-19 years: 144 hours 20+ years: 192 hours
Personal Leave	5 days	3 days	Although not specified in the contract, employees receive no personal days.	None.
Court Time	2-hour minimum at one and one-half times the normal rate of pay. ²	3 hours minimum at regular rate of pay, assuming times do not abut normally scheduled hours.	Two and one-half hours minimum, including one hour for travel.	3 hours minimum at one and one-half times the regular rate of pay.
Sick Leave Incentive	<u>Road Patrol Officers Hired before August 1, 2003 and all Sergeants</u> After 75 sick leave days are accrued, employee can exchange 3 sick days for either 1 vacation day ³ or; Exchange one sick day for one-day's worth of regular pay. ⁴ <u>Road Patrol Officers</u> One additional, non-cumulative personal day every four months, if no sick leave is used. <u>Sergeants</u> One additional, non-cumulative personal day every six months, if no sick leave is used.	Patrolmen who accrue 900 sick leave hours (113 days) may receive payment at one hour of regular pay per three hours of leave accrued, up to 300 hours (38 days). Sergeants who accrue 720 sick leave hours (90 days) may receive payment one hour of regular pay per three hours of leave accrued, up to 240 hours (30 days). In lieu of payment, employees may elect to accumulate two-thirds of accrued sick leave for that calendar year.	Although not specified in the contract, employees do not receive a sick leave incentive.	<u>Officers:</u> Employees who accrue 360 sick leave hours (45 days) may sell back 40 hours (5 days) for payment at regular rate of daily pay. However, employee must not have used more than 40 hours of sick leave in the past year. <u>Sergeants:</u> Employees who accrue 480 sick leave hours (60 days) may sell back 40 hours (5 days) for payment at the regular rate of daily pay. However, employees must not have used more than 48 hours of sick leave in the past year.

<p>Guaranteed Annual Wage Increases</p>	<p><u>Road Patrol Officers:</u> Although a figure is not specified in the contract, wages did not increase in 2004. However, wages are subject to re-opener.</p> <p><u>Sergeants:</u> 3 percent</p>	<p>4 percent</p>	<p>4 percent</p>	<p>3 percent</p>
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Source: Trotwood and peer police department collective bargaining agreements

¹ Assumes employee works a 5/2 schedule (8-hour day).

² Road patrol officers working the 6/3 schedule must first credit 4 hours towards their deficit.

³ Not to exceed 30 sick days for 10 vacation days in a calendar year.

⁴ Not to exceed 10 days of pay per calendar year.

The following contractual provisions were assessed and determined to be in line with those of the peers:

- **Probationary Period:** Similar to peers, Trotwood’s road patrol officers and sergeants are placed on a one-year probationary period.
- **Actual Length of Work Day:** Similar to North Royalton and Xenia, Trotwood’s road patrol officers and sergeants work 8 consecutive hours per day, including a paid 30-minute lunch. Riverside employees, on the other hand, work 8.5 hours, including a paid 30-minute lunch.
- **Vacation Leave Accrual:** Unlike the peers, Trotwood’s road patrol officers and sergeants accrue vacation leave at differing rates. For example, a road patrol officer working the 5/2 schedule – with two years of service – receives 40 hours of vacation, while a sergeant receives 80 hours. In general, however, Department employees accrue vacation leave at a slower rate than the peers. For example, a Department employee with 10 years of service receives 120 hours, compared to the peer average of about 141 hours. Department employees with 20 years of service receive 200 hours, which is in line with the peer average. In 2003, the Department’s expenditures for vacation leave totaled approximately \$210,800. On a per FTE basis, vacation leave expenditures fall nearly 16 percent below North Royalton – the most similar peer in terms of size, residents, and number of vacation leave hours per FTE.
- **Overtime Accrual:** Similar to the peers, Trotwood’s road patrol officers and sergeants accrue overtime at one and one-half times the regular rate of pay. In 2003, the Department’s overtime expenditures per FTE fell to \$100 below the peer average.
- **Sick Leave Accrual:** Trotwood’s road patrol officers (hired after August 1, 2003) accrue sick leave at a rate of 10 hours per month, up to a maximum of 1,200 hours. North Royalton and Riverside do not place limits on the amount of sick leave employees may

accrue, while Xenia's limit exceeds Trotwood's by 80 hours. In 2003, the Department's expenditures were \$1,159 per FTE. With the exception of Riverside, for which 2003 data was unavailable, peer average sick leave expenditures were about \$1,809 per FTE.

- **Payment of Sick Leave upon Separation:** Trotwood's road patrol officers (hired after August 1, 2003) with 10 or more years of service receive 33 percent of accrued and unused sick leave upon separation from the Department. A road patrol officer with 20 or more years of service receives 50 percent of accrued and unused sick leave. Regardless of years of service, however, road patrol officers receive a maximum of 480 hours. North Royalton offers a maximum limit of 650 hours, while Riverside and Xenia offer maximum limits of 720 and 1,280 hours, respectively.
- **Days to File a Grievance:** Trotwood's road patrol officers are permitted to file a grievance within seven days following an occurrence. North Royalton employees are permitted only 5 days and Riverside permits 7 days. Officers at Xenia are allowed 14 days to file a grievance while sergeants are permitted 10 days.
- **Longevity Pay:** The rate at which road patrol officers and sergeants accrue longevity pay is structured so that an employee will receive approximately \$9,400 over 20 years. Employees who have 20 years of service with North Royalton and Riverside will receive approximately \$20,000 and \$7,100 in total longevity, respectively. Xenia's contract does not specifically mention longevity.
- **Number of Holidays:** Trotwood's road patrol officers and sergeants receive eight designated holidays. North Royalton employees receive 11, while Riverside and Xenia employees each receive 10 designated holidays.
- **Holiday Pay:** Similar to Riverside and Xenia, Trotwood's road patrol officers and sergeants accrue holiday pay at one and one-half times the regular rate of pay, when scheduled to work on designated holidays, plus an additional day's pay regardless if worked or not. North Royalton's employees can elect in advance to take the time off with pay or to work and be paid at the regular rate with an option to select a different day off.
- **Call-in Pay:** Similar to Riverside, Trotwood employees called-in to work receive a minimum of two hours at the regular rate of pay for each call, provided that it is not an extension of their scheduled shift. North Royalton employees are paid a minimum of three hours at the regular rate, while Xenia employees are paid a minimum of two hours at one and one-half the regular rate.

- **Court Time:** Trotwood’s sergeants receive a minimum of two-hours at one and one-half times the normal rate of pay for court time. Road patrol officers working the 6/3 schedule receive a similar rate for court time only after they have credited 4 hours to the deficit. Both North Royalton and Xenia pay a minimum of 3 hours, while Riverside pays a minimum of 2 and one-half hours (including one hour for travel).
- **Uniform Allowance:** Trotwood’s non-probationary employees receive a uniform allowance of \$800. North Royalton and Riverside employees receive \$950 and \$750, respectively. Xenia, on the other hand, provides employees with all uniforms and equipment on an as needed basis. In 2003, Trotwood’s uniform allowance expenditures totaled approximately \$31,200, compared to the peer average of \$38,700. Xenia’s uniform allowance expenditures totaled nearly \$48,900, significantly exceeding Trotwood and the peers.
- **Guaranteed Annual Wage Increases:** Similar to Xenia, Trotwood’s sergeants are guaranteed wage increases of 3 percent annually, which is less than North Royalton and Riverside. This may explain why the Department’s total expenditures for salaries and wages are in line with those of the peers on a per FTE basis. Unlike the peers, however, Trotwood’s wages for road patrol officers are subject to a re-opener with the OPBA. Wages for these employees did not increase at the beginning of 2004.

As indicated in **Table A-6**, the agreements between the OPBA and the City permit Police Department employees to receive the following benefits, which are more generous than the peers:

- **Personal Leave:** Trotwood’s road patrol officers and sergeants receive 5 days for personal leave annually, which can be attributed, in part, to the relatively fewer number of designated holidays employees receive. North Royalton’s employees, on the other hand, receive 3 personal leave days, in addition to 11 designated holidays. Neither Riverside’s nor Xenia’s employees receive personal leave days, but they do receive 10 designated holidays. By reducing contracted personal leave from 5 days to 3, the Department will be in line with the peer average number of combined days (11) for personal and holiday leave. Additionally, the Department can increase its level of productivity as employees will spend less time on leave and more time on duty.
- **Sick Leave Incentive:** Trotwood’s road patrol officers (hired before August 1, 2003) and sergeants who have accumulated 75 sick leave days may exchange 3 sick leave days for 1 vacation leave day, provided the exchange does not reduce the employee’s balance below the original 75 days. Alternatively, road patrol officers may exchange one sick leave day for one day’s worth of pay at the regular rate. Furthermore, unlike the peers, road patrol

officers and sergeants may each earn an additional (non-cumulative) personal leave day, assuming they do not use any sick leave over a four- and six-month period, respectively. In 2003, the Department paid approximately \$13,900 for this particular sick leave incentive. By contrast, North Royalton's patrolmen and sergeants must accumulate about 113 and 90 days worth of sick leave, respectively, before they are eligible to earn incentives. Furthermore, in lieu of payment, an eligible employee may elect to accumulate additional sick leave at two-thirds the original rate, with one-third being forfeited back to the city. In 2003, North Royalton paid only about \$600 in total sick leave incentives, which can be attributed to higher eligibility standards, as well as an unlimited sick leave accrual rate. Although expenditure data could not be provided for 2003, Xenia's officers and sergeants are eligible for incentive payments upon the accumulation of 45 and 60 sick leave days, respectively. Of the peers, only Riverside does not offer a sick leave incentive.

Financial Implication: Assuming the City negotiates to eliminate the sick leave incentive that allows employees to cash-in unused sick leave for additional personal leave days, the Department can achieve annual cost savings of approximately \$13,900. This assumption does not account for overtime expenditures nor does it account for expenditure fluctuations in salaries and wages.

Vehicle Maintenance

A-3 The Department should develop a formal vehicle replacement plan that is linked directly to the City's budget for capital outlay expenditures. This plan should also take into consideration fleet reductions identified in Recommendation A-4. By developing a formal replacement plan, the Department will be able to more accurately project the need for replacements, while ensuring the availability of necessary funds.

According to Trotwood, the Department has not followed a formal vehicle replacement plan in several years. Although a formal plan was in place at one time, according to the City, it was abandoned as a result of financial constraints. Informally, the Department tries to replace a vehicle after three years of use, which is in line with municipal benchmarks. In addition, the City's projected capital outlay expenditures include four vehicle replacements in 2004. According to the City, marked and unmarked vehicles typically cost \$30,000 and \$20,000 to replace and equip, respectively. Assuming the Department adheres to this schedule and continues to maintain 38 vehicles, it will replace its entire fleet in 9.5 years at an annual cost of approximately \$107,400. A lack of available resources, however, has extended this schedule and has resulted in a relatively high number of older, higher-mileage vehicles. **Table A-7** summarizes data for all Department vehicles with odometer readings that exceed 100,000 miles, as of September, 2003.

Table A-7: Vehicle Age and Mileage Data

Vehicle Year	Vehicle Mileage
MARKED VEHICLES	
1997	161,440
1997	158,428
1996	152,677
1998	151,871
1996	144,394
1996	141,875
1999	139,895
1998	136,063
1996	134,555
1999	122,614
1996	119,542
2000	103,141
UNMARKED VEHICLES	
1994	129,987

Source: Trotwood Police Department

Note: Vehicle makes include 11 Ford Crown Victoria (4-door), 1 Chevrolet Caprice (4-door), and 1 GMC (pickup).

According to **Table A-7**, 13 of the Department’s 38 vehicles have traveled over 100,000 miles, thereby increasing the fleet’s average to 78,591 miles, which significantly exceeds the peers (see **Table A-8**). By contrast, Xenia – the only peer with a vehicle replacement plan – does not have any vehicles with over 100,000 miles and only 4 of its vehicles are over 4 years old. Although Trotwood’s size contributes to high mileage, the Department operates with more vehicles than it needs (see **Recommendation A-4**), which may increase capital outlay resources required for vehicle replacements.

According to the International City/County Management Association (ICMA), a formal vehicle replacement plan should stipulate those criteria to be considered when making a replacement decision (e.g., minimum age and mileage requirements). ICMA further suggests that because police vehicles typically experience more intense use, they should be targeted for replacement sooner. Furthermore, the American Public Works Association (APWA) recommends that equipment be replaced at the most economical point in its life-cycle, referring to the length of time over which average total unit cost is lowest. In addition to age and mileage requirements, economical replacement plans also consider total maintenance and fuel costs.

Although replacement criteria cannot account for all factors inherent in the decision-making process, a formal vehicle replacement plan provides police departments with an effective mechanism for linking criteria to projected budgets. Xenia’s plan considers age and mileage requirements as replacement criteria, with the express goal of eliminating all vehicles over 10 years of age. Xenia’s plan also takes into account per mile costs associated with maintaining and repairing older vehicles – an effective means of documenting and justifying replacement

decisions. By developing a formal vehicle replacement plan, the Department can more effectively link replacement decisions to available resources. Moreover, by developing this plan in conjunction with recommended fleet reductions, the Department can decelerate its fleet replacement schedule while tracking and minimizing costs associated with maintenance, repairs, and fuel.

A-4 In consideration of the City’s projected financial situation and the Department’s reduced number of staff, the Department should consider reducing the size of its fleet by up to eight vehicles. Specifically, compared to peer averages and USDOJ benchmarks, the fleet could be reduced by up to seven marked vehicles and one unmarked vehicle. When determining the appropriate size of its fleet, however, the Department should also take into account those unique factors that impact Trotwood’s vehicle usage levels, such as its larger geographical size and its higher number of incidents. Nevertheless, by reducing the size of its fleet, the Department will not only reduce capital outlay expenditures but will also achieve annual savings for fuel.

In 2003, Trotwood maintained the largest fleet of vehicles compared to the peers. **Table A-8** compares the Department’s fleet statistics with those of the peers.

Table A-8: Fleet Statistical Comparison for 2003

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
Total Vehicles	38	27	25	23	25
• Marked	26	17	15	11	14
• Unmarked	12	10	10	12	11
Expenditures	\$125,243	\$84,931	\$75,430	\$91,546	\$83,969
• Maintenance/Repairs	\$28,596 ¹	\$41,885	\$50,865	\$44,850	\$45,867
• Fuel	\$96,647	\$43,046	\$24,565	\$46,696	\$38,102
Average Age (Years)	4.8	3.6	4.6	3.4	3.9
Average Mileage (Odometer)	78,591	48,316²	59,429³	30,850⁴	46,198
TOTAL VEHICLES					
Expenditures per Vehicle	\$3,296	\$3,146	\$3,017	\$3,980	\$3,359
• Maintenance/Repairs	\$953 ¹	\$1,551	\$2,035	\$1,950	\$1,835
• Fuel	\$2,543	\$1,594	\$983	\$2,030	\$1,524
Expenditures per Incident	\$17	\$12	\$14	\$21	\$15
Total Vehicles Per FTE	0.7	0.6	0.8	0.5	0.6
• Sworn FTE	0.8	0.6	0.8	0.5	0.6
Total Vehicles Per 1,000 Residents	1.4	0.9	1.1	1.0	1.0
Total Vehicles per Square Mile	1.2	1.3	3.2	1.9	1.7
Incidents per Vehicle	147⁵	263	221	188	226
MARKED VEHICLES					
Per FTE	0.5	0.4	0.5	0.2	0.3
• Sworn FTE	0.5	0.4	0.5	0.3	0.4
Incidents Per Marked Vehicle	215⁵	418	368	393	403
UNMARKED VEHICLES					
Per FTE	0.2	0.2	0.3	0.2	0.3
• Sworn FTE	0.2	0.2	0.3	0.3	0.3
As a Percentage of Fleet Size	31.6%	37.0%	40.0%	52.2%	44.0%

Source: Trotwood and the peers

N/A: Trotwood did not submit vehicle maintenance and repairs expenditure data.

Note: Expenditure figures are rounded to the nearest dollar.

¹ Excluding labor costs, Trotwood provided actual 2003 maintenance/repairs expenditures for 30 of its vehicles.

² North Royalton reported mileage data for 23 vehicles or 85 percent of its fleet.

³ Due to availability, 2002 fleet mileage data was used.

⁴ Xenia reported mileage data for 16 vehicles or 70 percent of its fleet.

⁵ Due to data availability, actual 2002 incidents were used.

The Department's fleet – including marked and unmarked vehicles – exceeds the peer average by 13 vehicles (nearly 52 percent). Furthermore, Trotwood exceeds the peer average in total expenditures for maintenance/repairs, and fuel. Moreover, **Table A-8** does not account for all of the Department's expenditures for maintenance and repairs, only including costs for 30 of Trotwood's 38 vehicles. Both fleet size and expenditure levels can be attributed, in part, to higher staffing levels, the number of residents served, and the sheer size of the City. Compared to the peer average, Department vehicles are slightly older (less than one year) and they travel about 70 percent more miles over a significantly larger area. The Department also exceeds the

peer average in total vehicles per 1,000 residents, total vehicles per FTE, and total vehicles per sworn FTE.

Trotwood also handles about 47 percent fewer incidents per marked vehicle, at a higher expenditure level per total vehicle, compared to peer averages. This could be an indication that the Department maintains more vehicles than is required and may be able to function more efficiently. Similar to North Royalton and Xenia, the Department pools vehicles; however both peers maintain fewer vehicles per FTE and handle significantly more incidents per vehicle. According to a 2000 report issued by the USDOJ Bureau of Justice Statistics, police departments that serve 25,000 residents (e.g., Trotwood and North Royalton) typically maintain a vehicle-to-FTE ratio of nearly 0.6-to-1.0 (56 vehicles per 100 FTEs). Trotwood exceeds this benchmark by approximately 17 percent, while North Royalton is in line with the benchmark. According to the USDOJ, unmarked cars typically comprise 36 percent of a police department's fleet. Trotwood falls about 4 percent below this benchmark.

By reducing the fleet from 26 to 19 marked vehicles, the Department can achieve annual cost savings in maintenance, repairs, and fuel. However, the remaining vehicles will be required to patrol additional square miles which will increase wear and tear on the vehicles. Nevertheless, by eliminating up to seven marked vehicles, the City can improve service delivery ratios, such as incidents per vehicle, and bring the Department in line with peer averages and USDOJ benchmarks. Furthermore, by decreasing unmarked vehicles from 12 to 11 – the Department can achieve additional cost savings and meet the USDOJ's benchmark for unmarked vehicles. Finally, by reducing its fleet, the Department can more effectively plan for vehicle replacement and budget for necessary capital outlay expenditures (see **Recommendation A-3**).

Financial Implication: Assuming the Department reduces the size of its fleet by seven marked vehicles (\$30,000 per vehicle) and one unmarked vehicle (\$20,000 per vehicle), it can avoid approximately \$230,000 in capital outlay expenditures over the next 7.5 years. This represents an annual cost avoidance of nearly \$30,700 for each year of the entire fleet replacement cycle of 7.5 years, during which the Department plans to replace 4 vehicles per year (see **Recommendation A-3**). Additionally, assuming the Department reduces its fleet by eight vehicles, it can achieve annual savings of approximately \$20,300 for fuel (approximately \$2,500 per vehicle). These savings, however, do not take into account any additional fuel and corresponding costs associated with the remaining vehicles patrolling more square miles. These assumptions do not account for annual price fluctuations (e.g., inflation), nor for potential revenue enhancements achieved by selling vehicles.

B. Fire & Rescue Department

Background

This section assesses the general operations of the City of Trotwood’s Fire & Rescue Department (the Department). Fire suppression tactics and specific emergency medical protocols were not reviewed or assessed. However, this section provides recommendations to reduce operational costs and to improve levels of service in the Department. Comparisons are made with the cities of North Royalton, Riverside, and Xenia to illustrate various operational issues. Additional performance comparisons are made using a national study of fire departments by the Phoenix Fire Department and the Federal Emergency Management Association (FEMA).

Trotwood’s Fire & Rescue Department provides fire suppression, technical rescue, emergency medical services and fire prevention services like fire awareness education and inspections for the community of Trotwood. Prior to the 1996 merger, the City’s fire services were provided by the Madison Township Fire Department. Additionally, a private company, Trotwood Rescue, Inc., provided emergency medical services for the community. After the merger, the Madison Township fire department officially became the Trotwood Fire Department. In 1998, the Trotwood Fire Department moved from a volunteer operation to a combination fire department by hiring three full-time firefighters. Emergency medical services (EMS) were added in January 1999, as the City assumed all responsibilities of Trotwood Rescue, Inc. Once consolidated, the Department maintained four stations providing fire and EMS services to the community; in 2000, however, funding constraints required the Department to consolidate the operations into two stations. To plan for the future in the face of funding constraints, the Department developed a strategic plan formally establishing its vision and long-term goals. Furthermore, the plan explains how capital improvements are necessary to achieve improved service outcomes (e.g., improved response times).

In addition to creating a strategic plan, the Department has formalized its core activities via the following mission statement:

The mission of Trotwood Fire & Rescue is to protect life and property in the Trotwood community and its surrounding areas by providing quality fire prevention, public education, and fire suppression with the resources available to the department.

Furthermore, the Department performs fire incident investigations, fire safety inspections for buildings, hazardous materials response, and confined space and high angle rescue.

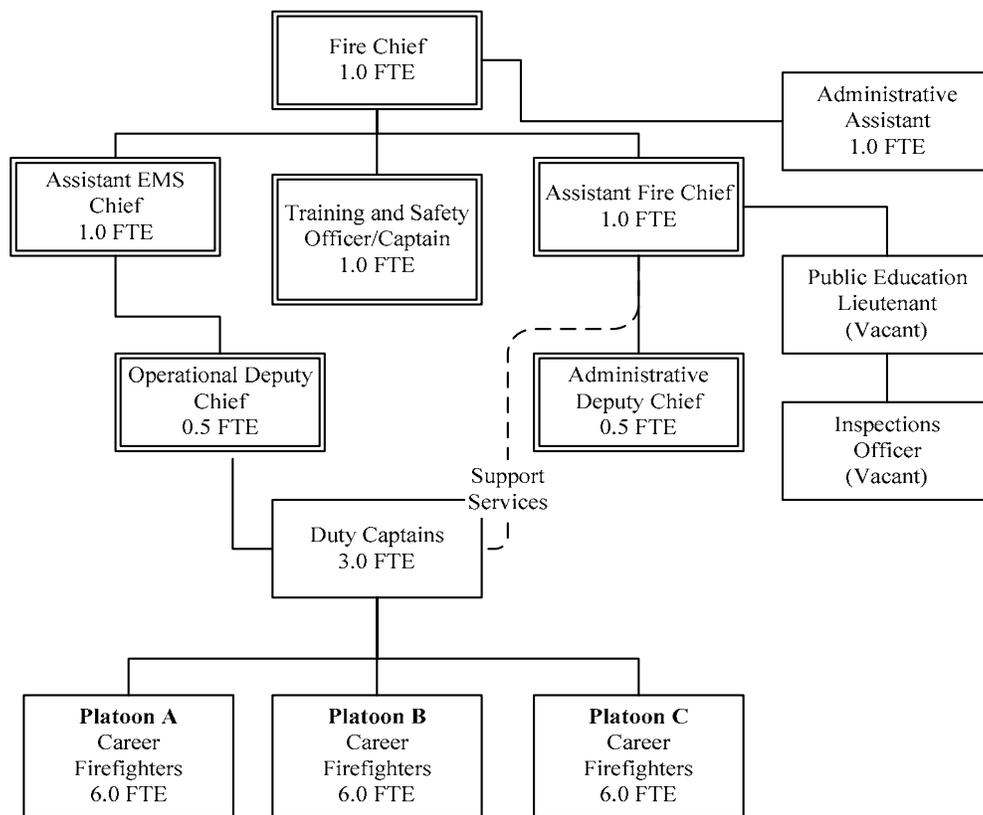
Generally, the Department’s goal is to staff six in-service units, including one ladder/truck company, one engine company, three medic units, and a heavy rescue unit. Due to resource

constraints, however, only five companies are typically staffed while the sixth company (usually the heavy rescue unit) is used when staff is available and when an emergency warrants its use. The Department also maintains mutual aid agreements with several contiguous fire service areas including the City of Dayton. According to these agreements, each fire department furnishes aid to the other upon request at no cost to either department.

Organization and Function

Chart B-1 illustrates the organizational structure and staffing levels, by budgeted position, for all Department personnel.

Chart B-1: Fire & Rescue Department Organization



Source: City of Trotwood

Note: All positions are shown as full-time equivalents (FTEs). The Chart does not include 29.2 FTEs in part-time firefighters.

The Department is organized into a three-platoon system, with each platoon working a shift of 24 hours on-duty and 48 hours off-duty. The Department employs 27 fulltime equivalent (FTE) positions, supplemented by part-time, certified firefighters to satisfy minimum staffing requirements for in-service companies. In addition to the administrative assistant, three Department personnel report directly to the fire chief, including the assistant EMS chief, the training and safety officer, and the assistant fire chief. The assistant EMS chief oversees all emergency medical services provided by the Department. Similarly, the assistant fire chief directs all fire protection and administrative activities carried-out by the Department. Primarily due to fiscal constraints, the public education lieutenant and inspections officer, which make up the Fire Prevention Bureau, were not budgeted positions in 2003 and are currently vacant. The assistant fire chief currently performs the responsibilities of these two positions.

The operational deputy chief works on a part-time basis and provides management support to the duty captain at emergency scenes. The administrative deputy chief also works on a part-time basis and is primarily responsible for handling special projects, scheduling part-time firefighters, and other administrative support duties (e.g., processing supply requests and computer support).

Each of the three platoons is directly supervised by a duty captain who is responsible for managing all fire suppression and emergency medical services during the shift. The duty captain also completes daily activity reports, oversees vehicle upkeep, and coordinates staffing to optimize in-service equipment. In addition to fire suppression and emergency medical services, firefighters complete reports documenting their activities for the State Fire Marshal and for insurance reimbursement purposes through third-party billing.

Table B-1 compares 2003 Trotwood and peer staffing levels, according to position, for certified personnel.

Table B-1: Fire Department Staffing Levels as of December 2003

Positions	Trotwood		North Royalton	Riverside	Xenia	Peer Average
	Budgeted	Actual	Actual	Actual	Actual	Actual
Administrative FTEs						
• Chief	1.0	1.0	1.0	1.0	1.0	1.0
• Assistant Fire Chief	2.0	2.0	0.0	3.0	0.0	1.0
• Training & Safety Officer	1.0	1.0	0.0	0.0	0.0	0.0
• Administrative Assistant	1.0	1.0	1.0	1.0 ¹	1.0	1.0
• Inspector	0.0	0.0	2.0	0.0	0.0	0.7
• Deputy Chief	1.0 ²	1.0	0.0	0.0	0.0	0.0
Subtotal	6.0	6.0	4.0	5.0	2.0	3.7
Fire Suppression/EMS FTEs						
• Duty Captain/Lieutenant	3.0	3.0	6.0	3.0	9.0	6.0
• Firefighter/EMS	18.0	18.0	20.0	9.0	32.0	20.3
• Part-time Firefighter	27.3 ³	29.2 ⁴	0.0	6.0	0.0	2.0
Subtotal	48.3	50.2	26.0⁵	18.0⁶	41.0	28.3
Total Staff	54.3	56.2	30.0	23.0	43.0	32.0
Total Hours⁷	N/A	170,200	94,282	N/A⁸	150,980	122,631.0
Total FTEs⁹	N/A	61.8	34.2	23.0¹⁰	54.8	44.5

Source: Trotwood and the peers

Note: Both Trotwood and Riverside outsource public safety dispatch services to the Montgomery County Sheriff's Office. These employees are not depicted in this table.

¹ Administrative assistant is certified as a medic and participates on EMS calls.

² Includes two part-time employees.

³ Budgeted part-time firefighters represent estimated staffing levels.

⁴ Based on 2003 hours reported by the Department whereby total hours worked is divided by 2,756 hours - the Fair Labor Standards Act (FLSA) standard work year for a firefighter.

⁵ Does not include six supplemental call-paid staff.

⁶ Does not include six volunteer staff.

⁷ Includes regular hours worked, overtime, holidays, and other leave hours.

⁸ Actual hours unavailable for year end 2003.

⁹ Total hours worked divided by 2,756 hours - the FLSA standard work year for a firefighter.

¹⁰ Represents number of total staff.

Overall, the Department employs 24.2 more staff than the peer average. However, the Department's number of total hours and total FTEs exceed the peer average by approximately 39 percent. Although the Department budgeted for 27.3 part-time firefighters, approximately 29.2 part-time personnel worked various shifts in 2003 based on the FLSA standard work year. Furthermore, both North Royalton and Riverside operate as combination fire departments, using volunteer/call-paid personnel to supplement staffing levels. While North Royalton reported that it does not necessarily rely on volunteer/call-paid firefighters to staff its platoons, Riverside indicated that it regularly uses its six volunteers to fill open shifts. Like Xenia, Trotwood does not use volunteer/call-paid staff, which may create the need for additional full-time firefighter/EMS personnel. Correspondingly, both Trotwood and Xenia employ significantly

more firefighter/EMS personnel than the peer average. Additionally, the number of administrative personnel in the Department is higher than the peer average by nearly 62 percent. Higher administrative staffing levels could be attributed to the Department’s employment of a safety and training officer as well as two part-time deputy chiefs – positions not maintained by the peers.

Table B-2 compares key ratios for Trotwood and the peers based on a number of financial and demographic indicators.

Table B-2: Key Ratio Comparison

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
	Actual 2003	Actual 2003	Actual 2003	Actual 2003	
Total Hours	170,200	94,282	N/A ¹	150,980	122,631
Total Staff	56.2	30.0	23.0	43.0	32.0
• Administrative Staff	6.0	4.0	5.0	2.0	3.7
• Firefighter Staff	50.2	26.0	18.0	41.0	28.3
Firefighters per Admin. Staff	8.4	6.5	3.6	20.5	7.6
OPERATING EXPENDITURES					
	\$3,576,498	\$4,175,100	\$3,417,200	\$4,031,100	\$3,874,500
Per Total Staff	\$63,639	\$139,170	\$148,574	\$93,747	\$121,078
Per Total Hours	\$21	\$44	N/A ¹	\$27	\$31
Per Resident	\$131	\$146	\$145	\$167	\$151
FIRE & EMS INCIDENTS ²					
	3,675	1,561	1,560	1,728	1,616
Per Total Staff	65.4	52.0	67.8	40.2	50.5
Per Total Hours*1,000	21.6	16.6	N/A ¹	11.4	13.2
Per 1,000 Residents	134.1	54.6	66.4	71.4	63.6
Per In-Service Company	525.0	260.2	520.0	345.6	343.8
RESIDENTS					
	27,400	28,600	23,500	24,200	25,400
Per Total Staff	487.5	953.3	1,021.7	562.8	793.8
Per Total Hours*1,000	161.0	303.3	N/A ¹	160.3	207.1
Per Square Mile	898.4	1,342.7	2,974.7	1,983.6	1,840.6
Per In-Service Company	3,914.3	4,766.7	7,833.3	4,840.0	5,404.3
SQUARE MILES					
	30.5	21.3	7.9	12.2	13.8
Per Total Staff	0.5	0.7	0.3	0.3	0.4
Per In-Service Company	4.4	3.6	2.6	2.4	3.0
IN-SERVICE COMPANIES					
	6	6	3	5	4.7
Per Total Staff	0.11	0.20	0.13	0.12	0.15

Source: City of Trotwood, the peers, and the U.S. Census Bureau

Note: Number of total residents has been rounded to the nearest 100.

¹ 2003 data on hours-worked was unavailable.

² State Fire Marshal data, actual 2002 incidents were used.

As illustrated in **Table B-2**, the key ratio comparisons provide high level assessments in several areas of the Department's operations, including staffing, operating costs and ratios, and effectiveness and efficiency. In addition, although not depicted in **Table B-2**, the 2000 Phoenix Fire Department National Survey on Fire Department Operations survey is used as a comparison throughout the report.

Staffing

Trotwood’s administrative span-of-control appears appropriate as each administrative staff member supports 0.8 more firefighters than the peer average. When comparing staffing levels, the mean number of total career or full-time fire department personnel per 1,000 residents in the survey is 1.78, while Trotwood employs only 0.99 career personnel per 1,000 residents - reflecting the high use of part-time personnel. In contrast, the number of “on-duty personnel” in Trotwood is 0.55 per 1,000 residents, slightly above the survey average of 0.45. Likewise, staffing levels per engine or ladder company were 4 firefighters per company compared to the survey average of 3.09.

In comparing the percentage of personnel assigned, Trotwood is above the survey average in administrative personnel at 10.7 percent compared to the survey average of 5.1 percent. The percentage of employees dedicated to actual response in Trotwood is commensurate with the survey average at approximately 89 percent. However, personnel assigned to prevention and inspection, and investigations functions (0.2 FTEs each) are well below the survey average of 4.54 and 2.74 FTEs, respectively. Training personnel allocations were relatively similar at 1.2 FTEs for Trotwood and 1.9 FTEs for the survey. While these ratios indicate a potential opportunity to reduce costs by a small reduction in staff, overall department costs and the effectiveness and efficiency of the Department should be considered.

Operating Costs and Ratios

The Department spends nearly 47 percent less in operating costs per staff member when compared to the peers. Moreover, Trotwood spends \$20 less per resident and \$10 less per hour-worked than the peer average. Trotwood experiences significantly more fire and EMS incidents than the peers and the Department covers a much larger service area with a lower housing density. For example, there are 942 fewer residents per square mile in Trotwood than the peer average. Thus, according to various ratios presented in **Table B-2**, it appears that the Department uses less monetary resources to provide services to residents from a greater number of calls in a larger, but less dense area than the peers.

Several ratios can be compared to the national averages found in the 2000 Phoenix Fire Department National Survey on Fire Department Operations². For example, while cost comparisons with peer departments appear favorable, Trotwood’s operating budget was \$131 per resident, about 20 percent above the survey average of \$109. Actual expenditures were 27 percent above the survey average. However, based on operating expenditures per total staff,

² Of the 513 surveys sent out to fire departments in the United States and Canada, 257 were returned. This represents an overall response rate of 50.1 percent. These results reflect the experience of 240 US fire departments protecting 69,423,447 people with a total funding level of \$7,883,473,701. The results from Canada reflect the experience of 17 departments protecting 5,682,828 people with a total funding level of \$553,743,188.

Trotwood expended \$63,639 or approximately 25 percent of the survey average of \$252,980 over a one-year period.

In comparison to the survey average of 0.091 stations per 1,000 residents, Trotwood has 0.073 stations per 1,000 residents. Based on annual calls per 1,000 residents, Trotwood logged 49 percent or 134 more calls than the survey average of 90.1. While the number of fire calls was approximately 67 percent of the survey average, EMS calls were over twice the corresponding survey number.

Effectiveness and Efficiency

The overall effectiveness of the Trotwood Fire & Rescue Department can be measured by reviewing its performance against goals set forth in the mission statement. Specifically, evaluating performance related to the protection of life and property. Civilian injuries were almost twice as high per 1,000 residents, at 0.22 for Trotwood, when compared to the average of 0.13 found in the Phoenix survey. Trotwood did not record any civilian deaths in 2003 compared to the survey average 0.019 per 1,000 residents. However, fire loss information on a per capita basis in Trotwood was \$13.14, or 61 percent less than the survey average of \$34.08. Therefore, Trotwood experiences 61 percent less property loss with only 20 percent more budgeted resources. When compared to the peer average, Trotwood experienced 42 percent less property loss for 2002 and was comparable with fire related injuries.

Fire Department Budget

Table B-3 summarizes the Department’s actual operating expenditures for 2001-03.

Table B-3: Fire & Rescue Department Operating Expenditures 2001-03

	Actual 2001	Actual 2002	Annual Percent Change	Actual 2003	Annual Percent Change
SALARIES AND BENEFITS					
Salaries/Wages ¹	\$1,753,763	\$1,952,711	11.3%	\$2,221,500	13.8%
Overtime	\$4,046	\$5,988	48.0%	\$16,810	180.7%
Holiday Pay	\$0 ²	\$13,122	100.0%	\$15,932	21.4%
Longevity Pay ³	\$11,750	\$9,438	(19.7%)	\$8,428	(10.7%)
OPERS	\$18,484	\$20,558	11.2%	\$19,325	(6.0%)
OP&F	\$255,798	\$266,711	4.3%	\$308,331	15.6%
Social Security	\$33,479	\$42,284	26.3%	\$44,195	4.5%
Health/Life Insurance	\$130,743	\$151,421	15.8%	\$223,262	47.4%
Unemployment/ Workers' Compensation	\$40,766	\$11,553	(71.7%)	\$22,741	96.8%
Relocation allowance	\$0	\$0	0.0%	\$1,226	
SUBTOTAL	\$2,248,829	\$2,473,786	10.0%	\$2,881,750	16.5%
SERVICES AND SUPPLIES					
Travel/Training	\$14,501	\$11,581	(20.1%)	\$16,229	40.1%
Professional and Consultant Services	\$16,859	\$10,304	(38.9%)	\$20,788	101.7%
Utilities	\$33,795	\$33,722	(0.2%)	\$28,409	(15.8%)
Communications/Postage ⁴	\$25,737	\$29,619	15.1%	\$30,510	3.0%
Equipment/Facility Maintenance ⁵	\$92,819	\$134,175	44.6%	\$140,108	4.4%
Insurance and Bonding	\$27,980	\$33,198	18.7%	\$30,173	(9.1%)
Other Contracted Services	\$81,556	\$190,617	133.7%	\$179,504	(5.8%)
Office Supplies ⁶	\$4,942	\$2,943	(40.5%)	\$3,626	23.2%
Operating Materials	\$37,775	\$38,707	2.5%	\$35,115	(9.3%)
Gasoline	\$35,050	\$30,922	(11.8%)	\$35,431	14.6%
Books/Periodicals/Dues	\$16,801	\$15,606	(7.1%)	\$15,621	0.1%
Small Tools/Minor Equipment	\$20,305	\$17,791	(12.4%)	\$24,563	38.1%
Clothing	\$10,630	\$6,533	(38.5%)	\$9,044	38.4%
SUBTOTAL	\$418,750	\$555,718	32.7%	\$569,121	2.4%
CAPITAL OUTLAY					
Vehicles/Equipment	\$94,137	\$121,464	29.0%	\$122,344	0.7%
Refunds	\$0	\$4,257	100.0%	\$3,283	(22.9%)
TOTAL EXPENDITURES	\$2,761,716	\$3,155,225	14.3%	\$3,576,498	13.4%

Source: City of Trotwood

¹ Also includes part-time and temporary wages.

² In 2001, holiday pay was included in the salaries/wages line item.

³ Also includes stipend pay.

⁴ Also includes printing and advertising.

⁵ Also includes rents and leases.

⁶ Also includes office furnishings.

The Department's total operating expenditures increased approximately 30 percent over the most recent three-year period. Salary and benefit increases of \$632,900 account for approximately 78 percent of the overall increase in total operating expenditures. Additionally, the rate of increase from 2002 to 2003 was nearly twice that of the 2001 to 2002 increase. Major factors used to explain significant operating expenditure variances in **Table B-3** are as follows:

Salaries and Benefits

- Expenditure increases for *salaries and wages* in 2003 can be attributed to the City's collective bargaining agreement which authorized a 3 percent increase for all bargaining unit employees (e.g., duty captains and firefighters). Non-bargaining unit employees were also provided an increase of 3 percent. Additionally, four new firefighters were hired in the middle of 2002, thereby increasing salaries and wages substantially in 2003.
- In 2001 and 2002, *overtime* expenses were 0.2 percent and 0.3 percent, respectively, of total salaries and wages. Medical leave for three firefighters in 2003, caused a significant increase of approximately 181 percent in overtime expenses or 0.8 percent of salaries and wages.
- Expenditures for *holiday pay* increased significantly as the City began classifying this as a separate cost center in 2002. Previously, holiday pay had been charged to salaries and wages. The 2003 increase can be attributed to additional firefighters on staff who were eligible for the benefit.
- Expenditures for the *Ohio Police & Fire (OP&F) Pension Fund* increased in 2003 as a result of staffing increases.
- *Social Security* expenditures increased in 2002 as part-time employees were used more often to staff unfilled shifts.
- Expenditures for *health & life insurance* increased in 2003 as a result of higher premium costs. Furthermore, as stipulated in its current collective bargaining agreement with firefighters, the City is responsible for paying 100 percent of premiums for all coverage options (see **Recommendation B-5**).
- *Unemployment and workers' compensation* costs decreased significantly in 2002 as the City received a discount from the Bureau of Workers' Compensation (BWC). The 2003 increase could be a result of additional claims, according to the City finance director.

Services and Supplies

- The 2003 increase in *travel and training* expenditures was attributable to additional technical training initiatives. Also, in order to meet the Department-wide physical fitness initiative instituted as part of a federal grant award, additional costs were incurred training some firefighters to become certified personal fitness trainers.
- Expenditures for *professional and consultant services* increased in 2003 as professional services were paid for initial condition assessments and fitness level exams for all firefighters. The results of these were used in the development of individualized fitness plans.
- Costs for *equipment and facility maintenance* increased as aging engine and medic units required upgrades and significantly more maintenance in 2002.
- Costs associated with *other contracted services* increased in 2002 as a result of having a full year of contracted dispatch in 2002. Trotwood also contracted with a third party for billing of EMS operations. However, these costs decreased in 2003 as a result of a \$20,000 reduction in contract billing costs.

Capital Outlay

- Expenditures for *vehicles/equipment* increased in 2002 as the Department acquired a new medic unit on a lease purchase program to be paid over the next five years.

Key Operating Statistics

Table B-4 compares key operating statistics for Trotwood and peers.

Table B-4: 2003 Key Operating Statistics

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
Operating Costs	\$3,576,500	\$4,175,700	\$3,417,200	\$4,031,100	\$3,874,700
FTEs ¹	61.8	34.2	23.0 ²	54.8	44.5
Residents	27,400	28,600	23,500	24,200	25,400
Square Miles	30.5	21.3	7.9	12.2	13.8
Number of Fire Stations	2.0	1.0	1.0	2.0	1.3
Engine/Truck Companies	3.0	3.0	1.0	3.0	2.3
Medic Companies	4.0	3.0	2.0	2.0	2.3
Total Incidents ³	3,675	1,561	1,560	1,728	1,616
• Fire Incidents	189	64	91	99	85
• EMS Incidents	3,486	1,497	1,469	1,629	1,532
Total Cost per Incident	\$973	\$2,675	\$2,191	\$2,333	\$2,398
• Cost per Fire Incident	\$18,923	\$65,245	\$37,552	\$40,718	\$45,585
• Cost per EMS Incident	\$1,026	\$2,789	\$2,326	\$2,475	\$2,529
Number of Inspections	212	626	306	75	336
Number of Investigations	25	N/A ⁴	68	10	39
Average Response Time	4.5-6.0 min. ⁵	4.0 min.	4.0 min.	5.8 min. ⁶	4.6 min.
Fire-Related Injuries	12	9	6 ⁷	17 ⁷	11
ISO PPC Rating ⁸	4	5	3	4	4

Source: City of Trotwood, the peers, and the U.S. Census Bureau

Note: Dollar and resident figures are rounded to the nearest 100.

¹ Total hours worked divided by 2,756 hours - the Fair Labor Standards Act (FLSA) standard work year for a firefighter (see **Table B-1**).

² Represents total staff reported due to the unavailability of work hour data.

³ Incidents (e.g., responses) as reported to the Ohio State Fire Marshal for 2002.

⁴ Investigations conducted by the Southern Emergency Response Team (SERT), which includes one lieutenant from the North Royalton Fire Department.

⁵ The Department provided two response times of 4.5 and 6.0 minutes.

⁶ Calculated using total minutes to respond divided by total incidents.

⁷ Includes one fire-related death.

⁸ Insurance Services Office, Inc. (ISO) rates various municipalities' fire protection services through a Public Protection Classification (PPC) numbering system – the lower the number, the better the rating.

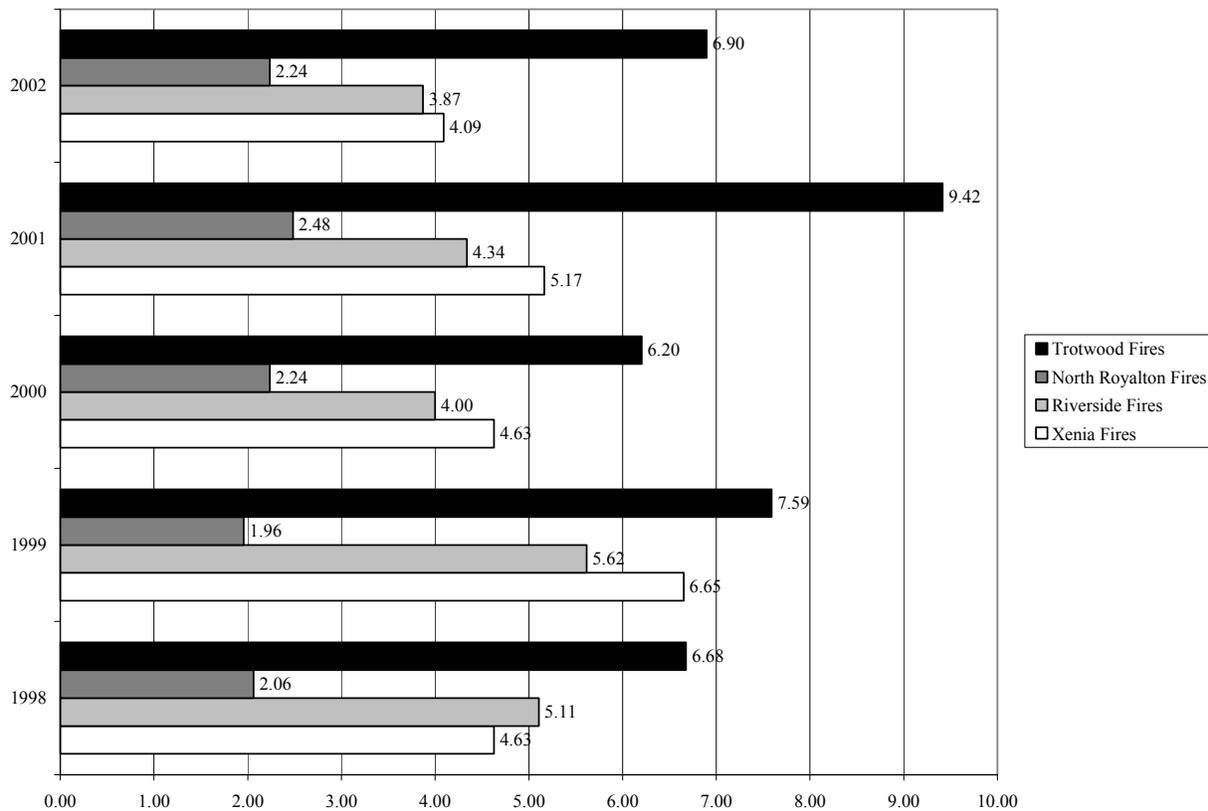
As illustrated in **Table B-4**, Trotwood's 2003 total operating costs are lower than two of the peers and the peer average. Though the department employs more personnel resources (FTEs), it provides fire suppression and emergency medical services to more residents and over a larger service area compared to the peer average. Additionally, Trotwood spends approximately 59 percent less per incident than the peer average.

With more fire stations and a larger vehicle fleet, Trotwood handles significantly more fire and EMS incidents than the peer average; however, the Department performs fewer inspections and investigations (see **Recommendation B-8**). The Department reported average response times of both 4.5 and 6.0 minutes (see *Issues Requiring Further Study*); and in 2003, 12 fire-related injuries occurred in Trotwood. Finally, Trotwood's ISO, PPC rating is commensurate with the peers. These ratings are a compilation of information regarding a municipality's fire protection

services. The lower the ISO rating, the more favorable the insurance premiums are within the covered area, which may make the community more attractive to investment, growth, and economic development.

Chart B-2 further illustrates the Department’s level of fire protection services compared to those of the peers.

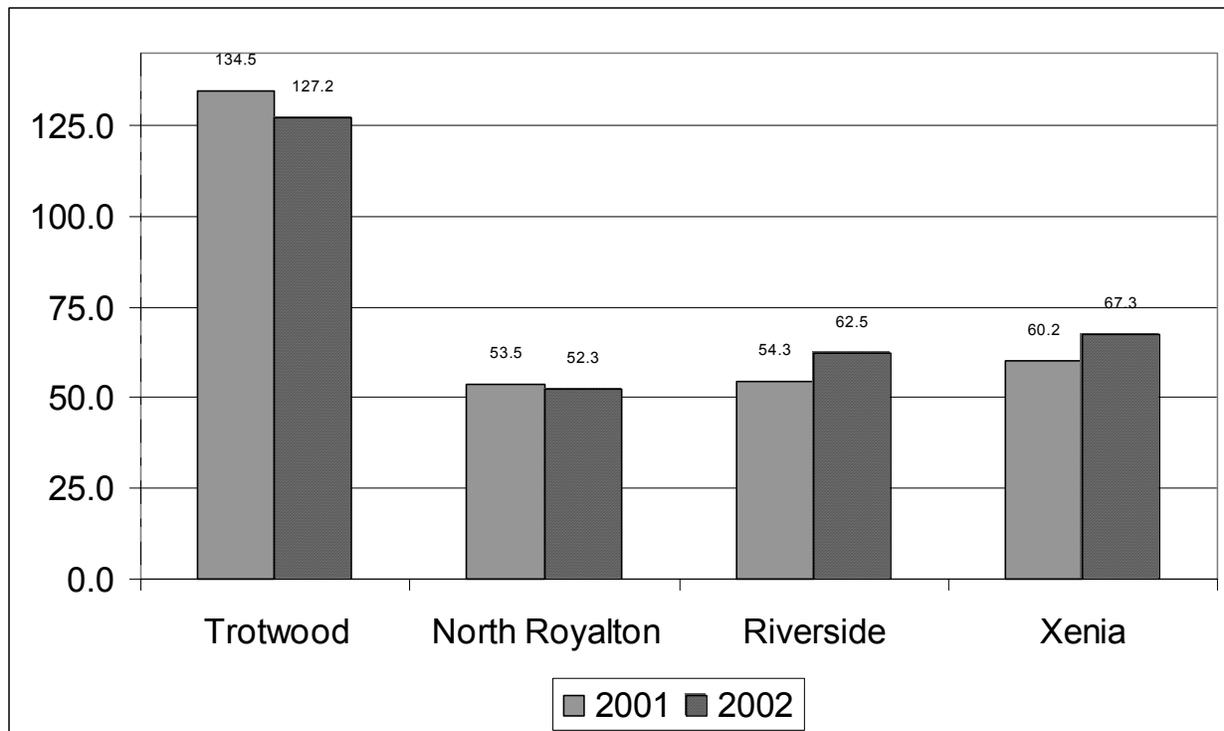
Chart B-2: Annual Fire Responses per 1,000 residents – Five-year History



Source: Ohio State Fire Marshal and U.S. Census Bureau

As depicted in **Chart B-2**, the Department consistently responded to more fires during the five-year period than any of the peers. Trotwood’s number of fires peaked in 2001 as the Department responded to over 9.42 calls per 1,000 residents. Since 1998, the Department annually responded to an average 7.36 calls per 1,000 residents, exceeding the next highest peer (Xenia) by approximately 46 percent.

Chart B-3 compares Trotwood’s level of EMS services to those of the peers during 2001 and 2002.

Chart B-3: Annual EMS Responses per 1,000 residents – Two-year History

Source: Ohio State Fire Marshal and U.S. Census Bureau

Similar to fire protection service levels, **Chart B-3** indicates that Trotwood significantly exceeds the peers in EMS responses. Moreover, on average, the Department responded to 73 more EMS calls per 1,000 residents than the peers.

Assessments Not Yielding Recommendations

In addition to the analyses presented in this report, assessments were conducted on several areas which did not warrant changes and did not yield any recommendations. These areas include the following:

- **Salaries and Wages:** Although the Department's total salaries and wages exceed the peer average, salaries and wages per staff member are below the peer average. Salaries and wages per hour-worked and per incident also fall below the peer average. Finally, salaries and wages on a per resident basis are within 2.5 percent of the peer average.
- **Sick Leave Usage:** The Department logged 1,954 hours of sick leave in 2003 or approximately 3 days per firefighter, which is significantly less than the State average of

6.5 days of annual sick leave per employee. Furthermore, the Department's total sick leave is approximately one-fourth the amount of sick leave logged by Xenia, the most similar peer in terms of organizational structure and staffing.

- **Facility Closure:** Trotwood experiences a relatively high number of fire and EMS incidents while providing services over a significantly larger area (30.5 square miles). Currently, with two functioning stations the Department is able to respond to scenes between 4.5 and 6.0 minutes, which (on average) is slightly higher than the national benchmark of 5 minutes described in David Ammons' *Municipal Benchmarks*. Therefore, the Department needs at least two functioning stations to maintain existing service levels. Also, as provided in its strategic plan, the City intends to construct a new station to alleviate overcrowding and to achieve its goal of a four minute response time.
- **Training Impact and Quality:** The quality of Departmental training meets, and in some cases, exceeds the peers as all personnel maintain current and required certifications. Additionally, Departmental training has helped in minimizing firefighter injuries while decreasing the property loss experienced by Trotwood residents. Trotwood's average loss per fire is approximately \$1,900, while the peer average is approximately \$7,200. With the hiring of a full-time training and safety officer in 2002, a position not employed by the peers, the Department has centralized and emphasized training efforts. For example, with this additional position, Trotwood has been able to work with a local hospital to develop training videos to help facilitate emergency responses. According to *Municipal Benchmarks*, while multiple factors contribute to dollar-loss and injury, training plays an integral role in preparing staff to effectively manage emergency incidents. Finally, Trotwood's number of fire-related injuries as a percentage of total incidents are much lower than the peer average (see **Table B-4**).
- **Grants:** In 2002, the Department successfully obtained a grant from the Federal Emergency Management Agency (FEMA) for approximately \$141,300, eclipsing the peer average in grant revenue received. Additionally, it appears that the fire chief actively pursues grants and has been successful in securing those that do not require significant local matches. More specifically, the Fire Operations and Fire Safety Grant obtained through FEMA has enabled Trotwood to develop a Department-wide fitness program and to purchase the necessary weight training and cardiovascular equipment. By working to improve the physical fitness of firefighters, the Department will be better able to conduct fire suppression activities and emergency medical services for the residents of Trotwood. Additionally, maximizing available revenue through supplemental sources (e.g., grants) will help the Department operate within budget and lessen the strain on its primary funding streams (e.g., Fire and EMS special revenue levy funds).

- **Capital, Vehicle, and Equipment Replacement Plans:** The Department has developed and maintains an up-to-date master plan that addresses all replacement needs. The plan appears comprehensive and takes into account future service levels and corresponding staff needs. Finally, the plan is based on the Department’s goal to respond to incidents within four minutes.

- **Contractual Issues:** The following contractual provisions were assessed and determined to be in line with those of the peers:
 - Length of firefighter workday;
 - Average work week;
 - Minimum call-in hours paid;
 - Compensatory time;
 - Vacation accrual (5/40 hr employees);
 - Tuition reimbursement;
 - Medical exam/tests;
 - Longevity;
 - Length of day;
 - Average work week; and
 - Holidays (Earned Days Off).

General Recommendations

Budgeting

- B-1 As General Fund revenues may not always be available for inclusion in the Fire Department budget, the fire chief, in conjunction with the City’s finance director, should prepare revenue and expenditure forecasts based on “what if” scenarios. The fire chief should also anticipate the likelihood of diminishing General Fund support and work with the City to tailor the Department’s budget to its special revenue levies.**

Despite attempts from the City to reduce overall expenditures, particularly in its General Fund, the Department continues to expand its costs to use all special revenue levy monies as well as an annual transfer from the General Fund. In light of current economic conditions, the City has begun projecting revenues and expenditures to anticipate its future financial position. Further, as the future depiction of its financial condition appears to worsen over time, the City has begun seeking cost saving measures. The Department could play an integral part in assisting the City in reducing General Fund expenditures by concentrating on reducing its reliance on General Fund monies.

According to the Government Finance Officers Association (GFOA), financial forecasts should extend at least five years beyond the budget period and should be regularly monitored and periodically updated. The forecast, along with its underlying assumptions and methodology, should be clearly stated and made available to participants in the budget process (e.g., the fire chief), and it also should be referenced in the final budget document. Moreover, an effective forecast methodology that projects long-term revenue and expenditures provides the following benefits:

- An understanding of available funding;
- Identification of future financial risks, commitments, and resource demands;
- Assurance that services can be sustained and necessary capital investments can be made; and
- Identification of key variables that cause changes in the level of revenue.

A budget should be based on objectives established for each function/department and the estimated costs to accomplish the objectives. This method helps promote departmental responsibility for the funds spent. In light of the current funding structure, the Department will need to formally recognize and anticipate that the General Fund may not be able to support operations at current levels. Therefore, preparing a realistic projection of budgeted revenues will allow the Department to better meet its responsibilities to

manage services, programs, and resources as efficiently and effectively as possible, and to communicate the results of these efforts to the City and taxpaying public.

B-2 The City should clearly define what constitutes a full-time equivalent employee (FTE) and base the projected number of FTE employees on *total hours worked* from the previous year in conjunction with the Department’s anticipated staffing needs for the upcoming year. The City should also change the process of reporting the payroll from a decentralized calculation approach handled exclusively by the deputy fire chief to the centralized process used for other City departments.

According to the Government Finance Officers Association (GFOA), budgets should include information concerning programs and the organizational structure supporting those programs. This information provides context for the proposed allocation of resources in the budget. Therefore, by formally defining what constitutes an FTE in the budget, the City can more clearly provide the context and basis of proposed staffing levels and associated costs.

According to **Table B-1**, the Department’s number of budgeted staff (54.3) for 2003 is approximately 3 percent lower than the level of actual FTEs (56.2). According to the City’s finance director, in addition to 27.0 FTEs in full-time personnel, this estimate includes a pool of part-time firefighters who have been converted into an additional 27.3 FTEs. However, the budget does not clearly define what constitutes an FTE. Moreover, the estimated number of FTEs was not based on actual hours worked from the previous year since the finance department does not get the same type of time sheets for Fire part-time employees that it receives for other employees. The monthly information includes hours but also has a computed dollar figure for total pay. So, unlike other payroll processing where finance inputs hours and the system multiplies it by the pay rate in the employee file to compute pay amount, finance enters the pay amount from the submitted sheet. The existing process is apparently a vestige of the old pay-on-call/volunteer days and should be revised so that the central payroll system can capture the part-time hours worked on a consistent cumulative basis and maintain an accurate record of total hours worked.

The City should also base the number of projected administrative staff on hours worked from the previous year. Similar to budgeting for part-time firefighters, the City should use the number of hours worked from the prior year and divide by the number of hours in a standard work year (2,080) to project a more accurate administrative staffing level. Therefore, to improve the accuracy of budgeted staffing levels, the City should use total hours worked from the previous year, delineate between administrative and firefighter work hours, and divide by a predefined number of hours to determine FTE staffing needs. For firefighter staff, the City could use 2,756 hours (the FLSA standard work year) or the

fire chief's estimate of 2,912 hours; while for administrative staff, the City could use 2,080 hours (the standard full-time work year).

By using *total hours worked* in conjunction with a formally stated FTE number, the City can more accurately budget Departmental staffing levels. Although actual personnel expenditures in 2003 were only 2 percent higher than budgeted amounts, with more accurate staffing projections, the Department can make more informed planning decisions. For example, the Department's future equipment needs can be better ascertained as management can more accurately determine the upcoming year's usage levels.

Billing

- B-3 The City should review the current EMS fee structure and determine if it needs to be altered based on the costs of providing EMS services while considering the City's demographic and economic status. However, the City should ensure that a revised fee structure does not have a negative impact on actual collections. If the City concludes that fee structure changes would potentially result in a decrease in actual collections, the current Medicaid rate should be maintained. In addition, the City should monitor the performance of MBI Solutions (MBI), the third-party billing company for EMS, and collaborate with MBI concerning potential rate changes and the effect on collections.**

The Department provides two types of EMS services including basic life support (BLS) and advanced life support (ALS). Residents are charged the maximum Medicaid reimbursable rate for either BLS or ALS if they are transported to a medical facility. Trotwood does not have a published rate or fee schedule, although the amount charged for an ALS transport is between \$662 and \$847, depending on level of service, and a BLS transport is \$493.

The Department has not calculated the cost to provide EMS services to residents. The City is unable to break out the Department's cost for EMS services as salaries for fire fighter/paramedics are not prorated based on the work performed. Based on reports made to the State Fire Marshal, Trotwood conducted 189 fire runs and 3,486 EMS runs in 2002. In total, almost 95 percent of all calls were dedicated to EMS. Based on 2003 total expenditure data, it cost the Department approximately \$970 per EMS run³. Because the City is unable to determine the actual cost for EMS services, it is difficult to structure its fees to capture a greater portion of its costs.

³ Based on 94.8 percent of total 2003 expenditures and 3,486 EMS runs reported.

In a report published by the Fire Service Institute of the Iowa State University Extension to Communities in 1999, entitled *Assessing Fees for Fire and Emergency Services*, a significant rationale for instituting fees on tax supported emergency services lies in the premise that tax levies pay for the ability to respond, while fees pay the cost of response. A formula for establishing a fee is “equipment costs plus skilled labor costs.” Fully calculated rates should use predetermined charges for each component involved in the service, including labor, vehicles, equipment and supplies, and overhead costs. An example of one formula for vehicle or apparatus costs used by the construction industry is the rate of \$1 per \$1,000 of estimated value of vehicle per hour. In the instance of a \$150,000 medic unit, the component fee would be \$150 per hour.

A more accurate determination of costs would allow the City to explore other opportunities to charge fire and EMS fees. Some examples include the following:

- The Department could consider enacting fees for EMS response and transport for people involved in motor vehicle accidents. The fees for services rendered should provide supplemental revenue and be billed using the current billing infrastructure, thereby incurring nominal added costs. In 2002, the City of Xenia enacted fees for emergency response to motor vehicle accidents. Revenue for 2002 was approximately \$39,000; however, the program was in effect for less than a year.
- The Department has fees for services and has policies in place to charge for the services of the fire department rendered over and above the normal call of duty. Personnel and equipment costs are recovered for such services as hazardous material cleanups. Additional fees could be established for grass fires, car fires, commercial and residential fires. According to the Fire Service Institute report, many residential property insurance companies will pay up to \$500 for a fire service response to an insured property.

Financial Implication: Assuming that Trotwood billed for 40 percent of its fire calls (\$20,000) and matched Xenia’s collections for motor vehicle accident services (\$39,000), the Department could increase revenues by approximately \$59,000.⁴

Collective Bargaining

B-4 The City should seek to reduce and/or limit pay increases for Department personnel in future contract negotiations. The current pay increases, based on step and cost-of-living increases, are of a magnitude that may be beyond the City’s ability to pay.

⁴ Revenue collected subject to a 10 percent management contract fee with MBI on all collected fees.

Department personnel receive pay increases that are defined by the negotiated agreement. Based on the agreement between the International Association of Fire Fighters (IAFF) and the City for November 2000 through December 2003, each employee grade received at least a 3 percent cost-of-living increase each year of the contract. In addition, the step increases ranged between 4 and 12 percent, depending on the rank and step. Employees who advance on the step schedule can anticipate a 7 to 15 percent pay increase depending on their step and rank, and including the cost-of-living increase.

Although Trotwood firefighters and Department administrators' total salaries are below the peers, the magnitude of annual cost increases in salaries may be beyond the City's ability to pay. As salaries and wages alone comprise approximately 62 percent of the Department's expenditures, cost reductions in the personnel category must be made in order to gain any substantial savings. While current contract negotiations have concluded, City administrators and Department personnel have the opportunity to help maintain the financial stability of the City by reducing annual pay increases or limiting the total combined step and cost-of-living increases in future contract negotiations.

B-5 The Department should reduce health care costs by negotiating an employee share of the health care premium for single and family coverage of 10 percent. The City should also encourage employees with alternative insurance options to opt-out of City insurance.

During the course of the performance audit, a new collective bargaining agreement was ratified, which requires covered employees to share the cost of health care premiums.

Prior to the new collective bargaining agreement, Department employees did not pay a portion of health and life insurance premium costs. Between 2001 and 2003, the costs of benefits rose from \$130,700 to \$223,300, an increase of 71 percent. According to City officials, Police Department employees agreed to pay a 10 percent share of their health insurance premium.

The State Employee Relations Board *11th Annual Report on the Cost of Health Insurance in Ohio's Public Section (2002)* indicated that estimated future increases in health insurance premiums will be about 18 percent for the foreseeable future. The report also indicated that 72 percent of public employees in Ohio contributed to their health insurance premiums cost. In general, employees paid between 12 and 13 percent of the total cost of health insurance benefits.

Riverside requires an employee contribution of 10 percent, while Xenia requires a contribution of 15 to 20 percent depending on when the employee joined Xenia's Fire Department. Only North Royalton offers full coverage paid by the employer.

Financial Implication: Based on 2003 health benefit costs, if the City negotiated an employee contribution of 10 percent for both single and family coverage, it could save approximately \$22,330 annually.

B-6 The City should consider renegotiating vacation accrual rates for new 24 hour employees joining the Department after the conclusion of this contract period.

The Department has negotiated different rates of vacation accrual for regular 8 hour employees and 24 hour employees. The difference was calculated so that each work period classification of employee would accrue an equivalent amount of vacation time. For example, when the vacation accrual rates were initially established, the average work week for a 24 hour firefighter was 56 hours. The additional 16 hours per week above a regular 40 hour per week employee equates to a multiplier of 1.4. Therefore, an 8 hour employee who accrued 80 hours of vacation a year would equate to a 24 hour employee who accrued 112 hours per year (80 multiplied by 1.4). Although the rates of accrual for 8 hour employees are slightly below the peer average, the accrual rates for the 24 hour employees are above the peer averages. **Table B-5** shows the rates of accrual by years for Trotwood and the peers.

Table B-5: 24 Hour Employee Vacation Accrual Rates

Vacation accrual	Trotwood	North Royalton	Riverside	Xenia	Peer average	Percent above/ below peer average
(5/40 hr employees)						
0-2 years	80	80	80	144	101.3	(27%)
2-5 years	80	80	100	144	108.0	(35%)
5-8 years	96	120	120	144	128.0	(33%)
8-10 years	104	120	120	144	128.0	(23%)
10-13 years	120	160	160	216	178.7	(49%)
13-15 years	136	160	160	216	178.7	(31%)
15-20 years	160	200	168	216	194.7	(22%)
20-25 years	200	240	176	288	234.7	(17%)
Over 25 years	200	240	184	288	237.3	(19%)
(24/48 hr employees)						
0-2 years	112	80	80	144	101.3	11%
2-5 years	112	80	100	144	108.0	4%
5-8 years	134	120	120	144	128.0	5%
8-10 years	145	120	120	144	128.0	13%
10-13 years	168	160	160	216	178.7	(6%)
13-15 years	190	160	160	216	178.7	6%
15-20 years	224	200	168	216	194.7	15%
20-25 years	280	240	176	288	234.7	19%
Over 25 years	280	240	184	288	237.3	18%

Source: Trotwood and peers' collective bargaining agreements

As shown in **Table B-5**, the vacation accrual for 24 hour employees exceeds the peer average in each longevity range, except 10 to 13 years. Overall, 24 hour employees within the Department earned about 9 percent more vacation leave than the peers and 8 hour employees earned 28 percent less than the peers.

The average work-week for firefighters, as found in the FLSA and per the Secretary of Labor's determination, has been reduced to 53 hours. To maintain the equity between 8 hour and 24 hour employees, the City should seek to reduce the accrual rate of vacation for newly hired 24 hour employees. This reduction translates to a decrease of approximately 5 percent per accrual level. Although this will not have an immediate effect on the City's finances, over the long term, the City will experience a reduction in costs for personnel to cover shifts for employees who have taken leave. Likewise, the total payout at retirement will be lowered for new employees joining the Department after the conclusion of this contract period.

B-7 City council should look to standards outlined by legal staff within the Ohio Department of Administrative Services, Office of Collective Bargaining (OCB) to guide future negotiations. The City should exercise caution in granting more generous contractual provisions for personnel. Deviations from common contractual terms relating to wages and benefits in the City's contracts have a direct negative impact on the City's operating budget. Moreover, the City should ensure that cost and savings estimates related to negotiated contractual provisions are accurately projected. Council should be fully informed as to the financial effects of contract terms prior to the start of negotiations and before the ratification of any bargaining agreements.

In 2000, the City negotiated an agreement with Local 4024, of the IAFF for a three-year period ending December 31, 2003. The agreement included a series of re-opener clauses predicated on the possibility that the City might pass a tax increase in 2001. The re-opener clause permitted renegotiation of benefits as follows:

- An increase in holiday pay from 24 to 48 hours.
 - This increases a payout for holiday pay made by the City in November of each year from 24 hours (to equalize two holidays) to 48 hours. Based on the average hourly rate for firefighters, this cost increased from \$6,000 to \$12,000.

- An increase in bereavement leave from 24 hours to 48 hours.
 - While the potential cost is minimal, the increase places bereavement leave at twice the amount of the Department's peers.
- An increase in stipends for EMT-Basic (EMT-B) and EMT-Paramedic (EMT-P); and an elimination of the EMT-Intermediate (EMT-I) stipend.
 - Based on the Department's 2003 certifications, there were 54 EMT-Bs, 2 EMT-Is, and 40 EMT-Ps. However, because only 20 positions are eligible for the stipend, the increase represents an additional \$2,000 to the Department.

Prior to approving the re-opener clauses, the mayor and fire chief prepared an estimate of the costs for the changes in the negotiated agreements. The total cost increase was estimated to be about \$14,350 and indicated that the current budget could absorb the costs. The total cost includes \$6,000 in holiday pay, \$6,350 for bereavement leave, and \$2,000 for the increase in stipends. The estimate further stated that the City would realize a savings of over \$26,000 by creating a new classification within the Department for individuals without certifications (trainees). However, these savings assume that additional full-time employees will be added to the Department. The cost for the additional employees was not included in the estimate or calculations. In actuality, the additional personnel would raise the total salary costs to the City by approximately \$75,000, with the net effect of a potential additional cost of \$49,000. The gradual cost of these and other generous contract provisions, has and will continue to have a negative impact on the City's financial condition. Also, although the re-opener may have reduced tension between the negotiating parties and allowed the City to offer a lower cost of living increase, the future financial impact to the City was not fully anticipated.

The City has the ability to meet with IAFF representatives and attempt to renegotiate certain contract terms due to the City's financial difficulties. It is difficult to roll-back wage and benefit packages once in place. However, some of the contract terms may have a substantial negative impact on the City's solvency. These issues should be discussed with employees and the bargaining unit. Members can agree to any number of different contract options during the time the City remains under financial duress. Council or its representative should attempt to enter into memoranda of understanding regarding the following items:

- Salaries;
- Leave/Vacation;
- Contractual Leave;

- Sick Leave; and
- Health insurance.

The cumulative sharing and sacrifice of all employees will help the City better balance future costs and will encourage more creative options in union negotiations. In upcoming negotiations, the City and bargain unit representatives should be sensitive to long-term financial commitments and their impact on the City's budget.

Prevention and Inspection

B-8 The Department should review its formal fire prevention program and make adjustments based on available financial and personnel resources. As part of the fire prevention program, the assistant fire chief should delegate inspection activities to duty captains and to those firefighters who maintain sufficient certification. Furthermore, the Department's training officer should work with the Ohio Fire Academy to continue providing necessary fire safety inspection training to employees. This will help to bring Trotwood's fire safety inspection levels more in line with peer averages and potentially reduce the City's overall number of fire incidents.

During this process redesign, Trotwood's fire prevention campaign should focus on a few simple but essential safety lessons. More specifically, the Department's preventive activities can concentrate on installing and testing smoke detectors and ceiling sprinkler systems; practicing home escape plans; and hunting for home hazards.

During the course of the performance audit, the assistant fire chief became certified to train all full-time personnel to become certified inspectors. City officials indicated that they plan to implement this recommendation as described below.

The Department's Fire Prevention Bureau consists of two positions which are primarily responsible for performing fire prevention activities (e.g., public education) and conducting safety inspections. Due to financial constraints, however, these positions have been vacant for several years (see **Chart B-1**). As a result, fire prevention and safety inspection activities are currently performed solely by the assistant fire chief. Nevertheless, the Department continues to provide the City with fire prevention activities upon request. In keeping with the commitment to enhance service levels, the fire chief indicated that the Department is considering certifying all career personnel as fire safety inspectors. Ultimately, the Department's capacity to conduct fire prevention activities will impact the achievement of its mission "to protect life and property." Similar to inspection activities, a decline in preventative activities may adversely affect the number

of fire incidents in Trotwood. **Table B-6** compares fire incidents and safety inspection ratios for Trotwood and the peers, based on several demographic indicators.

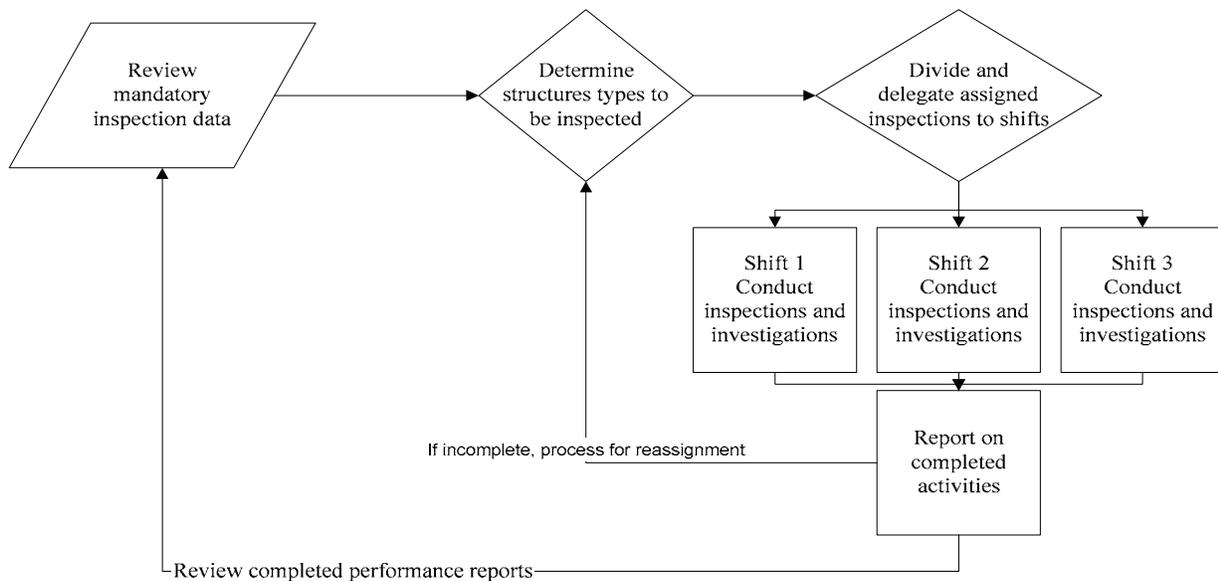
Table B-6: Fire Safety Inspection Comparison for 2003

	Trotwood	North Royalton	Riverside	Xenia	Peer Average
Inspections	212	626	306	75	336
Fire Incidents	189	64	91	99	85
Residents	27,400	28,600	23,500	24,200	25,400
Square Miles	30.5	21.3	7.9	12.2	13.8
Inspections					
• Per Fire Incident	1.1	9.8	3.4	0.8	4.0
• Per 1,000 Residents	7.7	21.9	13.0	3.1	13.2
• Per Square Mile	7.0	29.4	38.7	6.1	24.3
Fire Incidents					
• Per 1,000 Residents	6.9	2.2	3.9	4.1	3.3
• Per Square Mile	6.2	3.0	11.5	8.1	6.2

Source: Trotwood and the peers

As illustrated in **Table B-6**, Trotwood exceeds the peer average in total fire incidents and fire incidents per 1,000 residents. Nevertheless, the City falls below peer average ratios for inspections performed even though 21 firefighters (11 full-time and 10 part-time) are certified fire safety inspectors, according to the training officer. Additionally, the fire chief indicated that the Department is considering certifying all career personnel as fire safety inspectors. However, under the current process, it appears that the Department does not use enough staff to perform safety inspections. North Royalton's fire prevention bureau consists of two FTEs who conduct over 400 more inspections than Trotwood. At Riverside and Xenia, firefighters – all certified inspectors – are divided into three shifts and assigned to different parts of the city to conduct inspections. Firefighters then file safety inspection reports with their assigned lieutenants (i.e., duty captains), who are responsible for reporting data to administrative personnel.

Chart B-4 illustrates the inspection process for Riverside and Xenia.

Chart B-4: Peer Fire Safety Inspection Process

Source: Riverside and Xenia fire departments

Although a sufficient number of Department personnel maintain the required certification, the Ohio Fire Academy offers an 80-hour certified fire safety inspector training course at a cost of \$370 per person in case additional staff requires training. This course is open to personnel who have had a minimum of (36-hour) fire certification training and 4-hour hazardous materials awareness training. By delegating the safety inspection function to its duty captains and certified firefighters, like Riverside and Xenia, Trotwood can train its employees to become more familiar with the structures they are responsible for inspecting. This will enable the Department to conduct more inspections and potentially reduce its relatively high number of fire incidents.

The Office of the Legislative Auditor of Minnesota conducted a best practices review of fire service in 1999. The review found that best practice fire departments used the following processes to increase community involvement in prevention activities:

- Assess risks and develop long-range plans;
- Evaluate fire department performance and use resources cost-effectively;
- Promote public awareness of fire safety;
- Ensure fire code enforcement;

- Develop effective communications systems, prepare a competent workforce, and support safe operations; and
- Plan for on-scene responses.

Although many of these processes were followed when the Fire Prevention Bureau was fully staffed, delegating inspection duties will enable the Department to fully resume prevention activities. Finally, considering its current resource constraints, the Department should conduct essential prevention activities (e.g., install and test smoke detectors and ceiling sprinkler systems) as the inspection process is being redesigned. Increased attention to fire prevention could help the Department reduce community losses resulting from fire and other hazards.

Maintenance Records

B-9 The Department should regularly update records documenting maintenance activities on all equipment. The records should address maintenance conducted on apparatus, personal equipment and gear, and other firefighting equipment. Also, quarterly reports can be helpful in spotting trends and ongoing problems with the equipment and its operational integrity.

The Department maintains a budget cost center for equipment maintenance and repairs. The assistant chief indicated that equipment is serviced regularly and major repairs are outsourced. However, because the on-staff firefighter/mechanic was recently injured, it has been challenging for the Department to keep up-to-date, complete maintenance and repair records. Additionally, the Department does not regularly report its vehicle and equipment maintenance activities.

Riverside maintains an apparatus report that is used to track maintenance costs, mileage and out-of-service days for engines, medic units, and staff cars. Details of all maintenance activities are included in the annual report published by the fire department. In addition, the Riverside fire chief completes a monthly report detailing department activities including these noteworthy items:

- Community services;
- Emergency incidents;
- Patient disposition;
- Personnel and staffing;
- Fire prevention activities; and
- Maintenance activities.

According to Xenia, because engines are typically left idling during emergencies, tracking vehicle hours is one of the most accurate ways to schedule regular maintenance. An operation that relies heavily on the performance of sophisticated yet aging equipment requires fire departments to pay close attention to maintenance and repairs. Therefore, by keeping up-to-date records and regularly reporting maintenance activities, the Department can minimize the amount time its equipment is out-of-service.

Financial Implications Summary

The following table is a summary of estimated annual cost savings and cost avoidances resulting from recommendations within this section of the performance audit. The financial implications are divided into two groups: those that are subject to bargaining unit negotiation, and those that are not.

Summary of Financial Implications

Subject to Negotiation		
Recommendation	Estimated Annual Cost Savings	Estimated Annual Cost Avoidance
A-2: Reduce contracted personal leave by two days and eliminate the sick leave incentive that allows employees to cash-in unused sick leave for additional personal leave days.	\$13,900	
B-5: Share costs of insurance		\$22,330
Not Subject to Negotiation		
A-1: Eliminate one sworn FTE vacancy.		\$58,800
A-4: Reduce the fleet by seven marked vehicles and one unmarked vehicle.	\$20,300	\$30,700
B-3: Assess fees for the billable structure fire calls and the motor vehicle accident calls, thereby expanding the current billing procedures to cover these new categories.	\$59,000	
TOTAL	\$93,200	\$111,830

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