

HURRICANE VALLEY FIRE SSD

Budget Proposal 2017

The Hurricane Valley Fire SSD has three core values. We strive to prevent, prepare for and respond to calls for service. Our prevention efforts focus on public life safety education, code review and enforcement, annual life safety inspections, occupancy inspections and employing other industry best practices. Your firefighter and emergency medical personnel spent over 5,016 hours in 2015 training for and preparing to respond to all calls for service. Training means instruction in best practices for medical, fire, rescue, hazardous materials response, technical rescue and administrative requirements mandated by regulatory agencies. In addition, the same personnel were able to respond to 2,375 calls for service or six and one-half calls per day. Annual fire hydrant and specialized fire features inspections also affect the time demands on our personnel.

This is an illustration of how we have continued to provide service to the citizens of the District while facing multiple challenges presented by expanded growth, diminished staffing and limited physical resources. This budget proposal addresses these three major challenges and is designed to stabilize the District level of service and serve as a draft five-year plan.

Growth

Washington County was listed as the fastest growing area prior to the 2008 economic downturn. We are rapidly returning to that status. Dixie Springs has grown from approximately 38 homes in 2009 to well over 500. Sand Hollow, the Riverwood, Sunset View Estates and several other areas are also experiencing rapid residential growth. La Verkin City went from having no hotel facilities to a completed three story hotel, a four story hotel under construction and several others progressing through the approval process in less than thirty-six months. Virgin is moving toward the approval of a 130 room hotel with proposed support businesses for the hotel. Hurricane City now has a four story hotel with two additional hotels in the planning phase. We currently protect facilities with an excess of one million square feet per facility and buildings over four stories tall. These larger and taller facilities require greater staffing levels and a larger apparatus response in addition to specialized operational techniques.

An ideal response to a single story ordinary structure includes fifteen operational personnel and four apparatus. A four story structure response of 35 operational personnel and nine apparatus would provide the proper protection and operational level. The commercial facilities in our District have a strong positive economic and community impact. Our goal is to assist them with continued operations by providing a variety of safety training courses, completing an annual life safety inspection on each commercial facility within the District to identify potential life safety hazards and to help us plan for our response in the event an incident occurs at the facility.

The local lifestyle and recreational draw to the District means we respond to over 57 special event requests each year in addition to the many calls for service generated by outdoor recreation participants. These events include Ironman Utah, Red Bull Rampage, WORCS Racing, Washington County Fair, multiple running races, triathlons, ATV rallies, mountain bike events, rodeos, and a variety of other planned events. The rapid increase of the number of visitors drawn to the majestic splendor of the area adds to demands on our response and readiness.

We are striving to maintain and then improve our ISO rating in order to keep homeowner and business insurance as low as possible given the reasonable limits on resources. Higher density housing areas and increased commercial growth require the addition of fire stations, apparatus, equipment and personnel. Multiple areas in the District have been identified by ISO and other organizations as necessitating expansion of our physical facilities and response readiness.

We have also begun to experience increasing customer expectations. Individuals calling for assistance have the expectation that all our stations are staffed 24X7 and that a crew will arrive within minutes from their call. A recent concern over the time it took for firefighters to arrive at a fire in a clubhouse just over one mile from the station is explained by the fact that the fire alarm was received shortly after 6:26 p.m., which is twenty-six minutes after our part-time crew finished their shift and changing over to all-volunteer response. Others people are frustrated with the 30-45 minutes it takes us to reach them as they recreate in the back country of our service area. Three calls in the last 18 months have been facilitated by one of our automatic aid departments responding from their home station due to three or more units being already engaged in other calls for service. There would have been even more instances of delay if it were not for the multiple station move ups provided by Hildale Fire. We will have to continue to balance customer expectation and real industry standards.

Surprisingly, our service area growth has had a negative impact on our revenue stream. The State Tax Commission determined over the last two years that the adjustment of our boundaries to include the Leeds Area SSD and Hurricane City required a reduction in our property tax levy rate. Their single revenue stream policy resulted in a decrease of our tax levy from 0.001112 to 0.00095 over a three year period. The Leeds service area went from 0.00158 to our newly appointed 0.00095. The impact of the levy reduction was a \$303,877 decrease in revenue combined with annual debt service more than \$112,790 from Leeds and Hurricane to the District. We are also experiencing the impact of regulatory growth. The regulatory agencies which oversee our operations have instituted multiple new mandates. These range from fiscal reporting to operational protocols, resulting in a significant increase to the administrative and operational load of the District.

Diminished Staffing

Our six full-time and volunteer firefighters and emergency medical personnel responded to 832 calls for service or an average of 2 per day in 2002. In 2015 we responded to 2,375 calls for service with the same number of full-time employees. Our consistent growth in call volume has us on track to respond to an average seven calls per day in 2016. In addition, our call for service incident number generation method changed in 2009. Prior to 2009, a single incident scene would have generated a fire incident number and an EMS or emergency medical service incident number if fire and EMS resources both responded to the same incident. A single call for service now produces a single incident number irrespective of the type or number of resources that respond. Utilizing the pre-2009 method of generating incident numbers, our 2016 responses would be equivalent to 8.2 calls per day or four times the calls received in 2002. We have responded to eighteen emergency calls for service in a twenty-four hour period twice in the last several weeks and statistics show we have responded to an excess of six calls for service between midnight and 6:00 a.m. on multiple occasions over the same time frame. Sixty-seven percent of these responses occur while we are already responding to another call for service, compounding our service provision challenge.

Averages and comparisons are often difficult to qualify. An annual survey of the busiest fire departments show New York City as the busiest fire department in the United States. The call volume is qualified by calls per firefighter per year. The survey utilizes the qualifier that it takes the same number

of firefighters to fight a fire in a 2,000 square foot home in New York or respond to a heart attack victim as it does in any other location. Our statistics show that an FTE adjusted Hurricane Valley firefighter responds to 164 calls per year compared to New York City's 143 calls per year. While our call volume cannot compare with their 2,017,296 calls in 2015, we also cannot compare with their 14,140 operational firefighters. Local comparisons show our number of calls per firefighter are higher than other Utah departments.

The type of call for service and the severity of the incident have also changed over the years. Construction methods and products produce hotter, more rapidly progressing fires. Structures that once took 45 minutes to become unstable in a fire now do so in less than 15 minutes. Federal regulations and the increasing use and transportation of hazardous materials add another dimension to our response. We have recently certified individuals to deploy to hazardous materials releases, flash flooding, confined space entrapment, swift water rescue, specialized extrication and various rescue situations, increasing our training and certification needs.

Hurricane City employed Ed Campbell as its first full-time chief in 1982. He coordinated the training, readiness and response of 45 volunteer firefighter emergency medical technicians. The Hurricane Fire Department added six full-time firefighter paramedics in 1996. Diminishing volunteerism noted nationwide has had an impact on our District. Our once robust volunteer response is diminishing as our volunteers seek a full-time employment opportunity, are taken out of the area as part of their daily employment duties or age out of the ability to respond. Mandates, customer expectation, case law and employee safety require our volunteer or part-time firefighters complete the same training and certification as a full-time firefighter. This training and certification requirement and the time-consuming call volume are placing a burden on our volunteers that many cannot carry in addition to their other responsibilities. On September 29, 2016 one of our "volunteer" firefighters responded on seven calls for service, spending over fourteen hours in service to the community in a 24-hour period. This is no longer unusual.

Our current volunteer-pay-per-call and regular part-time employees both present and face challenges. Federal mandates included in the Fair Labor Standards Act and the Affordable Care Act required us to decrease the amount of time these individuals spend providing service. The volunteers who actively participate and who can be counted on to respond when needed are approaching or have exceeded the

time limitations set by federal code prior to our being required to provide them full-time status. We are trying to keep from crossing the federally set work-time thresholds. Unfortunately, our service is one which does not have the luxury of postponing an emergency response while we look for an available employee who has accumulated fewer annual threshold hours.

We have spent the last 36 months trying to recruit enough individuals required to hold our training academy which was scheduled for 2015. In the past we could recruit over 40 participants and graduate eight to twelve. We are struggling to get the minimum number of 16 participants required for training assistance from the Utah Fire and Rescue Academy.

The national perception of public safety employees continue to decay, causing even fewer people to be willing to respond. Standard fire personnel equipment in many areas, including Utah, now include a ballistic vest and training on urban survival tactics. This adds an additional stressor to an already stressful profession.

We currently have four unfilled regular part-time positions. Our last new hire testing produced several applicants. Most of the part-time applicants requested full-time status when job offers were extended. The majority opted to decline the part-time offering. We are now utilizing out-of-area personnel as allowed by the Merit Board rules until the positions can be filled with qualified personnel. While the stations, apparatus and equipment have increased, our full-time employees have remained substantially flat. Volunteer participation has decreased and regular part-time employee positions remain unfilled due to a lack of qualified candidates.

The growth in call volume combined with diminished staffing and concurrent calls for service have led to longer response times and an increased reliance on our automatic and mutual aid partners who have an average response time to calls within the District of twenty-four minutes.

Physical Resources

The growth and personnel issues have resulted in a heavier burden on our facilities, apparatus and equipment. The District service area had three fire stations and fifteen pieces of apparatus in 2002. We

currently utilize six fire stations (five operational and one reserve), 42 pieces of apparatus, and a greatly enhanced cache of equipment - all of which require an increase of service hours to maintain and operate.

We have replaced three of our ambulances and four of our brush engines over the last four years. Our larger fire engines are aging with the newest engine purchased 10 years ago. Our newest fire apparatus is under construction and should be delivered by March of 2017. This budget and five-year plan utilizes the purchase and refurbishing of used apparatus to meet our continuing apparatus need.

Newer technology and an aging fleet combine to increase the need for highly qualified service providers. It is not uncommon for a piece of equipment to be taken out of service and sent to Salt Lake City or Las Vegas for repair or to be set aside while we wait for a vendor to travel to our station for repair. Several pieces of equipment sent to one or more of our local vendors have remained out of service at their shop for over six months as they work through the repairs leaving us without a valuable piece of lifesaving equipment.

Needs Analysis

The increasing growth will continue to add to our already over-burdened facilities, apparatus and personnel. We have excelled in fostering an operational partnership with our surrounding agencies and have enacted automatic aid agreements, unified training and standard operating procedures. Our employees have excelled in providing more services and improving facilities, apparatus and equipment with fewer dollars by taking on additional assignments and projects in the precious moments between training, daily duties and call response. However, our full-time and regular part-time employees find themselves working their assigned shifts and turning around to work on their assigned days off to respond on calls for service. This diminishes the mental and physical recovery time which is critical to the wellbeing and performance of all public safety employees and their families. Your firefighters have built, restored, painted, repaired, configured, designed and placed into service; stations, apparatus, equipment and programs which our revenue and budgeting would not have allowed to move forward without their dedication and participation. They have saved the public hundreds of thousands of dollars over a seven year period. They have used up, worn out and done without to the point they can do no more with what they have.

We have utilized a variety of funding mechanisms; grants, property tax, ambulance transport fees, wildland suppression compensation, and operational fees, to fund our continued operations. Relying solely or heavily on grants for continued operations is unstable and unwise, though we have received approximately one and one-half million dollars in grant funding since 2008 and continually seek additional opportunities. Unfortunately, this unstable funding source has become scarce in Utah as the funding emphasis has shifted to large population centers and those places perceived to be at greater risk of terrorist attack.

Three multi-year unfilled grant application requests have had a heavy impact on the District. For three consecutive years we have applied for assistance with staffing, apparatus and self-contained breathing apparatus. Our requests have been deemed as a priority and worthy of funding. Unfortunately, grant funds have run out each year prior to our request reaching the top of the project award list. We are now left with firefighter breathing apparatus which has exceeded the expected end of life, is several generations out of compliance with current acceptable standards and are in need of replacement to insure firefighter safety.

Property tax revenue calculations require a fair amount of speculation as we prepare a budget a year prior to the property values being received. The property tax revenue listed in this budget is based on property quantity and values that will be seventeen months old prior to the tax being levied November 2017. The current State Code and Rule make it difficult for a Calendar Year Entity to capture new growth. Any increase to our budget requires that we follow a well scripted and limiting process leaving it difficult to capture new growth revenues while increasing our workload eighteen months ahead of the levy being exacted.

Ambulance revenues are also regulated by the State of Utah and are heavily impacted by the declining insurance company compensation rates and ever increasing self-insured and under insured populations. Our fee schedule assists in offsetting a portion of our review, inspection and special event activities. Our wildland response operation was a success in adding additional non-local revenue as it was deployed several times this year and has provided additional net revenue of \$112,331.

The District is now in the position of either securing additional funding or reducing services. I have discussed the impact of our transient housing growth and funding with Senator Vickers and with the executive director of the Utah Association of Special Districts, and am seeking the opportunity to meet with our other legislators in soliciting their direction and suggestions. A special services district has three funding sources; property tax, fees for services and impact fees. These current statutory limits on District revenue streams require that we take one of several approaches to address increased funding; establish special assessment areas, raise property taxes, or seek new legislation to provide us with additional funding sources. Special assessment areas are disparate and new legislation normally takes years to accomplish. This leaves us in with the unenviable choice of either lowering the level of service leading to potentially higher insurance costs and increased response times or asking for additional property tax participation.

2017 Budget

A five year fire department strategic plan was submitted in 2009. As of 2016 few elements of the plan were funded and implemented due to the dynamics of the District participation. The 2017 budget proposal addresses several of the discussed challenges. The budget includes funding necessary to complete the planning and bonding for one of the four ISO recommended structure apparatus, one of the three recommended ISO stations and the addition of personnel called for in the 2009 strategic plan. These recommendations will allow us to properly address our short fall in meeting acceptable standards for response times, apparatus, and personnel to function safely at incident scenes. It will also decrease the number of customers having to wait for the arrival of automatic aid companies to meet their service needs. This will be accomplished with the following budgetary additions; personnel, equipment, and operational costs.

Personnel. This budget proposal includes the addition of twelve full-time operational employees and one entry part-time staff position changing to full-time staff. This allows us to safely and efficiently respond to our increasing calls for service, complete the required readiness inspection, hydrant inspections, business inspections, training and other daily activities. Our minimum staffing levels will also be adjusted to recapture the budget line item for vacation, holiday, sick leave coverage and wildland deployment. These changes will assist us in extending the readiness and life of our fleet and minor equipment valued at well over \$9,000,000.

One of the proposed positions is for a combined staff and operational assignment over fleet and facilities. The job description will include mechanic and, maintenance and supervisory duties. This addition will also allow us to better maintain our fleet and facilities, small equipment and apparatus at a cost lower than the \$95 an hour average we are currently paying. This employee will be a certified Emergency Vehicle Technician trained and certified to work on the specialty apparatus and equipment.. This will significantly decrease our repair and maintenance budget lines to offset the addition to the wage and benefit budget lines.

Equipment

This budget also addresses the aging self-contained breathing apparatus and ambulance transport stretchers. Operational Costs. The budget also includes the establishment of two new line items and an expansion of one. The first line item is for the provision of accounting services. This contracted position will allow for the recommended regular independent budgetary oversight and responsiveness to the increasing requests from the State Auditor and other regulatory agencies. The second line is for recruitment and retention of pay-per-call personnel. This line item will annually reimburse a firefighter emergency medical technicians for the completion of a Utah State recognized paramedic course and certification as paramedic. It will also provide for a new recruitment policy.

The recruitment policy will compensate any current District employee who recruits a new District member and assists them in completing their initial certification course. If the recruited member then remains as an active member of the District for two years by attending a minimum of 70% of the required training, receiving at least one additional certification and completing an average of four pre-arranged staffing shifts each month, the recruiting member will receive a \$1,000 bonus at the end of the two year period.

The facilities repair and maintenance line will also expand allowing for a multi-year replacement schedule of the original apparatus bay doors and openers at Station 41 followed by additional doors as identified by the engaged door maintenance company.

Levy Impact. The increased levy is daunting. The changes to the District boundaries to include Hurricane and Leeds led to the State Tax Commission artificially lowering the levy by failing to recognize all sources

of funding utilized by the participating entities for the combined services now provided by the District. They looked solely at property tax and failed to acknowledge the contribution of other income sources. The District's levy was decreased in 2014 and then again in 2015 below the level that would have produced the revenues previously utilized for expenditures of the transferred services and newly acquired debt service from Leeds and Hurricane. Compared to the Districts prevailing 2013 levy, the proposed increase is 30.02% not nearly 75%. I have had two opposing positions to this percentage increase.

The first differing increase rate came from a resident in Leeds. He compared his tax rate increase with the rate applied the year before Leeds Area Fire was resolved and they received a significant decrease (dropped \$45.30 per \$100,000 value). His calculations show that this proposed levy will yield a 16% increase for a Leeds Area Resident when compared to the Leeds Area Fire levy. The second differing opinion came from a former mayor who calculated the increase based on the 2013 pre-Leeds Area and Hurricane inclusion which he believes, when adjusted for inflation, the proposed levy increase to be 10% higher when compared to the 2013 rate.

It is never easy to ask for an increase in taxes. Decreasing property tax revenues while including Hurricane and Leeds Area has required us to utilize fund balances and cancel critical projects as we stayed within budgetary guidelines. This budget request represents a 56.6% increase over our budget approved for 2016. This increase, 43.3% of the 53.3% will fund twelve additional full-time firefighter paramedics or firefighter EMT's and increase one previously approved part-time clerical position to a full-time position. The remaining 13.3% will go toward replacing our end of life breathing apparatus, ambulance stretchers and to fund a required debt service reserve for a Utah Permanente Community Impact Board bond for a new fire station and ladder truck. The additional personnel costs will be offset by decreasing the funded part-time positions from 15 to 12 and eliminating the need for the current vacation and sick leave coverage budget line item.

The restoration of funding and addition of personnel are critical to our level of service, the protection of our public safety employees and the protection of the public we so proudly serve. It is anticipated that these budget recommendations will enable our District to better meet the expectations of our citizens, customers, employees, regulators and the industry now and for years to come.