



Legislative Budget and Finance Committee

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

Offices: Room 400 • Finance Building • Harrisburg • Tel: (717) 783-1600

Mailing Address: P.O. Box 8737 • Harrisburg, PA 17105-8737

Facsimile (717) 787-5487

SENATORS

ROBERT M. TOMLINSON

Chairman

GERALD J. LAVALLE

Vice Chairman

JAY COSTA, JR.

CHARLES D. LEMMOND

ROBERT C. WONDERLING

JOHN N. WOZNAK

REPRESENTATIVES

RON RAYMOND

Secretary

FRANK J. PISTELLA

Treasurer

ANTHONY M. DELUCA

ROBERT W. GODSHALL

DAVID K. LEVDANSKY

T. MARK MUSTIO

EXECUTIVE DIRECTOR

PHILIP R. DURGIN

CHIEF ANALYST

JOHN H. ROWE, JR.

The Feasibility of Regionalizing Pennsylvania's Volunteer Fire Companies

June 2005

Table of Contents

	<u>Page</u>
Report Summary	S-1
• <i>Findings and Conclusions</i>	S-2
• <i>Recommendations</i>	S-17
I. Introduction	1
II. An Overview of Volunteer Fire Services in Pennsylvania	4
A. Related Statutory Provisions	4
B. System Structure and Composition.....	6
C. Funding Sources	11
III. Problems and Challenges Facing Volunteer Fire Companies in Pennsylvania	23
A. Declining Volunteerism and Related Recruitment and Retention Issues.....	23
B. Rising Operating Costs and Fundraising Demands	26
C. Need for Closer Working Relationships Between Local Governments and Their Volunteer Fire Companies	28
D. Overlap and Duplication of Firefighting Resources	29
IV. Regionalization and Cooperative Service as Methods of Addressing Fire Services Problems and Challenges	33
A. A National Trend	33
B. Definitions and Potential Benefits.....	34
V. Current Fire Services Regionalization and Cooperative Service Efforts in Pennsylvania	41
A. Existing Programs and Incentives in Pennsylvania	41
B. The Status of Merger, Consolidation, and Other Regionalization Activities to Date	56
C. Examples and Case Studies	59
– Mergers	59
– Consolidations.....	63
– Regionalizations	67
– Associations	68
D. Demonstrated Benefits and Lessons Learned	69

**Table of Contents
(Continued)**

	<u>Page</u>
VI. Perspectives on Regionalization and Cooperative Service From the Pennsylvania Fire Services Community	76
A. Position of the State Fire Commissioner	76
B. Position of the SR 60 Commission	77
C. Responses to an LB&FC Study Questionnaire	77
VII. Appendices	89
A. House Resolution 148 of 2003	90
B. Volunteer Fire Department Consolidations, Mergers, Associations, and Regionalizations and Management Actions	92
C. Case Studies of Selected Pennsylvania Volunteer Fire Company Regionalization Efforts in Pennsylvania	98
1. Logan Township, Blair County	98
2. Overfield, Falls, and Exeter Townships, Wyoming County	103
3. Lancaster Township, Lancaster County	106
4. Spring Township and West Lawn Borough, Berks County	110
5. Elizabeth Township, Allegheny County	114
6. Warwick Township, and Elizabeth Township, and Lititz Borough, Lancaster County	118
7. Upper Merion Township, Montgomery County	121
8. Jefferson Hills Borough, Allegheny County	125
D. Suggested Steps in the Consolidation Process	130
E. Summary of Recommendations Made by the Senate Resolution 60 Special Bipartisan Legislative Commission	131
F. Municipal Fire/EMS Service Delivery Chart Proposed by the SR 60 Commission	137
G. Standard of Service Matrix and Training Requirements Proposed by the SR 60 Commission	139
H. Pennsylvania Fire Information Reporting System	141
I. The Use of Special Fire Districts in Other States	143
J. Map of PA Regional Counterterrorism Task Force Regions	149
K. Regional Police Assistance Grant Program	150
L. Fire and EMS Legislation Enacted During 2003 and 2004	151
M. Pending Legislation Relating to Volunteer Fire Companies	152
N. Resonse to This Report	155

Report Summary

As is the case nationally, the volunteer fire service in Pennsylvania is at a critical juncture. In a March 2004 statement, Pennsylvania's State Fire Commissioner called the next 36 months perhaps the most critical in the history of Pennsylvania's fire services program. While the strong tradition and positive can-do spirit of Pennsylvania volunteers continue, many forces are creating serious and ever-increasing challenges to the volunteer service system, and some observers warn of a looming public safety crisis.

The volunteer fire service system faces significant challenges in overcoming a basic and growing lack of both human and financial resources. For many years, volunteer fire companies across the country and in Pennsylvania functioned independently and were relatively stable both operationally and financially. This has changed dramatically over the past 20 years as fire companies and other emergency service providers face mounting challenges and service demands.

The challenges and issues facing Pennsylvania's volunteer fire service have received extensive study attention. As early as 1976, a special gubernatorial commission on fire prevention and control referred to the potential benefits of "regionalization" of Commonwealth fire services. The commission cautioned, however, that such possibilities are best explored at the local level.

In subsequent years, numerous other task forces and special study commissions issued reports urging a myriad of changes in the volunteer fire services system. Most recently, both the Governor's Fire and Emergency Services Task Force and the SR 60 Commission¹ documented system problems and made proposals for statutory, operational, and funding changes in reports issued in 2002 and 2004. To date, however, there has not been a concerted follow-up effort at the state level to comprehensively address the issues and recommended actions identified in these and prior reports.

House Resolution 2003-148 directed the LB&FC to conduct a study on the feasibility of "regionalizing" Pennsylvania's volunteer fire departments and to present a plan for such regionalization.² This report responds to the HR 148 directive while taking into account the many closely-related fire services issues and proposals identified by the SR 60 Commission and prior task forces and special commissions.

¹Senate Resolution 60 of 2003 established a special bipartisan legislative commission (the "SR 60 Commission") to "develop legislation to provide direct and indirect assistance for the purpose of improving the delivery of emergency "services in the Commonwealth." The SR 60 Commission issued its report in November 2004. A summary of the Commission's recommendations appears in Appendix E of this report.

²As used in this report, the term "*regionalization*" and the phrase "*regionalization of volunteer fire companies*" refer to systematic efforts and actions among separate and independent fire companies to combine functions or services or to legally modify their organizations so as to operationally serve a larger geographical service area than is served by any one of the fire companies acting exclusively within its own jurisdiction. Such efforts and actions may include those defined as merger, consolidation, regionalization, and association (see Section V of the report for further discussion.)

Findings and Conclusions³

The Volunteer Fire Service in Pennsylvania *(See report pages 4 to 11.)*

Volunteer participation in the fire service is a strong tradition in Pennsylvania, and the Commonwealth's overwhelming reliance on volunteer fire services is a distinctive characteristic of the state's emergency services network. Volunteer firefighters, along with other local emergency responders, are the community's first line of response when a serious event occurs.

In addition to traditional fire protection and suppression functions, the role of Pennsylvania's volunteer fire service has expanded to include such activities as vehicle, water, and trench rescue; hazard management; emergency medical service; response to weather-related emergencies; industrial and agricultural accidents; and hazardous materials events. Pennsylvania volunteers are also being called upon to meet the new expectations and challenges of the 21st century, including homeland security preparedness and the threats posed by weapons of mass destruction and biological incidents.

Based on records maintained by the Office of the State Fire Commissioner, Pennsylvania currently has a total of 2,448 fire companies/departments. This includes 2,354 all-volunteer companies, 22 career (paid) departments, and 72 "combination" paid/volunteer companies.

Pennsylvania Fire Departments, by Type		
<u>Type</u>	<u>Number</u>	<u>% of Total</u>
Volunteer	2,354	96.1%
Paid/Volunteer	72	3.0
Paid	<u>22</u>	<u>.9</u>
Total	2,448	100.0%

According to the National Fire Protection Association, approximately 800,000 volunteer firefighters nationwide protect the majority of the country's geographical area. Of all the fire departments in the United States, an estimated 73 percent are all-volunteer departments. In Pennsylvania, fire companies fully staffed by volunteers make up about 96 percent of all fire companies.

³Note: HR 148 focused exclusively on volunteer fire companies and directed the LB&FC to study the feasibility of regionalization for volunteer companies. While this report focuses on the volunteer fire service, it is important to note that many of the issues and challenges facing the volunteer service also affect the state's career and combination paid/volunteer departments. Likewise, much of the report discussion regarding regionalization and regional partnerships also applies to these departments as well as to emergency medical services organizations.

Thus, while accounting for less than 5 percent of the nation's population, Pennsylvania has 12 percent of the nation's 20,000 all-volunteer fire companies, more than any other state. As shown below, a total of 27 Pennsylvania counties have 30 or more all-volunteer fire companies, and 4 have more than 100 companies. These companies operate within multiple municipal structures and different sized communities and reflect multiple types of service delivery systems. The spatial distribution of fire stations is illustrated on the map on page S-4.

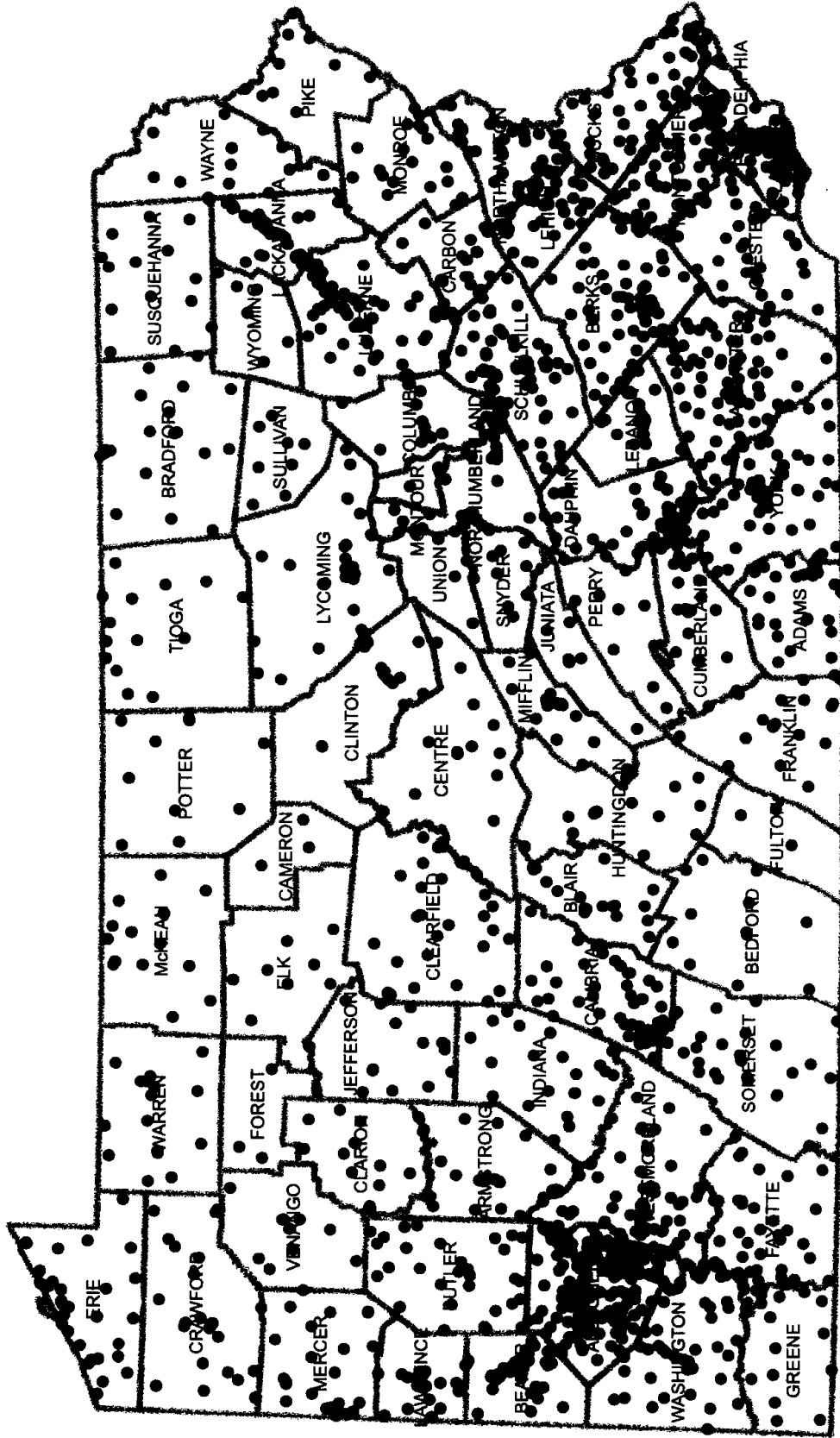
PA Counties With the Greatest Number of All-Volunteer Fire Companies			
<u>County</u>	<u>Fire Companies</u>	<u>County</u>	<u>Fire Companies</u>
Allegheny	196	Fayette	49
Westmoreland	126	Cambria	47
Schuylkill	126	Lebanon	45
Luzerne	106	Chester	41
Montgomery	94	Dauphin	41
Lancaster	82	Clearfield	40
Delaware	77	Northampton	38
Berks	65	Butler	36
Bucks	62	Cumberland	35
York	59	Lehigh	34
Lackawanna	56	Lycoming	32
Beaver	51	Erie	30
Northumberland	51	Armstrong	30
Washington	50	State Total	2,354

At least two factors account for the large number of volunteer fire companies operating in Pennsylvania. First, Pennsylvania has a long history of volunteer fire service, reportedly being the home of the nation's first volunteer fire company started in Philadelphia around 1736. Second, the highly decentralized nature of Pennsylvania's local governmental structure, which includes more than 2,500 governmental units, has encouraged a corresponding proliferation of volunteer fire companies.

Initially, many fire companies were developed by necessity and there was no planning for future development. Residents saw a need for protection and acted accordingly. Since fire services were not assumed or viewed as a governmental service, volunteer fire companies organized wherever there were centers of population. Many of these centers were to become cities, boroughs, or townships at a later date and municipal boundaries were drawn to reflect those governments.

Throughout the 20th century as populations increasingly migrated into suburban and rural areas, the perceived need for additional fire companies arose and many more were created and staffed by volunteers. Soon, many municipalities became home to an increasing number of volunteer fire companies. The result today is that Pennsylvania has more volunteer fire companies than any other state. Generally, these companies exhibit an independence, sense of identity, and pride of ownership that has been shaped by many years of history and tradition.

Pennsylvania Fire/Rescue Companies



Note: This map is presented for illustration purposes only. Individual dots do not necessarily represent only one company because the geo-positioning of the state's 2,448 fire companies on a map sometimes stacks several dots on top of one another due to the close proximity of the companies. Also, blurring occurs on the map due again to the close proximity of many of the companies.

Approximately 72,000 volunteer firefighters actively staff these companies, and many other volunteer fire company members serve in other capacities (e.g., doing fund raising, station maintenance, and administrative duties). The volunteer nature of these services has been referred to as the best public service bargain for taxpayers and local governments ever devised. One recent study by the Pennsylvania Fire and Emergency Services Institute estimated that volunteer fire companies produce tax savings of about \$6.0 billion a year for Pennsylvania state and local governments. The financial impact of local governments having to fully provide these services would be devastating. Of perhaps equal importance, these services, especially in small communities, have an extremely important social and community value.

The state has done much to assist volunteer emergency service organizations, including providing grant and loan programs for the purchase of vehicles, equipment, and facilities. We identified more than \$104 million in state funding that was distributed directly or indirectly to volunteer fire companies throughout the Commonwealth during FY 2003-04 through programs such as the Volunteer Loan Assistance Program, Volunteer Fire Company and Volunteer Ambulance Service Grant Program, and the Volunteer Fire Firefighters Relief Association Program.

However, much more needs to be done at the state level to encourage planning, promote volunteer recruitment and retention, and provide incentives for individual volunteer companies to enter into regional partnerships and cooperative service arrangements. At the same time, volunteer fire companies have a responsibility to be more proactive in exploring ways to operate more efficiently.

Problems and Challenges Facing the Volunteer Fire Service *(See report pages 23 to 29.)*

For many years, volunteer fire companies functioned independently and were relatively stable both operationally and financially. This has changed dramatically over the past 20 years as fire companies and other emergency service providers face mounting challenges and service demands.

Significant changes have occurred throughout the state in the past two decades that have altered the organization of volunteer fire services, including large losses of volunteers, challenges in recruiting new volunteers, and difficulties in retaining existing volunteers. Changing demographics, work habits, job locations, and personal living habits have also had a negative impact on volunteer fire services in the Commonwealth. The result, in many cases, can be delayed responses or scratched calls, insufficient manpower for emergency calls, greatly reduced ability to function as a business, loss of revenue, loss of personnel, inability to maintain equipment and physical property, and increased liabilities for volunteers and local governments.

The following briefly summarizes some of the most significant problem areas and challenges currently facing the state's volunteer fire companies.

1. Pennsylvania is experiencing significant losses in the number of citizens who are willing to volunteer to provide fire, rescue, and emergency medical services.

Declining volunteerism and related recruitment and retention problems plague many of the state's volunteer fire companies. The number of active firefighters in Pennsylvania declined from an estimated 300,000 in 1976 to 152,000 in 1985 and to about 72,000 today (a loss during the period of about 8,000 volunteers annually). The drop in the ranks of the state's volunteer emergency services force can be directly attributed to the fact that, in addition to fighting fires and responding to other emergencies around the clock, volunteer emergency service responders are often the same individuals who must raise the funds necessary for their own training and a significant portion of their equipment, provide emergency service organizational support and administrative services, and maintain equipment and facilities. Taken together, the many tasks performed by a decreasing number of volunteers intensifies the problem and can overwhelm those who remain active.

- According to a 2001 survey of fire chiefs, 77 percent of fire chiefs responding identified recruiting new members and retaining current members as the two most pressing issues their companies face; and, 40 percent of all chiefs reported that their companies were unable to respond to at least some calls over the past two years due to deficiencies in volunteer turnout.
- In response to an LB&FC study questionnaire, one fire chief wrote that:
 - *In many areas, the demands on a volunteer fireman or EMS person have made those positions full-time jobs. Unfortunately, all too often the economic climate does not allow that type of commitment. Many people are now working multiple jobs. The cost of living has forced people to travel more for better paying jobs and, therefore, are not in their home towns for long periods of time.*
- Another questionnaire respondent cautioned that:
 - *All service organizations are suffering recruitment problems and are competing for the same shrinking pool of people. This is not going to change in the next five to seven years. If action is not taken quickly, many volunteer fire companies (especially in suburban/urban areas) will disappear within the next ten years.*

2. Rising operating costs and fundraising demands are placing serious strains on the state's volunteer fire companies.

With the exception of workers' compensation coverage for firefighters, there is no requirement that local governments provide financial support to their fire

services. Accordingly, the vast majority of municipalities do not include fire companies in their budgeting process. This appears to be the result of past practices on the part of both parties at a time when fire companies were, for the most part, financially self-sufficient. This self-sufficiency has changed dramatically. While state assistance helps, it does not solve the current challenges of fire and emergency services financing. To meet these demands, most volunteer firefighters not only contribute their time for firefighting and training but are also required to spend a significant amount of time conducting fundraisers to generate revenue.

- A study conducted by the Department of Community and Economic Development's (DCED's) Governor's Center for Local Government Services found that, on average, local governmental financial support for fire companies was less than 50 percent of the amount needed to meet maintenance, training, response, and equipment needs.
- Another survey by the PA Fire and Emergency Services Institute found that, as a result of low levels of public financial support, 60 percent or more of the hours available for volunteer efforts are being spent on fundraising activities.
- In responding to an LB&FC study questionnaire, several fire service officials stated as follows:
 - *As with many departments, we are asking our active firefighters to assist with an ever-increasing number of fundraising events in order to make ends meet.*
 - *Volunteers are putting in more time in raising funds than actually going on alarms or doing training.*
 - *The stress applied by constant expense and revenue issues shortens the membership life cycle.*

3. The history of the relationship between volunteer fire companies and local governments has been marked by independence rather than interdependence.

There is a need for closer working relationships between many local governments and their volunteer fire companies. In many communities across Pennsylvania, local government plays little or no role in supporting its fire and EMS organizations and has done relatively little to involve them in planning, zoning, budgeting, and other policy discussions. Likewise, few volunteer fire and emergency service agencies encourage or solicit input and participation from their local governments in their financial and operational planning matters.

While some local governments have become directly involved by partnering with their local fire service organizations, many have traditionally not had a meaningful working relationship with their volunteers. In those municipalities where

there is an effective relationship and meaningful communication, adequate funding and policy support are possible. In others, local governments have consistently withheld public support on the premise that volunteer fire companies are private sector entities.

- A survey conducted by the Governor's Center for Local Government Services found that only 48 percent of municipalities responding reported that they meet regularly with their local fire company officials.
- Respondents to the LB&FC's study questionnaire commented as follows:
 - *Just throwing money at the fire service will not fix the problems. Cooperation between agencies and local government must be established.*
 - *Perhaps we should look at local governments as a starting point for regionalization. Education of local governments would be a great starting point.*
- A local government policy manager in the Governor's Center for Local Government Services has observed that:
 - *The continued success and future of the volunteer fire service is dependent upon the support and participation of Pennsylvania local governments. Without wide-ranging support, the volunteer fire service, as it is known and people are accustomed to, will cease to exist and will be replaced by a progression of combination departments and then fully paid fire protection.*

4. Pennsylvania has more fire companies than any other state and, in some cases, multiple companies in close proximity are resulting in an unnecessary and inefficient overlap and duplication of firefighting resources.

Volunteer fire companies in Pennsylvania have evolved over the past three centuries based on local fire protection needs and wants, often with little or no thought given to larger area protection or regionalization of effort. The result is a proliferation of volunteer fire companies created to meet the needs of many very small and specific areas. This is especially problematic at a time when many companies are struggling to maintain adequate membership and meet operating, capital, and equipment costs.

It also calls into question the wisdom of state grant and loan programs that enable individual companies to purchase vehicles and equipment in the absence of a verifiable documentation of need or assessment of whether similar vehicles and equipment are already available in neighboring jurisdictions. Presently, neither the State Fire Commissioner nor any other statewide organization has information on or the means to determine exactly what resources and equipment are in the statewide inventory and deployed among the state's volunteer fire services network of 2,354 individual companies.

- A local government policy manager in DCED observed that a key problem in the current volunteer fire service system is that funding is misdirected toward hardware and equipment and “the focus is on equipment—not people.” This individual stressed that this focus needs to change to ensure continued volunteerism. On this subject, several persons expressed the opinion that if a baseline inventory and assessment were done in Pennsylvania in accordance with national firefighting and insurance industry regulations and standards, there would be a substantial reduction in firefighting equipment needs of fire companies throughout the Commonwealth.
- Numerous persons who responded to the LB&FC study questionnaire cited this problem. Sample comments follow:
 - *In an area of approximately five square miles, there are seven fire stations with multiple units per station, including six aerial devices. This is very inefficient, even for volunteer companies.*
 - *One of the issues with funding is the tremendous amount of redundancy of equipment, especially in the southeast corner of the state. The merger or consolidation of services could reduce redundancy, thereby reducing the costs resulting therefrom.*
 - *Few, if any, counties in the Commonwealth can justify 30, 40, even 80 fire and EMS organizations. It makes no logical sense.*
 - *There are no controls on these fire departments regarding numbers and types of vehicles that are in service. Remember the saying “keeping up with the Joneses.” Many departments are deep in tradition and also deep in debt. They have always had eight pieces of apparatus and they rarely call anyone for help since they think they can do it alone.*
 - *[There are] many instances of funds being spent on equipment that is “cool” rather than “necessary.” There are no checks and balances.*
 - *We do not need a fire station at every crossroad; we do not need to duplicate fire apparatus in each community, and we can do without all the bells and whistles.*
- Some respondents also questioned the basis upon which state grants and loans for vehicles and equipment are currently awarded without required documentation of need.
 - *Rather than to continue to provide grants and loans for the duplication of equipment, work toward tailoring such programs to make it necessary for departments to work together. How many heavy rescue trucks do we really need in a ten-mile radius? Is there really a need for ten sets of hydraulic extrication devices within a certain area? If you are applying for a state loan, what is the justification for buying that 2200 GPM pumper?*

- A local government policy manager in DCED observed that volunteer fire companies need to look beyond their stations, their municipalities, and their borders to provide services more efficiently. In characterizing Pennsylvania as “one of the most fertile areas in the nation for fire equipment manufacturers,” this individual stated that:
 - *Duplication of equipment and services continues to hamper the effectiveness of fire service organizations. Very few fire companies purchase vehicles with other companies in mind or look at the overall picture of needs on a regional basis. Those who do, and change traditional practices, will reap the rewards of efficiencies. Their debt burden is greatly reduced or eliminated, and companies work together by being complementary to each other.*

“Regionalization” as a Means of Addressing Fire Services Problems and Challenges (See report pages 33 to 34.)

Nationally, “regionalization” (i.e., regional partnerships and other forms of cooperative service agreements among fire companies) has proven to be an effective means of dealing with increasing service demands, rising costs, and scarce resources. Fire companies in all parts of the country are increasingly turning to a variety of joint ventures to deal with funding and staffing problems and improve service and service levels in their jurisdictions.

Approaches range from the informal sharing of individual personnel or equipment to the formal consolidation of departments across jurisdictional lines. Typical forms of cooperation among fire companies include mutual and automatic aid agreements, contractual agreements, mergers, and consolidations. Such cooperation, whether through coordinating functions or formal merger of organizations, can improve service levels, sometimes with associated cost reductions.

Although undertaken to a limited extent in prior decades, regionalization efforts began to gather momentum during the 1990s. According to consultant organizations that have assisted in fire service regionalization projects, current trends indicate that local government and fire company officials will continue to pursue such cooperative initiatives at an accelerated rate.

However, it appears that, in general, volunteer fire companies in the northeast and mid-Atlantic states have been more resistant to regionalization efforts than their counterparts in other jurisdictions, particularly in the western states. This geographical difference in acceptance of regionalization may, according to some sources, be related to the fact that the volunteer fire companies in many western and mid-western states are newer and do not have the long history and strong tradition that characterizes many volunteer fire companies in the eastern and northeastern sections of the country.

Various national reports and case studies document the advantages and benefits that fire services regionalization can provide. Mergers, consolidations, and other regional partnerships can result in more efficient use of scarce resources, reduce equipment needs and duplicative efforts, and provide for greater staff flexibility and capability. Such actions can also improve service levels, allow departments to develop specialized units, promote the development of standard operating procedures, and work to overcome political boundary issues, increasing the likelihood that the closest unit responds in an emergency, thereby creating more rational service protection areas and the opportunity for faster response times.

Current Regionalization Efforts in Pennsylvania *(See report pages 41 to 75.)*

Currently, there is no concerted statewide effort to merge, consolidate, or otherwise promote regional partnerships to provide volunteer fire services in Pennsylvania. While discussed and accepted in some circles, the concepts of merger and consolidation are “hot-button issues” that can evoke serious concerns and objections from many in the fire services field. However, given the cost of emergency equipment and of maintaining and operating fire department facilities along with the dwindling number of volunteers, an increasing number of volunteer fire companies are recognizing that something needs to be done to preserve and enhance the volunteer fire service.

The Governor’s Center for Local Government Services Has Developed a Regionalization Technical Assistance Process but Lacks the Authority and Resources Needed to Implement it on a Statewide Basis. According to staff of the Governor’s Center for Local Government Services, discussion of merger and consolidation among fire companies is much more prevalent today than it was even five years ago. While the “M” and “C” words were once “taboo subjects,” more and more companies are expressing interest in merger, consolidation, and other regionalization options. Also, it appears that an increasing number of both volunteer fire and local elected officials are acknowledging that volunteer fire companies and local governments must, as partners, recognize and attempt to resolve the many serious challenges currently facing the volunteer fire service.

Staff of the Governor’s Center for Local Government Services engage in problem-solving by facilitating discussions between municipalities and their fire companies. The Center has developed a process to provide technical assistance to municipalities and their volunteer fire companies; administers the Shared Municipal Services Program (a portion of which can be used for volunteer fire service purposes); conducts fire service evaluation studies; and on an as requested basis, attempts to facilitate consolidation, merger, and other regional partnerships among volunteer fire companies.

The Center can provide this technical assistance only to municipalities and only on an as requested basis. As defined in the DCED program, there are four primary regionalization options that municipalities and fire companies can pursue with DCED involvement and assistance. These include merger, consolidation, association, and regionalization.

Forms of Regionalization in the DCED Process
Consolidation: The combination of two or more companies which results in the termination of all companies and the creation of a new company with a new name. All assets and liabilities of the former companies are transferred to the new company.
Merger: The combination of two or more companies which results in all but one relinquishing its name. All assets and liabilities of joining companies are transferred to the surviving company.
Association: Agreement of two or more companies to combine and administer similar activities through an umbrella organization. Does not normally involve transfers or combination of assets, as most costs of operations or programs are shared. In some instances, associations may be a prelude to a merger or consolidation.
Regionalization: Although the term "regionalization" can and is used to generically refer to almost any form of regional partnership or joint venture, DCED uses the term in a specific sense in its Shared Municipal Services Program. As used by DCED, regionalization is the combination of some assets of two or more companies to accomplish specific objectives and tasks. Each participating company retains its identity.

Regionalization Actions and Requests to DCED for Regionalization Assistance Have Intensified in Recent Years. According to DCED staff, the Center assisted a relatively small number of municipalities and volunteer fire companies through the merger and consolidation process during the early 1990s. The intensity of regionalization efforts has, however, increased since 1997, and requests for this type of assistance have reportedly intensified even more over the past three years.

We found that between January 1997 and December 2004, a total of 20 successful merger and consolidation actions occurred around the state with DCED involvement. These actions involved 49 volunteer fire companies in 28 municipalities. Additionally, there have been three successful regionalization/association actions with DCED involvement. These actions involved nine volunteer fire companies in six municipalities. While a start, these efforts have involved less than 3 percent of the total number of volunteer companies in the Commonwealth.

Additionally, as of December 31, 2004, regionalization actions involving over 188 fire companies were under consideration in 104 other municipalities. Each of these includes some form of DCED involvement and is in one of several possible

stages of completion, classified as “in discussion,” “committee formed,” “study underway,” and “study completed.” (See Appendix B for a summary of the regionalization actions.)

It is significant to point out, however, that funding and staff resources available to DCED to promote regionalization, conduct fire service evaluation studies, and provide needed technical assistance are very constrained. In a typical year, for example, the DCED’s peer review network is able to complete only about ten fire service evaluation studies. We also found that some municipalities and fire companies are considering regionalization on their own initiative and we know of at least five successful volunteer fire companies (VFCs) regionalization efforts (involving 11 VFCs) that have been completed in recent years in this way.

Recent Successful Regionalization Efforts With DCED Involvement	
<u>Consolidations</u>	<u>Mergers</u>
Bloomsburg (Columbia)	Halifax Borough/Township (Dauphin)
Wall Borough/East McKeesport (Allegheny)	Forest City (Susquehanna)
Mount Pleasant Township (Wayne)	Lemoyne/Wormleysburg (Cumberland)
Warrior Run (Union/Northumberland)	Overfield/Falls/Exeter Townships (Wyoming)
Elizabeth Township (Allegheny)	Logan Township (Blair)
Marcus Hook Borough (Delaware)	Columbia Borough (Lancaster)
Spring Township/West Lawn Borough (Berks)	Jersey Shore Borough (Lycoming)
Morrisville Borough (Bucks)	Young Township (Indiana)
Middletown Borough (Dauphin)	Buckhorn/Ferndale/Hemlock Townships (Columbia)
	Canton Borough (Bradford)
<u>Regionalizations</u>	<u>Associations*</u>
Elizabeth Twp/Warwick Twp/Lititz Borough (Lancaster)	Jefferson Hills Borough (Allegheny) (*A merger also occurred as part of this association action.)
Muncy and Montgomery Boroughs (Lycoming)	

Case Studies of Successful Regionalization Efforts Can Serve as Models for the Expansion of the Process Statewide. While not all regionalization efforts succeed, the experiences of municipal and fire company officials in the municipalities listed above provide a sound foundation for statewide consideration of the regionalization process. In considering the feasibility of regionalization options, we conducted detailed case studies of ten regionalization efforts. (These case studies are discussed in Section V.)

Through the case studies, we found, for example, that an objective look at fire service delivery in Elizabeth Township, Allegheny County, using the DCED process demonstrated the existence of extensive fire services duplication. In this case, eight volunteer fire companies, serving a total area of less than 25 square

miles, competed for financial and volunteer resources. A consolidated fire department was ultimately established which, in the opinion of local officials, has resulted in improved services and lower costs as well as increased volunteer retention, better training programs, and enhanced local government-fire company relations.

In another example, the fire service in Logan Township, Blair County, provided by seven volunteer fire companies, was studied by a citizen's committee with the goal of improving the quality and cost-effectiveness of service delivery. The efforts of the committee over several years ultimately yielded success with the merger of two companies and the consolidation of two others.

Our case study reviews of successful regionalization efforts in Pennsylvania provides evidence of a variety of benefits that can result in such areas as volunteer recruitment and retention, equipment and facilities usage, planning and budgeting, and training, as well as improved inter-company cooperation and enhanced fire company-local government relations. Further, in the process of developing these case studies, municipal and fire officials who have been involved in regionalization efforts provided valuable suggestions and advice for others who might be contemplating regionalization efforts in their areas. These suggestions included the use of study and/or regionalization committees, the need to involve municipal officials and to secure the support of citizens of the community, and to adopt measurable goals and objectives early in the process. (A complete listing of the areas of suggestions and advice is contained in Section V and is evident from a reading of the individual case studies in Appendix C.)

Perspectives on Regionalization From the Pennsylvania Fire Services Community (See report pages 76 to 88.)

The Pennsylvania State Fire Commissioner – The Commissioner describes the volunteer fire service as an essential community service that too many people take for granted. While he supports the concept of regionalization, he believes that any effort to regionalize fire services must be preceded by a detailed statewide assessment of what resources are available and what resources are needed. He advocates a “bricks and mortar” inventory of the state’s fire and emergency services resources and a stronger role for the state government in promoting regionalization efforts.

The SR 60 Commission – Senate Resolution 2003-60 created a bipartisan commission to “develop legislation to provide direct and indirect assistance for the purpose of improving the delivery of emergency services in Pennsylvania.” The 25-member Commission, which included fire and emergency medical service leaders, local government representatives, key state agency staff, and members of the General Assembly, issued its report in November 2004.

While the SR 60 Commission's report did not specifically address or propose a plan for regionalizing the Commonwealth's volunteer fire services, several of the issues identified by the Commission are related to the regionalization question. These include, for example, the lack of consistent statutory provisions establishing responsibility for fire and EMS services, the absence of a common service delivery model, the need for a mutual aid agreement model, needed changes in the Volunteer Loan Assistance Program, the establishment of fire/EMS districts and authorities, and the creation of a regional emergency services consultant position. (A complete listing of the SR 60 Commission's recommendations is in Appendix E.)

Input From the Fire Services Community – We additionally obtained input from many persons in the emergency and fire services community who responded to an LB&FC study questionnaire. Among other questions, the survey asked respondents to comment on whether they believe mergers and consolidations represent a logical approach to addressing the problems faced by volunteer fire companies. Many responding fire service officials spoke positively on the need for and potential benefits of regionalization. For example, one respondent stated:

- *Fewer well-organized and functional organizations could replace the many small departments that are barely keeping their doors open. Funding could be concentrated and there would be less duplication of equipment. I also think a regionalized department would attract more dedicated individuals—dedicated to being firefighters not just members of a social organization. . . .*

On the other hand, some respondents reacted negatively to the idea of regionalization, as expressed below:

- *Regionalizing the fire service will do nothing but decrease the effectiveness of our fire departments and increase the response times to the areas that we protect. Will not result in an influx of new volunteers but will result in a decrease in volunteers, due to the loss of home rule and distance that must be traveled to the fire stations. Will not result in an increase in funding to fire departments by the communities served, but will result in a decrease in funding. The politician will take the posture that consolidation means a decrease in cost. They will not take into consideration the longer distances traveled to get to the scene of the emergency. They will not take into consideration how consolidation or regionalizing will affect the ISO rating of the communities served. Many communities' ratings would drop due to the increase in response time and distance to a fire station. This would result in an increase in the costs of fire insurance. In the rural environment, we have fire departments that cover anywhere from 52 to 86 square miles and provide mutual aid even further. Sometimes the next nearest mutual aid is*

20 miles away. These are but a few of the reasons that consolidation or regionalization is a bad idea for Pennsylvania.

While not expressing outright opposition, others urged caution, especially in terms of possible merger or consolidation mandates coming from the state level, as expressed in the following example:

- *I feel that, today, most fire companies realize that a change is necessary. Perhaps the best thing Harrisburg could do at this point is to let all the departments know that this study is being conducted, giving all of the volunteer fire departments a chance to fix themselves. In my particular instance, I feel that a hastily developed mandate dictating a particular type of change could muddy the waters and not allow us the chance to correct the issues in a manner best suited for our community.*

Another cautioned that, in many cases, regionalization will be difficult to sell but potentially worth the effort.

- *I think you need to realize that it will be an uphill battle. Departments want their individual identity. They might be down to only a few members, but they will not go without a fight. I always thought that my own department should merge with two other departments to form a larger department made up of three individual companies. Each company would have its own company-level officers and the department-level officers would be elected from throughout the entire department. It would allow certain companies to become specialized in various necessary operations. A reduction of equipment and apparatus would be realized, thus making it more cost effective and possibly better for ISO [insurance] ratings. To suggest such a thing is evil.*

Recommendations

HR 148 (2003) directed the LB&FC to study the feasibility of “regionalization” for volunteer fire services and to make recommendations and present a plan for such regionalization. We concluded that various forms of fire services regionalization, including consolidations and mergers, are feasible and represent a logical approach to addressing many of the challenges currently facing the Commonwealth’s 2,354 volunteer fire companies.

Regionalization, however, cannot be mandated and cannot occur in isolation. Rather, the promotion of regionalization efforts is just one of several steps that need to be taken in order to preserve and enhance the volunteer fire services in Pennsylvania. While the following recommendations include a proposed regionalization plan, this plan is presented in the context of a broader “strategic blueprint for statutory and systemic changes,” which also needs to be considered. Because such a comprehensive approach to managing the state’s fire services system is needed, we recommend the following:

Recommendation 1. The General Assembly, in conjunction with the statewide fire services community, should develop and enact a comprehensive statute to plan, guide, and coordinate the Commonwealth’s fire services system, as was done in 1985 for the state’s emergency medical services system.

This action would be similar to the approach taken by the Legislature in 1985 when it enacted the statewide “Emergency Medical Services Act,” Act 1985-45. As stated in that act, the intent of the General Assembly was to “establish and maintain an effective and efficient emergency medical services system which is accessible on a uniform basis to all Pennsylvania residents and visitors to the Commonwealth.” Act 45 designated the Pennsylvania Department of Health as the emergency medical services lead agency for the Commonwealth and assigned it primary responsibility for implementing the act.

Pennsylvania does not have a comparable statute for the state’s fire services system. As a result, the state’s fire services lack clear and consistent statutory definition and standards and an overall direction for system planning and development. We recommend that pertinent standing committees of the General Assembly work with the State Fire Commissioner, the State Fire Safety Advisory Committee, and the organizations represented on the SR 60 Commission⁴ to draft such legislation.

⁴Although the SR 60 Commission issued its report in November 2004, it has not disbanded. According to the SR 60 Chairman, the Commission will continue to monitor actions taken in response to both the SR 60 and HR 148 reports, and stands ready to advise and assist however possible. (See also Recommendation No. 3.)

In drafting a comprehensive fire services statute, the parties to this process should take into consideration and attempt to incorporate the many system improvement recommendations recently advanced by the SR 60 Commission and by previous special study groups and task forces. Taken together, the recommendations contained in these reports provide much of the conceptual framework that needs to be considered in establishing an enhanced statewide fire services system. We also recommend that, given the large number of individual fire companies in the Commonwealth and the increasing difficulty in staffing and funding them, that the proposed comprehensive statute identify “regionalization” (i.e., regional partnerships and cooperative service arrangements) as a guiding principle for system operation and development.

The suggested provisions for a comprehensive statute are listed on the next page and are outlined below.

A. Consolidate Existing Fire-Related Statutes and Provisions.

Although overall state-level direction is provided in law for statewide emergency services and emergency medical services, similar direction is not provided for Pennsylvania’s fire services. Rather, instead of an omnibus fire services statute, numerous different sections of state law currently govern fire service matters. As outlined in Section II of this report, these include the various local government codes, the State Fire Commissioner Act, the Municipalities Planning Code, the Pennsylvania Workers’ Compensation Law, and various funding-related statutes. Also, as non-profit entities, volunteer fire companies are incorporated under the provisions of the Nonprofit Corporation Law. A key first step in the development of a comprehensive statute will be to survey and identify all related statutory provisions and determine how to best approach a consolidation of all those that are pertinent.

B. Designate the Office of State Fire Commissioner as the “Lead Agency” for the Commonwealth’s Statewide Fire Services System.

The proposed comprehensive statute should also recognize the need to provide for a stronger state-level role in planning, implementing, coordinating, and maintaining Pennsylvania’s statewide fire services system. To this end, we recommend that the comprehensive statute designate the Office of the State Fire Commissioner as the Commonwealth’s “lead agency” for the state’s fire services system and clearly delineate the Office’s lead agency duties and responsibilities.

Given the scope, complexity, and diversity of the state’s volunteer, combination paid/volunteer, and career fire departments, it is imperative that the law give the

***Suggested Provisions for a
Comprehensive Statewide Fire Services Statute***

While not necessarily intended to be all-inclusive, we recommend that consideration be given to including components and provisions in a comprehensive fire services statute which would do the following:

- A. Consolidate existing fire-related statutes and provisions.
- B. Designate the Office of State Fire Commissioner as the lead agency for the Commonwealth's statewide fire services system.
- C. Define and clarify municipal fire protection responsibilities.
- D. Require municipalities and their local fire service providers to certify expected standards of service.
- E. Provide for a range of service delivery models, with the preferred option involving some form of regional partnership or cooperative service arrangement, whenever appropriate and feasible.
- F. Require strategic master planning for fire services at both the state and local levels.
- G. Require the development and maintenance of a statewide inventory of fire services equipment and resources.
- H. Incorporate existing state grant and loan programs and expand purposes to include defined "eligible costs" related to regionalization projects.
- I. Establish "fire services regions."
- J. Create "regional fire services coordinator" positions to assist the State Fire Commissioner in implementing the state plan and promoting regionalization.
- K. Create a "fire services consulting and technical assistance unit" in the Office of the State Fire Commissioner.
- L. Enact recruitment and retention incentives to stem the decline in fire/emergency services volunteerism.
- M. Designate a Pennsylvania Volunteer Fire Services Week.

lead agency the clear authority needed to administer the proposed statewide fire services statute and coordinate the development and implementation of a statewide strategic fire services plan, including the promotion of regionalization efforts, where determined to be necessary and appropriate.

In defining the role of the State Fire Commissioner, the current statutory language refers to the Fire Commissioner as acting as “the Commonwealth’s primary representative with the statewide fire service community.” This connotes a passive role for the State Fire Commissioner in the statewide system when what is actually needed in the current emergency services environment is a more proactive and coordinative fire services presence at the state level.

We recommend that the proposed comprehensive statute provide for the following duties and responsibilities for the State Fire Commissioner:

1. *To plan, guide, assist, and coordinate the development and maintenance of a comprehensive fire service system for the Commonwealth.*
2. *Prepare a Commonwealth “Fire Services System Plan” that includes at a minimum an inventory of fire service resources available within the Commonwealth; a statement of goals and specific measurable objectives for delivery of fire services to all persons within the Commonwealth; methods to be used in achieving the stated objectives; a schedule for achievement of the stated objectives; and a method for evaluating the stated objectives and estimated costs and resources available for achieving the stated objectives.*
3. *Require the collection and maintenance of fire incident data and analyze the data for the purpose of annually revising the Commonwealth’s Fire Services System Plan.*
4. *Define and approve training programs and accredit educational institutions for fire service training, certification, and continuing education of fire service personnel.*
5. *Provide technical assistance to local government, fire service providers, and other entities for the purpose of assuring effective planning and execution of the provisions in the act.*
6. *Establish standards and criteria governing the award and administration of grants and contracts defined in the act.*
7. *Administer contracts and grants authorized under the act.*
8. *Establish voluntary standards for fire service delivery and implement a recognition program for those fire services that meet such standards.*
9. *Maintain a quality assurance program for the purpose of monitoring the delivery of fire services within the Commonwealth.*

10. *Develop and implement a comprehensive safety and Line of Duty Death⁵ prevention program and require reporting of certain fire service related injuries and all fire-service related deaths for the purpose of analyzing that information and revising the Commonwealth's training and continuing education programs.*
11. *Maintain a fire prevention awareness and education program for the Commonwealth.*

C. Define and Clarify Municipal Fire Protection Responsibilities.

Fire protection is a recognized municipal public safety function. There is, however, no single and consistent statutory statement of local authority, responsibility, and accountability for fire services in state law. The various municipal codes assign responsibility for the protection of the "general health and welfare" to locally elected officials and provide municipalities with various levels of optional "may" authority for the delivery of fire services. They do not, however, clearly specify the responsibility local municipal governing bodies have for assuring the provision of fire and emergency medical service response within their respective jurisdictions.

The SR 60 Commission concluded that the current ambiguity regarding this responsibility often creates confusion and debate among local officials and fire and emergency responders. This ambiguity should be eliminated by clearly defining municipal fire protection responsibilities in the proposed comprehensive statute and by amending, accordingly, the city, township, borough, and town codes to reflect those responsibilities.

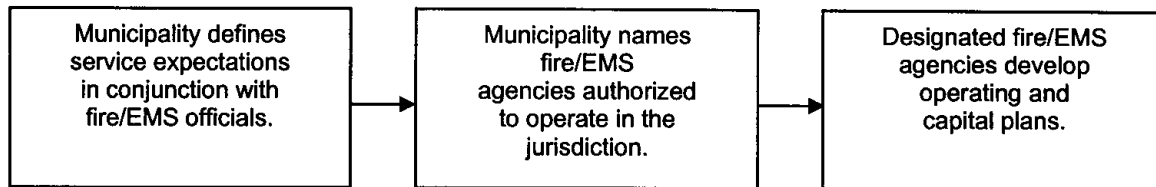
D. Require Municipalities and Their Local Fire Service Providers to Certify Expected Standards of Service.

The nature and extent of dialogue and involvement between local governments and their emergency service organizations varies widely across the state, and most elected officials do not adequately understand the varying levels of capabilities their fire and emergency units have to respond to incidents. As noted by one observer, this lack of understanding can lead to "unaccountable emergency services as well as inadequate, variable or redundant service levels, which adversely affect cost effective performance and appropriate distribution of needed funding."

We endorse the SR 60 Commission's recommendation that the Legislature adopt provisions that would provide incentives for municipal governments to certify an expected level of service before state funds are received. Specifically, the Commission proposed that each municipality should be required to complete and submit a

⁵In January 2005, the Federal Emergency Management Agency (FEMA) reported a total of 107 U.S. firefighter deaths in the line of duty for CY 2004. In 2004, Pennsylvania had the highest number of deaths with 17 firefighters killed.

“summary of emergency service provision,” whereby the municipal officials would be required to meet jointly with the leadership of service providers and select the providers of the various services the municipality requires (for example, basic fire suppression, hazardous materials response, rescue, mass casualty incident, and terrorism response). As proposed by the SR 60 Commission, this process would work as follows:



Compliance with the “standards of service” provision would be required, to the extent possible, before any state or federal loan or grant funds administered by the state for emergency services, fire, EMS, or homeland security would be released to the community or agency.

A community’s elected leaders, along with local fire and EMS leadership, should also jointly identify the service level they wish to provide, and if appropriate, a service level they seek to attain. This agreed level of service will define the expectations, as well as help establish goals, assist in financial planning, and most importantly open lines of communication for critical needs. Ultimately, the delivery of fire and emergency services is primarily a local responsibility, with local residents and officials making the decision on what level of service they want and are willing to finance.

The SR 60 Commission has developed a “Municipal Fire/EMS Service Delivery Chart and Matrix” to guide this process. (See Appendix G for a copy of this document.) Within this matrix, the Commission recognizes the vast differences in Pennsylvania communities by identifying six possible service levels ranging from “Offensive Service Level A” through “Defensive Service Level F.”

E. Provide for a Range of Service Delivery Models, With the Preferred Option Involving Some Form of Regional Partnership or Cooperative Service Arrangement, Wherever Appropriate and Feasible.

In conjunction with statutory provisions to clarify municipal responsibilities and provide the opportunity for municipalities to establish service standards, a comprehensive fire services statute should ensure that locally elected municipal officials and fire and emergency first responders be given the flexibility of a range of options to meet their responsibilities. Because of Pennsylvania’s diversity, a single approach or “one size fits all” solution will not work. Pennsylvania’s 2,448 fire companies and 1,443 EMS squads operate in a state with a diverse topography, a dichotomy of old versus new communities that are both thriving and destitute, and with

populations encompassing the largest of cities to the smallest of boroughs. For these reasons, it is not possible to develop a single system or model for fire and emergency services delivery that would apply on a statewide basis.

A comprehensive fire services statute should ensure that both communities and regions have a range of options available to them to effectively organize their delivery systems. The traditional system available to Pennsylvania communities and regions should continue and remain a local service delivery option. Presently, a municipality can have its own service system, contract from a neighboring community, or join forces with neighboring communities to develop a joint or regional system.

Given the large number of individual volunteer fire companies in Pennsylvania and the apparent overlap and duplication of services, equipment, and resources, the proposed comprehensive statewide fire services statute should also adopt and encourage the principle of “regionalization” of fire services as another, if not the preferred option, for local municipalities and their fire and emergency responders. Such action would be consistent with a recommendation made by the International Fire Chiefs Association in 2004. At that time, the Association called for state level actions to promote regional service delivery as one of a number of steps necessary to preserve and improve the future of the volunteer fire service.

F. Require Strategic Master Planning for Fire Services at Both the State and Local Levels.

A recent report issued by the International Fire Chiefs Association stressed that strategic planning must become institutionalized as an integral part of fire service operations and community resource allocation. Establishing a comprehensive fire services master plan would provide systematic and ongoing guidance for the statewide system while setting an example and standard for comparable regional and local planning efforts.

“Strategic planning” is generally defined as a continuous and systematic process whereby the guiding members of an organization or group make decisions about its future, develop the necessary procedures and operations to achieve that future, and determine how success is to be measured. In this case, the guiding members of the group should include the Office of the State Fire Commissioner, officials of the Pennsylvania Emergency Management Agency and the Department of Community and Economic Development, pertinent standing committees and members of the General Assembly, representatives of the fire and EMS communities, and local government associations and officials.

A strategic plan includes a mission statement, a description of the vision for the statewide fire services system and a listing of the core values, as well as the goals, strategic initiatives, and objectives which constitute the plan. A strategic plan

should also include identification of system strengths, weaknesses, opportunities, and threats as well as performance measurement criteria so that benchmarks are available to measure achievement. The planning process required by the comprehensive fire services statute would set the broad parameters for regionalization. The responsibility for attaining specific goals and objectives relating to regional partnerships and cooperative service arrangements would begin with the State Fire Commissioner and the proposed "Technical Assistance Teams" and extend to local fire, EMS, and municipal officials.

As lead agency for the statewide fire services system, the Office of the State Fire Commissioner should coordinate the development of a statewide strategic master plan for Pennsylvania's fire services. A strategic master plan of this type would address four basic questions: (1) What is the status of the state's fire services system now? (2) Where do "we" (i.e., the general public, local government officials, the fire and emergency responder communities, and state legislators) want the system to be? (3) How do we get the statewide system to the desired point? and (4) How do we measure progress made in attaining the desired statewide system?

In these areas, the master plan should, for example, identify key elements of the system such as the levels of service actually needed to protect public safety, the qualifications of the persons providing those services, the numbers of staff required, and the facilities and equipment needed (e.g., including a statewide equipment and resource inventory and a formal risk analysis and needs assessment process). It should also address the roles of state, county, and local government, volunteer organizations, community residents, and other stakeholders in the process, and the identification of viable funding streams. It is difficult to chart a future course for the statewide fire system without this type of planning.

The Office of the State Fire Commissioner would have overall responsibility for formulating and implementing this plan. In this process, the State Fire Commissioner should draw upon the combined expertise and advice of the Fire Safety Advisory Committee and the organizations represented on the SR 60 Commission.⁶ The Fire Commissioner should also consider the possibility of seeking funding for consulting assistance in this process from one of several specialized national fire and emergency services consultant firms that can provide such services.

On a related matter, the General Assembly should consider amending the Municipalities Planning Code (MPC) to ensure that fire and emergency services agencies are involved in the planning process. Currently, the MPC states that the comprehensive plan may identify areas of growth so that public infrastructure needs, including fire protection, can be adequately planned and provided, but no specific involvement of the fire services community is required in this process. Every municipality should be required to produce a master fire protection plan that would

⁶See Appendix E for a listing of these organizations.

provide a long-range plan for fire service delivery that takes into account the demographics of that community, a systematic risk assessment, and the resources in place to protect that community, including those of the surrounding municipalities. Possible sources of funding for such plans are addressed in Recommendation #4.

G. Require the Development and Maintenance of a Statewide Inventory of Fire Services Equipment and Resources.

In conjunction with the strategic planning process proposed above, we recommend that the Office of State Fire Commissioner develop and maintain a statewide inventory data base of Pennsylvania's fire services equipment and resources. Currently, there is no system in place to comprehensively document what equipment and apparatus is in service in the Commonwealth and where it is located. It is difficult to envision a statewide planning process or effort to promote regional partnerships and cooperative service arrangements among existing volunteer fire companies in the absence of such a comprehensive inventory and assessment of existing fire services resources.

The State Fire Commissioner's position is that a statewide "bricks and mortar" assessment of currently existing equipment and services as well as risk assessments at the regional and local levels are essential prerequisites to the planning process. This sentiment was also expressed by various members of the volunteer fire services community who responded to the study questionnaire. For example, one respondent stated that ". . . we need to begin the painful process of examining the seemingly random and very unequal distribution of firefighting resources, and the funding it takes to obtain, manage, and operate." Another commented that to begin the process of deciding how much equipment is needed and where, a list of resources and utilization rates first needs to be developed.

Also, the current state grant and loan programs are not "needs based," and requesting companies do not have to document current equipment utilization rates or their "need" for the equipment or apparatus when requesting a grant or loan. This situation contributes to and perpetuates what is generally acknowledged to be a proliferation and duplication of equipment.

We therefore recommend that this inventory data base also be used in assessing state grant and loan applications (e.g., as part of a "certificate of need" process). If a grant or loan would perpetuate duplication of services in a given community, the need for the loan or grant could be questioned. Ultimately, the local government or organization would decide if the equipment would still be purchased, however the state would not be subsidizing the duplication.

Given the size and scope of this project and current demands on OSFC staff, it will be necessary for the State Fire Commissioner to seek funding for consulting

assistance in this process from one of several specialized national fire and emergency services consultant firms that can provide such services. (Potential sources of funding that might be used to obtain such assistance are discussed in Recommendation #4.) The OSFC should also consider the possibility of obtaining baseline data needed for this project by requesting that VFCs submit basic inventory information along with their grant requests.

We also recommend that, once established, the statewide inventory be maintained and updated by requiring all fire companies to periodically report inventory and services information as specified by the State Fire Commissioner through the “Pennsylvania Fire Information Reporting System” (PENNFIRS).

H. Incorporate Existing State Grant and Loan Programs and Expand Purposes to Include Defined “Eligible Costs” Related to Regionalization Projects.

Existing state grant and loan programs, primarily the Volunteer Fire Company and Volunteer Ambulance Services Grant Act and the Volunteer Loan Assistance Program, provide funding assistance for the acquisition, rehabilitation, or improvement of apparatus, facilities, and equipment. Currently, there is no leeway in the law that would enable the Office of the State Fire Commissioner to direct any of these monies for regionalization-related projects. We recommend that the General Assembly consider incorporating such funding provisions in any comprehensive statute that may be drafted, possibly by modifying the definition of eligible costs to include specified costs associated with mergers, consolidations, and other regionalization efforts (e.g., for feasibility studies, start-up grants, and facilities consolidation).

I. Establish “Fire Services Regions.”

For organizational purposes and to structure both the strategic planning process and the maintenance of a statewide fire services equipment and resources inventory, we recommend the General Assembly establish “fire services regions.” To facilitate ongoing homeland security efforts, we recommend that the General Assembly consider specifying that the regional structure of the statewide fire services system be the same as the nine-region structure which was established in law in 2002 for the state’s Regional Counter-Terrorism Task Forces. (See map in Appendix J.)

The proposed fire service regions would have the following duties and responsibilities:

- 1. Assist the Office of the State Fire Commissioner in achieving the goals and objectives defined in the Commonwealth’s Fire Services System Plan.*
- 2. Assist the Office of the State Fire Commissioner in the collection and maintenance of fire incident reporting data.*

3. *Prepare plans for improving fire service delivery in the area.*
4. *Carry out to the extent feasible, the regional fire services system plan.*
5. *Provide necessary and reasonable staff services and appropriate and convenient office facilities that can serve as an area-wide location for the planning, developmental, maintenance, coordinative, and evaluative functions of the regional office.*

J. Create “Regional Fire Services Coordinator” Positions to Assist the State Fire Commissioner in Implementing the State Plan and Promoting Regionalization.

Developing and implementing a statewide fire services plan will require state-level coordination and oversight by the Office of the State Fire Commissioner. To facilitate this process, we recommend that the comprehensive statute allow for the creation of regional fire services coordinator positions. The State Fire Commissioner would determine the number of positions required in each of the nine fire services regions. Individuals in these positions would report to and assist the State Fire Commissioner, provide a liaison between the Fire Commissioner’s Office and county and local organizations and emergency responders, and work with the Commissioner’s Office to promote the regionalization of volunteer fire companies wherever necessary and feasible.

As was recommended by the SR 60 Commission, the regional fire services coordinators would also serve as a consultant to local fire commissioners, presidents, fire chiefs, EMS managers, and others for matters involving recordkeeping, fire suppression counseling, urban search and rescue, report filing, grant development, PENNFIRS reporting, training program coordination, recruitment and retention, and legislative changes. Similar positions are used in certain other states, including the New York Office of Fire Safety Services System.

K. Create a “Fire Services Consulting and Technical Assistance Unit” in the Office of the State Fire Commissioner.

To expand and enhance state-level technical assistance, we recommend that the statute establish a technical services and consulting function in the Office of the State Fire Commissioner. The concept would be to significantly expand the education, technical assistance, and consulting functions currently performed by the Department of Community and Economic Development’s Governor’s Center for Local Government Services. This unit (e.g., to be called the “Fire Services Consulting and Technical Assistance Unit”), and the Technical Assistance Teams that would staff it, would provide education, guidance, and technical support and oversight to VFCs and municipalities.

Among other duties and responsibilities, the “Fire Services Consulting and Technical Assistance Unit” would be responsible for educating municipal and volunteer fire company officials of the potential operational and cost-saving benefits of regional partnerships and cooperative service arrangements and for encouraging and facilitating local study and consideration of various regionalization options. As discussed in Recommendation #2, the unit would also be tasked to develop and maintain a regionalization data base, formulate regionalization guidelines and a guidebook, and establish a “Regionalization Best Practices Center.”

L. Enact Recruitment and Retention Incentives to Stem the Decline in Fire/Emergency Services Volunteerism.

The state needs to play a more active role in helping companies recruit and retain volunteers. In response to a 2002 survey, more than 90 percent of the state’s fire chiefs stated that they are looking to state government for help in increasing their ranks and recognizing and rewarding volunteers. The need to consider such incentives is also evident from the work of the SR 60 Commission and the responses we received during this study.

In this context, several incentives are generally suggested to encourage and support volunteerism:

- Adoption of a state-funded public awareness campaign to encourage people to volunteer for the fire service.
- Provision of a state income tax credit for volunteer firefighters and EMS personnel based on a service point system.
- Establishment of a tuition credit for volunteer firefighters and EMS personnel attending a State University System or Community College program.
- Creation of a service longevity or state-based retirement program for volunteers.
- Development of qualified “Length of Service Award Program” (LOSAP).
- Provision of a tax credit to businesses who permit volunteers they employ to respond to calls or attend training during working hours.
- Extension of health care benefit program opportunities.

Similar recognition actions should also be considered at the local government level.⁷

M. Designate a Pennsylvania Volunteer Fire Services Week.

Establish at the state level, a Pennsylvania Volunteer Fire Services Week (similar to Local Government Week) where companies and individuals are publicly

⁷Some local governments have reportedly implemented programs to help attract and retain volunteers, including points-based monetary incentive programs and recognition and award ceremonies.

recognized for significant contributions to the volunteer fire services in their region and the state. In this effort, the Pennsylvania Newspaper Association should be asked, as a public service, to highlight individuals, companies, and local governments for their activities in the volunteer fire services.

Recommendation 2. The Office of the State Fire Commissioner should initiate an ongoing program to streamline the state's volunteer fire company structure. This effort should focus on the systematic promotion of regional partnerships and cooperative service arrangements between and among the state's 2,354 individual volunteer fire companies.

Mergers, consolidations, and other forms of regionalization of fire services are feasible and have significant potential to do much to enhance and perpetuate the volunteer fire system in Pennsylvania and could go a long way toward addressing many of the issues and challenges currently facing volunteer fire companies. Given the central role volunteer fire companies play in protecting Pennsylvania's citizens and the rising costs and other serious challenges they face, it would be both logical and beneficial for the state to encourage coordinated approaches to addressing local fire protection needs.

Mergers, consolidations, and other regional partnerships, however, cannot be mandated nor are they necessary and appropriate in all cases. We, therefore, recommend that as the lead agency for the statewide fire service system, the Office of the State Fire Commissioner, develop and implement "*A Plan to Systematically Promote Regional Partnerships and Cooperative Service Arrangements Among Pennsylvania's Volunteer Fire Companies.*" (Please refer to the chart on page S-31.) Ideally, such a program would be undertaken in concert with the adoption and implementation of a comprehensive statewide fire services statute and would be a subpart of the statewide comprehensive fire services strategies plan called for in Recommendation #1.

It is important, however, that this plan provide overall guidance and direction, not a mandate. A "one size fits all approach" will not work in Pennsylvania. While certainly feasible in concept, mergers and consolidations are neither necessary nor appropriate in all cases. The decision on whether to pursue regionalization in any given jurisdiction must be done on a case-by-case basis with strong local government input and citizen participation. While it is not appropriate for the state to mandate regionalization, it is appropriate for the state to establish a mechanism and process through which guidance can be provided to local communities and fire companies to assist them in planning and determining optimal approaches to regionalization.

To foster improved communications between volunteer fire companies and local governments and systematically promote regionalization efforts, it will be necessary to develop an additional staff capability within the Office of the State Fire Commissioner. We recommend that the proposed Fire Services Consulting and Technical Assistance Unit adopt as a model the approach (e.g., using “Peer Review Team” feasibility studies) currently used within the DCED’s Governor’s Center for Local Government Services Shared Municipal Services Program.⁸

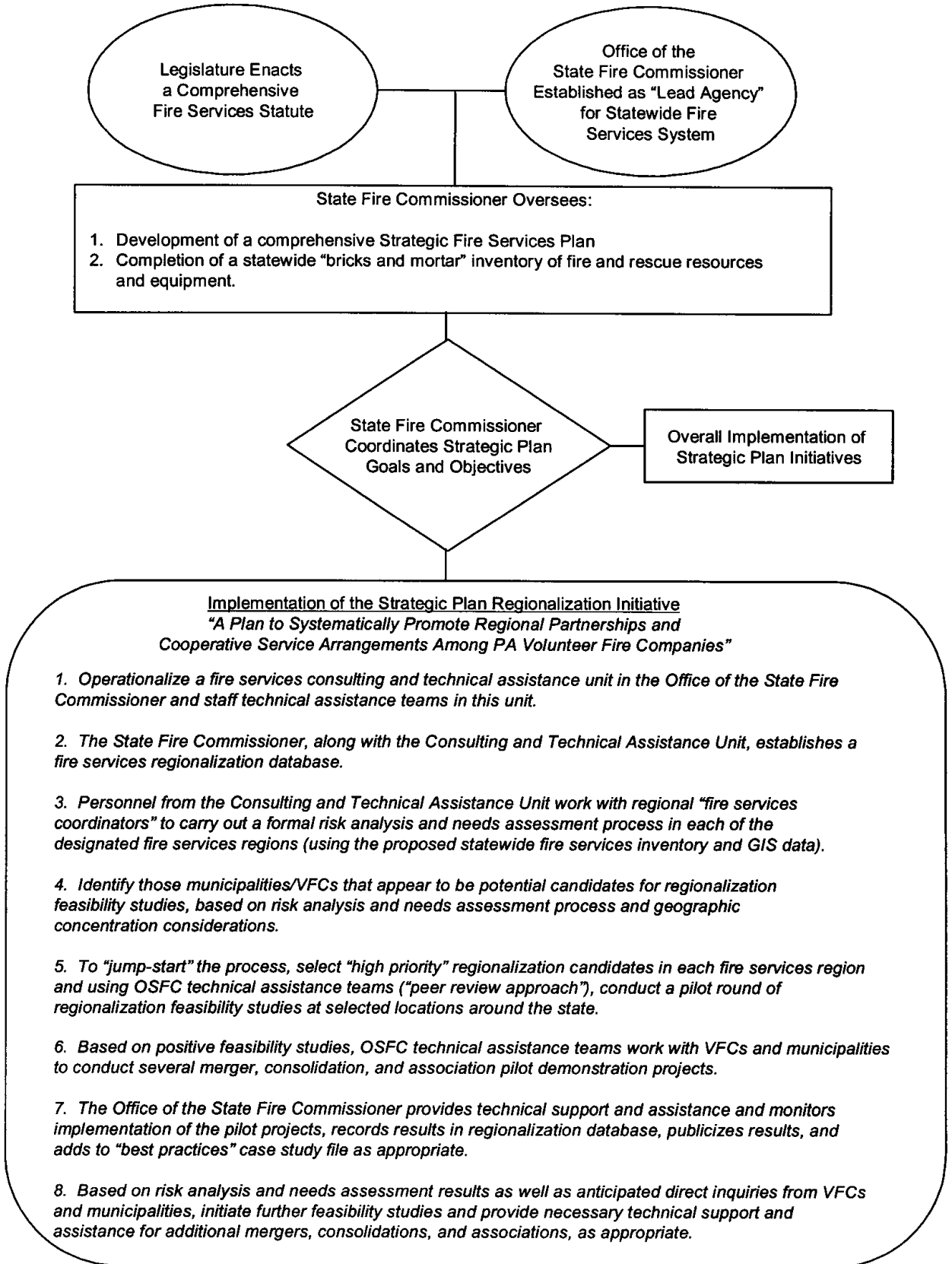
While the approach used by DCED is sound and the program has resulted in a number of successful municipal regionalization actions, its staffing and budget are not sufficient to deal with the scope of the statewide fire services regionalization issue. Also, the DCED program deals with fire services issues as just one of many municipal services responsibilities and only on an as-requested basis. We recommend the fire services aspect of this program be moved to the Office of the State Fire Commissioner where it would be a core activity. This would also allow the program to be coordinated directly with administration of the proposed statewide fire services statute and comprehensive fire services plan. It is important to note, however, that under this arrangement, DCED staff in the Governor’s Center for Local Government Services would continue to play a key role in the process through their work with and assistance to the proposed Office of the State Fire Commissioner “Technical Assistance Teams.”

The recommended plan also calls for the State Fire Commissioner, along with the Consulting and Technical Assistance Unit, to establish a fire services regionalization database, regionalization guidelines, and a fire services regionalization best practices center. One of the primary objectives of the Fire Services Consulting and Technical Assistance Unit would be to provide case study information and provide programming to educate VFCs and municipalities as to the potential benefits of regionalization options and how to pursue them. These educational opportunities could be provided via a training program that currently exists in DCED. The Unit would also have specific responsibility for the following:

- *Regionalization Data Base.* With 2,354 volunteer fire companies, a data base is needed to record and track regionalization activities. Using existing records available from DCED, the Office of the State Fire

⁸This DCED program promotes cooperation among municipalities to bring about a more efficient and effective delivery of municipal services. This program focuses on services such as combined police records administration, shared personnel activities, joint ownership of equipment, and shared data processing operations. In recent years, the program has also been extended to assist municipalities seeking to consolidate their volunteer fire departments. See Chapter V for further information.

A Proposed Statewide Fire Services Regionalization Initiative



Commissioner should develop a data base of regionalization efforts completed, ongoing, and under-consideration.

- *Regionalization Guidelines and “How to . . .” Guidebook.* Currently, there are no state-level guidelines for VFCs and municipalities wishing to explore regionalization options. Unit staff should develop regionalization guidelines and a generic guide for regionalization that is broad enough to be applicable in most areas of the state. Such a guide should give volunteer fire companies and municipalities suggestions on short-term and mid-range initiatives and a list of actions they can take to start the process. These suggestions and activities would run the gamut from modest, short-term activities to the more difficult challenges of elimination of duplication of apparatus and vehicles and the closing of unnecessary stations and facilities.
- *Establish a Regionalization “Best Practices Center and a Compendium of Evidence-Based Best Practices.”* There is no comprehensive documented record of fire services regionalization efforts in Pennsylvania, including “best practices.” The Office of State Fire Commissioner should develop a method for collecting regionalization best practices from across the state and disseminate the details of these practices to other volunteer organizations. Consideration should be given to providing incentives (e.g., a cash award and statewide recognition) for organizations submitting one or more of the five best practices each year.

In pursuing the development of these system components, the Office of the State Fire Commissioner should seek input and assistance from local government policy specialists in the DCED’s Governor’s Center for Local Government Services. The individuals assigned to develop a Pennsylvania-specific manual of this type should also consider existing approaches and guidelines as described in various national industry publications.⁹

Once the Fire Services Consulting and Technical Assistance Unit is established and the regionalization database, guidelines, and best-practices center are established, we recommend the following additional steps be taken:

- Personnel from the Consulting and Technical Assistance Unit work with regional fire services coordinators to carry out a formal risk analysis and needs assessment process in each of the designated fire services regions (using the proposed statewide fire services inventory and GIS data maintained by the Pennsylvania Emergency Management Agency.)

⁹For example, *Fire Department Consolidation—Why and How to Do It . . . Right*, by the Volunteer Firemen’s Insurance Services and Cooperative Service Through Consolidations, Mergers and Contracts, *Making the Pieces Fit* published by the Emergency Services Consulting Group.

- Identify those municipalities/VFCs that appear to be potential candidates for regionalization feasibility studies, based on a risk analysis and needs assessment process and geographic concentration considerations.
- To “jump-start” the process, select “high priority” regionalization candidates in each fire services region and using OSFC technical assistance teams (“peer review approach”), conduct a pilot round of regionalization feasibility studies at selected locations around the state.
- Based on positive feasibility studies, OSFC technical assistance teams work with VFCs and municipalities to conduct several merger, consolidation, and association pilot demonstration projects.
- The Office of the State Fire Commissioner provides technical support and assistance and monitors implementation of the pilot projects, records results in regionalization database, publicizes results, and adds to “best practices” case study file as appropriate.
- Based on risk analysis and needs assessment results as well as anticipated direct inquiries from VFCs and municipalities, initiate further feasibility studies and provide necessary technical support and assistance for additional mergers, consolidations, and associations, as appropriate.

It will also be necessary to establish certain assurances and incentives so that VFCs are not discouraged from pursuing regionalization feasibility studies. Consideration should be given to eliminating potential penalties and disincentives to forming regional partnerships that may result from the application of existing regulations. For example, rules and regulations under the Volunteer Fire Company, Ambulance Services, and Rescue Squad Assistance Program currently preclude a volunteer company from having more than three outstanding loans at any given time.

Therefore, several companies considering merger or consolidation may, under these rules, be prohibited from forming a regional partnership due to the holding of multiple outstanding loans or may otherwise be penalized through ineligibility for future loans if a proposed regionalization effort were successful. Initiative must be taken to identify provisions in statute and regulations that present problems of this nature so that appropriate exemptions or rule exceptions can be adopted to further promote regionalization efforts.

The State Fire Commissioner may also consider working with the General Assembly to incorporate certain incentive provisions in the law that would encourage volunteer fire companies to seriously consider regionalization options. Such actions might include assigning a “regionalized” fire company “priority status” in the existing state grant program or offering a special financial program to help with the costs of combining individual VFCs.

Recommendation 3. The General Assembly should adopt a resolution to provide for the continued existence of the SR 60 Commission to assist in the development of the comprehensive fire services statute, statewide strategic plan, and regionalization initiative proposed in these recommendations. The reconstituted SR 60 Commission should include a new member position representing the Governor's Center for Local Government Services in the Department of Community and Economic Development.

The General Assembly should provide for the ongoing input and participation of the SR 60 Commission in the implementation of recommendations to constructively change and enhance the state's fire and emergency response systems. The Commission members welcome such continuation and stated as such in the November 2004 SR 60 report:

We would respectfully suggest that the Commission itself be continued in existence for the purposes of helping to foster action on and implementation of these and possible future recommendations and to provide continual oversight and advice to the General Assembly on the improvement of the delivery of emergency services in Pennsylvania.

Commission members include the State Fire Commissioner, legislators, local fire chiefs, and representatives of the PA Fire and Emergency Services Institute, PA Professional Firefighters Association, the Ambulance Association, the PA Emergency Health Services Council, PA Fireman's Association, the Firemen's Legislative Federation, the Western PA Firemen's Association, and county and local government associations. We also recommend that the resolution providing for the continued operation of the SR 60 Commission provide for representation from the Governor's Center for Local Government Services.

Recommendation 4. The Office of the State Fire Commissioner should take the lead in formulating: (a) a cost estimate for implementing the proposed comprehensive statute, strategic planning process, and statewide regionalization initiative; and (b) a funding proposal identifying potential funding sources that could be utilized.

Implementation of the preceding recommendations would require substantial organizational and funding changes in the Commonwealth's volunteer fire services system. These changes, however, appear necessary to preserve and enhance the volunteer fire service. In this context, one particular comment made to LB&FC staff during the course of this study merits consideration:

- *With history, tradition, and pride being the hallmarks of many volunteer fire companies, change is not easy to accomplish. But, in the case of perhaps the majority of Pennsylvania volunteer fire companies, their very survival is dependent upon change Respect tradition but don't be bound by it.*

We recommend that the State Fire Commissioner, along with the members of the SR 60 Commission, take the lead in estimating implementation costs and developing proposed funding solutions. This group should develop a phased implementation schedule and estimate of associated costs along with potential funding sources. We recommend that in identifying possible funding sources, the State Fire Commissioner and SR 60 Commission consider proposing the following, many of which would require legislative authorization:

- obtaining a legal opinion on whether any portion of the 2002 \$100 million bond authorization “to enhance and improve the delivery of volunteer fire and volunteer emergency services” could be used for purposes of implementing any or all of the recommendations cited in this report;¹⁰
- designating a portion of the current state funding for the existing Volunteer Fire Company and Volunteer Ambulance Service Grant Program (which totaled \$25 million in FY 2003-04) for purposes of developing the proposed statewide strategic fire services plan, performing the proposed statewide inventory, and conducting regionalization pilot projects;¹¹
- seeking Administration support for Legislative authorization of a separate “Regionalization of Fire Services” General Fund line-item appropriation to the Office of the State Fire Commissioner;
- determining the possible availability of a portion of federal funding currently being directed to Pennsylvania for homeland security purposes;
- exploring the availability of other federal grants including the possibility of working with the U.S. Fire Administration in order to obtain pilot project funding;
- maximizing the use of other pertinent state grants (e.g., Shared Municipal Services Grants and Community Revitalization Grants);
- considering up to a 1 percent increase in the Foreign Fire Insurance Premiums Tax to be directed to this effort;¹²
- considering the adoption of a policy surcharge on homeowners insurance policies; and

¹⁰The bonds authorized by this referendum had not been issued as of May 2005.

¹¹It is possible that the portion of current state funding redirected from the grant program could be offset by the transfer of a comparable amount from the 2002 bond authorization.

¹²A 1 percent increase would yield approximately \$37 million in additional annual revenues.

- considering earmarking a portion of the approximately \$23 million in annual revenues deposited into the General Fund from the domestic portion of the Fire Insurance Premiums Tax.

The State Fire Commissioner and members of the SR 60 Commission should consult and work closely with the members and staffs of the House and Senate Veterans Affairs and Emergency Preparedness Committees throughout this process.

I. Introduction

House Resolution 148 of 2003 directed the Legislative Budget and Finance Committee (LB&FC) to study the concepts of merger and consolidation of volunteer fire departments and the feasibility of regionalizing the state's volunteer fire services.

Study Objectives

1. To examine the current structure through which volunteer fire services are provided and funded in Pennsylvania and to assess the problems and challenges facing the state's 2,354 individual volunteer fire companies.
2. To identify programs and activities currently underway to promote the merger, consolidation, and/or regionalization of Pennsylvania volunteer fire companies and the status of these efforts.
3. To formulate a statewide plan for regionalizing volunteer fire services in the Commonwealth, including the development of incentives to promote full participation in the plan.
4. To develop findings and recommendations, as appropriate.

Scope and Methodology

This study focused on Pennsylvania's volunteer fire services system and the feasibility of applying merger, consolidation, and other regionalization concepts within this system. HR 148 also called for the formulation of a statewide plan for "regionalizing" the state's fire services.

In researching these questions, we examined the current structure through which volunteer fire services are provided and funded in Pennsylvania. We examined all pertinent statutory provisions, documented system structure and composition, and identified available funding sources. During this process, we worked extensively with the Office of the State Fire Commissioner, the Governor's Center for Local Government Services in the Department of Community and Economic Development (DCED), staff of the Pennsylvania Emergency Management Agency (PEMA), and representatives of the fire services community.

To identify and assess the problems and challenges facing volunteer fire companies, we reviewed a series of pertinent reports completed by special task forces and study groups in recent years. These included a study of volunteer fire and emergency medical services issued jointly by PEMA and the Governor's Fire and

Emergency Services Task Force in 2002, and a study to improve the delivery of emergency services released by the SR 60 Commission in November 2004. During the course of its efforts on the HR 148 study, LB&FC staff closely observed the workings of the SR 60 Commission and attended all of its working meetings.

To obtain input directly from the fire services community, we distributed a study questionnaire to volunteer fire chiefs, members of the SR 60 Commission, county emergency management coordinators, and peer evaluation consultants who are employed by the DCED to conduct fire services studies. An analysis of their responses, combined with a review of recent fire services-related literature, was used to increase our understanding of the issues that are important to the volunteer fire and emergency service sector. We also contacted fire services organizations and attended regional meetings of the Pennsylvania Fire and Emergency Services Institute.

We also examined the extent to which various forms of regionalization and cooperative service arrangements are being used nationally as a means of addressing fire services problems and challenges. We conducted a literature search through the National Fire Academy library, researched existing and proposed statutes from other states, spoke with fire and emergency service consultants involved in regionalization efforts in other states, and reviewed regionalization case studies.

Through a review of state statutes and contacts with state agency personnel, we also documented the extent to which regionalization and cooperative service efforts are currently underway in Pennsylvania's volunteer fire system. This involved additional meetings and consultation with staff of the Office of the State Fire Commissioner and the Governor's Center for Local Government Services. During this phase of the project, we worked extensively with the local government policy manager in DCED who specializes in fire services matters. We relied extensively on program notes and materials developed by this individual in developing information on DCED program efforts designed to promote fire services regionalization.

Using information from DCED files, we determined the current status of merger, consolidation, and other regionalization activities in Pennsylvania. From the DCED files, we selected ten regionalization efforts for in-depth case study. Through contacts with DCED staff and both local and fire company officials in the case study municipalities, we developed summaries of a sample of regionalization experiences, including implementation issues, demonstrated benefits, and lessons learned.

Acknowledgements

The LB&FC staff gratefully acknowledges the cooperation and assistance that the following individuals provided during the conduct of this study: State Fire Commissioner Edward Mann and Kent Leid, Director of the Pennsylvania Fire Information Reporting System; Dean Fernsler, Local Government Policy Manager with the Governor's Center for Local Government Services in the Department of Community and Economic Development; staff of the Pennsylvania Emergency Management Agency, including John Comey, Executive Assistant, Richard Flinn, Special Assistant, Continuity of Government, and Lawrence Smith, GIS Program Manager; Dr. William Jenaway, Chairman, Upper Merion Township (Montgomery County) Fire and Rescue Services and Chair of the SR 60 Commission; and Thomas Savage, Executive Director, Pennsylvania Fire and Emergency Services Institute. We also acknowledge the input of the members of the SR 60 Commission and their interaction with LB&FC staff throughout the Commission's working sessions.

Many other persons contributed their time and their knowledge in the writing of this report. In particular, a very special thanks is extended to the many fire service and municipal officials who provided information and assistance in the development of ten case studies of regionalization efforts around the state. We also received many helpful responses to our questionnaire survey from fire and emergency service professionals; we are grateful for the time and effort they provided in submitting their responses.

Important Note

This report was developed by Legislative Budget and Finance Committee staff. The release of this report should not be construed as an indication that the Committee or its individual members necessarily concur with the report's findings and recommendations.

Any questions or comments regarding the contents of this report should be directed to Philip R. Durgin, Executive Director, Legislative Budget and Finance Committee, P.O. Box 8737, Harrisburg, Pennsylvania 17105-8737.

II. An Overview of Volunteer Fire Services in Pennsylvania

A. Related Statutory Provisions

While state law does not address the provision of fire services in a single comprehensive statute, there are a number of separate statutory provisions that apply. A summary discussion of these provisions follows.

Municipal Code Provisions

Municipalities regulate fire protection through their general authority to provide for the safety of their citizens. Fire services may be provided by paid fire companies that are part of the local government's services or volunteer fire companies that are not part of the local government and may or may not receive local funding support. There are, however, no consistent statutory statements of authority and responsibility for fire services within the different forms of local government.

For example, by law, townships and boroughs are authorized to purchase fire apparatus for use in the municipality or are authorized to appropriate funds to fire companies located in the municipality to purchase fire apparatus and maintain fire company facilities. Both are also specifically authorized to enter into contracts with adjacent cities, boroughs, and townships for fire and police services. The statutory authorities for other forms of local government do not have this provision. Townships may also prescribe rules for the governance of fire companies and their officers.¹

The Third Class City Code authorizes the establishment of paid and volunteer fire bureaus in cities. The cities are authorized to appropriate funds to maintain fire bureaus; prescribe rules and regulations for the governance of officers and companies belonging to the bureau; and to purchase equipment for extinguishing, preventing, and investigating fires. The cities may also create the office of fire marshal to conduct building inspections related to fire safety and to investigate the causes, origins, and circumstances of fires in the city.

Although local governments are authorized to provide funding to fire companies, and impose a tax of up to 3 mills (depending on the type of municipality) on real estate to fund the companies, local governments are not required to fund these services. In the case of the County Code, funding from Seventh and Eighth Class counties (of up to \$600 a year) is not available to a fire company in that county if

¹In *Palmer Township Fire Company v. Palmer Township*, 1 D&C 3d. 417 (1973), this was interpreted to provide sufficient authority for the township to pass an ordinance restricting fire company participation in a fire call unless requested by the fire chief or fire commissioner of the township or unless the participants are members of a specific volunteer fire company.

that company receives funds from any township in the county. If the company does not receive such township funds, the company may be eligible to receive up to \$600 in funding directly from the county. Municipalities are, however, required to carry workers' compensation coverage for the firefighters.

Other statutory authorizations also vary depending on the form of government applicable to a particular municipality. For example, the Borough Code and Second Class Township Code authorize those governments to "appropriate funds to fire companies . . . for training of its personnel, and to lawfully organized or incorporated county or regional firemen's association or an entity created pursuant to the . . . Intergovernmental Cooperation Law . . ." The County Code has similar provisions for Second, Seventh, and Eighth Class counties. The First Class Township Code and Third Class City Code have no similar provisions.

Boroughs and First Class townships are also authorized to make regulations for the management of fires and their prevention. Boroughs may additionally enact fire prevention codes, and Second Class townships are authorized to adopt any standard fire prevention code.

The State Fire Commissioner Act

The State Fire Commissioner is organizationally located within the Pennsylvania Emergency Management Agency, pursuant to the State Fire Commissioner Act, 71 P.S. §1199.21 *et seq.* The act provides that the State Fire Commissioner is to report to the Governor, through the Lt. Governor, on all matters concerning fire safety.

While the history of the position dates to 1976, the current Office of the State Fire Commissioner was created by 1995 legislation known as the State Fire Commissioner Act. Further information on the structure and functions of the Office is provided in section B of this chapter, "System Structure and Composition."

Various Funding Provisions

Several statutes provide sources of state financial assistance for volunteer fire companies. These include the Volunteer Loan Assistance Program, 72 P.S. §3943 *et seq.*, the Volunteer Fire Company and Volunteer Ambulance Service Grant Program, 35 P.S. §6942.101 *et seq.*, and the Volunteer Firefighters Relief Association Act, 53 P.S. §8501 *et seq.*, among others.

Another statute, the Pennsylvania Workers' Compensation Law, 77 P.S. §1 *et seq.*, includes members of volunteer fire companies within its definition of employee for purposes of coverage. A municipality is responsible for carrying workers' compensation coverage for volunteer firefighters when the fire company is located

within its borders. See the “Sources of Funding” section of this chapter for further information on these and other statutory funding provisions.

B. System Structure and Composition

Volunteer participation in the fire service is a strong tradition in Pennsylvania. The term *fire service* encompasses those activities undertaken by organized groups of individuals to protect the public against fire as well as all other functions commonly performed by fire companies and their affiliated organizations. These other functions have traditionally included fire protection and suppression; first aid; vehicle, water, and trench rescue and salvage; community fire protection education; ambulance service; fire police work; radio communications; assistance at accidents; animal rescue; abatement of conditions due to storm, flood, or general peril; and participation in public celebrations, parades, and fund raising campaigns.² Today, volunteer firefighters are also called upon to deal with hazardous materials incidents and perform homeland security duties as first responders to acts of terrorism.

A *volunteer fire company* is a nonprofit chartered corporation, association, or organization that provides fire protection or rescue services and may offer other voluntary emergency services within the Commonwealth. The vast majority of Pennsylvania fire companies are volunteer organizations established under the Pennsylvania Nonprofit Corporation Law of 1988, 15 Pa.C.S.A. §5101 *et seq.* The companies obtain their nonprofit status by filing articles of incorporation with the Department of State. The articles of incorporation set forth, for example, the name and address of the corporation, its statement of purpose for which it was incorporated, and a statement regarding its intent to be nonprofit. The articles may also include other provisions relating to the management of its business affairs or rights and powers and duties of its members. Volunteer fire companies’ charters may also include language concerning the company providing a place for members and the community to congregate socially and for other purposes that may benefit the community. As nonprofit corporations, volunteer fire companies have no direct connection to either state or municipal government.

A *volunteer firefighter* is any member of a Pennsylvania fire company, fire police unit, rescue squad, ambulance corps, or other like organization affiliated with a fire company, who participates in the fire service but does not look to that service as his or her primary means of livelihood. Volunteer firefighters contribute a great deal of personal time and energy responding to calls, pursuing training, raising funds for operations, and maintaining stations and equipment at those stations.

²In some cases, emergency medical services are also part of the fire service. Emergency medical services include ambulance services that are all volunteer (about 25 percent), those that are staffed by volunteers and career personnel (approximately 50 percent), and services with all career personnel (about 25 percent). Many are nonprofit services while some are for profit. More than two-thirds of ambulance services are stand alone, i.e., not part of a fire service; most of the remaining services are part of the fire department while a small number of ambulance services are operated by a local hospital.

Although there is no precise accounting, the Governor's Center for Local Government Services (located in the Department of Community and Economic Development) estimates that there are approximately 72,000 active volunteer firefighters (i.e., those who answer calls on a regular basis) in Pennsylvania. There are, however, many other fire company members who contribute through fund raising, station maintenance, and administrative duties.

There were 2,448 fire companies/department in Pennsylvania as of December 31, 2004. Fire companies staffed entirely by volunteers represent about 96 percent of this total. In addition to 2,354 all-volunteer companies, 72 fire companies comprise both paid and volunteer personnel, and 22 companies consist entirely of paid staff. (See Tables 1 and 2.)

Pennsylvania's overwhelming reliance on volunteer fire services is a distinctive characteristic of the state's emergency service network. In relation to an estimated 20,000 all-volunteer fire companies nationally, Pennsylvania represents 12 percent of the total although accounting for less than 5 percent of the nation's population. Pennsylvania has the largest number of volunteer fire companies of any state in the country, according to the National Volunteer Fire Council.

At least two factors account for the large number of volunteer fire companies operating in Pennsylvania. First, Pennsylvania has a long history of volunteer fire service, reportedly being the home of the nation's first volunteer fire company, started in Philadelphia around 1736. Secondly, the highly decentralized nature of Pennsylvania's local governmental structure, which includes 2,566 governmental units (e.g., townships, boroughs, and cities), appears to have encouraged a corresponding proliferation of volunteer fire companies.

However, not all municipalities in the Commonwealth have a volunteer fire company located within their boundaries. Fire protection for these local governmental units is provided by a company or companies outside their corporate limits. In these cases, service is normally provided on either a formal or informal contract basis. Service may also be rendered on a fee basis, which is usually defined in a written agreement. In some rural areas, service is provided without a formal agreement, and recipient municipalities "pay" for the services in the form of an annual appropriation or payment of a portion of the company's insurance or operating expenses.

As nonprofit corporations, volunteer fire companies have no direct or official organizational connection with state government. However, within PEMA, the *Office of the State Fire Commissioner* is authorized by law to serve as a central point to support and coordinate the activities of state and local community interests engaged in fire prevention and control activities. The State Fire Commissioner

Table 1

**Number of Volunteer Fire Companies (VFCs)
in Pennsylvania, by County***

<u>County</u>	<u>Number of VFCs</u>	<u>Square Mileage</u>	<u>Population^a</u>	<u>Average Per VFC</u>	
				<u>Square Miles</u>	<u>Population</u>
Adams	27	520	91,292	19.3	3,381.2
Allegheny.....	196	730	1,281,666	3.7	6,539.1
Armstrong.....	30	654	72,392	21.8	2,413.1
Beaver	51	435	181,412	8.5	3,557.1
Bedford	13	1,015	49,984	78.1	3,844.9
Berks	65	859	373,638	13.2	5,748.3
Blair	23	526	129,144	22.9	5,615.0
Bradford.....	24	1,151	62,761	48.0	2,615.0
Bucks.....	62	608	597,635	9.8	9,639.3
Butler	36	789	174,083	21.9	4,835.6
Cambria.....	47	688	152,598	14.6	3,246.8
Cameron.....	3	397	5,974	132.3	1,991.3
Carbon.....	27	383	58,802	14.2	2,177.9
Centre.....	18	1,108	135,758	61.6	7,542.1
Chester.....	41	756	433,501	18.4	10,573.2
Clarion	18	602	41,765	33.4	2,320.3
Clearfield	40	1,147	83,382	28.7	2,084.6
Clinton	18	891	37,914	49.5	2,106.3
Columbia	21	486	64,151	23.1	3,054.8
Crawford	27	1,013	90,366	37.5	3,346.9
Cumberland.....	35	550	213,674	15.7	6,105.0
Dauphin	41	525	251,798	12.8	6,141.4
Delaware	77	184	550,864	2.4	7,154.1
Elk.....	8	829	35,112	103.6	4,389.0
Erie	30	802	280,843	26.7	9,361.4
Fayette.....	49	790	148,644	16.1	3,033.6
Forest	4	428	4,946	107.0	1,236.5
Franklin.....	20	772	129,313	38.6	6,465.7
Fulton.....	3	438	14,261	146.0	4,753.7
Greene.....	16	576	40,672	36.0	2,542.0
Huntingdon	19	875	45,586	46.1	2,399.3
Indiana.....	24	830	89,605	34.6	3,733.5
Jefferson.....	20	656	45,932	32.8	2,296.6
Juniata.....	9	392	22,821	43.6	2,535.7
Lackawanna	56	459	213,295	8.2	3,808.8

Table 1 (Continued)

<u>County</u>	<u>Number of VFCs</u>	<u>Square Mileage</u>	<u>Population^a</u>	<u>Average Per VFC</u>	
				<u>Average Square Miles</u>	<u>Population</u>
Lancaster.....	82	949	470,658	11.6	5,739.7
Lawrence	21	360	94,643	17.1	4,506.8
Lebanon.....	45	362	120,327	8.0	2,673.9
Lehigh.....	34	347	312,090	10.2	9,179.1
Luzerne.....	106	891	319,250	8.4	3,011.8
Lycoming	32	1,235	120,044	38.6	3,751.4
McKean	18	982	45,936	54.6	2,552.0
Mercer	21	672	120,293	32.0	5,728.2
Mifflin	19	411	46,486	21.6	2,446.6
Monroe	20	607	138,687	30.4	6,934.4
Montgomery.....	94	483	750,097	5.1	7,979.8
Montour	8	131	18,236	16.4	2,279.5
Northampton.....	38	374	267,066	9.8	7,028.1
Northumberland.....	51	460	94,556	9.0	1,854.0
Perry	12	554	43,602	46.2	3,633.5
Philadelphia.....	1 ^b	135	1,517,550	NA	NA
Pike.....	16	547	46,302	34.2	2,893.9
Potter.....	10	1,081	18,080	108.1	1,808.0
Schuylkill.....	126	779	150,336	6.2	1,193.1
Snyder	14	331	37,546	23.6	2,681.9
Somerset	29	1,075	80,023	37.1	2,759.4
Sullivan	9	450	6,556	50.0	728.4
Susquehanna	18	823	42,238	45.7	2,346.6
Tioga.....	18	1,134	41,373	63.0	2,298.5
Union	7	317	41,624	45.3	5,946.3
Venango	18	675	57,565	37.5	3,198.1
Warren.....	20	883	43,863	44.2	2,193.2
Washington.....	50	857	202,897	17.1	4,057.9
Wayne	24	729	47,722	30.4	1,988.4
Westmoreland	126	1,023	369,993	8.1	2,936.5
Wyoming.....	10	397	28,080	39.7	2,808.0
York	59	905	381,751	15.3	6,470.4
State Total	2,354	44,823	12,281,054	19.0	5,217.1

*Includes only volunteer fire companies. This data, by design, excludes all career and combination (career and volunteer members) fire companies/departments (a total of 94) located in Pennsylvania.

^aPopulation figures from 2000 census.

^bPhiladelphia's fire service is provided mainly by the Philadelphia Fire Department (a career fire department); however there is one volunteer fire company (Second Alarmers Association of Philadelphia) located in Philadelphia.

Source: Developed by LB&FC staff from information obtained from the Office of the State Fire Commissioner.

Table 2

Number of Career and Combination (Career and Volunteer) Fire Companies/Departments in Pennsylvania, by County*

<u>County</u>	<u>Career</u>	<u>Combination</u>	<u>Total</u>
Allegheny	2	10	12
Beaver	0	3	3
Berks	0	3	3
Blair.....	1	0	1
Butler	0	1	1
Cambria.....	1	2	3
Chester	0	9	9
Clinton	0	1	1
Crawford.....	0	2	2
Cumberland.....	0	3	3
Dauphin	1	0	1
Delaware	1	1	2
Erie	1	1	2
Fayette.....	0	2	2
Franklin.....	0	2	2
Lackawanna	1	2	3
Lancaster.....	1	0	1
Lawrence	1	1	2
Lebanon.....	0	1	1
Lehigh.....	1	1	2
Luzerne.....	1	8	9
Lycoming	1	1	2
McKean	1	0	1
Mercer	1	3	4
Montgomery.....	0	3	3
Northampton.....	2	1	3
Philadelphia.....	1	0	1
Schuylkill.....	0	1	1
Venango	2	0	2
Washington.....	1	2	3
Westmoreland	1	2	3
York	<u>0</u>	<u>6</u>	<u>6</u>
Total.....	22	72	94

*Includes only career (paid) and combination (career and volunteer member) companies/departments.

Source: Developed by LB&FC staff using information obtained from the Office of the State Fire Commissioner.

operates the Pennsylvania State Fire Academy, administers the Volunteer Loan Assistance Program and the Volunteer Fire Company and Volunteer Ambulance Services Grant Program, is responsible for implementing the Pennsylvania Fire Information Reporting System (PENNFIRS), and chairs the Fire Safety Advisory Committee.

C. Funding Sources

State Funding

The various state financial assistance programs, the agencies responsible for administering those programs, and the amount of state financial assistance distributed to Pennsylvania's volunteer fire companies are summarized in Exhibit 1 and are discussed below.

We identified more than \$104 million that was distributed directly or indirectly to volunteer fire companies throughout the Commonwealth during FY 2003-04 through programs such as the Volunteer Loan Assistance Program, Volunteer Fire Company and Volunteer Ambulance Service Grant Program, Volunteer Fire Firefighters Relief Association Program, Community Revitalization Program Grants, Emergency Responders Resources and Training Program, Employment Community Conservation Program, Local Municipal Resources and Development Program, Urban Development Program, Shared Municipal Services Program, and Farm Safety and Occupational Health Grants.

Volunteer Loan Assistance Program. The Volunteer Loan Assistance Program, 72 P.S. §3943.1 *et seq.*, provides loans at a fixed 2 percent interest rate to volunteer fire, ambulance, and rescue companies for the acquisition, rehabilitation, or improvement of apparatus, facilities, and equipment. Loans are made by the Office of the State Fire Commissioner for the following purposes:

- to purchase new apparatus or to repair/rehabilitate apparatus that no longer meets NFPA standards and to bring it into such compliance;
- to construct or modernize those portions of facilities which house apparatus or purchase a used facility;
- to purchase accessory, communications, or protective equipment; and
- to refinance debts incurred with lending institutions, municipalities, or relief associations that have been used for the permitted projects, up to the lending limits of the program.

Since the inception of this program in 1975, \$283,173,599 has been loaned to 5,614 volunteer fire or EMS applicant organizations. There have only been seven defaults on those loans. This program has been quite successful and has served as a national model with many other states following Pennsylvania's lead and enacting

Exhibit 1

Sources of State Financial Assistance for Pennsylvania's Volunteer Fire Companies

<u>Source</u>	<u>Description/Purpose</u>	<u>Administered by</u>	<u>Amount Distributed in FY 2003-2004</u>
Volunteer Loan Assistance Program (72 P.S. §3943.1 et seq.)	Provides loans at a fixed 2 percent interest rate to volunteer fire, ambulance, and rescue companies for the acquisition, rehabilitation, or improvement of apparatus, facilities, and equipment.	Office of the State Fire Commissioner	Loans -- \$15,268,147
Volunteer Fire Company and Volunteer Ambulance Service Grant Act (35 P.S. §6942.101 et seq.)	Provides grants of \$2,500 to \$15,000 for construction and/or renovation to facilities and equipment, as well as debt reduction, and training and certification of members.	Office of the State Fire Commissioner	Grants -- \$25,000,000
Volunteer Firefighters Relief Association Act (53 P.S. §8501 et seq.)	Provides financial assistance to volunteer firefighters injured in the line of duty and to families of volunteer firefighters who are no longer physically able to participate in firefighting and are in need of financial assistance.	Volunteer Firefighters Relief Associations	State Aid -- \$59,120,248
Community Revitalization Program Grants	Provides grants to local entities for community revitalization and improvement projects including those that improve the stability of the community and enhance the health, welfare, and quality of life of PA's citizens.	Department of Community and Economic Development	Total Grants -- \$4,690,837 CRP Grants -- \$1,258,771 ERRTP Grants ^a -- \$3,130,566 ECC Grants ^a -- \$100,500 LMRDP Grants ^a -- \$146,000 UDP Grants ^a -- \$55,000
Shared Municipal Services Program	Provides grants to two or more local governments or councils of governments to promote cooperation between the two entities, and to help facilitate the merger of fire services.	Department of Community and Economic Development	Grants -- \$12,125

Exhibit 1 (Continued)

<u>Source</u>	<u>Description/Purpose</u>	<u>Administered by</u>	<u>Amount Distributed in FY 2003-2004</u>
Farm Safety and Occupational Health Grant	Provides assistance to develop and deliver farm safety, occupational health, and emergency response programs to prevent accidents.	Department of Agriculture	Small Grants -- \$9,679 Tuition Assistance -- \$10,000 Curriculum Development -- \$30,000
Pennsylvania Race Horse Development and Gaming Act	<ol style="list-style-type: none"> 1. Provides grants to fund the costs of human services, infrastructure improvements, facilities, emergency services, health and public safety expenses associated with licensed facility operations. 2. Provides funding for grants awarded through the Volunteer Fire Company and Volunteer Ambulance Service Grant Act. 	<ol style="list-style-type: none"> 1. County economic development or redevelopment authority. 2. Office of the State Fire Commissioner 	b
The Local Tax Enabling Act	Provides revenues to municipalities for police, fire, and/or emergency services, road construction and/or maintenance, reduction of property taxes.	Municipalities	b

^aThe ERRTP (Emergency Responders Resources and Training Program), ECC (Employment Community Conservation Program), LMRDP (Local Municipal Resources and Development Program), and UDP (Urban Development Program) are programs that are part of the Community Revitalization Program and provide grant aid to volunteer fire companies and other emergency responders in Pennsylvania.
^bNot effective in FY 2003-04.

Source: This exhibit was developed by Legislative Budget and Finance Committee staff from information provided by the Office of the State Fire Commissioner, the Department of the Auditor General, the Department of Community and Economic Development, and the Department of Agriculture.

similar programs. In FY 2003-04, \$15,268,147 in low interest loans were provided to volunteer fire companies throughout the Commonwealth.

This loan program has been funded in two ways – through bond issues and General Fund appropriations. There have been three bond issues totaling \$50,000,000 and three transfers from the General Fund totaling \$31,000,000.

Volunteer Fire Company and Volunteer Ambulance Service Grant Act. This act, 35 P.S. §6942.101 et seq., authorizes grants to the following eligible organizations:

- ***Volunteer Fire Company.*** A nonprofit chartered corporation, association, or organization that provides fire protection or rescue services and that may offer other voluntary emergency services. Voluntary emergency services provided by a volunteer fire company may include voluntary ambulance and voluntary rescue services. Grant awards shall be not less than \$2,500 and not more than \$15,000 for each eligible volunteer fire company.
- ***Volunteer Ambulance Service.*** Any nonprofit chartered corporation, association, or organization licensed by the Pennsylvania Department of Health and is not associated or affiliated with any hospital and that is regularly engaged in the provision of emergency medical services, including basic life support or advanced life support services and the transportation of patients. Grant awards shall not be less than \$2,500 and not more than \$10,000 per volunteer ambulance service.

Grants are administered by the Office of the State Fire Commissioner and may be used for the following purposes:

- construction and/or renovation of the fire company's or ambulance services facility and purchase or repair of fixtures and furnishings necessary to maintain or improve the capability of the company to provide fire, ambulance, and rescue services;
- repair of firefighting, ambulance, or rescue equipment or purchase such equipment;
- debt reduction incentive for mergers and consolidations;³ and
- training and certification of members.

³Act 2003-17 provided an incentive to those volunteer fire companies (two or more) that consolidated their use of facilities, equipment, firefighters, and services after July 31, 2003. The consolidation incentive is the same reduction in the interest rate from 2 percent to 1 percent payable on any outstanding principal balance owed to the Volunteer Companies Loan Fund for loans made under the Volunteer Fire Company, Ambulance Service, and Rescue Squad Assistance Act.

In the program's first year of operation, FY 2003-04, the Office of the State Fire Commissioner distributed the entire authorized amount of \$25,000,000 to volunteer fire companies and volunteer ambulance services in Pennsylvania. According to officials in the Office of the State Fire Commissioner, they project that it will also distribute the entire authorized amount of \$25,000,000 in FY 2004-05.

Volunteer Firefighters Relief Association Act. This act, 53 P.S. §8501 *et seq.*, provides a grant program for firefighter relief associations to provide financial support to the families of injured or killed firefighters. A firefighters relief association, or FRA, is an organization formed primarily for the purpose of providing financial protection to volunteer firefighters against the consequences of misfortune suffered as a result of their participation in the fire service. The Legislature, in enacting this act, hoped to encourage individuals to participate in the fire service as volunteer firefighters. The source of the revenues for this program is a 2 percent tax imposed on the gross premiums of fire insurance policies written by foreign (i.e., out-of-state) companies operating in Pennsylvania. Firefighters relief associations receive these revenues through allocations to each of the state's 2,566 municipalities, who then must distribute the allocated share to the FRAs in their localities.⁴

In FY 2003-04, the Department of the Auditor General, which administers this grant program, distributed \$59,120,248 to municipalities for further allocation to the volunteer firefighters' relief associations serving the volunteer fire companies providing fire services to those municipalities.

Community Revitalization Program Grants. The Department of Community and Economic Development administers the Community Revitalization Program (CRP), which provides grants for community revitalization and improvement projects throughout the Commonwealth. CRP funds may be used for projects that are in accordance with Act 2003-9A. Eligible applicants include:

- general purpose units of local government, including, but not limited to, counties, cities, boroughs, townships, and home rule municipalities;
- municipal and redevelopment authorities and agencies;
- industrial development authorities, corporations, and agencies;
- non-profit corporations who demonstrate a direct benefit to the applicant organization; and
- community organizations engaged in activities consistent with the provisions of the program guidelines as determined by DCED.

⁴According to the Foreign Fire Insurance Tax Distribution Law, 53 P.S. §895.01 *et seq.*, the revenues are allocated to each municipality according to a formula based on the municipality's population and the market value of its real estate. The Auditor General is responsible for administering the formula and for determining the dollar amount that each municipality is to receive from the State Treasurer.

CRP funds may be used when the project meets one or more of the following criteria:

- improve the stability of the community;
- promote economic development;
- improve existing and/or develop new civic, cultural, recreational, industrial, and other facilities;
- assist in business retention, expansion, creation, or attraction;
- promote the creation of jobs and employment opportunities; and/or
- enhance the health, welfare, and quality of life of Pennsylvania citizens.

Projects for the sole benefit of a non-profit entity are not eligible for program funding.

In FY 2003-04 the Department of Community and Economic Development distributed \$4,690,837 in grants to communities throughout Pennsylvania that went to directly assist the fire and emergency medical services of those communities.

Shared Municipal Services Program. This program provides grant funds to promote cooperation among municipalities. This program also encourages more efficient and effective delivery of municipal services on a cooperation basis. Two or more local governments or Councils of Governments (COGs) are eligible to receive these grant funds to be used as follows:

- combined police records administration;
- shared personnel activities;
- joint ownership of equipment;
- shared data processing operations;
- joint sign making; and
- COG start-up funding.

Additionally, according to a DCED official, if two municipalities wish to consolidate the volunteer companies in their municipalities, there would be funds available to the lead municipality for such a purpose.

The amounts grantees receive generally range from \$10,000 to \$25,000; there are no minimum or maximum grant amounts. Applicants are required to provide a minimum of 50 percent match consisting of cash or in-kind services.

In FY 2003-04, the Department of Community and Economic Development reported that it distributed \$12,125 in grants to local governments to promote regionalization efforts for fire services in Pennsylvania. This was a significant

reduction from the \$80,800 in grants that DCED distributed to promote these type of activities in FY 2002-03.

Farm Safety and Occupational Health Grant. The Department of Agriculture, through the Farm Safety and Occupational Health Grant Program, awards financial assistance of up to \$2,500, to statewide farm organizations, volunteer fire companies, ambulance services, and rescue squads (or a coalition of eligible organizations) that wish to develop and deliver farm safety, occupational health, and emergency response programs. The goal of the program is to prevent accidents before they happen.

In FY 2003-04, the Department of Agriculture provided direct assistance grants totaling \$9,679 to volunteer fire and emergency services organizations in Pennsylvania. Additionally, under this program the Department provided \$10,000 (\$100/person/year) in direct tuition assistance for individuals to participate in farm safety emergency response training programs. Indirectly, under this grant program, through a contract the Department of Agriculture has with the Pennsylvania State University to fund curriculum development for the Pennsylvania Agricultural Rescue Program, the Department is supporting volunteer fire companies serving farming communities since this curriculum will be available for their use. This curriculum development effort was funded at \$30,000 in FY 2003-04.

Bond Funding

Act 2002-89 required that a \$100 million bond referendum question be put to the voters in November 2002. The ballot question asked voters if they favored incurring debt of up to \$100 million to enhance and improve delivery of volunteer fire and volunteer emergency services. Pennsylvania's voters approved this bond referendum question.

Bond funds can be used to purchase items with an extended life (generally 20 years). These may include building construction and improvements, large apparatus, and some other vehicles and systems. Federal tax code implications preclude using bond funds for many costs associated with enhancing and improving delivery of volunteer fire and volunteer emergency services. Bond funds cannot be used for operating expenses like utility costs, short-lived equipment, training expenses, and personnel costs.

Bond funds could be used to provide additional funds for the following: (1) a funding stream for the existing Volunteer Loan Assistance Program that supports purchase of major equipment and facility construction and rehabilitation; (2) to facilitate the goal of achieving interoperability by financing identified projects; and (3) to establish a grant program, financing equipment, vehicles, structures, and systems meeting bond requirements.

Act 2004-5 amended the Volunteer Fire Company, Ambulance Service and Rescue Squad Assistance Act to provide that up to \$50,000,000 of the bond funds under Act 2002-89 can be used to expand the existing program providing for loans to volunteer fire companies, volunteer ambulance services, and volunteer rescue squads.

Slots Legislation

Act 2004-71 authorizes distributions from the State Gaming Fund to counties depending on the type of licensed facility in that county and the class of the county. The county is then to make municipal grants to “fund the costs of human services, infrastructure improvements, facilities, emergency services, health and public safety expenses associated with the licensed facility operations.” Not every class of county is to use the funds for “municipal grants.” Some counties are to use the funds for economic development and community improvement projects. The grants are to be administered through the county’s economic development or redevelopment authority. Thus, the grants are not for each and every “emergency services” provider, but only for those that are in the municipalities in which a licensed facility is located and those that are contiguous thereto.

Additionally, Act 71 provides for annual transfers from the State Gaming Fund to the Volunteer Fire Company Grant Program in the amount of \$25.0 million. These funds are to be used for the Volunteer Fire Company and Volunteer Ambulance Service Grant Act.

The Emergency and Municipal Services Tax

The Local Tax Enabling Act was amended by Act 2004-222 relating to certain fees and taxes. One of the specific amendments changed the name of the occupational privilege tax to the “emergency and municipal services tax.” The emergency and municipal services tax may not be more than \$52 for each calendar year.

Municipalities may only use the emergency and municipal services tax revenues for: (1) police, fire, and/or emergency services; (2) road construction and/or maintenance; and (3) reduction of property taxes.

Federal Funding

There are a number of grant programs at the federal level that are available to volunteer fire companies. Some of these programs include the Assistance to Firefighters Grant Program, and the Volunteer Fire Assistance Program. Other federal assistance includes mutual aid to volunteer fire companies that are located close to military or federal installations or federal forest lands, community development block grants, hazardous materials grants for companies responding to

hazmat incidents, and federal Department of Agriculture farmer's home administration loans to rural fire and EMS departments for new buildings, apparatus, and equipment.

Assistance to Firefighters Grant (AFG) Program. Through the Federal Fire Protection and Control Act of 1974, 15 U.S.C. §2201 *et seq.*, one-year grants are awarded directly to fire departments to enhance their ability to protect the health and safety of the public as well as that of firefighting personnel facing fire and fire-related hazards. Eligible applicants are limited to fire departments. A "fire department" is defined as an agency or organization that has a formally recognized arrangement with a state, territory, local, or tribal authority (city, county parish, fire district, township, town, or other geographical area) to provide fire services. In federal fiscal year 2003, Congress appropriated a total of \$745,125,000 to the U.S. Fire Administration (USFA) to carry out activities under this program. For the 2004 program year and beyond, the program is transferred to the Office for Domestic Preparedness within the Department of Homeland Security.

A municipality or fire district may submit an application on behalf of a fire department when the fire department lacks the legal status to do so, e.g., when the fire department falls within the auspices of the municipality or district. When a municipality or fire district submits an application on behalf of a fire department, the fire department is precluded from submitting an additional application on its own. Each eligible applicant is limited to one application per program year.

Volunteer Fire Assistance Program. The purpose of the Volunteer Fire Assistance Program (VFA) Program, formerly known as the Rural Community Fire Protection Program, is to provide federal financial, technical, and other assistance to state foresters to train and equip fire departments in rural areas and rural communities to prevent and suppress fires. A rural community is defined as having 10,000 or less population. This 10,000-population limit for participation in the VFA Program facilitates distribution of available VFA funding to the neediest fire departments.

Local Funding

Local entities such as townships, boroughs, and counties are authorized, but not required, to provide financial assistance to fire service organizations in their respective areas. Below is a summary of these statutory authorizations.

The Borough Code grants borough councils several powers relating to fire protection:

- to secure indemnity bonds or policies of insurance as necessary to protect the borough from loss by reason of fire, flood, etc., and to pay for such protection the usual or customary costs;
- to enact ordinances or regulations relating to fire prevention codes and to enforce said ordinances or regulations;
- to enter into joint contracts with adjacent cities, boroughs, or townships for police and fire protection;
- to purchase or contribute to the purchase of fire engines and fire apparatus, boats, rescue and life saving equipment, and supplies for use of the borough, and to appropriate money to fire companies, and rescue units and for the construction, repair, and maintenance of fire company and rescue unit houses, including the acquisition of land for such purposes and for fire training schools and centers; the council may annually appropriate funds to fire companies located within the borough for the training of its personnel, and to lawfully organized or incorporated county or regional firemen's associations or to an entity created pursuant to the Intergovernmental Cooperation Law, to establish, equip, maintain, and operate fire training schools or centers to instruct and train in the prevention, control, and fighting of fire and related fire department emergencies to the members of fire departments and volunteer fire companies in any city, borough, or town within the Commonwealth;
- to levy and collect taxes to purchase fire engines, fire apparatus and fire hose for use of the borough, or for assisting any fire company in the borough in the purchase, renewal, or repair of any of its fire engines, fire apparatus, or fire hose; and
- to make appropriations to fire companies both within and without the borough and of contracting with adjacent municipalities or volunteer fire companies therein for fire protection, for the training of fire personnel and payments to fire training schools and centers, or for the purchase of land upon which to build a fire house or to build and maintain a fire house or fire training school and center.

The First Class Township Code provides that the township has the power to create, by ordinance, fire and water districts in the township when such is necessary for the safety and convenience of the inhabitants of the township. The township may assess a special water or fire tax on all surface properties or real estate in the water or fire district to pay the cost of such water supplies or water lines. For fire districts, the tax may not exceed two mills per year.

The First Class Township Code also provides that the township may make such regulations as necessary relating to the management and prevention of fires. Further, the township can purchase or contribute to the purchase of fire engines and fire apparatus for use in the township and may appropriate money to fire companies for the operation and maintenance of the company. The township may also

contribute to the construction, repair, and maintenance of fire company houses. The township may actually provide and maintain suitable places for housing engines, hose carts, and other apparatus for extinguishing fires, and may prescribe rules and regulations governing the fire companies and their officers and regulating the method to be followed in extinguishing fires.

An annual tax up to three mills may be imposed for the purpose of building and maintaining suitable housing for fire apparatus and for purchasing, maintaining, and operating fire apparatus and for making appropriations to fire companies within or without the township and for contracting with adjacent municipalities or volunteer fire companies for fire protection. Any tax higher than three mills must be approved by the voters in the township.

The Second Class Township Code, grants to the township supervisors the authority to provide for fire protection in the township.

The County Code, which applies to counties of the seventh and eighth classes, authorizes county commissioners to appropriate up to \$600 annually to fire companies in any borough of the county when such company gives fire protection to the entire county. If there are two or more companies, the \$600 has to be split among all companies. However, this does not authorize the appropriation of any funds to any fire company that receives contributions from any township in the county.

The County Code also authorizes the commissioners to appropriate funds to establish, equip, maintain, and operate fire training schools; or the county may operate its own training school.

The Second Class County Code authorizes commissioners to make annual appropriations to firemen's associations to establish, equip, maintain, and operate fire training schools for training paid and volunteer fire company personnel.

According to a 1999 report prepared by DCED's Governor's Center for Local Government Services:

- 76 percent of municipalities appropriate money to volunteer fire companies (VFCs).
- 21 percent of municipalities levy a special purpose fire tax.
- 71 percent of municipalities have a VFC within their corporate boundary.
- 8 percent of municipalities have two or more VFCs within their boundary.
- All municipalities that host VFCs are responsible for payment of workers' compensation insurance.
- 64 percent of municipalities expressed concerns about the future of their volunteer fire companies, yet only 48 percent meet regularly with their fire companies.

- 43 percent of municipalities pay fire hydrant rental fees; 79 percent of those municipalities pay those fees from their general fund.
- 4 percent of municipalities have paid firefighter positions.
- Average wage of paid firefighter positions, including benefits, is \$55,000.
- 40 percent of municipalities reporting stated they did not pay for any workers' compensation benefits for firefighters. (Workers' compensation premiums are the responsibility of a municipality that hosts a volunteer fire company or companies.)

Other Funding Sources

Fundraising by volunteer fire and emergency service providers is an essential source of company revenues. Annual letter drives, local fire company carnivals, chicken barbeques, and other fundraisers have and continue to be staples within many communities in Pennsylvania. Such activities, in most cases, consume an inordinate amount of a volunteer member's time.

III. Problems and Challenges Facing Volunteer Fire Companies in Pennsylvania

As is the case nationally, the volunteer fire service in Pennsylvania is at a critical juncture. While the strong tradition and positive can-do spirit continue, many forces are creating serious and ever-increasing challenges to the volunteer service. Much has been written in recent years about these challenges and, in March 2004, Pennsylvania's State Fire Commissioner called the next 36 months perhaps the most critical in the history of Pennsylvania's fire services program. This chapter is intended to highlight and provide an overview of the major converging factors that underlie the problems and challenges facing the volunteer fire service.

A. Declining Volunteerism and Related Recruitment and Retention Issues

Significant changes have occurred in volunteer fire services throughout the state in the past two decades. Among these are significant losses in the number of volunteers, challenges in recruiting new volunteers, and difficulties in retaining existing personnel.

Previous studies have documented the steady decline in the number of citizens who are willing to volunteer to provide fire, rescue, and emergency medical services, both nationally and in Pennsylvania. In 1976, a special report done for the Governor on fire prevention and control in Pennsylvania estimated that approximately 300,000 volunteer firefighters were members of about 3,000 fire companies. About ten years later, in 1985, the number of volunteer firefighters dropped to 152,000. By 2004, the numbers had declined to 2,354 volunteer fire companies with approximately 72,000 active firefighters. This represents a loss of 230,000 volunteers, or an annual loss of about 8,000 volunteers per year since 1976.¹

Overall, changing demographics, work habits, job locations, and personal living styles have had a negative impact on both recruitment and retention of volunteers. In a 2001 survey conducted by the Pennsylvania Fire and Emergency Services Institute (PFESI) and the Center for Rural Pennsylvania, 77 percent of the fire chiefs responding identified recruiting new members and retaining current members as the two most pressing issues their companies face.

Recruiting new members into volunteer fire service is difficult. There are many reasons for this, including changes in society, the lack of tangible benefits to

¹According to the National Fire Protection Association, the number of volunteer firefighters nationally has continued to drop since reaching a high of 880,000 in 1984. By 1994, the total number of volunteers declined by about 90,000, or 10 percent, to 790,000.

volunteers, limited recruiting resources, and limited local government involvement. Also, while the number of fires has decreased over time, the emergency responders face new and more dangerous conditions, like communicable disease exposures, hazardous materials, and possible terrorist acts when they respond to alarms.

Additionally, communities have seen many locally-owned businesses replaced by corporate-owned workplaces that are not as closely connected to the community and are, therefore, less committed to supporting community volunteerism. In many cases, Pennsylvanians are commuting longer distances to work, making it impractical for many volunteers to return to their communities to respond.

Busy lifestyles also do not afford the “extra time” needed for community involvement. In many families, both adults are working outside the home, and there are wide varieties of activities and opportunities that did not exist previously that make volunteering for fire or emergency services difficult. Finally, as smaller communities grow and as people move in from larger, metropolitan areas, many new residents may be unaware that these services are provided by volunteers, rather than by career fire services.

Retention of volunteer firefighters is also a significant concern for the fire service. To a great extent, the difficulties volunteer emergency services have recruiting new members apply equally to the issue of retaining them. Nationally, it is estimated that the retention average for volunteer firefighters is approximately four years per person, per department. A 1993 study done for the United States Fire Administration (USFA) identified the following as major issues affecting the retention of volunteer firefighters:

1. Volunteers face increased demands from the fire department stemming from the increase in emergency response calls, the need for ongoing training, and the increasing need to undertake specialized training.
2. Demands on the volunteer's time are also increasing outside the fire department as families struggle to balance the career and family obligations of today's two-income families.
3. Many of those who volunteer for the fire department do so in order to improve their employability. A volunteer fire department will provide training at no cost. This training can then be used to obtain a full-time position within the profession.
4. The lack of a comprehensive benefit and incentive program. Benefits are necessary to protect the livelihood of the volunteer and his or her family in the event the volunteer suffers a significant injury or dies while on duty, while incentives are designed to recognize their personal achievements and to motivate them to improve their skills and participation.

5. The lack of sound management practices and quality local leadership within the fire department. When present, both have the potential to significantly enhance retention rates.

Many volunteer fire service officials who responded to the LB&FC's study questionnaire cited recruitment and retention as being among the three most significant problems facing volunteer fire companies. The following are selected comments the questionnaire respondents made on this subject.

- *Fire companies need to develop contemporary methods of attracting, recruiting, and training new members. A statewide recruitment program should be developed by the State Fire Commissioner and implemented in high schools and throughout the media. In addition, all technical high schools should be encouraged to develop public safety curriculums (e.g., the program at Middle Bucks Institute of Technology). In addition, steps need to be taken to maintain the status of trained and experienced members. Creative Length of Service Award Programs (LOSAP) need to be examined and other types of incentives should be explored on a state level.*
- *Once we do manage to get solid, stable volunteers into my department, retention becomes an issue. We spend time and money training these individuals to meet basic requirements, we ask that they attend numerous additional classes to develop them, we have them help with fundraising activities, and we ask that they help maintain an ever-growing arsenal of equipment . . . and we offer them what in return?*
- *The third most significant area deals mostly with retention. I emphasize retention and not recruitment. Getting volunteers is not a major problem but keeping them is. LOSAP programs should be implemented throughout the state.*
- *In many areas, the demands on a volunteer fireman or EMS person have made those positions full-time jobs. Unfortunately, all too often the economic climate does not allow that type of commitment. Many people are now working multiple jobs. The cost of living has forced people to travel more for better paying jobs and, therefore, are not in their hometowns for long periods of time.*
- *All service organizations are suffering recruitment problems—Rotary, Lions, Elks, Knights of Columbus, and Masons are all losing membership. You read of these clubs closing or consolidating almost weekly in the local newspaper. We are competing for the same shrinking pool of people. This is not going to change in the next five to seven years. If action is not taken quickly, many volunteer fire companies (especially in suburban/urban areas) will disappear within the next ten years.*

In a report issued in November 2004, the SR 60 Commission concluded that a public safety crisis looms as a result of a continuing decline in the ranks of Pennsylvania emergency service volunteers.

B. Rising Operating Costs and Fundraising Demands

Adequate funding continues to be a major concern of volunteer fire companies throughout the state. With the exception of workers' compensation coverage for firefighters, there is no requirement that local governments provide financial support to their fire services. State assistance helps but does not solve the current challenges of fire and emergency services financing.

Volunteer fire and emergency medical service providers require funds to pay for increasingly higher operating expenses, such as electricity and fuel for vehicles, training of volunteers, insurance costs, and building and equipment maintenance and repair, as well as for major purchases like new buildings, apparatus, or other vehicles.

The costs involved in purchasing new apparatus and equipment have increased dramatically. For example, in 1972, a Class A pumper was about \$25,000; today the cost of a new pumper can easily approach \$350,000. Just a few years ago, a single self-contained breathing apparatus (SCBA) cost about \$1,900; today a SCBA unit costs about \$3,500.² The cost for this basic equipment has increased over and above the funding levels available to many volunteer fire departments. As a result, many communities have had to reduce their capabilities by not purchasing needed apparatus, equipment, and technology. Other communities have reacted by extending the life of their current equipment.

To cover these costs, most volunteer firefighters not only donate their time for firefighting and training but are also required to spend a significant amount of time conducting fundraisers to generate revenue. A 2000 survey conducted by the Pennsylvania Fire and Emergency Services Institute found that, as a result of low levels of public financial support, 60 percent or more of the hours available for volunteer efforts were being expended on fundraising activities.

Many volunteer fire company officials who responded to the LB&FC's questionnaire also cited rising costs and the issues of adequate funding sources and required fundraising efforts as being among the top problems volunteer companies face. The following are selected comments the respondents made on this subject:

²*A Call for Action - The Blue Ribbon Report: Preserving and Improving the Future of the Volunteer Fire Service, Volunteer and Combination Officers Section, March 2004.*

- *Volunteers are putting in more time in raising funds than actually going on alarms or doing training. Sources of funding need to be improved at the government level from top to bottom.*
- *It seems that east of the Mississippi and predominantly north of the Mason-Dixon Line is where a large lack of tax funding consideration rests. So much of this country funds the emergency services without bingo, chicken barbecues, flower sales, car washes, etc. The problem, 350 years of tradition unimpeded by progress.*
- *Much effort is used to develop new firefighters. These members usually join to perform emergency operations. They are not primarily interested in fundraising. The stress applied by constant expense and revenue issues shortens the membership life cycle.*
- *Currently in my department, funding (fundraising) is challenging. As with many departments, we are asking our active firefighters to assist with an ever-increasing number of fundraising events in order to make ends meet. Add to this a slow economy and—for our region—a dismal unemployment rate and you can see where raising funds can be a challenge.*
- *The cost of fire equipment today and the mandates concerning certification of said equipment has driven the cost to a point where a Class A pumper starts at \$210,000 and can go as high as \$345,000 by the time the special equipment is added that is needed for the area in which the unit serves. The cost of an aerial device is over \$700,000 with tankers costing upward of \$175,000 and rescues above \$280,000. There is no volunteer fire company today that can raise that kind of money on their own and still do training and do emergency calls.*
- *We need FUNDING. Without a steady funding stream, there is not going to be adequate services. Just getting by is no longer acceptable. Volunteers are tired of having to do it all with a public perception of acceptability. The days of mini-fundraisers are dying. Serious consideration **MUST** be placed on alternate funding including impact fees and taxes if need be.*
- *Traditional fundraising methods, such as bingo and hall rentals, while altruistic, occupy the time of members who would be better served concentrating on firefighting and training. In addition, the time demands on members on both firefighting and fundraising keeps members away from their families and homes. This is as critical an issue as any, especially in the current socio-economics of the two-parent income family. Another troubling aspect to fundraising, are fire companies who dismiss members who do not work enough fundraising activities. This, for no good reason, eliminates seasoned firefighters from municipal firefighting.*

C. Need for Closer Working Relationships Between Local Governments and Their Volunteer Fire Companies

Volunteer fire companies provide invaluable and essential public safety services for Pennsylvania municipalities. The provision of these services are essential to local governments and the safety and well-being of their residents. In Pennsylvania, approximately 90 percent of all firefighters are volunteers and the state's volunteer fire services provide an estimated \$6.0 billion³ annual tax savings for state and local governments.

The problems facing the volunteer fire services are complex and do not involve just the fire companies. A local government policy manager in DCED observed that, except for those who are part of the organization, individuals at the local level know relatively little about volunteer fire company issues and operations. Thus, the effort to preserve and enhance volunteer fire services needs to be a total community effort supported by local government.

Aside from the statutory requirement that local municipalities which host a volunteer fire company provide worker's compensation coverage for the volunteers, there are no provisions in law establishing the nature and extent of interaction between the two parties. Volunteer fire companies have a traditional reputation of being fiercely independent and, in some cases, have even adopted the word "independent" as a part of their name.

While some local governments have become directly involved by partnering with their local fire service organizations, many do not have any working relationships with their volunteers because that is how it has always been. In those municipalities where there is an effective relationship and meaningful communication, adequate funding and policy support are possible. In others, local governments have consistently withheld public support on the premise that volunteer fire companies are private sector entities.

A study by the Department of Community and Economic Development's Governor's Center for Local Government Services found that, on average, local government financial support for fire companies was less than 50 percent of the amount needed to meet maintenance, training, response, and equipment needs. Another survey conducted by the Governor's Center for Local Government Services (as directed by House Resolution 67) indicated that only 48 percent of municipalities responding met regularly with their local fire company. This suggests that only a minority of local fire, rescue, and emergency medical organizations communicate regularly with local government leaders concerning finances, plans, prevention requirements, and training and equipment needs.

³*Funding for Pennsylvania Emergency Services Beyond 2001*, the Pennsylvania Fire and Emergency Services Institute, 2001.

Respondents to an LB&FC study questionnaire commented on the need for a closer working relationship between local governments and their volunteer fire companies. This commentary emphasizes the need for a more effective partnership between municipal officials and fire and emergency service leaders in many municipalities.

- *Many municipalities do not fully fund or financially support these fire departments and this is the difference between the career and volunteer systems. Many municipalities have no idea or any understanding of their local fire departments.*
- *The local governments are responsible for fire protection in their areas; too many times they do not care as long as a whistle blows during an emergency. They do not support the departments and at times hinder the work of the volunteers. Instead of coming down on the volunteers, educate the local governments.*
- *The general consensus is that the most vibrant volunteer fire companies are those that have a strong relationship with their respective local governments. Many, including those on the SR 60 Commission, believe that legislative action should be taken to specify in statute that local municipal governing bodies have a direct responsibility to assure the provision of fire and emergency medical service response within their jurisdictions by means and to the extent determined by the locally elected representatives of the municipal governing body.*
- *Perhaps we should look at local government as a starting point for regionalization. Education of local governments would be a great starting point. "Most" local authorities do not have any idea as to what happens in the local emergency services. All they know is that the services cost tax dollars and hopefully someone will show up when an emergency arises. Most do not realize that tax dollars are not providing the service the community requires. What level of service does the governing body want and what portion of that service level are they willing to fund?*

D. Overlap and Duplication of Firefighting Resources

Pennsylvania has more volunteer fire companies than any other state. According to a 1992 study done by the then Department of Community Affairs, Pennsylvania had approximately 12 percent of the nation's volunteer fire companies and 5 percent of the nation's population. In some cases, multiple fire companies and stations with duplicative resources exist and provide services within close proximity to one another.

The evolution and proliferation of volunteer fire companies in Pennsylvania can be attributed to the history of the settlement of communities and the

governmental structure of the state. A local government policy manager in the Department of Community and Economic Development described the process as follows:

As populations moved westward from Philadelphia, many settlements acquired volunteer fire companies before governmental incorporation, or it came soon thereafter. Since fire services were not assumed or viewed as a governmental service, volunteer fire companies organized wherever there were centers of population. Many of these centers were to become cities or boroughs at a later date and municipal boundaries were drawn to reflect those governments. Throughout the 20th century as populations increasingly migrated into suburban and rural areas, the perceived need for additional fire companies arose and many more were created and staffed by volunteers. Soon, many townships became home to an increasing number of volunteer fire companies.

In nearly all instances, creation of additional volunteer fire companies was accomplished without official local government sanction, because none was needed. Thus, involvement of local government in the creation and affairs of volunteer fire companies was not required or invited. This pattern of newly formed companies and the non-involvement of local governments in those formations can explain to a great extent the perceived and real philosophical distance and lack of communications between many of these organizations. The creation of volunteer fire companies was virtually unchecked and unopposed. There was little or no thought given to larger area protection or regional fire districts, only to what were local needs or wants with regard to fire protection. The result is a state with volunteer fire companies created to meet the needs of many very small and specific areas.

Another reason for the birth of some of these companies is personality conflicts and disagreement over the way certain companies were managed. If a person or group of people did not agree with the reigning officers of a company, they simply withdrew their allegiance and created their own company, often within a short distance of the existing company.

We examined fire company listings maintained by the Office of the State Fire Commissioner in order to determine the county and municipal locations of Pennsylvania's volunteer fire companies. We also received assistance from the Pennsylvania Emergency Management Agency in documenting the spatial distribution of the volunteer fire companies using PEMA's GIS capabilities. As of 2004, Pennsylvania had 2,354 all volunteer companies. A total of 27 counties have 30 or more volunteer fire companies, 4 have more than 100 companies, and one has nearly 200 companies.

The existence of multiple companies in close proximity can produce wasteful and inefficient overlap and duplication of firefighters resources. Numerous persons who responded to the LB&FC's study questionnaire cited this problem.

- *We need to begin the painful process of examining the seemingly random and very unequal distribution of firefighting resources, and the funding it takes to obtain, manage, and operate.*
- *Too many fire departments (and EMS) duplicating services. The mentality of "if they have a rescue, we need a rescue," needs to be addressed.*
- *Few, if any, counties in the Commonwealth can justify 30, 40, or even 80 fire and EMS organizations. It makes no logical sense.*
- *One of the issues with funding is the tremendous amount of redundancy of equipment, especially in the southeast corner of the state. The merger or consolidation of services could reduce redundancy, thereby reducing the costs resulting therefrom.*
- *At least in our area, southeastern Pennsylvania near Philadelphia, there are multiple fire stations within a very small area. (In an area of approximately 5 square miles, there are 7 fire stations with multiple units per station, including 6 aerial devices. This is very inefficient even for volunteer companies. In other states, this same area might be covered with one or two stations with a combination of career/volunteer personnel with faster response times and more services at a lower cost.)*
- *There are no controls on these fire departments regarding numbers and types of vehicles that are in service. Remember the saying "Keeping up with the Joneses." Many departments are deep in tradition and also deep in debt. They have always had eight pieces of apparatus and they rarely call anyone for help since they think they can do it alone. Is this fair to the taxpayer in areas of annual donations, paying for chicken dinners and fish fries, and even looking at the ISO rating that determines a homeowner's fire insurance cost? Mergers and/or consolidations, in certain areas with numerous fire departments, will represent a logical approach to addressing challenges of the future.*
- *Many instances of funds being spent on equipment that is "cool" rather than necessary. There are no checks and balances.*
- *Situations exist where two or more fire service systems that are immediately adjacent to one another have complete and sometimes duplicative resources.*
- *Most local volunteer fire departments have enjoyed decades of community support. Although that support is still there, many people believe services can be streamlined. We do not need a fire station at every crossroad, we do*

not need to duplicate fire apparatus in each community, and we can do without all the bells and whistles.

- *On most calls, two to three apparatus are placed in service where the majority of others are “people movers.” The duplication of equipment in localized companies keeps our operating costs high.*
- *There are so many fire companies close together with the same expensive equipment. More coverage of diverse equipment would be more practical sharing of equipment.*
- *There are multiple examples of the purchase of duplicate equipment in many areas. By going to a regional approach, specific organizations could be specialized in specific areas of response. This could also lead to the closest department responding to an incident versus the one supported by the political subdivision.*
- *Fire apparatus is getting to be extremely expensive, aerial trucks are now costing close to three quarters of a million dollars—they need to be located strategically through the fire district and not in every township or borough.*
- *Rather than to continue to provide grants and loans for the duplication of equipment, work toward tailoring such programs to make it necessary for departments to work together. How many heavy rescue trucks do we really need in a ten-mile radius? Is there really a need for ten sets of hydraulic extrication devices within a certain area? If you are applying for a state loan, what is the justification for buying that 2200 GPM pumper? . . . Have companies that are rescue specialists, engine companies, ladder companies, etc. Unfortunately, today, too many departments think that they have to have every piece of equipment and they have to be everything—engine companies, ladder companies, rescue companies. It is not working.*

IV. Regionalization and Cooperative Service as Methods of Addressing Fire Services Problems and Challenges

A. A National Trend

For many years, volunteer fire companies across the country and in Pennsylvania functioned independently and were relatively stable both operationally and financially. This has changed dramatically over the past 20 years as fire companies and other emergency service providers face mounting challenges and service demands.

Nationally, “regionalization” (i.e., regional partnerships and other forms of cooperative service agreements) among fire companies has proven to be an effective means of dealing with increasing service demands, rising costs and decentralized service delivery. In response to this trend, more and more fire departments are turning to a variety of joint ventures to provide the levels of service their communities need while conserving scarce resources.¹

To meet these challenges, fire and emergency service providers nationwide have entered into a “myriad of strategic alliances, cooperative service agreements, consolidations, and mergers.”² According to industry consultants, however, there is no discernible pattern around the country in terms of the specific “regionalization” type or strategy most frequently adopted.

One consultant reported that, at any given time, his company is managing between 30 and 40 regionalization-type contracts across the country. Approaches range from the informal sharing of individual personnel or equipment to the formal consolidation of departments across jurisdictional lines. According to an industry guidebook, the continuum of such cooperation might, for example, include the following:³

- informal mixing and matching in which one jurisdiction borrows a technical specialist from another to help with a short-term project or problem;
- combining to share such specialized services or equipment, through a contract, including such services or vehicles as hazardous materials response vehicles, special heavy-rescue vehicles, or aerial ladder trucks, apparatus maintenance or information services;

¹Jan Thomas, *Fire Department Consolidation: Why and How to Do It . . . Right*, Colin A. Campbell Associates, Inc., 1994.

²Alec Jensen and Jack W. Snook, *Consolidations a la carte*, *Fire Chief*, February 2000.

³Jan Thomas, *Fire Department Consolidation: Why and How to Do It . . . Right*, Colin A. Campbell Associates, Inc., 1994.

- creating a process for acquiring one another's specialized staff on a consulting basis for special projects or short-term relief;
- when shared needs exceed the limits of a single functional area and extend to the entire range of fire protection operations, such tools as mutual aid agreements (on-request or automatic) often are instituted; and
- increasingly, adjoining fire agencies are moving even further, committing to legal consolidation of their organizations to form a new one.

The terms consolidation, strategic alliances, and cooperative service first entered the fire services vocabulary during the 1950s and 1960s. While cooperative efforts progressed during the 1970s and 1980s in certain parts of the country, it was not until the 1990s that widespread national interest in consolidations, mergers and contracts developed. Increasingly, fire companies in states such as California, Oregon, Washington, and Florida began to see these actions as viable alternatives for sustaining their fire departments.

Interestingly, most merger and consolidation projects initially occurred in western states. One consultant observed that companies in these states are typically less than 40 years old and do not have the tradition and history issues that their counterparts face in other sections of the country (e.g., in the mid-Atlantic and Northeastern states). By the mid-1990s, however, fire service leaders in the Midwest and the Northeast also began to consider regional partnerships and cooperative service arrangements in an effort to deal with funding and staffing problems and improve service and service levels in their jurisdictions.

To date, the experience nationally demonstrates that "regionalization" is certainly a feasible and effective means of maintaining and enhancing the volunteer fire system. A fire services consultant who has worked extensively with mergers and consolidations has stated that we have only seen "the tip of the iceberg regarding mergers and consolidations and, in the future, companies that remain independent may be the exception rather than the rule."⁴

B. Definitions and Potential Benefits

Much of the fire services literature refers to various approaches to achieving more economic and efficient service delivery through what is referred to as "inter-jurisdictional cooperation." Some sources also use such terms as "regional partnerships," "joint ventures," or "regionalization" to collectively refer to these approaches. This section discusses specific methods as presented in various journal articles and fire services guidebooks and notes the potential benefits generally associated with their adoption.

⁴Jack W. Snook and Jeffrey D. Johnson, *Making the Pieces Fit: Cooperative Service Through Consolidations, Mergers, and Contracts*, ESCG, 1997.

Definitions

As outlined in a publication by Emergency Services Consulting, Inc.,⁵ cooperative service comes in a variety of forms, from the simple intergovernmental agreement such as mutual aid to the complex merger. Other options in this continuum are automatic aid agreements, functional, partial, and operational consolidations and contracts. While each offers its own advantages and benefits, it is generally acknowledged that fire service officials and their local governments must decide which option is best for the people they serve.

Mutual Aid Agreements. Under a mutual aid agreement, two or more jurisdictions have a formal or informal agreement to provide fire fighting assistance to one another upon the request of the jurisdiction requiring aid. Many communities, especially small towns and rural areas, do not have the resources to cope with large or special fire hazards or a catastrophic fire event. Mutual aid agreements can provide assurance that manpower and required equipment can be made available to deal with these eventualities.

Mutual aid is practiced in one form or another in virtually every fire service jurisdiction in the country. Companies and jurisdictions provide reciprocal assistance for emergency management, fire rescue, emergency medical, hazmat, and other disaster response services. It is considered a valuable tool for fire companies and departments to develop working relationships with neighboring departments, and such agreements can be broad-based, covering a great many departments. In some cases, municipalities or districts may develop one agreement for all departments involved, rather than each department establishing several separate agreements. Mutual aid agreements generally require little cooperation in planning, training, or communication between the participants. Additionally, mutual aid agreements don't usually demand response to an emergency by the closest unit.

Although mutual aid agreements may lack the specificity of other cooperative efforts, they nevertheless enhance working relationships between companies and jurisdictions and are intended to better serve a region's citizens by improving the efficiency of the fire protection system in a given region.

Additionally, due to the increased attention paid to terrorist threats, since September 11, 2001, the U.S. Department of Homeland Security has emphasized mutual aid as an "indispensable tool for the swift and coordinated response to disasters of all kinds." In 2004, proposed model intrastate mutual aid legislation was developed and proposed by a working group of the National Emergency Management Association (NEMA) as part of a grant awarded by the Federal Emergency Management Agency (FEMA). As approved by NEMA membership in February

⁵Snook and Johnson, *Making the Pieces Fit: Cooperative Service Through Consolidations, Mergers, and Contracts*.

2004, the model legislation is intended to be a tool and resource for states and jurisdictions to use in developing or refining statewide mutual aid agreements.

Automatic Aid. Automatic aid differs from mutual aid in that the fire department in one jurisdiction responds automatically on the initial alarm of fire in another jurisdiction. Under a mutual aid agreement, aid is only given in response to a specific request for that aid. Automatic aid agreements are also more specialized and suited to a smaller number of departments than mutual aid. Automatic aid requires a much greater degree of cooperation and coordination between the participating companies or communities than does mutual aid.

Because of the need for closer cooperation among companies or departments, automatic aid may be viewed by participants as a first step toward more permanent cooperative arrangements. Under automatic aid, the type of equipment, the number of units, and the anticipated manpower response are prearranged and documented between the participants. Key to this concept is the requirement that an actual response condition involving two fire protection jurisdictions is automatic and does not require any decision making at the time of the incident.

Automatic aid agreements, properly developed, can represent a substantial improvement over simple mutual aid agreements. Because response is automatic, available and appropriate resources are assured, providing a greater depth of response to emergencies. Automatic aid agreements can specify conditions under which the aid is provided. For example, aid can be limited to apply to a specific territory or district. A selective agreement might limit aid to a specific class of property or a hazardous condition instead of a general response.

Contracts. The use of inter-governmental service contracts for fire protection is another fairly common practice in the United States. Communities typically contracting for fire protection are suburban communities, whereas the communities providing fire protection under contract are usually neighboring larger cities. In a typical contract, the details of the arrangement are clearly spelled out and must be approved by the governing officials of the companies or departments involved. Such contracts rarely extend more than five years.

A contract operates much like a short-term operational or functional consolidation where the level of service is clearly defined and the parties agree to fulfill the contract's provisions. For fire service agencies contemplating a merger or consolidation, such cooperative arrangements give the participants the opportunity to experience, in the short term, both the benefits and drawbacks of a longer term relationship.

Under a contractual agreement, organizations are held accountable to identified performance criteria. Such arrangements can be attractive to municipalities

that require assurance that a desired level of service will be provided, because it can be written into the contract.

Intergovernmental service contracts may be useful for some communities or municipalities who are looking to reduce or contain fire protection costs, at least for the duration of the contract. Contractual arrangements can also be useful in meeting the needs of new or rapidly growing communities who may not have or may not wish to commit the resources needed to institute certain expensive public services, such as fire protection. Intergovernmental service contracts can also be advantageous to the service provider since payments from the recipient can offset part of the provider's own public service costs.

Mergers. In its simplest sense, a merger occurs when two or more fire companies⁶ legally resolve to become one entirely new entity. Typically, the largest of the involved parties becomes the surviving entity and assumes all liabilities and assets of the predecessor organizations.

Mergers between fire companies may be the logical result of companies which have a history of cooperation, for example, through contractual agreements or automatic mutual aid. Company officers may through experience come to see the benefits of cooperation and agree to extend the relationship by combining resources to enhance the capabilities of their organizations and their mission.

Mergers are often the final step in the cooperative service process. Similar to personal relationships, most organizations "date" initially to determine if a relationship is feasible through contracts or functional consolidations. If successful, they generally "live together" by operationally consolidating. If the operational consolidation is successful, the entities then unify the organizations by entering into "marriage," they merge into a new department, often with a new name.⁷

Mergers may be undertaken for various reasons. Typically, mergers are undertaken to improve and/or equalize fire protection throughout the service areas of the merging departments. For example, two volunteer fire companies located within a few miles of each other in a rural area may contemplate merging due to the recognition that they are competing for the same resources. If one or both of the companies is experiencing manpower or financial difficulties, combining their assets may be a way to alleviate those problems. The closing of stations is not usually an immediate result of a merger, as more efficient and effective utilization of manpower is often one of the goals sought through merger.

⁶In some states, regionalization actions may involve a merger or consolidation of existing fire services districts rather than of individual companies. See Appendix I for further discussion of fire services districts.

⁷Snook and Johnson, *Making the Pieces Fit: Cooperative Service Through Consolidations, Mergers, and Contracts*.

Consolidation. Like merger, a consolidation also occurs when two or more fire companies agree to form one company. Within the past two decades, the topic of consolidation has been raised and/or seriously considered at least once by most fire services around the country, especially among the volunteer fire services. The number of fire service consolidations taking place nationwide appears to be growing. For example, researchers in one article estimated that while there were only 20 to 30 consolidations in process nationwide in 1990, more than 500 such efforts were underway as of 2000.⁸

Consolidation and merger have both become important topics for fire officials and municipal officials who are considering various strategies of inter-jurisdictional cooperation. Both strategies are viewed as means of meeting increased service demands and dealing with changing economic conditions--especially to save money and reduce or eliminate service or equipment duplication.

In one case, "consolidation" can refer to the process whereby two or more fire companies combine to form an entirely new company. This process is also known as "operational consolidation." However, a consolidation process can also refer to selective and specific arrangements between companies that don't affect their basic nature. This range of alternative outcomes associated with the general term "consolidation" include partial, functional, as well as operational consolidation, defined as follows:

- *Partial Consolidation.* Separate fire departments are retained, but a special arrangement is developed to handle specific functions. A typical example of partial consolidation is the shared staffing of a fire station located where it can serve two or more jurisdictions readily.
- *Functional Consolidation.* Separate fire departments are retained, but one or more duties normally performed by one department are assigned to members of another department, or duties normally performed separately by all departments are assigned to a combined new organization under the control of all participating organizations. For example, combining the training programs of separate departments into a single joint training center is a common form of functional consolidation.
- *Operational Consolidation.* Separate fire departments are combined in total into one unified department through a legal process. Operational consolidation will generally be more expensive and time-consuming than the other forms of consolidation. When an operational consolidation is implemented, major changes take place requiring significant amounts of time and effort. The result is an entirely new entity, with a new name, new officers, new by-laws and operating procedures, etc.

⁸Alec Jensen and Jack W. Snook, *Consolidations a la carte*, *Fire Chief*, February 2000.

Potential Benefits

Regionalization and cooperative service arrangements have the potential to improve the efficiency and effectiveness of the fire services. Mergers, consolidations, and other regional partnerships can result in more efficient use of scarce resources, reduce equipment needs and duplicative efforts, and provide for greater staff flexibility and capability. Such actions can also improve service levels, allow departments to develop specialized units, promote the development of standard operating procedures, and work to overcome political boundary issues, increasing the likelihood that the closest unit responds in an emergency, thereby creating more rational protection service areas and the opportunity for faster response times.

Various national studies, reports, and case studies document the advantages and benefits that fire services regionalization can provide. The following are among the benefits that these materials cite as being associated with merger, consolidation, and other forms of regionalization:

- more efficient use of resources;
- improved services/service levels;
- reduced apparatus replacement requirements and the number of reserve pieces required;
- elimination of duplicative equipment needs (e.g., reduces expensive duplication of specialized apparatus like aerials and hazmat units);
- lower apparatus replacement costs;
- cost reductions through volume purchasing and combined equipment planning and maintenance;
- more efficient personnel allocation;
- uniform training and operational guidelines;
- improved support for training;
- improved communication and standardization;
- potential ISO⁹ rating improvements;
- specialization of various functions;
- fewer, more strategically located fire stations because of larger-scale planning;
- regionalized public information and education programs;
- improved planning including fire protection master planning and the strategic location of specialized pieces of apparatus and equipment;
- potential for improved response times; and
- centralized fire service management and reduced administrative costs.

⁹Insurance Services Office (ISO) ratings are used as benchmarks for measuring the effectiveness of fire protection services, and help insurance companies establish premiums for fire insurance. ISO assigns ratings from 1 to 10; 1 represents the best public protection, and 10 indicates no recognized protection.

As with any change in the way fire protection services are provided, caution is necessary. Regionalization options require a significant change in the way fire companies conduct business and they require considerable study, local input, and consideration. The number of possible reasons to move forward with some form of regionalization, however, appear to more than compensate for the complexity of the task.

V. Current Fire Services Regionalization and Cooperative Service Efforts in Pennsylvania

A. Existing Programs and Incentives in Pennsylvania

Currently, there is no concerted statewide effort to merge, consolidate, or otherwise promote regional partnerships to provide volunteer fire services in Pennsylvania. While discussed and accepted in some circles, the concepts of merger and consolidation are “hot-button issues” and the “M” and “C” words can evoke serious concerns and objections from many in the fire services field.

Despite the negative connotations which the terms “merger” and “consolidation” carry in some circles, several prior studies related to Pennsylvania fire services have referenced the potential benefits of “regionalization” for the Commonwealth. For example, as early as 1976, a report by the Governor’s Commission on Fire Prevention and Control¹ concluded that the advantages of consolidation outweigh the problems. The report stated that the Commission had discussed a number of possibilities for state initiatives toward consolidation, but concluded that the issue would be best explored at the local level with help from what was then the proposed position of state fire commissioner.

More recently, a 2002 study² prepared jointly by the Pennsylvania Emergency Management Agency (PEMA) and the Governor’s Fire and Emergency Services Task Force cited the opportunities available through mergers and consolidations and strongly recommended that the state do more to encourage shared municipal services and provide incentive grants for mergers and consolidations of services.

We examined current state statutes and agency activities to identify any existing state-level programs or incentives that are intended to promote regionalization of fire services in Pennsylvania. The following describes the results of this examination.

Interest Rate Reductions on State Loans

Act 2000-66, the Volunteer Fire Company and Volunteer Ambulance Service Grant Act, provided a consolidation incentive to two or more volunteer fire companies that consolidated their use of facilities, equipment, firefighters, and services after June 22, 2000. This consolidation incentive is a reduction in the interest rate

¹*Pennsylvania Burning*, A report from the Governor’s Commission on Fire Prevention and Control, March 1976.

²*A Study of Volunteer Fire and Emergency Medical Services in the Commonwealth of Pennsylvania*, the Pennsylvania Emergency Management Agency and Governor Schweiker’s Fire and Emergency Services Task Force, September 2002.

from 2 percent to 1 percent payable on any outstanding principal balance owed to the Volunteer Companies Loan Fund for loans made pursuant to the Volunteer Fire Company, Ambulance Service and Rescue Squad Assistance Act.

Under the provisions of Act 66, PEMA in conjunction with the State Fire Commissioner is required to determine and verify that the consolidated entity is in fact a “bona fide” consolidated volunteer fire company. Included in its “Statement of Policy Concerning Consolidated Volunteer Fire Companies,” PEMA has defined a consolidated volunteer fire company to be:

A volunteer fire company created by the merger of two or more volunteer fire companies that legally merge and consolidate their use of facilities, equipment, firefighters and services into one operational volunteer fire company. A consolidated volunteer fire company may provide fire emergency services to one or more political subdivisions in the Commonwealth of Pennsylvania.

Based on the policy guidelines, it appears that to satisfy the requirement in Act 66 that only a bona fide consolidated volunteer fire company is eligible for the interest rate reduction, PEMA is relying on the definition that the volunteer fire company applying for the interest rate reduction must have been created by the legal merger of two or more volunteer fire companies. The application and verification process requires that the consolidated fire company submit a copy of the Certificate of Incorporation issued by the Department of State for the newly consolidated volunteer fire company or a copy of the consolidated volunteer fire company’s constitution and municipal ordinance if the fire company’s consolidation occurred under the provisions of the Intergovernmental Cooperation Act.

Additionally, the merged/consolidated fire company is required to submit a letter requesting the interest rate reduction on any outstanding loans issued to any or all of the individual volunteer fire companies that were involved in the merger/consolidation. The letter must list all open loan numbers in the name of the company that originally obtained the loan. The consolidated volunteer fire company may also request a new loan payment schedule in order to lower its loan payments based on the reduced interest rate on the loan(s). Only after PEMA has determined that the consolidated entity is a bona fide consolidated volunteer fire company will the agency reduce the interest rate on any outstanding loans payable to the Volunteer Companies Loan Fund.

The Office of the State Fire Commissioner reported that, as of July 2004, only two volunteer fire companies had requested and met the criteria to qualify for the loan reduction—United/East McKeesport and Warrior Run. Another volunteer fire company reportedly requested the loan reduction, but did not have any open loans at the time of their merger.

Act 2003-17 continued the Volunteer Fire Company Grant Program and extended the time frame for awarding grants to June 30, 2005. Act 17 also added that, in order to be eligible to receive grant funding under the act, a volunteer fire company must sign an agreement to actively participate in the PENNFIRS system, which is administered by PEMA.

The Shared Municipal Services Grant Program

The Shared Municipal Services (SMS) Grant Program was established by Act 1970-78. Its purpose is to promote cooperation between municipalities and to foster increased efficiency and effectiveness in the delivery of municipal services at the local level. It is administered by the Governor's Center for Local Government Services in the PA Department of Community and Economic Development (DCED).

Under this program, any group of two or more municipalities, or a body authorized to act on behalf of two or more municipalities, is eligible to apply for funds. Grants may be awarded to newly-formed Councils of Government (COGs) or similar organizations formed for the purpose of undertaking programs of intermunicipal cooperation in order to defray the cost of initial administrative expenses. Grants may also be awarded to groups of two or more municipalities acting in concert to defray the cost of performing any local government function. Grant funds are to be used to assist municipalities in:

acting in concert in the performance of any local governmental function or functions, or for the purpose of conducting studies and investigations to determine the feasibility and desirability of acting in concert in the performance of local governmental functions.

Any authorized municipal function accomplished jointly is an eligible activity and may be included in a grant application with the exception of the purchase, renovation, or construction of buildings, which are not considered eligible activities. Grant funds are usually used to finance up to 50 percent of the total project cost. Local share may be provided in cash or by municipal labor or other in-kind services; however, the matching share for shared personnel projects must be in cash.

Typical projects include combined police records administration, shared data processing operations, municipal insurance pooling, shared public works operations, regional recreation activities, shared uniform code enforcement activities, and shared motorized equipment (not exceeding a maximum of \$25,000). In its FY 2004-05 budget request, DCED requested an increase in the amount of funding available for the SMS Program in order to meet four additional pressing intergovernmental needs. These included boundary change initiatives, regional police, regional enforcement of the Uniform Construction Code, and volunteer fire and ambulance mergers.

Although funding for the program had been increased in the late 1990s, it remained relatively constant at about \$0.9 million per year through FY 2003-04. In FY 2004-05, the amount of the appropriation increased to \$1.5 million and the request for FY 2005-06 is \$1.4 million.

During FY 2003-04, DCED awarded 57 SMS grants totaling \$900,000, including \$12,125 in grants related to volunteer fire regionalization efforts.

DCED Technical Assistance Services for Local Governments³

The Governor's Center for Local Government Services is intended to serve as a "one-stop shop" for Pennsylvania's local governments. The Center's stated mission is to: (1) be the principal advocate for local governments; (2) provide vital programs, services, and training to local officials and municipal employees; and (3) cut through red tape expeditiously to solve problems at the local level.

The Center has a full-time staff in Harrisburg as well as staff in six regional offices located throughout Pennsylvania. One of the Center's top priorities is to provide municipalities and local government officials with technical assistance and training designed to enhance their availability to perform their duties. Through these programs, local officials can receive assistance in matters ranging from police complement to fiscal management.

One of the 14 areas in which the Center provides technical assistance to local governments relates to volunteer fire services. When requested to do so by a municipality or group of municipalities, the Center provides assistance to foster improved relations between municipal officials and volunteer fire departments and feasibility studies for consolidating fire services. A municipality or group of municipalities requesting technical assistance are required to complete and officially approve a "Letter of Intent" and submit it to the Center. To receive DCED services, however, the local government entity or entities must generate the request; the request cannot come from a volunteer fire company or companies.

Problem-Solving Through the Fire Services Task Force Process

In part because they are deeply rooted in tradition, many volunteer fire companies have been largely unresponsive to organizational change. This lack of responsiveness is viewed by some observers as the greatest threat to the continued existence and viability of volunteer fire companies. As previously discussed in this report, many local governments have not been attentive to problems facing the

³Much of the material on pages 44 to 61 is drawn from program notes and materials developed by a local government policy manager in the Governor's Center for Local Government Services in the Pennsylvania Department of Community and Economic Development. This individual provides technical assistance and serves as a facilitator between municipalities and their local fire companies and has extensive hands-on experience in the regionalization (i.e., merger, consolidation) process as it has been carried out to date in Pennsylvania.

volunteer fire services and have themselves displayed an attitude of complacency similar to that of the VFCs. On this subject, a local government policy manager in DCED observed that the impacts of these two organizations (i.e., VFCs and municipalities) falling behind as a business and governments “are approaching crisis stages” in some areas across Pennsylvania.

These crises can appear in different forms such as delayed responses or “scratched calls,” insufficient manpower for emergency calls, greatly reduced ability to function as a business, losses of revenue and personnel, inability to maintain equipment and physical property, and increased liabilities for volunteers and local governments.

Many volunteer fire companies know that they have problems. Often companies are staffed by volunteers who have little, if any, experience in running the day-to-day business of a company. Often their first question is “What do we do first?” Under the current system, the fire companies do not have direct access to state-level personnel who could provide technical assistance and facilitate responses to identified problems.

DCED has, however, defined a problem-solving process intended to respond to those municipalities that request fire services assistance. The goal of this process is to improve relationships and built partnerships among fire companies and elected officials. The process, which is shown graphically in Exhibit 2, involves the following.

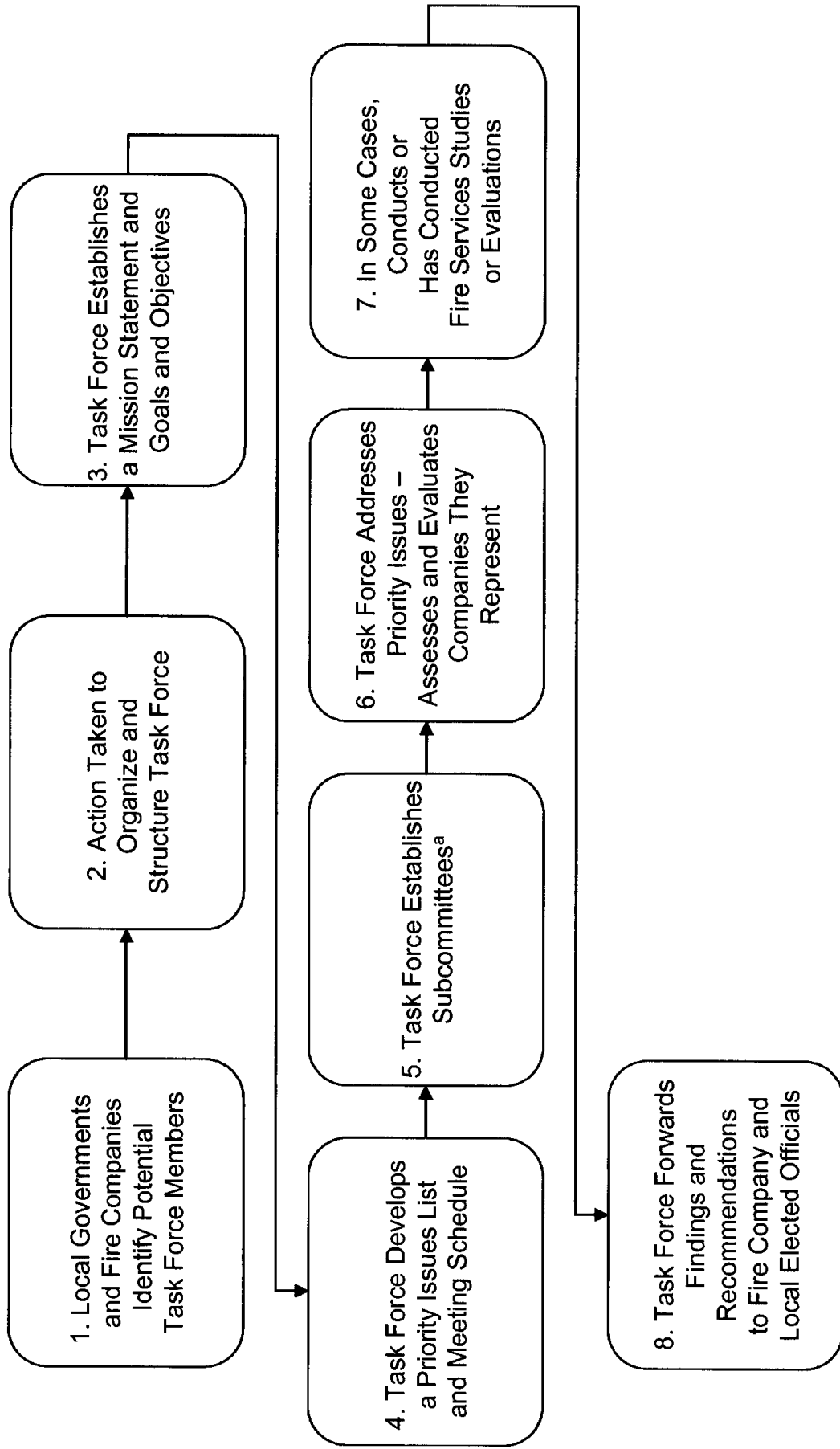
Initially, joint meetings are held with fire company and elected officials in order to determine how to approach various problems being experienced by a company or companies. A facilitator with knowledge of municipal codes, taxing policies, and the interrelationship of fire companies and municipalities is needed at these meetings. A local government policy specialist from the Governor’s Center for Local Government Services can act in this capacity.

These meetings are intended to air past grievances and concerns, promote the rational discussion of issues, and provide the foundation for improved relationships and new partnerships among fire companies and elected officials. Through such dialogue, it is hoped that the fire service can better understand the limitations of local governments and that local elected officials can gain a better understanding and appreciation of how fire companies function.

The DCED process operates on the assumption that an explanation of the distinctions and nuances of both parties is best done by a third party (i.e., DCED) facilitator. Once this is accomplished, it is possible to obtain a voluntary commitment to explore options that would result in stronger companies, more dependable and efficient services, and increased local government participation in support of

Exhibit 2

DCED Fire Services Task Force Process



^aSubcommittees for finance, education, training, recruitment and retention, regionalization, communications, fundraising, bylaws, standard operating guidelines, and long-range planning. These subcommittees are generally comprised of additional citizens and fire company officers and charged with very specific duties to complement the overall task force process.

Source: Developed by LB&FC staff using information obtained from the Governor's Center for Local Government Services.

individuals and companies. This voluntary commitment includes all parties and in some cases can include multiple local governments and multiple fire companies.

Appointment of a Fire Services Task Force. The method DCED uses to attempt to accomplish established goals and objectives and move the process forward involves the appointment of a “Fire Services Task Force.” As defined by DCED, such task forces:

. . . provide a means for self-evaluation of not just the fire services, but of local government’s role and, more importantly, the role and participation of the community as recipients of the service.

A Fire Services Task Force is comprised of three different constituencies: representatives of fire companies, representatives of local government(s), and citizens at large from the community or communities served by the fire companies. The citizen representatives are considered critical in the process because of their objectivity and skills they bring to a task force. DCED materials provide several membership guidelines pertaining to these task forces.

Ideally, citizen representatives should have no current or prior connection with a fire company or with local government. Typically, individuals recruited for these task forces have a background in finance, management, personnel, administration, law, or are small business owners. Member backgrounds on some task forces have reportedly also included homemakers, ministers, farmers, accountants, retired and active corporate executives, and business managers.

As described in DCED materials,

. . . the citizen representatives are the backbone of these task forces, as their outlook is generally unbiased toward the fire companies and local government, and they are more inclined to expedite decision making in formulating recommendations for improvements. Task forces are also a “bridge” between the fire companies and local governments and play the role of a buffer organization that is working toward community solutions to vexing problems.

Local governments and fire companies identify potential task force members and recruit individuals for what is usually a two-year community service commitment. Fire company and local government officials on the task forces serve primarily in a resource capacity and are responsible for educating the citizen members about their respective organizations.

Action Taken to Organize and Structure a Task Force. A sound internal structure and organization is essential to task force operations. The DCED model

suggests that only citizen representatives be officers of the task force. This serves to avoid any criticism that a task force is being steered in a particular direction by either the fire service or by the local government. Also, DCED staff have observed that the guidance provided by citizen representatives is more of a direct, no-nonsense approach that is, in many instances, distinctly different from the bureaucratic, formal constraints with which nonprofit and governmental organizations must often deal.

Task Force Establishes a Mission Statement and Goals and Objectives.

Following organizational actions, the first order of business for the task force is to establish goals and objectives through the adoption of a formal mission statement. The mission statement is to define the purposes of the task force. Virtually, anything the task force does in the way of providing recommendations can be related directly back to the mission statement.

Task Force Develops a Priority Issues List and Meeting Schedule. A mission statement also serves to facilitate a priority issues list. As objectives are identified throughout the task force process, they can be placed in order of importance as viewed by the task force, and addressed early or later in the process. As these objectives are satisfied, the specific goals of the task force, as addressed in the mission statement can be realized.

Task Force Establishes Subcommittees. DCED has found that the most productive task forces are those that recognize the need for additional resources and assistance and arrange for that support for the task force. This usually takes the form of subcommittees to analyze and make recommendations for specific objectives. For example, there may be subcommittees for finance, education, training, recruitment and retention, recognition, communication, and fundraising. Additionally, subcommittees for bylaws, standard operating guidelines, and long-range planning are common with task forces.

These subcommittees are generally comprised of additional citizens and/or fire company officers and charged with very specific duties to complement the overall task force process. These are more short-term engagements for subcommittee members and are very specific with regard to tasks they are asked to fulfill. The addition of subcommittees adds to the depth and capability of a task force and DCED highly recommends them as a part of the process.

An additional advantage of subcommittees is that it brings people to the task force and promotes inclusion of others into the process and awareness of the situations confronting volunteer fire companies. These individuals can be advocates for the improvement and enhancement of volunteer emergency service organizations. Building a solid base of community support is essential to the continued preservation of these organizations.

Task Force Addresses Priority Issues. Each task force will have different priorities to address because of various local factors such as politics, geography, growth patterns, road networks, and personalities. These factors become evident very early in the process of deliberations and must be dealt with and resolved. Exhibit 3 provides a list of key areas for task forces to address.

Exhibit 3

Key Areas for Task Forces to Address in Building Stronger Volunteer Emergency Service Organizations

- Training (a tactical function but a very important administrative function as well).
- Accurate and current training records for all responders.
- Standard operating procedures that promote good command and safety applications.
- Common standard operating procedures for multiple companies.
- Building partnerships with other companies, local governments, and the community.
- Accurate financial reporting.
- Constant, open lines of communication between companies and local governments.
- Long-range planning for capital expenditures.
- Being inclusive rather than exclusive.
- Always look forward (tradition never pays the bills—so keep tradition in perspective).
- Be tenacious and consistent in educating and informing the membership about everything involving the company.

Source: Governor's Center for Local Government Services, Department of Community and Economic Development.

Task forces can play a continuing role in assessing and evaluating the companies they represent and can be helpful in identifying threats and opportunities for volunteer emergency organizations, thus it is important to keep task forces in place to assist these organizations. Those task forces that do remain in place often reduce their meeting schedules from once a month to quarterly or semi-annually.

Task Force Conducts, or Has Conducted, Fire Services Studies and Evaluations. Fire service studies can play a very important role in bringing about constructive change. Fire service studies, or evaluations, are done to assess the current state of effectiveness of companies and then make recommendations for improvements or change. These changes may include recommendations for new, updated equipment, station upgrades or relocations, or perhaps construction of new facilities. These studies are generally based upon NFPA and/or ISO standards. They assess the quality and quantity of vehicles, stations, water supply, communications, training, call volumes, and other physical components of the fire services.

Since almost all evaluations are done by employed third parties, there is normally unfamiliarity with a community and a standard template or overlay is applied to a study area using the aforementioned standards.

Task Force Forwards Findings and Recommendations to Fire Company and Local Elected Officials. According to a local government policy manager in the Governor's Center for Local Government Services, local governments should take the mission of an emergency services task force very seriously.

Any recommendations forwarded by a task force to elected officials should receive their undivided attention and consideration. They should do everything in their power to implement those suggestions and recommendations provided by the task force, as long as all recommendations are supported by logic, accurate statistics, and common sense.

Facilitation of Mergers, Consolidations, and Other Regional Partnerships

Peer Network Evaluation Studies. One of the services offered by DCED's Governor's Center for Local Government Services is the provision of technical assistance for merger, consolidation, and other forms of regional partnerships. According to the local government policy manager responsible for this program, the Center assisted a number of municipalities and volunteer fire companies through the merger/consolidation process during the early 1990s. He noted, however, that the intensity of regionalization efforts has increased since 1996, and an increasing number of requests for assistance of this type has been experienced over the past three years.

In order for the Center to offer this merger/consolidation technical assistance to municipalities, it must first receive a "Letter of Intent" (LOI) from the local governmental entity indicating that a merger/consolidation is being considered and that the governmental entity is requesting that the Governor's Center for Local Government Services provide technical assistance to facilitate this process. While information is available on the DCED website and in DCED publications on what the Governor's Center for Local Government Services can provide local governments in this regard, the Center has not heretofore marketed the service. The local government entity must generate the request (the request cannot come from a volunteer fire company or companies).

After receiving the LOI, a representative of the Governor's Center for Local Government Services enters into discussions with the local government requesting entity(ies) to determine if a fire protection service evaluation is necessary. If more than one local government entity is involved, all of the entities must agree to the perceived need and sign the LOI before the process can proceed. Information provided to the LB&FC staff by the local government policy manager responsible for

coordinating this type of assistance indicates that at this point, some of the requested evaluations cease because of a lack of consensus from the affected local governmental entities.

If the determination is made that an evaluation is warranted, the Governor's Center for Local Government Services uses a "Peer Network" to carry out the study. The "Peer Network" is comprised of a group of 12 persons. Individuals selected for the Peer Network typically have obtained advanced educational credentials and training in the fire sciences and have extensive practical and management experience in the fire service, particularly in a leadership capacity such as fire chief, fire marshal, etc. They are also expected to have a working understanding of Pennsylvania local government and demonstrated knowledge of NFPA and ISO standards. A few are certified fire and building code inspectors. Peer evaluators serve as part-time DCED employees to conduct these evaluations and are paid an hourly rate plus expenses. As a group, the evaluators conduct about ten evaluations per year.

The outcome of the fire service protection evaluation conducted by one or two of the members of the "Peer Network" is a written report with recommendations that is given to the requesting municipality(ies) and the affected fire companies for their consideration to determine if the recommendations are to be implemented or if the process is to be terminated. It is the collective decision of the affected fire service(s) and requesting municipality(ies) if the process of merger or consolidation will continue beyond this point. Throughout the process, the Governor's Center for Local Government Services acts as a facilitator to ensure that participants' questions are answered and that differences that might arise are addressed.

Regionalization Options

As defined in the DCED program, there are five regionalization options that municipalities and fire companies can pursue with DCED involvement and assistance. These include merger, consolidation, hybrid consolidation, association, and regionalization.

Merger: The combination of two or more companies which results in all but one relinquishing its name. All assets and liabilities of joining companies are transferred to the surviving company.

Merger Rationale and Process. Fire companies may pursue mergers for a number of reasons. In some cases, it may be a matter of survival due to financial problems beyond the ability of volunteers to resolve. In other cases, it is a desire to be more efficient and to eliminate the inherent competitiveness for the same community dollars and volunteers. A few companies have sought to merge with another because they lack the manpower to respond to calls.

According to a DCED local government policy manager, mergers often originate with informal discussion between company officers who recognize inherent benefits in combining resources to enhance the capabilities of their organizations. These informal discussions may then lead to actions to further investigate a formal process to complete a merger. At this point, company officers require technical assistance on how to proceed.

When DCED assistance is requested to help facilitate a merger, steps are taken to ensure that local elected officials are involved throughout the merger process. This is done to make the merger process all-inclusive and reduce the possibility of unpleasant surprises or unforeseen barriers to successful completion of the merger. The participation of local governments in the process is necessary because they are the party responsible for ensuring that fire services are provided within their boundaries and are also the providers of workers' compensation insurance for the volunteers. Further, current or future financial support of the involved companies may be fully dependent upon the municipality.

DCED's experience has been that mergers are "easier" to accomplish because there is no need to create anything "new." A company that has existed and operated for years can continue to do so with its charter and bylaws remaining intact, often along with existing standard operating procedures. A company that wishes to merge into an existing company would transfer all assets and liabilities to the receiving company, and if there are no major changes, a merger may appear transparent to most people outside of those companies.

Often, stations are not closed as the result of a merger, but new administrative procedures may be put into effect that result in a reduction of duplicative equipment and reporting requirements. Also, in most instances, the receiving company grants full membership and seniority rights to those being brought into the company.

In order for a merger to occur, a vote of all members in good standing of the companies involved is required. If a majority of members approves the merger, it will happen. If there are just two companies involved and one of them votes in the negative, it will not happen. If there are three or more companies, those companies voting in the affirmative can still merge, but any of those companies voting no will not participate in the merger. There have reportedly been instances involving three or more companies where there was a prior agreement signed by all companies that if one company voted down the proposal, no merger would occur, despite a positive vote of all other companies.

DCED's experience has been that the role of local governments in fire company mergers is of critical importance. Where companies sought to merge and the local government officials were supportive of the efforts, mergers have succeeded. In those instances where local government officials decline to participate or are ambivalent about the process, the likelihood of failure is great.

Consolidation: The combination of two or more companies which results in the termination of all companies and the creation of a new company with a new name. All assets and liabilities of the former companies are transferred to the new company.

Consolidation Rationale and Process. Consolidations of volunteer fire companies normally occur because the participating companies did not wish to perpetuate an existing company. Instead, the intent of the consolidation process is to establish a new entity with a new name. With this approach, a significant number of changes must be made, and it is not unusual for the completion of a consolidation to take two years or more, depending upon the number of companies involved.

The execution of the consolidation process occurs by committee and takes more time to complete than a merger. Usually, the process involves a main or steering committee with a number of subcommittees dealing with specialized topics such as bylaws, standard operating procedures, recruitment, and retention. These must be consensus documents that have the approval of the general memberships.

In the consolidation efforts in which it is involved, DCED stresses that it is crucial for a committee or task force to maintain ongoing communication with the general membership of the involved companies. This is especially important in order to maintain focus on the goals and objectives of the consolidation process, provide a question and answer forum for the general membership, and to serve as a rumor control mechanism.

It is crucial that companies entering the consolidation process negotiate and resolve any existing outstanding debt issues. It is also important that such things as the name of the new company and details such as the color of the trucks be addressed and agreed upon early in the process. Unless resolved early, these matters can easily jeopardize the entire process. According to DCED staff, the issues of truck color and company name can be very sensitive issues and, in some cases, could be a primary reason for the failure of a consolidation.

Reportedly, it is rare that consolidated companies elect to immediately close stations. Based on consolidations conducted with assistance from DCED, station closings, if anticipated, usually occur several years after consolidation, and only after extensive studies have been done that support a closing. What is normally experienced is a downsizing of duplicated or outdated equipment, so some of the consolidated company's stations may then be operating with a reduced complement of vehicles.

Completion of a consolidation requires the development of new charters, bylaws, standard operating procedures, and administrative structure and functions.

These are time-consuming to complete and can be especially difficult to reach consensus on, especially if participating companies have significant differences in how they operate. This is one of the primary reasons consolidations take longer to accomplish than mergers.

Upon completion and member approval of bylaws and standard operating procedures, the following must occur:

- consensus on the transfer of assets;
- development of an administrative structure for the new company;
- election of new officers; and
- agreement on how election of certain officers (e.g., chiefs) will occur on a rotational basis from company to company.

DCED's experience with consolidations has been that they have also typically been accompanied by the development and use of planning tools that did not formerly exist in the single fire companies. An important example is the long-range capital expenditure plan. These long-range plans (usually for 20 years) detail projected major equipment and other capital purchases anticipated by the new organization. In most cases, these long-range plans are developed with direct input from local elected officials.

Regionalization: Although the term “regionalization” can and is used to generically refer to almost any form of regional partnership or joint venture, DCED uses the term in a specific sense in its Shared Municipal Services Program. As used by DCED, regionalization is the combination of certain assets of two or more companies to accomplish specific objectives and tasks. Each participating company retains its identity.

Regionalization Rationale and Process. DCED defines the term regionalization as a formal partnership of multiple companies that does not meet the definition of a merger or consolidation. Under this arrangement, each member company of a regional organization continues to operate independently with its charter, name, and bylaws intact. However, they are bound together officially by company vote and agreement to participate and share in certain activities as a single entity. Ideally, this regional approach also involves the consent and assistance of local governments that are also represented by their emergency service organizations.

Association: Agreement of two or more companies to combine and administer similar activities through an umbrella organization. Does not normally involve transfers or combination of assets, as most costs of operations or programs are shared. In some instances, associations may be a prelude to a merger or consolidation.

Association Rationale and Process. Although similar to regionalization, associations are normally less formal and more limited in scope. DCED has found that coordinated training is one of the primary reasons for which associations are formed. In such instances, multiple fire companies take advantage of combined training programs as a way to provide their members with on-site offerings of state-sponsored programs.

Depending upon the interaction of the member companies of these associations, their activities can potentially be expanded to other areas. Examples cited in DCED program materials include:

- Rotating Capital Purchase Programs – Some associations participate in such programs to avoid duplication of equipment and make their equipment inventories complementary.
- Fire Prevention Programs – Some take an associated approach to operating fire prevention programs that are targeted to a much broader area than a single company could provide.
- Major Fund-Raising Activities – In addition to their individual fund raisers, some associated companies engage in major fund-raising activities, including large direct mail campaigns. Proceeds from these combined fund raisers are usually split evenly among participating companies.

According to DCED staff, it is becoming increasingly common to see the member companies of associations seeking to establish common standard operating procedures. This facilitates a practice referred to as “cross response,” which can be helpful in addressing the daytime response problems many companies face.

Where associations span a large geographic area, cross response has had the effect of increasing daytime response capabilities. As described in DCED program materials, cross response:

. . . can be helpful in easing the daytime response problems of companies. With common standard operating procedures, members who do not work in the immediate vicinity of their home station, yet may be very close to another association member station, have the ability to respond with that station as they would their home station. This is an

innovative way of “picking up” experienced and trained responders without actually increasing membership.

Cross-response is accomplished by virtue of consensus of participating companies to allow “foreign” personnel to utilize their equipment. This is a breakthrough in the normal traditionalism and parochialism commonly found in the volunteer emergency services and has proven to be advantageous for not only volunteer organizations, but for the general public being served by those companies.

DCED staff report that, where used, associations have had the effect of producing operating efficiencies while allowing member companies to retain their individual identities.

B. The Status of Merger, Consolidation, and Other Regionalization Activities to Date

In Pennsylvania, merger, consolidation, and other regionalization efforts are generally of two types: those which are undertaken through the DCED process described earlier in this section and those which volunteer fire companies may enter into on their own initiative, independent of any involvement with the DCED. While those occurring with DCED involvement are readily identifiable and their outcomes are recorded in the program’s files, there is no complete and accurate accounting of the extent to which non-DCED regionalization activities may be occurring.

Actions With DCED Involvement

According to DCED officials, the Governor’s Center for Local Government Services began to provide fire services merger/consolidation-related technical assistance to local governments and local entities between 1990 and 1995. In more recent years, the intensity of this activity has increased, and the Department is experiencing a marked increase in requests for services of this type.

Completed. From January 1, 1997, through December 31, 2004, there have been a total of 20 successful merger/consolidation actions involving volunteer fire companies in the Commonwealth that utilized the services of the Governor’s Center for Local Government Services. These successful merger/consolidation actions took place in 28 municipalities in the Commonwealth and involved 49 volunteer fire companies. Additionally, 3 successful regionalization actions were completed in 6 municipalities in Pennsylvania and involved 9 volunteer fire organizations that used the services of the Governor’s Center. These successful merger/consolidation/regionalization actions are reflected in Exhibit 4. Additional detail on six selected successful merger/consolidation and regionalization actions involving participation

**Municipalities in Which Volunteer Fire Company Consolidations,
Mergers, and Other Regional Partnerships Have Been Completed**
(With DCED Involvement)

Consolidations

<u>Municipality(ies)</u>	<u>County</u>	<u>Action</u>
Bloomsburg.....	Columbia	Four companies consolidated – 3/1/2000
Wall Borough/East McKeesport.....	Allegheny	Fire companies of Wall and East McKeesport consolidated to form United VFC – 7/1/2000
Mount Pleasant Township ..	Wayne	Belmont VFC consolidated with Pleasant Mount VFC – 7/1/2000
Warrior Run	Union/Northumberland	Three companies consolidated – 4/1/2001
Elizabeth Township	Allegheny	Two companies of the original eight consolidated. Industry VFC and Blythedale VFC consolidated to form Elizabeth Township VFC #1 – 9/1/2001 ^a
Marcus Hook Borough	Delaware	Two companies consolidated – 1/1/2002
Spring Township/West Lawn Borough	Berks	Four companies, including one from West Lawn Borough, consolidated to form the Spring Township Volunteer Fire Department – 3/6/2002 ^a
Morrisville Borough.....	Bucks	Union VFC and Capitol VFC voted to form shell company of Morrisville VFC, the new company is now Morrisville VFC – 1/31/2003
Middletown Borough.....	Dauphin	Three companies consolidated – 10/28/2004

Mergers

<u>Municipality(ies)</u>	<u>County</u>	<u>Action</u>
Halifax Borough/Township..	Dauphin	Two companies merged – 1/1/1997
Forest City	Susquehanna	Two companies merged – 4/1/1998
Lemoyne/Wormleysburg.....	Cumberland	Two companies merged – 1/1/1999
Overfield/Falls/Exeter Townships.....	Wyoming	Two companies merged – 1/1/1999 ^a
Logan Township	Blair	Two companies merged and two companies consolidated – 11/1999 ^a
Columbia Borough.....	Lancaster	Three companies merged – 6/1/2001
Jersey Shore Borough.....	Lycoming	Larry's Creek VFC merged with Jersey Shore VFC – 4/2002
Young Township.....	Indiana	McIntyre VFC merged with Coal Run VFC – 9/2002
Buckhorn/Ferndale/Hemlock Townships.....	Columbia	Ferndale merged with Buckhorn VFC – 11/6/2002
Canton Borough.....	Bradford	Canton Borough Fire Department merged with Innes Hose Company, Inc. – 1/2004

Exhibit 4 (Continued)

Regionalizations

<u>Municipality(ies)</u>	<u>County</u>	<u>Action</u>
Elizabeth Twp/Warwick Twp/Lititz Borough	Lancaster	Regionalization of administrative services of ten organizations – 6/1/2001 ^a
Muncy and Montgomery Boroughs	Lycoming	Formal regional alliance involving two VFCs – 7/2004

Associations

<u>Municipality(ies)</u>	<u>County</u>	<u>Action</u>
Jefferson Hills Borough	Allegheny	Three VFCs and one ambulance company operating under an association entitled Jefferson Hills Fire-Rescue and Emergency Medical Services. During the creation of the association, one financially troubled VFC merged with Jefferson 885 Area VFC. ^a

Note: This list includes only those mergers, consolidations, and regional partnerships in which the Department of Community and Economic Development was involved; it does not account for all consolidations, mergers, or other regional partnerships that may have taken place in Pennsylvania. Also, this list does not include those consolidations and mergers (a) that have been approved but not yet finalized; and (b) for which votes are pending. These include: (a) Rankin and Swissvale Boroughs in Allegheny County; McSherrystown in York County (consolidation was completed on 1/1/2005); and South Strabane Township in Washington County; and (b) Tinicum Township in Delaware County; and Ravine, North End, and Pine Grove Townships in Schuylkill County. All information is as of December 31, 2004.

^aThis action is described in further detail in an LB&FC case study which appears in Appendix C.

Source: Developed by LB&FC staff using information obtained from the Governor's Center for Local Government Services, Department of Community and Economic Development.

of DCED's Governor's Center for Local Government Services is contained in the Case Studies at Appendix C.

Under Consideration. Currently, 81 merger/consolidation/regionalization actions are under consideration in 37 counties of the Commonwealth that involve 105 different municipalities and over 150 volunteer fire companies providing fire services to those municipalities. The merger/consolidation/regionalization actions under consideration which have used or are using the services of the Governor's Center for Local Government Services are shown in Exhibit 5.

C. Examples and Case Studies

Through the initiative of certain municipalities and fire companies and, in some cases, with the assistance of DCED, there is a developing track record of processes and procedures for regionalizing volunteer fire services. This section discusses regional partnership efforts (i.e., mergers, consolidations, regionalizations, and associations) undertaken in various Pennsylvania communities in recent years. For the most part, these examples and case studies involve regionalization efforts in which DCED was involved. The following case study summaries are based on DCED materials and LB&FC staff contacts with fire company, municipal, and other officials in the subject municipalities. In most cases, the complete case studies appear in Appendix C of this report.

Mergers

Completed Mergers.

Logan Township, Blair County. After a period of study, a citizens' committee determined that very little cooperation existed between the seven volunteer fire companies serving Blair County's Logan Township, and additionally, that there was a great deal of mistrust between the fire companies and township personnel and elected officials. The study's recommendations included the inventorying of all fire apparatus and equipment and the development of a long range fire protection plan.

To foster cooperation between the township board of supervisors and the volunteer fire companies, one supervisor was chosen to meet monthly with the various fire chiefs. From this effort, standard operating procedures were devised so as to provide the optimal fire protection for township residents.

More significantly, cooperative efforts led to the merger of two fire companies and the consolidation of two others. These merger and consolidation efforts reduced the number of volunteer fire companies serving the township from seven to five. Although these actions took place with some pain and discomfort, the outcome is believed to be positive. Fire chiefs work more closely together to resolve common

**Municipalities in Which Volunteer Fire Company Management
Issues, Consolidations, Mergers, and Other Regional
Partnerships Are Under Consideration*
(With DCED Involvement)**

Allegheny

Bellevue Borough
Braddock Borough
Braddock/North Braddock
Collier Township
Glassport Borough
North Versailles Township
Plum Borough
Rankin/Swissvale Boroughs

Beaver

Rochester Township
Rochester/East Rochester

Berks

Amity Township
Cumru Township

Bradford

Smithfield Township

Bucks

Hilltown Township
Quakertown/Richland Township
Richland Township

Butler

Buffalo Township
Mars/Callery/Valencia

Cambria

Johnstown Area
Loraine Borough/Stonycreek Township
Richland Township

Centre

Halfmoon/Huston/Taylor/Worth Townships
and Port Matilda
Milesburg Borough and four surrounding
townships
Phillipsburg Borough

Chester

Phoenixville Borough
Upper Uwchlan

Clearfield

Clearfield Borough

Clinton

Woolrich/Avis

Columbia

Berwick Borough

Crawford

Randolph Township

Cumberland

Shippensburg Borough

Dauphin

Swatara Township^a

Delaware

Tinicum Township

Elk

Benezette Township

Erie

Millcreek Township

Fayette

Belle Vernon/North Belle Vernon
Washington Township

Huntingdon

Huntingdon Borough

Lackawanna

Taylor Borough

Lancaster

East Lampeter Township
Pequea Township

Lebanon

Cleona/Annville
Cornwall Borough
East Hanover Township
North Londonderry Township
South Lebanon Township
South Londonderry Township

Lehigh

Catasauqua Borough
Upper Macungie Township

Luzerne

Dupont Borough
Hanover Township

Lycoming

Muncy Area
Old Lycoming/Hepburn/Trout Run
Pine Creek COG
South Williamsport

McKean

Lafayette Township

Mercer

Shenango Valley

Montgomery

Upper Chichester Township
Upper Providence Township

Northampton

Lower Saucon Township
Moosic Borough

Northumberland

Kulpmont Borough
Northumberland Borough

Schuylkill

East Norwegian Township
Mahanoy City
McAdoo Borough
Porter Township
Ravine/North End/Pine Grove Townships

Exhibit 5 (Continued)

Snyder

Monroe Township
Shamokin Dam Borough

Susquehanna

Clifford Township

Washington

South Strabane Township

Westmoreland

City of Lower Burrell
Hyde Park/West Leechburg Boroughs
Ligonier Borough
Penn Township
Sewickley Township
Unity Township

York

Jackson Township
Penn Township
Spring Garden/Springettsbury Townships

*Note 1. This is a listing of municipalities in which volunteer fire company management issues, consolidations, mergers, and other regional partnerships are reportedly under consideration. Each includes some form of DCED involvement and is in one of the following stages of completion as classified in DCED records: "In Discussion," "Committee Formed," "Study Underway," or "Study Completed." All information is as of December 31, 2004.

Note 2. In addition to involvement in consolidation, merger, and other regional partnership actions, DCED personnel provide technical assistance and consultation to municipalities and volunteer fire companies on other matters. These include, for example, contractual issues, government/fire company relations, and other aspects of fire company operations including recruitment and retention programs and community awareness projects.

^aPlanned consolidation questionable since one VFC recently voted to pull out of the consolidation agreement.

Source: Developed by LB&FC staff using information obtained from the Governor's Center for Local Government Services, Department of Community and Economic Development.

problems in such areas as training and volunteer recruitment. Also, a much improved relationship now exists between the fire departments and township government.

Overfield, Falls, and Exeter Townships, Wyoming County. One fire company that had been experiencing financial and other problems approached another company about a possible partnership (merger). A partnership committee was formed to facilitate the merger of the two companies which, due to their long-standing mutual aid and training relationships, was considered 'friendly'. Nevertheless, members from the one company were concerned about assuming the other company's debt load as well as responsibility for additional buildings and aging equipment in need of replacement. The process was also made challenging by the fact that these two companies served three townships whose approval in the process was necessary.

Assistance in the process was obtained from the Department of Community and Economic Development's Governor's Center for Local Government Services. A DCED local government policy specialist played a major role in guiding local officials through the merger process. However, while funding assistance was provided through a Community Revitalization Grant, it was insufficient to cover the initial costs of the merger, including the pay off of an outstanding mortgage balance.

The merger was successfully completed about nine months from the time the matter was first raised. The newly merged company has two fire station locations. Fire officials have indicated that response times have improved and the turnout of available firefighters has increased. Since the merger, the community has responded well in funding drives, and the overall membership of the fire company has increased.

Other Successful Mergers. DCED staff cited the following as additional examples of successful volunteer fire company mergers. They also observed that, based on their experience, regardless of the reasons for merging, the potential outcomes of a successful merger are stronger, more responsive companies with improved relationships with their respective governing bodies.

- Wormleysburg VFC merged into and became part of Lemoyne VFC, effective January 1, 1999 (Cumberland County).
- Halifax Borough VFC merged into and became part of Halifax Twp VFC, effective January 1, 1997 (Dauphin County).
- Larry's Creek VFC merged into and became part of Jersey Shore VFC, effective April 2002 (Lycoming County).
- Ferndale VFC merged into and became part of Buckhorn VFC (Hemlock Township), effective November 2002 (Columbia County).
- Columbia Borough – three companies merged into and became part of an existing company – merger completed June 2001 (Lancaster County).

- Young Township – McIntyre VFC merged into and became part of Coal Run VFC, effective September 2002 (Indiana County).
- Forest City – two companies merged, April 1998 (Susquehanna County).
- Canton Borough – Canton Borough Fire Department merged with Innes Hose Company, Inc., January 2004 (Bradford County).

An Unsuccessful Merger Attempt: Whitemarsh Township, Montgomery County. An effort to either merge or consolidate two volunteer fire companies located within one-half mile of each other was undertaken in the late 1990s but was discontinued in March 2000. The issues that created interest in some form of regional partnership between these parties included, in addition to their close proximity, manpower problems and duplication of equipment.

A local government policy specialist with DCED played a facilitator role in helping the entities develop a committee structure to handle various aspects of the process. However, the performance of these committees was mixed, and ultimately, the membership of one of the companies voted to discontinue their involvement in the process. In the opinion of a key participant in the process, this regionalization effort was unsuccessful for two reasons: insufficient involvement of the municipality in the process and the inability of the two fire companies to resolve their differences (e.g., over the disposition of excess equipment and apparatus and the housing of the new organization).

Consolidations

Completed Consolidations.

Lancaster Township, Lancaster County. A history of disharmony between two volunteer fire companies serving the township prompted the interest of municipal officials in creating a single fire protection presence. Proposals to merge or consolidate the two companies were supported by the results of a citizen's committee report and a consultant study. A survey of citizen attitudes also showed support for increased fire service funding.

The township board of supervisors appointed another citizen committee to decide how to implement a consolidation of the two companies, although disagreements continued to hamper the process. The selection of a fire chief, for example, had to be decided by a coin toss, and the companies continued to operate as they had in the past until the board intervened with firm guidance.

The consolidation process, although marred by continued acrimony between the two fire companies, eventually reached a successful conclusion due to the board of supervisors' resolve. The resulting volunteer fire department, consisting of two fire stations, has survived and fulfilled the township objective of a unified fire protection presence in the area. The township has increased fire department operational funding and completely finances equipment and apparatus purchases,

thereby permitting the scaling back of fundraising activities on the part of the volunteers.

Spring Township and West Lawn Borough, Berks County. After receiving an update on the status of fire service in Spring Township, a study committee was formed to explore the formation of a single fire department (from four existing volunteer fire companies) to both meet the needs of the township and to enhance the volunteer service. As indicated to the municipal officials by the township fire marshal, the fire service was challenged by declining manpower, increasing demand on volunteers' time, rising costs, and excess or duplicate equipment.

The consolidation process was facilitated by a DCED representative who urged the early adoption of a mission statement and objectives and the formation of sub-committees to deal with a myriad of procedural details. In less than two years, a written plan was developed to create a newly consolidated single volunteer fire department consisting of four stations operating under a uniform command structure and funded by revenues obtained from a 1/2 mill tax on the assessed value of real property.

Under the single department, duplicate apparatus and equipment were identified and sold at an estimated replacement cost savings of more than \$1 million. The township's financial commitment has also been a stimulus to volunteer recruitment.

Elizabeth Township, Allegheny County. A study by the DCED Governor's Center for Local Government Services of eight volunteer fire companies serving a 22 square mile area provided the impetus for fire company and township officials to examine the possibility of merger/consolidation of at least some of the companies. This study determined that service redundancy existed which was characterized by significant overlap in response areas among the companies as well as unnecessary duplication of resources.

Although three companies were identified as possible candidates for merger/consolidation, only two companies agreed to move forward with partnership efforts. The goal was to provide a more effective and efficient volunteer fire department with better staffing and training at a reduced cost. Challenges and delays, however, occurred in the process. For example, an initial \$5,000 grant received from DCED proved to be insufficient to defray all costs incurred in the process, forcing both companies to use scarce operating funds. The consolidation process was delayed by about one year while the Township Commissioners dealt with a variety of issues such as how to distribute Foreign Fire Insurance Tax monies among the various relief associations. Once these issues were resolved, the Commissioners passed an ordinance creating the Township Fire Service Tax Advisory Board to which township chartered fire companies were required to submit a budget for major purchases.

A consolidated fire department was ultimately established which, in the opinion of local officials, has met the objective of better service at a reduced cost. The partnership has resulted in a slightly increased response time in some areas, but this has been offset by improved staffing on calls. Benefits have also been seen in retention of existing membership, increased training, and improved relations with local officials.

Hybrid Consolidation Approaches. DCED staff also described two alternative “hybrid” methods to achieve consolidation. In both cases, consolidation was reportedly achieved in a manner that was “less threatening” than a straight-forward consolidation. The less threatening method was used to take deadline or timeline pressures off the organizations to complete a consolidation.

Mount Pleasant Township, Wayne County. The first hybrid involved two rural volunteer fire companies in Mount Pleasant Township, Wayne County. Both were experiencing manpower and financial problems and were located less than two miles apart in this extremely rural part of northeast Pennsylvania. Realizing that they were competing with one another for the same resources, they assigned a committee of officers from both companies to resolve the situation.

The result was an agreement for the two companies to “merge,” with the ultimate goal of creating a new company. They saw the merger as a more efficient way of combining assets, without having to dissolve both companies and renaming the new company. Following votes by the companies, the merger was accomplished quickly and efficiently, as both companies were committed to the process.

When asset transfer was complete, the remaining fire company filed for a name change with the Department of State. Upon application and payment of appropriate fees to the Department, the name change was granted and the previously merged company became a new company with a new name and effectively completed their planned consolidation. Today, the company is known as the Pleasant Mount VFC. This was a merger-turned-consolidation and an example of how companies can “back in” to a consolidation.

Morrisville, Bucks County. The second hybrid involved two companies in a small borough in Bucks County. Union and Capitol View VFCs had been working for some time to combine their assets into a newly created company. The process in developing new by-laws and standard operating procedures was slow and some members were beginning to doubt whether a consolidation of the two companies would ever take place.

The committee decided to adopt a carrot-and-stick approach and filed papers with the Department of State to create a new nonprofit company named Morrisville Volunteer Fire Company. They essentially created a “shell company” that existed only with a charter and by-laws. It had no officers or administrative structure and remained silent and in limbo, just waiting to be activated. But the new company

and name was there (the carrot) and it acted as an incentive or goal for the companies to achieve.

The shell company was eventually made whole with the addition of all members of the former Union and Capitol View VFCs, and today, the Borough of Morrisville has a single new company as their volunteer fire company.

Other Successful Consolidations. DCED staff cited the following as additional examples of successful volunteer fire company consolidations:

- Wall and East McKeesport VFCs consolidated to form United VFC, effective July 1, 2000 (Allegheny County).
- Four companies in the Town of Bloomsburg consolidated to form the Bloomsburg Fire Department, effective March 2000 (Columbia County).
- Three rural companies consolidated to form Warrior Run VFC, effective April 2001 (Union and Northumberland Counties).
- Two companies located within Marcus Hook Borough consolidated to form the Marcus Hook VFC, effective January 2002 (Delaware County).
- Middletown Borough – three companies consolidated, effective October 2004 (Dauphin County).

An Unsuccessful Consolidation Attempt: Borough of Towanda and Towanda, North Towanda, and Wysox Townships, Bradford County. Financial difficulties and scarcity of volunteers provided the impetus for the creation of the Central Bradford Fire Regionalization Committee, composed of municipality and fire department representatives as well as at-large members. The committee initially pursued a course leading to regionalization of the three fire companies serving the area, whereby each would retain its separate identity but would cooperate in various ways, such as in joint purchasing and training. The goal was to increase operational efficiency and control costs.

The committee's original intention to explore cooperative arrangements was endorsed by a DCED official who suggested first adopting a regionalization approach before moving ahead with either merger or consolidation. However, the committee began to seriously consider consolidation. Because one of the three companies continued to favor regionalization, consolidation efforts focused on the remaining two companies. Substantial support for the proposed consolidation appeared to exist among the municipal and fire officials.

Just as the process appeared to be moving forward, membership of one of the companies voted against continuing to pursue consolidation. This action was subsequently followed a month later by the regionalization committee voting to disband itself. A variety of unanswered questions, financial and organizational in nature, appear to have been factors in the abrupt pull-out by one of the parties involved in the consolidation effort. These ranged from the drafting of new bylaws, to who would control the consolidated fire department, to what the borough would do with

its equipment. The regionalization committee can be reinstated by request of the officers of the fire companies; however, as of the end of 2004, the committee had not been reestablished.

Regionalizations

Completed Regionalizations.

Warwick and Elizabeth Townships and Lititz Borough, Lancaster County. An inter-municipal agreement to create a regional alliance among ten entities (i.e., three municipalities, four volunteer fire companies, and three ambulance associations) resulted from a study evaluating how the emergency service organizations could be better supported by the municipalities. The problems facing these organizations, declining volunteerism and funding deficiencies, were those typically experienced by providers of emergency services.

The solution initially involved the formation of a regional working group, which became the basis for a regional alliance, an umbrella organization dedicated to serving the interests of its members. The alliance was officially created in the inter-municipal agreement and was formally recognized by township ordinance. A part-time administrator (funded in the initial three years by a DCED grant) coordinates the programs and initiatives of its members and shoulders some of the burden for emergency services generally assumed by municipal officials.

In practice, the alliance has demonstrated many benefits including conserving resources, more efficient training, and improved grant opportunities. According to local officials, the alliance is also able to respond more effectively to community challenges such as special fund drives. While every organization in the alliance continues to operate as a separate and independent entity, they are still bound by agreement to group cooperation for certain tasks.

Upper Merion Township, Montgomery County. This regionalization effort has evolved over the past two decades, beginning in the late 1970s as significant and sustained growth occurred within the community. As time went on, the emergency service providers of the community (specifically, three volunteer fire companies and one combination emergency medical service agency) could not keep pace with increases in the volume of emergency responses and training demands and still conduct fund raising activities. Municipal officials felt a more comprehensive approach was needed to fund fire apparatus. In 1983, the township's board of supervisors adopted a 3-mil fire tax and created a "fire board" to both manage the process of procuring fire apparatus as well as the fund that pays for this apparatus.

In 1994, the township's board of supervisors, committed to improving local fire and emergency services, modified the concept of the fire board and established a Fire and Rescue Services Board. Under this arrangement, the volunteer companies

continue to maintain their individual character while developing joint working relationships and a long range plan to deliver service to the township.

This regionalization effort has been deemed successful in not only managing the original challenge of fire apparatus funding but in bringing fire and emergency services within the framework of the township budgeting and planning processes. Training standards have been developed and are regularly modified as needed. Equipment purchase costs have been managed through a long range plan while reducing the related tax rate. Funding is considered adequate by all operational chiefs, and the relationships between emergency service and municipal officials have remained positive.

Other Successful Regionalizations. DCED staff cited one additional successful volunteer fire company regionalization.

- Muncy and Montgomery Boroughs – formal regional alliance involving two VFCs, effective July 2004 (Lycoming County).

Associations

Completed Associations

Jefferson Hills Borough, Allegheny County. Since the early 1990s, there was a general sense among this community's municipal and emergency service officials that fire and emergency medical services could be provided more efficiently and effectively. Following initial community meetings outlining the problems, including the need to eliminate duplicate services and to improve management practices, the borough mayor facilitated a meeting with a DCED local government policy specialist who encouraged the establishment of an association to coordinate the activities of the organizations providing fire, rescue, and emergency medical services to the borough.

The involved parties agreed to the formation of a separate non-profit corporation. Bylaws were written, and an executive board was appointed to oversee the new association. Among the association's initial goals were the formalization of ongoing regionalization efforts and the development of a strategic plan. Establishing an association proved challenging, however, and some issues have not been completely resolved.

Local fire officials view the creation of the association as a success story still in the making, because there still remains work to educate and market to the community the volunteer concept, how the local fire services seen by the citizens got to its present position, and what is needed to be prepared to better serve the needs of the municipality in the future. However, a number of specific positive changes have

occurred, including the justification of apparatus purchases based on need, the enactment of a municipal fire and emergency medical services tax that funds the purchase of apparatus, and a closer working relationship among the providers for joint training and sharing of resources. Also, in the course of the association process, two fire companies merged into one company and two EMS companies merged into one company, thus reducing the number of providers under the association umbrella from six to four.

Actions Independent of DCED. Volunteer fire service regionalization actions may also occur independent of DCED involvement. The following is a listing of volunteer fire company mergers or consolidations that have occurred without any significant involvement or technical assistance from DCED. This is not intended as a comprehensive listing of regionalization actions which have occurred without DCED involvement. Rather, the list represents regionalization efforts of this type that came to our attention during the course of the study.

Landisville and Salunga VFCs consolidated to form Hempfield Fire Department (Lancaster County)	Effective 1/1/98
Sunset Central merged with Dixon Hollow and Green Valley to form the fire department of North Versailles Township (Allegheny County)..	Effective 1/1/99
Silver Spring and Ironville VFCs consolidated to form West Hempfield Fire Company (Lancaster County)	Effective 1/1/01
Mount Joy FD and Florin VFC merged into FDMJ (DCED was originally involved in this effort as DCA. Original merger vote failed when Florin VFC voted not to merge with Mount Joy in 1990). (Lancaster County).....	Effective 3/1/01

D. Demonstrated Benefits and Lessons Learned

In conjunction with our efforts to document successful attempts to form regional partnerships, we sought information and opinions from persons regarding the benefits and advantages that have resulted from regionalization efforts on behalf of volunteer fire companies. For example, we asked fire chiefs and municipal officials if the regionalization efforts they were involved in bringing about actually helped to resolve the problems and challenges that were evident before the regionalization process started. We were also interested in what impacts the regionalization had on various organizational or operational issues, such as volunteer recruitment and retention, training, equipment acquisition, funding, relationship with municipal government, purchasing, and response times.

Although the benefits of regionalization are evident in the reading of the eight case studies in Appendix C, we have identified and isolated them for inclusion in Exhibit 6. Further, to the extent possible we have identified these benefits and advantages under the applicable organizational or operational category.

Finally, recognizing that the process of forming a regional partnership among two or more independent entities is often fraught with 'stumbling blocks' and unforeseen challenges, we asked the persons who provided the source material for our case studies to reflect on what advice they would have for others who may be considering a similar regionalization effort in their area of the Commonwealth. Many suggestions were provided, and these comments are summarized on Exhibit 7.

**Benefits of Consolidations, Mergers, and
Other Volunteer Fire Service Regional Partnerships**
(Based on LB&FC Case Studies)

Based on the Pennsylvania regionalization case studies presented in Appendix C, LB&FC staff identified the following as benefits that have been reported as a result of regionalization efforts.

Recruitment and Retention

- Alleviated difficulties in recruiting firefighters.
- Recruitment and retention reportedly improved.
- Encouraged the establishment of junior fire company volunteer programs.
- Volunteer recruitment and retention by the consolidated department has improved due to an improved organizational reputation in the county.
- A length of service monetary award system has been established.
- Overall, the merger resulted in improved retention.
- Creation of a local media volunteer recognition program has helped recruitment and retention.
- Since merger, an increase in membership and in turnout of available firefighters.

Relationships With Municipal Governments

- Provided a means of addressing the lack of cooperation among the volunteer fire companies and substantial degree of mistrust between fire companies and township personnel and elected officials.
- Fostered communication and cooperation; one township supervisor was appointed to meet on a monthly basis with fire chiefs from the various companies—from this, standard operating procedures were developed.
- Working relationship among companies improved and there has been an overall improved working relationship between the various volunteer fire departments and the township government.
- Overall improved working relationship between the department and the municipal government.
- Improved relations with municipal officials.

Equipment and Facilities

- Enabled the companies to better deal with the high costs of maintaining existing equipment and purchasing new or replacement equipment.
- After downsizing, the township floated a special bond issue to acquire new equipment for the combined companies.
- Unnecessary and duplicative equipment and apparatus are being sold with substantial estimated replacement cost savings.
- Provided for reductions in the high costs of maintaining and upgrading facilities.
- Resulted in the opening of a new central fire station.

Exhibit 6 (Continued)

Standardized Requirements/Inter-Company Cooperation

- The fire chief's association was empowered to identify and develop standardized requirements for equipment and training, and to match standards to needed resources.
- Led to the various fire chiefs working more closely together to improve training and solve common problems.
- Led to increased cooperation among organizations through activities such as centralized purchasing of equipment, pooling of vehicle insurance, township-sponsored area-wide recruitment of fire company volunteers, township-wide fund raising efforts, and township recognition programs for fire company volunteers.

Budget/Accountability

- Required companies to submit annual budgets and improve accountability measures.
- A single point of accountability for fire protection service has been established.
- Use of a multi-year capital budgeting process in conjunction with the municipal government helps to resolve equipment issues in an open and systematic way.

Coverage and Response Times

- Provided a systematic means of identifying which volunteer fire companies were authorized to provide fire protection services in the township and the geographic areas that each was responsible to serve.
- Merger reportedly resulted in improved response times.
- Mutual aid and redrawn jurisdictional assignments has improved response times and assured that the closest companies are first due on alarms.

Training

- Training, including firefighter certification and joint training exercises, are more effectively coordinated.
- Has resulted in more efficient training schedules and adoption of standard operating guidelines.
- Consolidation has resulted in a more effective and efficient organization that is better equipped and trained and has increased depth within the organization's leadership ranks.

Administrative Structure

- The alliance created a central administrative structure along with a part-time administrator to coordinate the programs and initiatives of the alliance members.
- The administrator serves as the point of contact from which emergency concerns are addressed and takes on some of the burden generally assumed by municipal officials.

Exhibit 6 (Continued)

Reduced Need for Fundraising Activities

- Because equipment and apparatus are purchased by the township and replaced when necessary, fundraising activities have been scaled back to one event per year due largely to increased operational funding provided by the township.
- Enhanced municipal financial commitment has stimulated volunteer recruitment by virtue of eliminating/reducing the need for fundraising activities.
- Estimates indicate the regional partnership saves the taxpayers over \$6.0 million annually while similar sized and populated areas are served entirely by paid fire departments.

Planning

- Maintain open lines of communication, proactively work to resolve questions and plan for the future.
- The process led to the completion of an inventory of all fire equipment and apparatus in the township and development of a long-range plan for township protection.

Use of Resources

- More effective utilization of resources, including fire safety education, group training exercises, and improved grant opportunities.

Source: Developed by LB&FC staff using information from case studies involving Pennsylvania municipalities and volunteer fire companies.

Suggestions and Advice From PA Fire Company and Municipal Officials Who Have Been Involved in Merger, Consolidation, and Regionalization Efforts

- Use of a local "fire company consolidation study committee" is helpful.
- Need to involve municipal officials as full partners in the process, from start to finish.
- Adoption of a special ordinance "Establishment of Fire Districts and Recognition of Fire Companies Ordinance" was instrumental in moving the process forward.
- Detailed information is needed on municipal financial capabilities and fire services risk assessment and demands.
- An inventory is needed of existing firefighting equipment and volunteer resources.
- Essential to keep the public informed of proposed changes, reasons (i.e., a more effective and cost efficient fire protection service), and subsequent developments.
- Need to keep public, municipal officials and members of the affected companies fully informed at all times.
- Need to maintain complete and accurate records on all aspects of the merger process.
- Obtain technical assistance in the merger process; seek help from government agencies.
- All parties must work to break down the "us versus them" mindset.
- Use of township-appointed citizens' advisory committees helpful in the process.
- Sometimes necessary to commission a broad study of township fire protection services, e.g., by the Pennsylvania Economy League.
- Process facilitated by a local "fire service study committee."
- Need to get "outsiders" involved in the process including civic and business leaders in order to help the fire service examine itself from a business perspective.
- Set measurable goals and objectives early in the process.
- Recognize that the merger/consolidation process can be expensive and most volunteer fire companies cannot afford to carry out these actions solely with their own resources.
- Need for fire company officials to present all pros and cons to fire company members at the outset of the process.
- Need for the state government to assist in the process, making it easier to accomplish mergers/consolidations and offering incentives to participate (e.g., special grants, lower interest rates).
- State government should provide increased technical assistance and professional services to volunteer fire organizations which pursue regionalization efforts.
- It is essential to secure the support of the citizens of the community as well as the municipal officials in the process.
- Important to establish both short- and long-term goals for the process.

Exhibit 7 (Continued)

- An independent and objective study of local fire services is an essential “up-front step” for any form of regionalization being considered.
- Unanswered questions in the minds of involved firefighters (e.g., drafting of new by-laws, control issues, and disposition of equipment) can easily derail the process.
- Need to get all stakeholders involved in the process from the outset—everybody needs to be part of the planning process and must buy into the plan.
- Provided for improved funding thereby relieving fundraising demands in favor of utilizing available time for emergency calls, required training, maintenance, and administrative duties.
- Led to programs which regularly acknowledge volunteer firefighters for extraordinary performance and annual appreciation dinners.
- Need to model what other organizations have done in their successful regionalization efforts.

Source: Developed by LB&FC staff from case studies involving Pennsylvania municipalities and volunteer fire companies.

VI. Perspectives on Regionalization and Cooperative Service From the Pennsylvania Fire Services Community

A. Position of the State Fire Commissioner

The State Fire Commissioner has stated that he believes the next 36 months may be the most critical in the history of the state's fire service.¹ He stressed the nature of the volunteer fire service as an essential community service that too many persons take for granted.

The Commissioner believes that the state has too many fire companies. He noted, however, that even recognizing there are too many, the state government has not played a strong role in promoting regionalization, consolidation, or merger. He also noted that many local governments do not get involved in fire services issues and, as nonprofit organizations, volunteer fire companies fall outside the direct control of local government.

In considering the LB&FC's assignment under HR 148, the Commissioner expressed the opinion that developing a regionalization plan for fire services is not possible until a statewide assessment of fire services needs and current resources is conducted. In his view, any statewide effort to regionalize fire services must be preceded by a detailed statewide assessment of what is available (e.g., physical plant facilities, fire fighting apparatus and equipment, available fire fighting personnel and their level of training) and what is needed (i.e., the fire services threats, or requirements, in the various regions and communities in the state):

. . . providing an assessment of what services currently exist is undertaken. This assessment should not be mistaken with a "resource typing" assessment. There needs to be a visit made to every brick and mortar volunteer and career fire and ambulance service in this state. Not only do we need to know about the equipment and the people, we also need to know what the worst hazard in a community is. The results of the assessment could be used by local governments to reach decisions about funding, equipment purchases, consolidations, and mergers.

The Commissioner believes that state agencies could use this same assessment information when considering grant and loan amounts. If a grant or loan would perpetuate duplication of services in a given community the need for the loan or grant could be questioned. Ultimately, the local government or organization

¹In testimony before the House Appropriations Committee in March 2004.

would decide if the equipment would still be purchased, however, the state would not be rewarding the duplication.

B. Position of the SR 60 Commission

Senate Resolution 60 of 2003 created a bipartisan commission to develop legislation to provide direct and indirect assistance for the purpose of improving the delivery of emergency services in Pennsylvania. The 25-member Commission includes fire and emergency medical service leaders, local government representatives, key state agency staff, and members of the General Assembly.

To meet its legislative directive, the Commission created working committees to examine key aspects of the state's community public safety program.² This included coordinating committees on mission, funding/finance, service delivery, legislation, benefit programs, and administrative issues. The Commission met over a period of five months during 2004 and issued its report in December 2004.³

While the SR 60 Commission's report did not specifically address or propose a plan for regionalizing the Commonwealth's volunteer fire services, several of the issues identified by the Commission are related to the regionalization question and the LB&FC's assignment pursuant to HR 148. As shown on Exhibit 8, these include the lack of consistent statutory provisions establishing responsibility for fire and EMS services, the absence of a common service delivery model, the need for a mutual aid agreement model, needed changes in the Volunteer Loan Assistance Program, the establishment of fire/EMS districts and authorities, and the creation of a regional emergency services consultant position.

C. Responses to an LB&FC Study Questionnaire

As part of this study, LB&FC staff made available a questionnaire to many persons with the Pennsylvania fire services community. We disseminated questionnaires through the State Fire Commissioner's Office and the Pennsylvania Fire and Emergency Services Institute and sent copies to members of the SR 60 Commission, fire company/department chiefs, county emergency management agency (EMA) directors/coordinators, and consultants to the Governor's Center for Local Government Services (Peer Evaluation Program).

The questionnaire asked respondents to list what they consider to be the three most significant challenges currently facing volunteer fire companies in Pennsylvania. It also sought the position and perspectives of members of the fire services on (1) whether they believe mergers and consolidations represent a logical

²Public safety in Pennsylvania is a three-system delivery model consisting of separate law enforcement, fire, and emergency medical services components. Unlike many other states, Pennsylvania does not have a "fire-based" EMS system.

³This report is entitled *SR 60 Report to the Senate of the Commonwealth of Pennsylvania*, November 2004.

Exhibit 8

Issues Identified by the SR 60 Commission That Are Related to the Regionalization Question

Topic	Issue	SR 60 Proposed Resolution
Consistent Statutory Requirements	There is no consistent statutory statement of authority, responsibility, and accountability for fire and emergency medical services within the various forms of Pennsylvania municipal government.	Legislative changes are suggested at the policy level in order to clarify the need and delivery system of fire and emergency medical services within the Commonwealth.
Service Delivery Model	There is no common or defined approach regarding fire and EMS delivery within Pennsylvania.	The state should adopt legislation that would incent municipal governments to certify an expected level of service before state funds are received. Legislative changes are suggested at the policy level in order to clarify the need and delivery system of fire and emergency medical services within the Commonwealth.
Mutual Aid Agreement Model	There is no clear model or guideline provided in Pennsylvania statutes to define mutual aid or mutual aid agreements, or when they are appropriate.	Legislation is needed to provide a framework for emergency services mutual aid.
Volunteer Loan Assistance Program Restructuring	Currently, the Volunteer Loan Assistance Program provides funding with minimal criteria. While it has been a well used and well received program, the criteria for funding and limitation on incentives for regionalization of services is not consistent with needs of the 21 st Century as some fire companies cannot meet the criteria or municipalities and fire/EMS agencies are not using this method to incent or support consolidations and mergers.	Reform of the program is needed to encourage consolidation and regionalization of services by enabling more money to be available for consolidating organizations at lower rates, based on needs, not wants. Structural modifications and apparatus purchases should require risk and needs assessment.
Fire/EMS Districts and Authorities	Fire and EMS agencies have been limited in their organizational development as a result of antiquated organizational designs, in many cases dating back to the 18 th Century. Establish legislation to authorize fire and EMS Authorities and Districts as an optional organizational and revenue generating system.	Create enabling legislation that would permit Fire/EMS Authorities and Fire/EMS Districts to be established in Pennsylvania, if certain criteria are established, met and agreed to by the public. However, local taxes may rise as these agencies would have the ability to levy a tax or assessments may be applied.

Exhibit 8 (Continued)

Topic	Issue	SR 60 Proposed Resolution
Regional Emergency Service Consultant	In today's volunteer system, an inordinate number of technical capabilities and managerial tasks are required of fire and EMS managers. Also, in many cases, apparatus is being purchased, buildings constructed, and service systems established without the benefit of risk assessment and municipal coordination.	Establish at a regional level (or county level, if appropriate) a position for a Regional (or County) Fire/EMS Service Consultant. This position would serve as a consultant to local fire commissioners, presidents, fire chiefs, EMS managers, etc., for items involving recordkeeping, fire suppression counseling, urban search and rescue, report filing, grant development, PENNFIRS reporting, training program coordination, recruitment and retention, and legislative changes, etc.

approach to addressing those challenges; and (2) any ideas or suggestions they might have on how state government could provide additional incentives for volunteer companies to merge or consolidate.

The responses we received regarding the challenges facing volunteer fire services are reflected in Chapter III. Response comments we received on the subject of mergers and consolidations are highlighted in this section. While many responding fire service officials spoke positively on the need for and potential benefits of regionalization, some respondents reacted negatively to the idea or, if not expressing outright opposition, urged caution especially in terms of possible merger or consolidation mandates coming from the state level.

Proponents of Consolidations, Mergers, and Other Regionalization Options

Potential Benefits. The following are potential benefits cited by questionnaire respondents who commented that they believe volunteer fire company mergers and consolidations represent a logical approach to dealing with the challenges many Pennsylvania companies currently face.

Mergers/consolidations/regionalizations could:

- Increase and maintain adequate staffing
- Reduce or control costs
- Reduce or eliminate duplication of services, apparatus, equipment, etc.

These points are reflected in the sample comments that follow:

- *By merging and/or consolidating nearby fire companies, we can begin to see the economies of scale. Not everyone will need a heavy-duty rescue vehicle, an aerial device, or other specialized (and most importantly "expensive") apparatus, and this can save the taxpayer money. More teamwork will be utilized and the mutual aid/automatic aid system will be further expanded.*
- *Many areas have an overabundance of understaffed fire companies. By merging or consolidating some of these companies, they could ensure the response of at least a few adequately staffed companies to emergencies. It could also help to reduce costs (maintenance, utilities, etc., for one station vs. two or more).*
- *The volunteer system is still a strong system that serves well; it does, however, need to look at itself in the mirror and recognize the changes that have occurred over the last few decades. Also, the municipalities need to understand that they must exercise direct oversight in the delivery of fire protection. The volunteer fire company can claim its autonomy as a separate entity by legal means, but the towns have the responsibility to ensure prompt, professional and competent fire services to its citizens. If that requires merging, the towns need to lead the fire services in that direction.*

- *There are areas where there are too many small companies competing for the same personnel and funds. There is too much duplication of equipment.*
- *In circumstances where several common issues are confronting neighboring fire companies, a regional approach must be considered as a remedy. Or, if larger ones surround smaller municipalities, and services are duplicated the Commonwealth and municipalities must consider the reality of a return on investment, or lack thereof, and foster a merger.*
- *We are currently working toward a lateral integration (merger) with another, smaller department a few miles away. We feel the benefits of not duplicating services, savings in fixed costs such as insurance, and reducing administrative duplication of efforts will be worth the additional management needed to operate from two locations. The hopes, in the future, are to draw in another local company who does not want to be involved at this time, which will facilitate the elimination of at least one station, and apparatus that is duplicated.*
- *Too many fire departments (and EMS) duplicating services. The mentality of "if they have a rescue, we need a rescue," needs to be addressed. Perhaps more municipal control needs granted to reduce this possibility. The duplication of services also impacts levels of expertise. Since everyone wants to be an expert in every aspect of emergency response, few get enough actual responses to be an expert in anything. In reality, the public suffers and unfortunately (or fortunately) does not realize the critical issue at hand . . . perhaps no one model can work statewide so we should develop several models that can be used as a foundation to affect a larger more practical fire and EMS protection area. This could be in the format of: Emergency Service/Public Safety Districts, Emergency Service/Public Safety Authorities (their own taxing districts just like much of the U.S. already has in place), countywide fire and EMS agencies (private or governmental). Few, if any, counties in the Commonwealth can justify 30, 40, even 80 fire and EMS organizations. It makes no logical sense.*
- *Mergers/consolidation increases available manpower and reduces expenses. Reduce expenses, you decrease the need for fundraising, less time fundraising means more time devoted to training and prevention.*
- *In some cases, I believe that mergers and/or consolidations can be a logical answer. The one main pro-consolidation point I agree with is the financial benefit which could be realized. This could come from things like group purchasing, a lessening of equipment duplication in an area and a lessening of overhead costs (by closing stations).*
- *Going on the assumption that we won't be scrapping our Commonwealth form of government anytime soon, I think the best way to approach this is to look at developing a regionalized system within our individual counties. Work within traditional mutual aid groups. Maybe start off with a loose consolidation of chief officers. District chiefs can be assigned for the larger area with duty chiefs from each station. Offer incentives to those companies that play along*

with the efforts and leave the others out in the cold. Do the same thing with an incentive retirement plan, if you're in—OK, if you're not—tough.

- *I definitely believe that mergers and consolidations represent a logical approach to addressing these challenges. Fewer well-organized and functional organizations could replace the many small departments that are barely keeping their doors open. Funding could be concentrated and there would be less duplication of equipment. I also think a regionalized department would attract more dedicated individuals—dedicated to being firefighters not just members of a social organization. The recruitment and retention problem would be minimized by several departments coming together. With additional funding sources, incentives such as retirement benefits could also help to recruit and retain good people.*

Suggestions on Promoting Regional Partnerships. Some questionnaire respondents suggested that an independent group assess, target, and educate municipal governments, the fire service, and local residents of the importance and potential benefits of mergers and consolidations. In many cases, questionnaire respondents also commented and made suggestions about incentives that could be offered to promote adoption and acceptance of the regionalization of volunteer fire services, and actions that need to be considered during the implementation phase. These include:

- Requiring participation in regionalization efforts in order to receive state grants, low interest loans, etc.
- Establishing financial programs to help with the costs of combining companies or stations.
- Using equipment grant funds to encourage companies to specialize (i.e., rescue companies, engine companies, ladder companies, etc.) so as to minimize duplication of equipment and services.

Specific comments on this subject are highlighted below.

- *As with most projects, money talks. Additional grant money or matching monies for projects solely for the purpose of consolidating equipment or facilities of merging companies would be a great help. Additional points in grant applications for companies providing services to one or more municipalities that were previously served by multiple companies would stimulate merger activities.*
- *It would need to be tied to money, without this incentive, there is no reason to act. Requiring equipment utilization studies prior to allocating relief or grant funds could be the first step.*
- *Allow the fire company to retain autonomy; attach all funding sources (grants, taxes, impact fees, etc.) to participation in merger/consolidations. Increase LOSAP (when we get it) awards for merger/consolidations.*

Require participation in order to be eligible for low interest loans. Standardization of department responses. Closest department responds. Equipment and communication interoperability. All departments in geographical areas should use the same or interoperable radio frequencies, SCBAs, etc.

- *The obvious answer is a financial one. If you offer companies financial incentives to merge or consolidate, they would certainly take a much harder look at the situation. Examples could be (1) a financial program designed to help with the costs of combining one or more stations; (2) an assurance that all fire department relief association monies currently being received by the combining stations would continue to be received by the surviving entity; (3) adjustments to any existing loans in the state 2 percent loan program (ability to consolidate existing debt); and (4) some sort of "priority" assigned to a merged department relative to existing grant programs.*
- *Rather than to continue to provide grants and loans for the duplication of equipment, work toward tailoring such programs to make it necessary for departments to work together. How many heavy rescue trucks do we really need in a ten-mile radius? Is there really a need for ten sets of hydraulic extrication devices within a certain area? If you are applying for a state loan, what is the justification for buying that 2200 GPM pumper? Under the regional approach to police departments, the basic concept was to take small, poorly staffed departments with limited hour staffing capabilities and combine them into departments with staffing that could provide 24-hour coverage and have people specialized in different fields such as accident reconstruction and crime investigation. Use that approach to the fire service. Have companies that are rescue specialists, engine companies, ladder companies, etc. Unfortunately, today, too many departments think that they have to have every piece of equipment and they have to be everything—engine companies, ladder companies, rescue companies. It is not working.*
- *One incentive is to provide priority funding to those departments that have consolidated, merged, or aligned.*
- *The two nasty words (merger and consolidation) in the volunteer service. Let's talk about regionalization. Departments retain their individual identity but are under a much broader scope. Regionalization would provide a much better service through group (bulk) purchasing, standardization of equipment, improved training, standardization of operating guidelines and better utilization of equipment.*
- *Don't play "big brother." Volunteers do not like the idea of someone telling them what is best for them. You have to work locally with the companies to show the benefits of merging, consolidating, or regionalization.*

- *There are financial breaks that could be given to individual volunteers on everything from insurances, pensions, real estate taxes, vehicle registrations, state and federal taxes . . . whatever the Legislature would be willing to pursue. But to motivate a willingness to consolidate departments, something big would be needed to make the volunteers want to pursue it. The cities and state governments are willing to meet federal mandates in order to qualify for everything from liquid fuel tax money to educational funding and more. If the state government would offer substantial funding for operating expenses to departments which are willing to change the focus of their operations, then you would get their attention. If a department knew that it wouldn't have to run a carnival every year, or bingo every Friday night, or car washes forever . . . you might get their attention.*

The Need to Take a Cautious Approach to Regional Partnerships. While a significant number of questionnaire respondents submitted comments in favor of regionalization, or at least recognizing the potential benefits of merger and consolidation in some cases, many others urged caution or took a position in opposition to such actions. Among those who urged caution, the following points were made: (1) mandatory mergers or consolidations will be met with strong resistance; (2) encourage companies to first solve their problems at the local level; and (3) volunteer fire companies are naturally reluctant to relinquish their identities.

Specific comments on this subject are found below:

- *Provide incentives for fire companies to merge or consolidate but do not try to mandate such actions, as this would likely be met with strong resistance. Provide additional funding, such as in grant and loan programs, for those companies that merge or consolidate. However, the state should not mandate such mergers or consolidations as a condition of eligibility for such financial assistance.*
- *The overall project of regionalization would be met with very strong resistance at the local level . . . be prepared for a battle. The very young volunteers, seeing a chance at a career would be the most receptive, the old timers would be the most combative. Unfortunately, the old timers have the best experience base and the most knowledge so the best element of our volunteer services would be lost.*
- *In my township, there exist two fire companies. We are currently in the process of opening talks to determine what the best approach is to provide our services moving forward. I think this may be the case more and more across Pennsylvania. I feel that today, most fire companies realize that a change is necessary. Perhaps the best thing Harrisburg could do at this point is to let all the departments know that this study is being conducted giving all of the volunteer fire departments a chance to fix themselves. In my particular instance, I feel that a hastily developed mandate dictating a*

particular type of change could muddy the waters and not allow us the chance to correct the issues in a manner best suited for our community.

- *First of all, the state should never force regionalization. If they did, there would be anarchy. Second, the study better be thorough enough to take many issues into consideration—not just look at population or square mileage.*
- *There are companies that have stations two-to-three blocks from each other that should merge. Others have miles that would increase response times and safety. It has to be looked at on an individual case-by-case location.*
- *One “pro” argument I do not necessarily agree with is an increase in manpower by consolidating. As an example, I will refer to my small area on the western border of Within roughly a five-mile radius of my fire station, I have seven other volunteer fire departments. We all currently work well together through a standing mutual aid agreement. Average manpower turnout from any of these departments could range from 0 to 20 personnel per call, depending on the time of day. If one (or more) of these stations were to close, manpower would not increase per se at the other stations; it would rather be a reallocation of existing manpower. Personnel would simply shift to another station. This could, however, actually lead to a decrease in manpower as many members are loyal to their department and may not wish to join an adjacent department. As petty as this may sound, it is a fact which must be considered.*

Please realize the word merger is a hot button in the fire service. Just the mention of this word in almost any volunteer fire station in Pennsylvania will immediately result in defensive posturing. Consolidation seems to be a softer, more accepted term to describe these types of activities. Please believe me when I say that one word can make that much of a difference. Overall, this a fairly complicated issue that really needs addressed on a local level.

- *I think you need to realize that it will be an uphill battle. Departments want their individual identity. They might be down to only a few members, but they will not go without a fight. I always thought that my own department should merge with two other departments to form a larger department made up of three individual companies. Each company would have its own company level officers and the department level officers would be elected from throughout the entire department. It would allow certain companies to become specialized in various necessary operations. A reduction of equipment and apparatus would be realized, thus making it more cost effective and possibly better for ISO ratings. To suggest such a thing is evil.*

Opponents of Consolidations, Mergers, and Other Regionalization Options.

Those respondents who expressed opposition to the idea of merger, consolidation, or regionalization, tended to indicate that the quality of fire protection service would suffer. Indeed, some suggested that the problems that regionalization is intended to address may actually be aggravated rather than lessened. In particular, respondents indicated that regionalization efforts are likely to be inappropriate in many rural and sparsely settled areas of the Commonwealth, and

- increase response times,
- discourage volunteers and exacerbate staffing problems,
- adversely affect ISO ratings, and
- reduce funding from local communities served.

Specific comments expressing opposition to regionalization efforts are shown below:

- *Regionalizing the fire service will do nothing but decrease the effectiveness of our fire departments and increase the response times to the areas that we protect. Will not result in an influx of new volunteers but will result in a decrease in volunteers, due to the loss of home rule and distance that must be traveled to the fire stations. Will not result in an increase in funding to fire departments by the communities served, but will result in a decrease in funding. The politician will take the posture that consolidation means a decrease in cost. They will not take into consideration the longer distances traveled to get to the scene of the emergency. They will not take into consideration how consolidation or regionalizing will affect the ISO rating of the communities served. Many communities ratings would drop due to the increase in response time and distance to a fire station. This would result in an increase in the costs of fire insurance. In the rural environment, we have fire departments that cover anywhere from 52 to 86 square miles and provide mutual aid even further. Sometimes the next nearest mutual aid is 20 miles away. These are but a few of the reasons that consolidation or regionalization is a bad idea for Pennsylvania.*
- *From strictly a fiscal standpoint, this seems the logical next step. However, in practice it alienates a lot of volunteers who are willing to assist their neighborhoods and communities and not an entire region.*
- *This is a very delicate situation that will take a diplomat to address. Most volunteer departments have a long history of working together well during an emergency, but have significant trouble agreeing on basic concepts.*
- *Overall, I believe mergers may appear to be a logical approach. Given the big picture, it is probably the best approach. However, uprooting fire companies in this manner would result in animosity. The outcome being a*

further decrease in volunteers. Another factor could result in delayed response times.

- *In some cases but not all. When two companies are merged, conflict arises between the two companies. Membership will drop and you are back in the same situation.*
- *As a past volunteer fire chief of nearly 20 years, I highly doubt that volunteer companies in this county would voluntarily merge with another. Individual tradition is what helps hold some of these organizations together and they will be hesitant to give any of that up.*
- *While having two or three fire companies' worth of men to respond to one incident during the day time does seem like an advantage, consolidating fire companies will undoubtedly create a dangerous situation. Creating, per se, a fire company which covers three townships will incorporate more people, but if there is a fire in the utmost extremity of the furthest township from the consolidated fire station, response time is going to be highly increased adding unnecessary danger to the victims of such an incident. Perhaps creating a mandatory response of mutual aid fire companies' members to an incident scene without actually dispatching other municipalities' apparatuses would be a more effective approach.*
- *Most volunteer organizations are located where volunteers live, making response times more efficient.*
- *More appropriately answered, "Not Necessarily." If we lose volunteers through consolidation or merger, any potential fixed cost savings will have little benefit. Maintaining and bolstering the ranks of our volunteer fire service organizations should be the prime objective.*
- *Mergers and consolidation will not help with the increased training requirements and will only increase the call volume per company. Many companies survive because of tradition and service to their communities. Merging many companies into one regional company will cause members to lose this tradition and pride. Also, every community should be able to somewhat take care of itself during emergencies.*

VII. Appendices

APPENDIX A

House Resolution 148 of 2003

PRINTER'S NO. 1046

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 148 Session of
2003

INTRODUCED BY SAYLOR, BARRAR, T. STEVENSON, BROWNE, CRAHALLA,
CRUZ, CURRY, FAIRCHILD, GEIST, HARPER, HERMAN, HERSHEY,
HORSEY, JAMES, LAUGHLIN, LESCOVITZ, MACKERETH, R. MILLER,
PETRONE, READSHAW, REICHLEY, RUBLEY, SOLOBAY, STABACK,
R. STEVENSON, TIGUE, WASHINGTON, YOUNGBLOOD AND YUDICHAK,
MARCH 18, 2003

REFERRED TO COMMITTEE ON RULES, MARCH 18, 2003

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study on the feasibility of regionalization for
3 volunteer fire departments and to submit a report.

4 WHEREAS, In earlier times, communities in Pennsylvania
5 organized fire services and built stations based on needs for
6 neighborhood fire suppression; and

7 WHEREAS, When equipment was pulled to the scene of a fire by
8 hand or by horse over very limited systems of roads, it made
9 sense to establish multiple fire companies to serve new and
10 growing communities; and

11 WHEREAS, This system of establishment served those
12 communities well and continued to be the only practical solution
13 to fire protection through the early 1900s; and

14 WHEREAS, As motorized equipment replaced the hand-drawn and
15 horse-drawn apparatus, early fire companies continued to perform
16 their duties even though the reason for their locations and

Appendix A (Continued)

1 existence largely was being negated by progress in
2 transportation and infrastructure technologies; and

3 WHEREAS, Ethnic, fraternal and social affinities often
4 contributed to the establishment and continuity of many
5 departments and stations; and

6 WHEREAS, Through the 1950s there were no shortages of
7 volunteers, costs were not insurmountable and community
8 financial support was generally sufficient to sustain a
9 protection system that had its basis in history and tradition;
10 and

11 WHEREAS, At the beginning of the 21st century, Pennsylvania's
12 historic and traditional fire protection system is being
13 challenged by a substantial decline in volunteers, an aging
14 population, dramatically higher costs and decreased community
15 support; and

16 WHEREAS, Some communities seek to address these challenges by
17 merging or consolidating their fire protection services; and

18 WHEREAS, Many fire service leaders and local government
19 officials today resist the notion that consolidating or merging
20 services represents a logical approach to addressing these
21 challenges; therefore be it

22 RESOLVED, That the House of Representatives direct the
23 Legislative Budget and Finance Committee to conduct a study on
24 the feasibility of regionalization for volunteer fire
25 departments, make recommendations and present a plan for such
26 regionalization and to submit a report to the House of
27 Representatives.

APPENDIX B

Volunteer Fire Department Consolidations, Mergers, Associations, and Regionalizations and Management Actions

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Completed Consolidations			
Columbia	Bloomsburg	Consolidation	Four companies consolidated.
Allegheny	Wall Borough/East McKeesport	Consolidation	Fire companies of Wall and East McKeesport consolidated to form United VFC.
Wayne	Mount Pleasant Township	Consolidation	Beimont VFC consolidated with Pleasant Mount VFC.
Union/Northumberland	Warrior Run	Consolidation	Three companies.
Allegheny	Elizabeth Township	Consolidation	Two companies of the original eight consolidated. Industry VFC and Blythedale VFCs consolidated to form Elizabeth VFC #1.
Delaware	Marcus Hook Borough	Consolidation	Two companies.
Berks	Spring Township & West Lawn Borough	Consolidation	Four companies, including one from West Lawn Borough, consolidated to form the Spring Township Volunteer Fire Department.
Bucks	Morrisville Borough	Consolidation	Union VFC and Capitol VFC voted to form shell company of Morrisville VFC, the new company is now Morrisville VFC.
Dauphin	Middletown Borough	Consolidation	Three companies.
York ¹	McSherrystown	Consolidation	Results of consolidation vote had three of four companies voting overwhelmingly in favor of consolidation. Remaining company (Brushtown) voted 51 to 50 to not consolidate. Subsequent talks by Brushtown resulted in another company vote on the consolidation issue. Vote was 50-11 in favor of consolidation. All four companies moving toward a 1/1/05 consolidation date.

Appendix B (Continued)

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Completed Mergers			
Dauphin	Halifax Borough/Township	Merger	Two companies merged.
Susquehanna	Forest City	Merger	Two companies merged.
Cumberland	Lemoyne/Wormleysburg	Merger	Two companies merged.
Wyoming	Overfield, Falls, & Exeter Twp	Merger	Two companies merged.
Blair	Logan Township	Merger	Two companies merged--two companies consolidated.
Lancaster	Columbia Borough	Merger	Three companies.
Lycoming	Jersey Shore Borough	Merger	Larry's Creek VFC merged with the Jersey Shore VFC.
Indiana	Young Township	Merger	McIntyre VFC merged with the Coal Run VFC.
Columbia	Buckhorn/Ferndale/Hemlock Township	Merger	Ferndale merged with the Buckhorn VFC.
Bradford	Canton Borough	Merger	Canton Borough Fire Department merged with the Innes Hose Co. Inc.
Completed Regionalization and Association Efforts			
Lancaster	Elizabeth Twp/Warwick Twp/Lititz Borough	Regionalization	Regionalization of administrative services. (Ten organizations--three municipalities, three EMS companies, four VFCs.)
Lycoming	Muncy & Montgomery Boroughs	Regionalization	Formal regional alliance (two VFCs).
Allegheny ²	Jefferson Hills Borough	Association Formed	Operating as Jefferson Hills Fire-Rescue and Emergency Medical Services Association. (Comprised of three companies instead of four due to one company going bankrupt. Bankrupted company merged with one of the three remaining companies.)
Approved Consolidations/Mergers			
Allegheny	Rankin/Swissvale Boroughs	Consolidation	Rankin and Swissvale VFCs approved formation of Carrie Furnace VFC.
Washington	South Strabane Township	Consolidation	No. 1 and No. 2 companies voted to consolidate into South Strabane Fire Department.

Appendix B (Continued)

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Consolidation/Merger Votes Pending			
Delaware	Tinicum Township	Consolidation	Vote pending.
Schuylkill	Ravine/North End/Pine Grove Township	Consolidation	Vote pending.
Action in Discussion			
York	Penn Township	In Discussion ³	Two companies.
Westmoreland	Unity Township	In Discussion ³	Eight companies.
Westmoreland	Ligonier Borough	In Discussion ³	Two companies.
Northampton	Moosic Borough	In Discussion ³	Two companies.
Fayette	Belle Vernon/North Belle Vernon	In Discussion ³	Three companies.
Montgomery	Upper Chichester Township	In Discussion ³	Six companies--regional.
Schuylkill	Porter Township	In Discussion ³	Three to five companies.
Beaver	Rochester/East Rochester	In Discussion ³	Two companies.
Clinton	Woolrich/Avis	In Discussion ³	One company.
Allegheny	Braddock/North Braddock	In Discussion ³	Two companies.
Fayette	Washington Township	In Discussion ³	One company.
Schuylkill	East Norwegian Township	In Discussion ³ (Consolidation)	Two companies.
Bucks	Quakertown/Richland Township	In Discussion ³	Five companies.
Allegheny	Glassport Borough	In Discussion ³	Two companies.
Schuylkill	McAdoo Borough	In Discussion ³ (Consolidation)	Two companies.
Schuylkill	Mahanoy City	In Discussion ³ (Consolidation)	Two companies.
Westmoreland	Sewickley Township	In Discussion ³ (Merger)	Two companies.
Westmoreland	Hyde Park/West Leechburg Boroughs	In Discussion ³ (Merger)	Two companies. (Merger agreement document approved. Peer evaluation of facilities and equipment will supplement agreement. Final merger date forthcoming.)
Bucks	Hilltown Township	In Discussion ³	(Seven companies--six are contractual)--study underway.
Cambria	Loraine Borough/Stonycreek Township	In Discussion ³	Two companies.

Appendix B (Continued)

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Action in Discussion (Continued)			
York	Spring Garden/Springettsbury Townships	In Discussion ³	Two companies.
Elk	Benezette Township	In Discussion ³	Contractual issues resolved.
Allegheny	Braddock Borough	In Discussion ³ (Consolidation)	Two companies.
Berks	Amity Township	In Discussion ³	Three companies.
Lehigh	Catasauqua Borough	In Discussion ³	Study completed.
Montgomery	Upper Providence Township	In Discussion ³	Evaluation.
Bucks	Richland Township	In Discussion ³	
Cambria	Richland Township	In Discussion ³	
York	Jackson Township	In Discussion ³	
Committee Formed/Active			
Butler	Buffalo Township		Two companies. (Study completed.)
Centre	Phillipsburg Borough		Three companies--regional. (Study underway.)
Westmoreland	City of Lower Burrell		Four companies. (Study completed.)
Berks	Cumru Township		Three companies--association. (Committee inactive then reformed.)
Lehigh	Upper Macungie Township		Two companies--regional.
Erie	Millcreek Township		Five companies--regional.
Lebanon	South Londonderry Township		Two companies--regional.
Lebanon	Cornwall Borough		One company. (Committee inactive.)
Lebanon	North Londonderry Township		One company.
Westmoreland	Penn Township		Five companies--regional.
Cambria	Johnstown Area		Six companies--regional. (Reduced to two companies. Study completed.)
Mercer	Shenango Valley		Five companies. (Paid and volunteer.)
McKean	Lafayette Township		One company.
Crawford	Randolph Township		One company.
Lycoming	Pine Creek COG		Three companies.

Appendix B (Continued)

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Committee Formed/Active (Continued)			
Susquehanna	Clifford Township		One company.
Lycoming	Muncy Area		Nine to 22 companies--regional.
Butler	Mars/Callery/Valencia		Three companies--regional. (Study completed.)
Lycoming	Old Lycoming/Hepburn/Trout Run		Association.
Allegheny	Collier Township		Three companies.
Snyder	Monroe Township		One company.
Northampton	Lower Saucon Township		Three companies.
Allegheny	Plum Borough		Four companies. (Study completed.)
Lebanon	South Lebanon Township		Four companies. (Study completed.)
Columbia	Berwick Borough		Four companies. (Study completed.)
Bradford	Smithfield Township		One company.
Lebanon	East Hanover Township		One company.
Lycoming	South Williamsport		Five companies.
Cumberland	Shippensburg Borough		Five companies. (Review and study underway.)
Lackawanna	Taylor Borough	Consolidation	Two companies.
Lebanon	Cleona/Annville	Consolidation	Two companies.
Northumberland	Kulpmont Borough	Consolidation	Two companies.
Huntingdon	Huntingdon Borough	Consolidation	Two companies.
Lancaster	East Lampeter Township		
Centre	Halfmoon/Huston/Taylor/Worth Townships & Port Matilda		Study underway.
Centre	Milesburg Borough & four surrounding townships		Finance committee active.
Lancaster	Pequea Township		Two companies.
Northumberland	Northumberland Borough		Two companies.
Snyder	Shamokin Dam Borough		One company.

Appendix B (Continued)

<u>County</u>	<u>Municipality</u>	<u>Action Taken or Contemplated</u>	<u>Comment</u>
Study Completed			
Chester	Phoenixville Borough		Three companies.
Clearfield	Clearfield Borough		Four companies. (Committee remains active.)
Allegheny	Bellevue Borough		Two companies.
Allegheny	North Versailles Township		Three companies.
Chester	Upper Uwchlan		Four companies--contractual. (Contractual decisions to be made based upon study.)
Luzerne	Dupont Borough		Paid company evaluation.
Study Underway			
Beaver	Rochester Township		Three companies.
Luzerne	Hanover Township		Four companies. (This may include Sugar Notch and Warrior Run Boroughs--both filed LOI to be included in discussions of possible regional VFC organization.)
Plan Being Developed			
Dauphin ⁴	Swatara Township	Consolidation	Two or three companies. (Plan is to consolidate three companies into one station.)

¹Consolidation was effective January 1, 2005 which was after our cut-off date of December 31, 2004

²Large VFC (bankrupt VFC) merged with Jefferson 885 Area VFC.

³In discussion indicates that DCED was involved in exploratory and extended discussions contemplating some further action by the requesting parties involved. Any further action is predicated upon the desires of the involved parties to pursue some formal action. There may or may not be follow-up by the involved parties at the local level.

⁴Planned consolidation is questionable since one of the VFCs recently voted to pull out of the consolidation action.

Source: Developed by LB&FC staff from information provided by the Governor's Center for Local Government Services.

APPENDIX C

Case Studies of Selected Volunteer Fire Company Regionalization Efforts in Pennsylvania

Case Study #1: Logan Township, Blair County

Type of Action: Merger and Consolidation

Involved VFCs: Grandview VFC; Juniata Gap VFC; Mill Run VFC; and Newburg VFC

DCED Involvement: Yes

Status: Completed in late 1996 resulting in the creation of the United Volunteer Fire Company (Grandview and Juniata Gap VFCs consolidation) and the retention of the Newburg Volunteer Fire Company (Mill Run VFC merged with the Newburg VFC)

How and Why Did the Township Undertake the Merger/Consolidation Process?

Logan Township, although primarily a residential area, also includes a mix of commercial and educational facilities as well as forested areas and the Horseshoe Curve on the main east-west railroad line between Pittsburgh and Philadelphia. The township area is somewhat unique in that it almost completely surrounds an urban area--the City of Altoona. The eastern and western portions of the township are separated by the urban area of the city. Furthermore, the eastern and western segments of the township's land mass are only connected north of the city. The township has blended in its makeup the characteristic elements of both suburban and rural areas.

As reported in the 2000 census, the township's population is 11,925, and municipal officials see a great deal of potential for continued residential and business growth in the future. The township is approximately 52 square miles, but as previously stated, it is split by the confines of the City of Altoona with approximately 2/3 of its land mass to the west of the city and the remaining area located east of the city. The eastern segment of the township contains the highest density of population with the western portion being mainly rural and forested. The eastern segment of the township also contains a major interstate highway - I 99.

In the early 1990s, Logan Township's fire services received a great deal of public attention as a result of a controversy that arose when the township attempted to purchase a new ladder truck to replace the only piece of fire equipment (a ladder truck) that was owned by the township. The remainder of the fire fighting equipment used in the township was purchased and owned by the seven volunteer fire companies providing fire services to the township. To address this public furor, the township supervisors sought the assistance of the Department of Community and Economic Development's Governor's Center for Local Government Services. One of the Center's local government policy specialists visited the township and provided advice and assistance to the Board of Supervisors that resulted in the appointment of a citizen's committee (the Logan Township Volunteer Fire Company Consolidation Study Committee) to study the volunteer fire service in the township and to recommend how the fire service could operate in such a way as to provide the highest level of service in the most cost-effective manner.

This committee set about its task and for almost a year and a half studied the issues assigned by the Board of Supervisors. During this process, it collected and analyzed data, conducted surveys, visited

Appendix C – Logan Township Merger and Consolidation (Continued)

each of the volunteer fire companies to see first hand the physical condition of buildings and equipment, and met with volunteer firefighters as well as township and state officials. Two of the general findings of the committee indicated that there was very little cooperation among the seven volunteer fire companies and that there was a great deal of mistrust between the fire companies and township personnel and elected officials. The study committee also determined that at the time of the study, Logan Township was contributing funding to the volunteer fire companies that collectively amounted to about 47 percent of their annual operating costs. This contribution varied from fire company to fire company and ranged from a low of \$8,000 in the case of one company to \$9,500 in the case of three companies. These contributions amounted to the percentages for total individual annual operating budgets for each of the seven volunteer fire companies shown in the table below:

Municipal Contribution as a Percentage of Logan Township Volunteer Fire Companies' Operating Budgets			
<u>Volunteer Fire Company</u>	<u>Annual Operating Cost</u>	<u>Annual Contribution From Logan Township</u>	<u>% of Township Contribution</u>
Grandview	\$ 14,000	\$ 9,500	67.9%
Greenwood.....	12,000	8,000	66.7
Juniata Gap	15,786	9,500	60.2
Kittanning Trail	17,613	9,500	53.9
Lakemont.....	32,279	9,200	24.7
Mill Run	19,491	8,831	45.3
Newburg.....	<u>17,000</u>	<u>8,500</u>	50.0
Total	\$133,169	\$63,031	47.3%

While each of the seven fire companies conducted their own fund raising activities, the companies also received funds from the following township sources:

Fire Prevention Fund – This fund was established by a grant from the Pennsylvania Attorney General's Office and had to be used for fire prevention activities.

Fire Fund – The money from this fund was distributed on an annual basis to the seven fire companies and was generated from a 1 ½ mill tax on property in the township. These were discretionary funds that could be used by the volunteer fire companies for fire protection in the township.

Fire Equipment Fund – The money in this fund accumulated from year to year and was available for the volunteer fire companies to borrow from to replace or repair equipment used for fire fighting. The monies in the fund were generated from a ½ mill tax on property in the township.

Fire Apparatus Fund – The money in this fund was to be used to replace fire apparatus and was generated by a 1 mil tax on property in the township.

Additionally, the volunteer fire companies' relief association (Logan Township Volunteer Fireman Relief Association) received money through the township from the foreign fire insurance premium tax. This money was allocated in accordance with the Foreign Fire Insurance Tax Distribution Law to Logan Township through the Pennsylvania Department of the Auditor General.

Additionally, the consolidation study committee found that because of the high costs of maintaining the equipment then on hand, the high costs for purchasing new or replacement equipment, the costs of maintaining and upgrading the facilities used to house fire fighting equipment, and the difficulties being

Appendix C – Logan Township Merger and Consolidation (Continued)

experienced in recruiting firefighter volunteers particularly for fighting daytime fires, it might well be necessary for the volunteer fire companies to merge or consolidate. When the study committee inquired of the volunteer fire companies if a merger would benefit their company, all responded in the negative except for one company.

The Logan Township Volunteer Fire Company Consolidation Study Committee also recommended that the Fire Chief's Association be empowered to devise a long-range plan for fire protection in Logan Township as well as complete an inventory of all fire equipment and apparatus in the township. Additionally, it would also identify and develop standardized requirements for equipment and training. The chiefs were also tasked with recommending to the Logan Township Board of Supervisors what equipment and apparatus should be purchased to have each company meet these standards. These standards would then become the standards required by the Board for each of the volunteer fire companies. To ensure that continuity of effort was maintained, the committee also recommended that the Fire Chief's Association be chaired by a township supervisor who would serve in that capacity for a set period of time (one year) instead of the then current practice of rotating this responsibility on a monthly basis.

Another recommendation of the committee was that if a volunteer fire company failed to meet the established standards within a predetermined period of time, the volunteer fire company would not be permitted by the Board of Supervisors to provide fire protection to the township.

The Logan Township Volunteer Fire Company Consolidation Study Committee also appeared to recognize that the volunteer fire companies needed to be given increased opportunities for cooperation among their organizations. It suggested that this could be accomplished by activities such as centralized purchasing of equipment, pooling of vehicle insurance, township-sponsored area wide recruitment of fire company volunteers, a township-wide fund raising effort, and a program of township recognition for its fire company volunteers. It also recommended that the township require better accountability from the volunteer fire companies by requiring the submission of an annual budget and that their expenditures be audited on an annual basis by a qualified professional. While the committee recognized that there were some insurance issues associated with its recommendation for more cooperation from the Water Authority to test fire hydrants to include permitting the volunteer fire companies to test existing fire hydrants for flow levels, it included that recommendation in its final report.

Additionally, the committee recommended that each volunteer fire company establish a junior fire company volunteer program and that each company's auxiliary be encouraged to actively participate in the volunteer fire company's fund raising.

As its final statement in its report to the Logan Township Board of Supervisors, the Logan Township Volunteer Fire Company Consolidation Study Committee indicated that its recommendations would only be effective if the Board agreed to provide the support, resources, and leadership that would be necessary to implement, improve, and expand the volunteer fire service in the township.

What Was Involved in the Merger/Consolidation Process?

To foster cooperation between the township board of supervisors and the volunteer fire companies, one supervisor was appointed to meet on a monthly basis with the fire chiefs of the various fire companies to facilitate communication between the groups. From this effort, standard operating procedures were devised that were designed to provide the best fire protection possible for the residents of the township.

In 1996, the Board of Trustees of the Logan Township Fire Company Number 1 (Grandview) and the Juniata Gap Volunteer Fire Company decided to act as one fire-fighting task force on all emergency calls and consolidated to become United Volunteer Fire Company. As an incentive to facilitate this consolidation, the Logan Township Board of Supervisors by township ordinance agreed to continue giving

Appendix C – Logan Township Merger and Consolidation (Continued)

two township appropriations for the two companies for a period of not less than ten years following the consolidation to assist the new fire company in handling any unforeseen lack of financial support that this consolidation might create for the community. This ordinance stated that in the event a merger occurs between any of the fire companies recognized by the township in the ordinance, the appropriation of the companies undergoing such a merger would be equivalent to the amount that the individual companies would have received for a period of ten years had no merger occurred. After that date the township may adjust the appropriation. These appropriations were to be used by the volunteer fire company's trustees to pay for the operating costs of the new company--United Volunteer Fire Company. While there were concerns from the Juniata Gap residents concerning response time if a new fire station was built further away from their homes, the Board of Supervisors and the officials of the new fire company were able, through education and a public relations campaign, to alleviate those concerns.

Community meetings were held to discuss the merger of the Newburg Volunteer Fire Company and Mill Run Volunteer Fire Company. During these meetings it was pointed out that Mill Run at that time only had seven active fire fighters and that most of their calls were being responded to by the Newburg Volunteer Fire Company. Mill Run Volunteer Fire Company indicated resistance to the proposed merger, and the Logan Township Board of Supervisors was forced, through the adoption of Township Ordinance 10-15-98 "Establishment of Fire Districts and Recognition of Fire Companies Ordinance," to resolve the issue by identifying Newburg Volunteer Fire Company as the fire company that would respond to calls for most of the Mill Run and Newburg areas of the township. Kittanning Trail Volunteer Fire Company was made responsible for the other Mill Run area not assigned to Newburg Volunteer Fire Company. This action in effect eliminated Mill Run as a volunteer fire company in Logan Township and forced the merger of these two companies.

One of the important results was that the Logan Township Board of Supervisors in the "Establishment of Fire Districts and Recognition of Fire Companies Ordinance" which provided the incentive to merge or consolidate fire companies in the township also established five fire districts in the township and officially recognized the five fire companies (United Fire, Kittanning Trail, Greenwood, Lakemont, and Newburg) authorized to fight fires in the established districts. This action identified which volunteer fire companies were authorized to provide fire protection services in the township and established the geographical areas that each was responsible to serve.

What Is the Current Status and Impact of the Merger/Consolidation?

The consolidation of Logan Township Fire Company Number 1 (Grandview) and the Juniata Gap Volunteer Fire Company occurred in late 1996 and this company is still functioning today serving the United Fire District in the northwestern portion of the township. The Newburg Volunteer Fire Company which subsumed the Mill Run Volunteer Fire Company is responsible for providing fire protection service to the Newburg/Mill Run Fire District in the center area of the western portion of Logan Township. Kittanning Trail Volunteer Fire Company provides fire protection services to the Kittanning Trail Fire District in the extreme southwestern portion of the township. Greenwood Volunteer Fire Company provides service in the Greenwood Fire District in the northeastern portion of the township, while the Lakemont Volunteer Fire Company provides fire protection service for the Lakemont Fire District in the southeastern corner of Logan Township.

Township Ordinance 10-15-98, "Establishment of Fire Districts and Recognition of Fire Companies Ordinance," was instrumental in moving the consolidation and merger process forward in Logan Township in a positive manner since it demonstrated a commitment to the volunteer fire companies providing the township's fire protection services of township officials and township residents in supporting its volunteer fire services. After the downsizing of fire services in the township was completed, the Board of Supervisors floated a \$2 million bond issue to buy equipment for the combined fire companies designed to make all the fire stations more effective. This new equipment consisted of new ladder trucks and engines which were assigned to and maintained by the volunteer fire companies in the township.

Appendix C – Logan Township Merger and Consolidation (Continued)

Other positive aspects of the process were that township officials took an active interest in ensuring that adequate fire protection was being provided to the residents of Logan Township and that the volunteer fire companies were being held accountable to the “township leadership” for providing that service. Spin offs of the process that Logan Township went through to produce a more effective volunteer fire fighting force appear to be that the various fire chiefs started to work more closely together to improve training and solve common problems, that recruitment became a little less burdensome since there was a larger pool of potential firefighter volunteers to draw from, relationships among the various fire companies have improved, and firefighters have more interest in fire training which has served to bolster membership where there are regular crews manning the equipment.

Both township officials and volunteer fire company officials in Logan Township appear to be in agreement that while the consolidation and merger were successful, these actions were not completed without some pain and discomfort on the part of both citizens and members of those volunteer fire companies directly affected by these activities. Township residents were concerned that any consolidation or merger actions would directly affect response times to calls for assistance. This in turn could well result in an increase in insurance rates being charged for living in Logan Township as well as put residents at risk should they be a victim of a fire. However, these citizen concerns abated since response times did not significantly increase and insurance rate increases did not materialize. Additionally, members of the affected volunteer fire companies felt some concern that an organization they had devoted time to making successful and which they viewed as providing a vital service to their neighbors would disappear. Change produced by consolidation and merger actions most certainly impacts on the heart and soul of a community. Local officials must remain sensitive to these feelings and concerns as progress is made toward achieving a more effective and efficient firefighting capability for a community.

Perhaps the strongest argument demonstrating the success of the merger/consolidation action in Logan Township appears to be the overall improved working relationships between the various volunteer fire departments and the township government. Logan Township officials and citizens played a strong role in the creation of the fire service that is currently in place in the township. This central role demonstrated a firm commitment by the township to have effective and efficient fire protective services for its residents.

Appendix C – Overfield, Falls, and Exeter Townships Merger (Continued)

Case Study #2: Overfield, Falls, and Exeter Townships, Wyoming County

Type of Action: Merger

Involved Parties: Exeter Township Hose Company and Lake Winola Fire Company No. 1

DCED Involvement: Yes

Status: Completed in January 1, 1999 resulting in the expansion of Lake Winola Fire Company No. 1 (Exeter Township Hose Company merged with Lake Winola Fire Company No. 1)

How and Why Did the Townships Undertake the Merger Process?

Overfield, Falls, and Exeter Townships, located in the southeastern corner of Wyoming County, are predominantly rural in nature with a population as reported in the 2000 Census of 4,277 (Overfield Township – 1,532; Falls Township – 1,997; and Exeter Township – 748). The population in the three townships grows somewhat in the summer months as tourists and summer home owners visit the area. The combined area of the three townships is approximately 33.7 square miles (Overfield Township – 9.9 square miles; Falls Township – 20.7 square miles; Exeter Township – 3.1 square miles).

In April 1998, the Lake Winola Fire Company No. 1 received a letter stating that the membership of the Exeter Township Hose Company had voted to begin pursuing the feasibility of a partnership between that company and the Lake Winola Fire Company because the Exeter Township Hose Company was facing the possibility of dissolution because of financial, membership, and organizational problems. To preclude this, the membership of the Exeter Township Hose Company turned to its sister fire company – the Lake Winola Fire Company for help and sought a merger of the two organizations.

Since the Lake Winola Fire Company depended heavily on the Exeter Township Hose Company for mutual aid in providing fire service to its serviced community, the leadership of Lake Winola Fire Company recognized that its ability to provide effective fire service to its community would suffer if the Exeter Township Hose Company were to disband. From the start, the merger of the two organizations was seen by all concerned as a way for continuation and improvement of firefighting and ambulance services to all three townships.

Unfortunately, what was faced by the Exeter Township Hose Company (a lack of funding, volunteers, and organizational support) was not a unique situation peculiar only to that fire company. These are the same concerns faced today by many smaller, rural fire companies in Pennsylvania. Additionally, without a fire company housed within its borders, Exeter Township residents faced the potential that homeowner insurance costs could raise dramatically.

What Was Involved in the Merger Process?

Following receipt of a letter from the Exeter Township Hose Company requesting the pursuit of a merger of the two companies, the President of the Lake Winola Fire Company presented the letter to the company's membership and requested their permission to further investigate the feasibility of a merger. The membership approved his request to investigate a merger and established a merger committee to meet with representatives of the Exeter Township Hose Company to gather all the facts associated with the potential action.

Appendix C – Overfield, Falls, and Exeter Townships Merger (Continued)

Following the initial April 1998 contact by the Exeter Township Hose Company, a partnership committee consisting of members from both organizations was formed. This committee met at least monthly to include meetings with the Lake Winola Fire Company's attorney, all involved township supervisors, and residents of Exeter Township. Even though the merger was considered a "friendly" process because of the long standing mutual aid agreement between the two organizations and the joint training that had been occurring, some members of the Lake Winola Fire Company had to be convinced that the merger was a good move since the new organization would be assuming Exeter Township Hose Company debt in excess of \$50,000 as well as responsibility for two additional buildings and aging firefighting equipment that would require replacement. Fire company officials from both organizations worked diligently to break down the "Us vs. Them" paradigm that existed in both companies. The merger process was not made any easier since fire officials also found themselves being forced to deal with three sets of elected township supervisors to get their approval to proceed with the merger.

Additionally, the two fire companies sought governmental assistance from the Commonwealth on the merger process. This assistance from the state came from a local government policy specialist from the Department of Community and Economic Development's Governor's Center for Local Government Services. Up front, it was recognized that certain costs above and beyond normal operating expenses would be incurred in the course of merging the two organizations. To cover these costs an application for a Community Revitalization Grant was submitted for funds to help cover the initial costs of the merger. While the organization requested \$96,350 in grant money, it only received a \$50,000 grant from DCED. This shortfall in grant money precluded paying off the outstanding mortgage balance owed on the Exeter Township Hose Company's fire hall. Fire officials maintain that this shortfall placed an unnecessary financial burden on the expanded organization. The organization requested grant money totaling \$96,350 which is broken down by expense type on the following page.

Additionally, the expanded fire company recognized that it would have to replace at some point in the future several pieces of outdated firefighting equipment presently in use with the Exeter Township Hose Company (namely two vehicles manufactured in 1970 and 1971). Funding of the replacement of this equipment would become a future responsibility of the merged fire company.

The final steps to merge the Exeter Township Hose Company and the Lake Winola Fire Company No. 1 basically began in November 1998, when representatives of both organizations applied for a Community Revitalization Grant and officially signed the merger agreement. In December 1998, vehicle titles were transferred into the Lake Winola Fire Company's name and vehicles were re-lettered to reflect the change in organizations. All legal paperwork for the expanded nonprofit organization was filed with the Commonwealth during this timeframe, and in January 1999, the two organizations were merged into one organization. At that time, the contract for Lake Winola Fire Company No.1 to provide fire service coverage to Exeter Township which was executed between Exeter Township Supervisors and Lake Winola Fire Company No.1 went into effect. Throughout Calendar Year 1999, many of the improvements recognized as needed for the former Exeter Township Hose Company's building such as building renovations and repairs occurred to ensure that the community had an adequate fire hall to house the firefighting equipment stored there.

Additionally, fire service officials indicated that a local government policy specialist from the Governor's Center for Local Government Services from the Department of Community and Economic Development played a major role in guiding local fire service officials throughout the merger process by providing advice and assistance in merger paperwork preparation, on-site visits, and assistance with the grant application process.

Appendix C – Overfield, Falls, and Exeter Townships Merger (Continued)

Breakdown of Townships' Grant Request to DCED	
Expense Description	Amount
Acquisition of Exeter Township Hose Company Building . (Balance of Current Mortgage).....	\$45,000
Building Renovations	19,500
Pager Modification/Additional Pagers	7,000
Smoke and Fire Alarm System to Building	6,500
Legal Fees.....	3,500
Replacement of Heating Plant	3,500
Re-lettering of Vehicles and Turn-out Gear	2,500
First Year Insurance on Building and Vehicles	4,500
Pavement Repairs to Front of Fire Hall.....	1,800
Parade Uniforms and Badges	1,200
Card Lock System.....	700
Accounting Fees for Audits	250
Administrative Costs	300
Newsletter to All Households in New Coverage Area.....	100
Total Grant Requested.....	\$96,350
Total Grant Awarded.....	\$50,000

What Is the Current Status and Impact of the Merger?

The merger of the two organizations became effective in January 1, 1999. However, from October 1, 1998, through December 31, 1998, fire officials ran dual dispatches from both companies as a means to transition into the expanded organization. Starting January 1, 1999, all members of both organizations turned out as members of the Lake Winola Fire Company No. 1. The former Exeter Township Hose Company fire hall then became Lake Winola Fire Company No. 1 Station 12-2.

In assessing the impact of the merger, local fire officials rate the merger as being successful. They point to the fact with some pride that response times have improved and that turnout of available firefighters has increased since the merger was completed. Additionally, the people of the community being served have responded well by supporting their fire company's fund raising activities. The last fund drive that ended on October 1, 2004, collected over \$50,000 to support the local fire company's efforts. The merger also resulted in an increase in membership which now stands at just under 100 members with a larger number of volunteer firefighters responding to calls. Local fire officials also point out that good, experienced firefighters have been retained in their personnel base and that new members have been recruited for the merged fire company. Training continues to be a top priority and the larger membership roll ensures that more firefighters are available to attend on-site training sessions. The monetary incentives provided by the state for newly merged fire companies have benefited the Lake Winola Fire Company No.1 through grants that are available to assist in this process. In effect, the Community Revitalization Grant provided by DCED was instrumental and of a sufficient amount to aid in moving the process forward to a successful conclusion.

Appendix C – Lancaster Township Consolidation (Continued)

Case Study #3: Lancaster Township, Lancaster County

Type of Action: Consolidation

Involved VFCs: Wheatland VFC and Bausman VFC

DCED Involvement: No

Status: Completed in April 1991 resulting in the creation of the Lancaster Township Volunteer Fire Department (with two stations)

How and Why Did the Township Undertake the Consolidation Process?

Lancaster Township, although primarily a residential area, includes a mix of commercial, industrial, educational, and community facilities. It covers about 6 square miles, wrapping around the City of Lancaster along its western, southern, and eastern boundaries. The Township is divided in its southern end by a portion of the City, separating it into two non-connecting land areas. The eastern portion of the Township makes up about one-quarter of the total Township's land mass. For many years the Township has contracted with a fire company from a neighboring township to provide fire service for the eastern section of the Township; that arrangement is currently still in use.

Beginning in 1987, interest in some form of regional partnership was focused on the western and larger portion of the Township. This area was served by two volunteer fire companies, the Wheatland Fire Company and the Bausman Fire Company. However, the relationship between these two companies was anything but harmonious and some saw it as seriously dysfunctional. Signs of unhealthy competition were evidenced by cases of unwise capital spending sprees engaged in by both companies. Both companies had purchased major apparatus, upgraded their facility plants, and subsequently reported serious difficulties in securing adequate funds to operate.

This state of affairs eventually captured the attention of the Township Board of Supervisors. Lancaster Township traditionally supported its two fire companies. For example, it annually appropriated equal funding portions to the two companies from general fund revenues and also equally split the annual relief moneys between the separate relief associations. However, by 1987 the Township officials apparently felt the strong need to intervene.

In 1987, the Township Board of Supervisors appointed a citizens advisory committee to evaluate the fire service needs of the township. The Committee's report (issued November 1987) concluded, among other things, that the two volunteer fire companies should administratively consolidate into a single Lancaster Township Fire Company. Their proposal to the Township was to consider "... the creation of an Administrative Board called the Lancaster Township Fire Company with a south and a north branch." In justifying this proposal, the Committee indicated that "one central fire organization would be more efficient in providing the manpower to man both fire houses, as well as other advantages."

The citizen's committee additionally pointed out that:

- the Township must keep a volunteer fire department (maintaining a paid professional department would be cost prohibitive);
- the Township cannot afford to lose the enthusiasm of the volunteers and must depend on the companies to annually raise money to meet their operating expenses;

Appendix C – Lancaster Township Consolidation (Continued)

- fund raising activities of the companies are detracting from the training of new recruits;
- businesses, apartment owners, shopping centers, etc., are neglecting to pay their fair share of fire protection; and
- the efforts of the two fire companies should be better coordinated.

In response to the citizens' committee report, the Bausman Fire Company proposed, in March 1988, a merger of the two fire companies. This proposal was rejected by the Wheatland Fire Company in their counter-proposal of May 1988 which attempted to point toward a "...merger in the future when the climates between the two fire companies are more compatible and the financial rewards justifiable." Wheatland suggested that an exchange of various pieces of fire apparatus would facilitate a more cooperative atmosphere between the two companies and be the first step toward future merger talks.

During this period, the Township Supervisors surveyed its citizens on priorities for township spending and found overwhelming support for fire service spending. On the basis of the survey results, the Township endeavored to direct its attention to improving the provision of fire service. The Pennsylvania Economy League (PEL) was commissioned to conduct a broad based study of fire protection services in the Township and to recommend an appropriate course of action.

The PEL report, dated December 1989, presented several options to the Township, weighing the advantages and disadvantages of each, but then specifically proposed the consolidation of the two companies into a single fire company. In examining various related issues such as cost, viability, and level of service, PEL also noted that the greatest potential hurdle confronting the Township's adoption of this recommendation was that it necessarily required the two companies to set aside their past rivalries and work together for the good of the community. The prognosis, however, was rather gloomy.

The township fire services appear to be engaged in an unhealthy competition which does little credit to the fire services and which jeopardizes the effectiveness of the township fire service. The proposed capital budgets of the companies, if realized, will continue this separation and ultimately cost the township significant amounts of money by 1995.

The fire services might yet arrive at a joint plan which could meet their individual needs and still provide the appropriate level of support to the township. This has not happened to date, and PEL is not proposing a structure which relies on this happening. The PEL recommendation is presented in the belief that the citizens of the township will be better served by a combined company with certain required levels of equipment.

Should the fire services not be able to accept this plan, nor cooperatively execute this proposal, PEL recommends that the plan be executed without such mutual cooperation. This would be accomplished by the supervisors' exercising their authority (under 53 P.S. 65704, Second Class Township Code) to designate which existing company (or new organization) would provide primary fire service to the exclusion of others. The potential loss of some apparatus would be regrettable but a less costly option than attempting to create two completely viable fire companies in today's economic situation.¹

What Was Involved in the Consolidation Process?

Armed with citizen backing and the results of a commissioned study, the Township Board of Supervisors was more determined than ever to create a single fire service organization for the Township, but wanted the two existing organizations to set aside their past differences, agree with the Township's plan and work constructively to bring it to fruition. The target date for the creation of a single volunteer fire company for the Township was established as January 1, 1991.

¹Analysis of Lancaster Township Fire Services, Pennsylvania Economy League, Inc., December 1989, pp. 69-70.

Appendix C – Lancaster Township Consolidation (Continued)

To this end a second citizens' committee was appointed in 1990 to decide upon a reasonable solution to the consolidation issue. The citizens' committee was made up of a group of four prominent township residents, the township manager and one representative and one alternate from the fire companies. The citizens' committee met weekly for about six months and decided on many organizational and transitional matters. This included the structure for the new department, a board for the new department, and an initial election process which consisted of 20 electors, ten from each existing fire company, who would hold an election for fire chief and president of the fire company. There were candidates from both stations for each position. The citizens' committee hoped that with 20 electors and a sealed ballot, someone would cross over their existing company lines and a candidate with the best credentials would be elected.

The election was held in the township building, witnessed by the citizens' committee as the election committee. The citizens did not select the chief or president, they only acted as the election observers. The committee was not at all deadlocked and never was. The fire company representatives were a minority of the members, and the citizens and township manager were steadfast in pursuit of a resolution of the consolidation plans. Their work was complete when they reported their efforts to the township, prior to the election.

However, the two fire companies were deadlocked and election of the fire chief was finally decided by a coin toss. After a number of ballots, the votes always remained tied. The new fire chief was selected by coin toss, and he was supposed to take office on January 1st. Neither side did much to make that happen, and the new Board of the fire department never met, and the situation remained with the two separate companies after the January 1 deadline to consolidate.

In February 1991, a special meeting of the Board of Supervisors was called during which the three supervisors reiterated their complete agreement on the need to resolve the impasse of the two fire companies. The Supervisors took the position that the existing situation of acrimony between the companies was against the public interest and that the citizens would be better served by a single fire company committed to providing a homogeneous level of fire protection service to the municipality.

Generally endorsing the recommendation of PEL, the Supervisors decided to take action to force the creation of a new fire company. It established April 1, 1991, as the date at which a newly created Lancaster Township Volunteer Fire Department was to commence, formed from the transfer of the assets of one or both of the companies. This ultimatum was accompanied apparently with an implied threat that if either company failed to join the new organization, the Township would exercise its authority to exclude that company from providing fire protection service anywhere within the Township boundaries. Further, the Township Supervisors also indicated that they would oversee the appointment of a new fire chief for the organization.

Although the process was criticized by some as heavy-handed, both companies ultimately voted to join the new Department, with the existing fire houses being designated as the North and South stations. Because the Supervisors were unanimous and unwavering in their wish to have a single point of accountability for provision of fire protection in the western section of the Township, the newly consolidated Lancaster Township Volunteer Fire Department was finally established in April 1991.

What Is the Current Status and Impact of the Consolidation?

The new volunteer fire department that was created in April 1991 is still functioning today, serving that portion of Lancaster Township that lies west of the City of Lancaster. The fire department comprises two stations (called the North Station and the South Station) that previously had been known as the Wheatland Fire Company and the Bausman Fire Company, respectively. Also, the individual selected in 1991 to be the chief of the newly consolidated entity still holds that position today.

Appendix C – Lancaster Township Consolidation (Continued)

The single point of accountability for fire protection service that was desired by the Township Supervisors for that area of the Township is the most evident organizational characteristic. Oversight of the department is performed by a single fire board, and members of both stations respond to the same fire calls.

Since the original objective of the consolidation was to establish a unified fire protection presence and a single point of accountability, the consolidation has been deemed very successful in fulfilling its objective from the standpoint of the municipal government. Unfortunately, there are still some residual hard feelings between certain members who feel strong loyalty to one station or the other and who may indeed continue to harbor some resentment for how the process was carried out. However, according to the Fire Chief, negative operational impacts stemming from unresolved issues of the past are minimal.

Consolidation of the Lancaster Township fire service has had other beneficial organizational and operational impacts. For example, volunteer recruitment and retention by the consolidated department has improved to some extent due to an improved organizational reputation in the county, and the fact that equipment and apparatus are purchased by the Township and replaced when necessary. Additionally, fundraising activities have been scaled back to one event per year due largely to increased operational funding provided by the Township. Nevertheless, the Fire Chief indicated that recruitment and retention are still adversely affected by demographics, life style changes, and the general declining interest in serving one's community in a volunteer capacity. Such issues reportedly affect virtually every volunteer fire company in the nation.

Training, including firefighter certification and joint training exercises, are more successfully coordinated in the consolidated department and, due to a multi-year capital budgeting process in conjunction with the Township, equipment needs are largely resolved in an open and systematic way.

However, the strongest argument demonstrating the success of the consolidation is the overall improved relationship between the department and the municipal government. The Township played a strong role in the creation of the new department and as a result has shown greater commitment and support.

Appendix C – Spring Township and West Lawn Borough Consolidation (Continued)

Case Study #4: Spring Township and West Lawn Borough, Berks County

Type of Action: Consolidation

Involved VFCs: West Wyomissing VFC; Lincoln Park VFC; Vinemont VFC; and West Lawn VFC

DCED Involvement: Yes

Status: Completed in February 2002 resulting in the creation of the Township of Spring Volunteer Fire Department (with four stations)

How and Why Was the Consolidation Process Undertaken?

The attempt to create a regional partnership among several fire companies located geographically west of the City of Reading began in early 2000. The fire companies that were the focus of this partnership effort included three (West Wyomissing, Lincoln Park, and Vinemont fire companies) situated in the Township of Spring, and one located in West Lawn Borough. The borough, an older established mostly-residential municipality with a small commercial mix, is basically surrounded by the Township. The Township of Spring (township of the second class) has been experiencing significant commercial and residential growth in recent years and is bisected by several major highways.

In February 2000, the Board of Supervisors of the Township of Spring received an update on the status of the fire service from the Township Fire Marshall. The Fire Marshall outlined several problems and challenges facing the volunteer fire services including decreased manpower, increased training requirements and demands on volunteers' time, and the rising costs facing the volunteer companies. Also, it was noted that a number of the companies were engaged in jurisdictional disputes and had acquired equipment and apparatus that were unnecessary or duplicative for the areas being served. Further, some of the stations were not situated in the most logical locations.

The Township of Spring decided to form a Fire Service Study Committee to explore and investigate the formation of a single fire department to meet the needs of the Township and to preserve and enhance the volunteer fire services. Anticipated benefits that could be derived from a single department included, for example, eliminating the cost of duplicate equipment, integrated budgeting, and assuring that the closest company responds in time of need. A central administrative structure, it was further argued, would assure that volunteers were fully trained and integrated into working teams doing their jobs as emergency responders.

What Was Involved in the Consolidation Process?

The Fire Service Study Committee was composed of 16 members, including two representatives from each of the four companies, two representatives from the Township, three business leaders from the community and two members at large from the community, plus an attorney (volunteer). With the full support of the Township Supervisors, the committee's responsibility was to explore all possibilities and to make recommendations to bring about a single regional fire department. The Fire Marshall was placed in charge of the committee and was authorized to coordinate its activities.

The first meeting of the Study Committee was held in May 2000. In attendance at this meeting was a representative from the Governor's Center for Local Government Services (PA Department of Community and Economic Development) who provided guidance to the group based upon his prior experience with successful partnership efforts. He suggested several procedural steps that were

Appendix C – Spring Township and West Lawn Borough Consolidation (Continued)

subsequently endorsed by the Study Committee, among which was the adoption of the mission statement and objectives shown below.

Mission Statement of the Fire Service Study Committee (Township of Spring)

[Our mission is the] protection of life and property, providing public service and improving the quality of life in the immediate and adjacent areas of our companies and the Township of Spring.

Changing economics, environment, declining and static membership and rising costs have led us to this evaluation to position ourselves for the future.

This effort requires us to explore all possibilities that could arise from combining assets and developing a central fire suppression system.

We are committed to:

- Providing dependable, efficient fire and rescue service to the public
- Continuing public service beyond fire and rescue services
- Examination of all funding mechanisms for the delivery of fire service to the township
- Development of a common standard operating procedure
- Reducing costs and increasing our net worth to the community
- Development of a central administrative structure
- Shared, common training programs
- Reducing duplication of equipment and services
- Preservation and enhancement of the volunteer fire service
- Upon completion of the study, making recommendations to the board of supervisors on how to accomplish the mission.

Source: Developed by LB&FC staff based on information provided by the Fire Commissioner, Township of Spring Volunteer Fire Department.

Other procedural steps were endorsed by the Study Committee including the formation of subcommittees to review the current status of the fire services and establishment of a reasonable time frame for project completion. A target date of 18 months was set for the implementation of whatever recommendations the committee would propose. The subcommittees were identified under the following headings:

- demographics
- inventory/training
- standard operating guidelines
- finance
- legislative
- fire police

Each of these subcommittees was assigned specific issues to examine in detail and to report on at the Study Committee meetings. For example, the demographics subcommittee was assigned responsibility for examining statistical trends (e.g., call types, response, and area growth projections) and various structural issues (e.g., job descriptions, qualifications and advancement, and station locations). The inventory/training subcommittee developed an inventory of current personnel and equipment and studied the issue of training standards. The finance subcommittee looked into the financial condition of each company and developed proposed financial plans. The legislative subcommittee dealt with the legal issues of formation of a new entity from existing companies, the establishment of a new constitution and

Appendix C – Spring Township and West Lawn Borough Consolidation (Continued)

by-laws, etc. In any regional partnership project, countless matters of importance must be discussed. In this effort, the issues were reviewed and discussed at the subcommittee level before being brought to the committee-as-a-whole for disposition.

At the end of 2001 (nearly within the 18 month target date), the Fire Service Study Committee was ready to present its plan for a new organization called the Township of Spring Volunteer Fire Department. The written plan (dated January 9, 2002) called for the new organization to consist of four stations (the existing four fire company facilities). The position of Fire Marshall was to be renamed Fire Commissioner. Also, the Department was to be organized and governed according to a uniform command structure consisting of four District Fire Chiefs who, like the Fire Commissioner, were to be appointed by the Township Board of Supervisors. Further, each of the stations would elect a deputy chief, a captain and two lieutenants.

The newly consolidated Township of Spring Volunteer Fire Department was established by Township ordinance, enacted at the end of February 2002. In addition to recognizing the Department, together with its component stations, as the official provider of fire fighting and fire protection services in the Township and in the Borough of West Lawn, the ordinance provides for the chain of command structure and a continuing role for the Fire Service Study Committee in advising the Township Board of Supervisors on the selection of the Fire Department's executive staff and in advising the Fire Commissioner.

The ordinance also commits the Township to funding the Fire Department. The Township established a Fire Protection Tax at the rate of ½ mill on the assessed value of real property for this purpose.

What Is the Current Status and Impact of the Consolidation?

The resulting organizational structure, while following a hierarchical and military-like model, actually is intended to more aptly support the volunteers who provide the backbone of the fire protection system. Although the four fire companies were legally required to cease operations as autonomous entities in order to form the new department, they were not required to relinquish their heritage or identity when consolidation took effect. The District Chiefs and junior officers are selected by members of each of the constituent fire stations and will essentially be in charge of operations in their assigned districts.

The central administrative structure is headed by a full-time fire commissioner who shares operational authority with four district chiefs. This executive staff meets regularly to assist in determining the needs of the stations. However, many functions assigned to the executive staff may actually be delegated to groups of volunteers from the various stations.

The sharing of manpower among stations is easier because they are not part of a single department. The Township has absorbed the existing three paid drivers who remain assigned to the "busier" stations during daylight hours. The initiative, combined with improved mutual aid and redrawn jurisdictional assignments, has improved response times and assured that closest companies are first due to alarms.

Of continuing concern and interest are programs to help recruit and retain the volunteers. The Study Committee had recommended a number of incentives including a length of service award program (LOSAP) which in essence would be a retirement program. One monetary award system based on accumulating points for service during any year has been implemented.

The financial commitment of the Township to the Department, however, has proved a positive stimulus to volunteer recruitment by virtue of the resulting elimination of fund-raising activities. The need for volunteers to be away from their homes and families to perform fund-raising had been a deterrent to enticing volunteers into the system. Elimination of these activities is intended to direct volunteer members' time toward delivering community service, without sacrificing time with their families. Also, while some of the prior companies had good training programs, the consolidated department has benefited volunteers through more efficient training schedules that permit them to develop desired skills in line with

Appendix C – Spring Township and West Lawn Borough Consolidation (Continued)

uniform training standards. The fact that all components of the Department function under the same standard operating guidelines also helps to ensure a better integrated operational environment for the volunteer.

Facilities and apparatus have also been positively impacted by the consolidation. Equipment and apparatus that were found to be either unnecessary or duplicative were identified and are being sold at an estimated replacement cost savings in excess of \$1 million. Over a period of time, the number and location of stations will change. For example, on July 13, 2004, ground was broken for a new central fire station projected to open in July 2005, which will permit the closing of three existing stations.

The Fire Commissioner believes that the consolidation will ultimately result in cost savings to the taxpayers, attract and retain volunteers, and result in an increase in the quality of service.

Appendix C – Elizabeth Township Consolidation (Continued)

Case Study #5: Elizabeth Township, Allegheny County

Type of Action: Consolidation

Involved Parties: Blythedale Volunteer Fire Company and Industry Volunteer Fire Company

DCED Involvement: Yes

Status: Completed in July 2001 resulting in the creation of Elizabeth Township Fire Department No. 1 (Blythedale and Industry VFCs consolidated and formed a new company)

How and Why Was the Consolidation Process Undertaken?

Elizabeth Township, located in the southeastern corner of Allegheny County, is predominantly rural and suburban in nature with a total population as reported in the 2000 Census of 13,839. The total land mass of the township is approximately 22.4 square miles. However, the area served by the consolidated fire department (Industry and Blythedale sections of Elizabeth Township as well as Fallen Timber Road) is approximately 5 square miles and has a population of about 1,500.

The Elizabeth Township Fire Fighters' Association recognized that a situation was developing that was not conducive to the provision of efficient and effective fire services for the township's citizenry. The indications the Association noted included declining membership, insufficient staffing on calls, a relatively low volume of calls, and competition among the township's volunteer fire companies for donations to sustain operations and make capital improvements.

In August 1998, the Center for Local Government Services of the Pennsylvania Department of Community and Economic Development funded an objective examination of fire service delivery in Elizabeth Township. This study (*An Approach to Operational Consolidation and Merger: Elizabeth Township, Allegheny County, Pennsylvania Fire Service Study and Outline for Implementation to Eliminate Duplication of Physical Plant, Apparatus, Equipment and Fiscal Resources*) found that duplication of service delivery existed whereby eight volunteer fire companies serving a total area of less than twenty-five square miles were in competition for the same resources. This redundant system of fire services reportedly developed as a result of necessity over time. As the area grew and developed, residents saw a need for protection from fire and acted accordingly by founding volunteer fire companies to provide for their needs. As the largely one-time rural area transitioned into more suburban communities, the volunteer fire companies responded to the new fire protection requirements by adding apparatus and equipment. Mutual aid agreements assisted these eight fire companies in providing required fire protection and resulted in the reduction of the need for some fire fighting resources, but these agreements did not address the duplication of fire protection within the township.

It was this competition for resources as well as the increasing demands on township officials for other governmental services that provided the impetus for fire company officials and township commissioners to examine the possibility of merger/consolidation of some of the volunteer fire companies that provided fire service to the citizens of Elizabeth Township. Findings by the DCED consultant in the "Operational Consolidation and Merger Study" indicated that service areas of fire companies located in the eastern section of the township were duplicated. Based on recognized standards and fire protection evaluations of both the National Fire Protection Association and the Insurance Services Office of

Appendix C – Elizabeth Township Consolidation (Continued)

response distances of 1.5 miles radius from existing fire station locations, the study determined that there were significant duplication/overlap in response areas of the Buena Vista, Industry, Blythedale, and Victory Volunteer Fire Companies.

In recognition of the sincere discussions among the Industry, Blythedale, and Victory Volunteer Fire Companies to combine their resources, the consultant recommended that a consolidation of these three companies should proceed and that the resulting volunteer fire company should focus its response area from a location in the township in the vicinity of the intersection of Roundhill and Douglas Run Roads. This new location would allow coverage for the existing areas of Blythedale and Victory as well as improve coverage in the section of the township that fell outside the 1.5 mile response radius. The consultant further recommended that existing fire halls should be sold or leased for other purposes and the proceeds used for the benefit of the new organization. Additionally, the consultant recommended that all apparatus and equipment of the three consolidating companies be evaluated for duplication, useful life span, cost of operation, and true need for community fire protection and that any materiel that did not remain useful or was redundant to the organization be sold and the proceeds used to support the efforts of the newly formed volunteer fire company.

Additionally, the consultant found at the time of the study that typically the fire companies of the township responded to approximately 125 alarms annually and the average initial staffing for these alarms was approximately six firefighters. In contrast the consultant cited nationally recognized practices that initially call for 16-20 firefighters as well as adequate apparatus for fire flow requirements and tactical support operations. The consultant recommended operational consolidation² for the delivery of fire and emergency services as a way of improving the use of scarce resources, the flexibility of staff, and equipment. The consultant also pointed out that consolidation could reduce apparatus replacement requirements and the number of reserve pieces required as well as eliminate duplication of specialty equipment.

What Was Involved in the Consolidation Process?

The idea of joining together volunteer fire companies in Elizabeth Township began as early as 1997 when the Elizabeth Township Fire Association surveyed the eight fire companies then providing fire service to the citizens of the township. Additionally, both fire service officials and township commissioners came to recognize a need to have some consolidation of fire services but for differing reasons. The fire officials had as a primary concern the provision of effective fire services in the interest of public safety while the township commissioners concerns primarily centered on effective fire services for the township at the most efficient cost to the citizens. At that time, Elizabeth Township Commissioners provided an annual donation of \$2,000 from the township general fund to each fire company serving the township as well as paid for workman compensation (as required by state law) and the fuel for all the fire companies. It should be noted that the total fuel allowance money made available to each fire company was \$1,500 per year which very few companies exceeded because of the low call volume. At the end of the fiscal year, any monies remaining from each fire company's fuel allocation was returned to the township's general fund.

Following completion of the merger/consolidation study and after general agreement of the need for consolidation/merger of fire service resources in the township was reached between township and fire service officials, a Shared Municipal Services grant was applied for from the Center for Local Government Services of the Pennsylvania Department of Community and Economic Development to help cover anticipated legal costs for the merger/consolidation of the affected fire companies.

Prior to the DCED funded merger/consolidation study, discussions were already on-going amongst Industry Volunteer Fire Company, Blythedale Volunteer Fire Company, and Victory Volunteer Fire Company concerning a potential merger/consolidation. Once the findings and recommendations of

²The consultant defined operational consolidation as occurring when two or more separate companies join together operationally or administratively to form one organization. The entities remain legally separate; however, they deliver service as if they were one agency. This in turn allows for the standardization of policies and guidelines as well as equipment and operational practices, bringing better efficiency to the emergency scene.

Appendix C – Elizabeth Township Consolidation (Continued)

the consultant's merger/consolidation study were provided to all concerned parties, discussions began in earnest between the officials of the line companies identified as candidates for merger/consolidation. In the study, the consultant had identified three of the eight volunteer fire companies serving the township as candidates for merger/consolidation – Industry Volunteer Fire Company, Blythedale Volunteer Fire Company, and Victory Volunteer Fire Company. In effect, the consultant study ratified the prior on-going discussions concerning a possible merger/consolidation of fire companies in the township. However, toward the end of the merger/consolidation discussions, the membership of the Victory Volunteer Fire Company decided to opt out of the process. This decision left only Industry and Blythedale Volunteer Fire Companies to move forward toward consolidating into one new organization.

Fire officials of both Industry and Blythedale Volunteer Fire Companies held a general membership meeting where the pros and cons of a merger/consolidation were presented to the volunteer firefighters. Once agreement to pursue a merger/consolidation was reached within the general membership, each fire company signed a letter of intent to that effect. These fire officials then organized seven committees (Building, Finance, Ways/Means, Liaison for Commissioners/Legislators/Public Relations, By-laws, Legal, and Assets) to oversee the various aspects of the consolidation process. One of these committees functioned as an executive committee that had overall responsibility for ensuring that all activity was focused on accomplishing the goal established for the consolidation. This goal was basically to provide a more effective and efficient volunteer fire department that had better staffing and training at a reduced cost to the public than existed before the consolidation. Legal counsel was also obtained by the volunteer fire companies to give advice and assistance to the working committees in accomplishing all that was required for a successful consolidation. Additionally, as reported by fire company officials, the support and guidance provided by the Local Government Policy Specialist from the Center for Local Government Services of the Pennsylvania Department of Community and Economic Development responsible for providing advice and assistance to fire companies considering a merger/consolidation was invaluable to the successful completion of the undertaking.

Even though the consolidation of Industry and Blythedale Volunteer Fire Companies into the Elizabeth Township Fire Department No. 1 was successful, the process encountered many challenges along the way to completion. Fire company officials found that the initial DCED grant to provide funding to hire legal counsel was not sufficient to cover all the consolidation costs they incurred in the process. This meant that the two fire companies were forced to use scarce operating funds to pay for expenses incurred above the \$5,000 grant they received to cover legal expenses since there was a lack of financial support for these merger/consolidation activities from the local municipal authority. The consolidation process itself was delayed by about a year while the Township Commissioners dealt with a variety of issues such as how the Foreign Fire Insurance Tax monies received from the Commonwealth would be distributed amongst the volunteer firefighters' relief associations of the volunteer fire companies serving the township. Also at issue appeared to be a concern by the other fire companies serving the township that the newly formed company would receive a financial gain beyond what those companies would receive. However, once these issues were resolved, the Township Commissioners then passed in September 2000 an ordinance (Township of Elizabeth, Allegheny County, Pennsylvania Ordinance No. 733) that recognized the new fire company as a fire company authorized to provide fire services in the township. In April 2001, the commissioners passed another ordinance (Township of Elizabeth, Allegheny County, Pennsylvania Ordinance No. 741) that established the Elizabeth Township Fire Service Tax Advisory Board and provided for a special fire tax of ½ mill.

Under this ordinance, fire companies chartered by the township are required to submit a budget for major purchases to the Board, and the Board is charged with overseeing the distribution of fire tax funds collected in the township. Additionally, other volunteer fire companies in Elizabeth Township created "stumbling blocks" to the consolidation process because of an apparent concern that the two consolidating fire companies were receiving more financial assistance from state and township sources than they were actually receiving. Although this was not the case, the concern existed during the course of the consolidation process and created some difficulties for fire officials responsible for consolidating the two fire companies.

Appendix C – Elizabeth Township Consolidation (Continued)

From the perspective of Elizabeth Township fire company officials, the incorporation process to establish a volunteer fire company as a non-profit 501(c) (3) entity is too cumbersome and needs to be simplified for volunteer fire company-type organizations since these groups depend on volunteerism to sustain them. Additionally, these officials pointed out what they considered to be some major stumbling blocks that hamper mergers/consolidations – bureaucratic difficulties with the Pennsylvania Department of Transportation associated with the titling and registration of fire service vehicles of the new fire company; bureaucratic difficulties with the Commonwealth in chartering the new fire company and its fire relief association; and bureaucratic difficulties with Federal Communication Commission paperwork for the change-over of communication equipment to the new fire company. Fire officials in Elizabeth Township maintain that if the Commonwealth is serious about encouraging mergers/consolidations of volunteer fire companies to provide more effective and efficient fire services for the communities they serve, then the Commonwealth has a responsibility for ensuring the process is much less burdensome.

What Is the Current Status and Impact of the Consolidation?

Officially, the consolidation of Industry and Blythedale Volunteer Fire Companies into Elizabeth Township Fire Department No. 1 occurred on July 11, 2001. However, the consolidated entity functioned as one organization prior to that date. Fire company officials rate the consolidation as very successful since the community is now served by a more effective and efficient organization than existed previously with the two smaller fire companies. The community receives better service from a combined organization that is better equipped and trained at a reduced cost. By combining the two companies, fire officials were able to select the most talented and best trained people from a larger pool of volunteers to lead the organization thereby providing increased depth within the organization's leadership ranks. While response times for fire calls have increased slightly for some parts of the area served because of the fire station's location, this is offset by the fact that the apparatus responding to the call is fully staffed and able to function as required upon arrival at the scene.

Because the consolidated organization is stronger than the previous two smaller organizations and is able to respond to more fire calls, it has seen a slight increase in membership. In the opinion of fire company officials, a bigger, stronger organization is more attractive to join thus accounting for the increase in membership. Overall, the consolidation resulted in good retention of existing membership. While some people left because of the consolidation, the fire department has been able to obtain others because of it. Additionally, fire company officials have found that more training is occurring as time permits since there is a larger pool of individuals who are striving to be better prepared to perform required firefighting duties.

There also appears to be less competition between existing organizations, and the fire company is purchasing what is needed to provide the required fire services to the area of the township assigned to them. However, fire officials maintain it is still difficult financially to raise the funds required for new equipment purchases as well as replacement items. This fire company's leadership strongly believes that new funding sources must be identified even though it is using the current sources more wisely than in the past.

In the opinion of Elizabeth Township Fire Department No. 1's Fire Chief, one benefit that has resulted since the consolidation that occurred in 2001 is improved relations with local municipal officials. While there were relational difficulties during the consolidation process with the township commissioners, this has taken a turn for the better since the consolidation was completed.

Appendix C – Warwick Township Regionalization (Continued)

Case Study #6: Warwick Township, Elizabeth Township, and Lititz Borough, Lancaster County

Type of Action: Regionalization

**Involved VFCs: Brickerville VFC; Brunnerville VFC; Lititz VFC; Rothsville VFC;
Plus Three EMS Organizations**

DCED Involved: Yes

Status: Completed in 2001, resulting in the creation of the Warwick Emergency Services Alliance

How and Why Was a Regionalization Process Undertaken?

The Warwick Emergency Services Alliance was created in 2001 by an inter-municipal agreement between Warwick Township, Elizabeth Township, and Lititz Borough, located in the north-central part of Lancaster County. Encompassing 38 square miles and a population approaching 30,000 inhabitants, this area is still largely rural but suburban-residential and commercial growth is escalating at a rapid rate. The Alliance includes a total of ten organizations (the three municipalities plus four volunteer fire companies and three ambulance associations).

This particular regionalization effort originated from efforts of the emergency service organizations and the municipalities comprising the Warwick School District. The emergency service organizations have a proud tradition of being independent and remaining as autonomous as possible. This did not stop the organizations from meeting with municipal officials and maintaining good communications.

In 1999, the municipalities joined together to create a Joint Strategic Plan. Many community stakeholders participated, including all of the emergency service organizations. The process recommended that a feasibility study be conducted to evaluate how the emergency service organizations could be better supported by the municipalities.

Representatives from as many as ten separate fire and EMS companies from the area took an interest in what was being discussed. Of concern to many was the fear that merger or consolidation of some of these organizations was the intent. Organization leaders dispelled such fears by assuring their volunteers and the citizens of their communities that the purpose was merely to work together to share ideas. Hence, the term 'alliance' was used to more precisely describe their ongoing efforts.

The problems facing these organizations were easily identified: volunteers and funding. Specifically, the numbers of volunteers were declining even as the local population was growing. Also, community donations to volunteer fire services were not keeping pace with the rising operational costs.

What Was Involved in the Regionalization Process?

Although the focus of the Alliance was on the issues faced by the volunteer organizations, the formation of a regional working group was encouraged by elected officials from the three municipalities. By way of showing support, the municipalities sought and received assistance from the Department of Community and Economic Development's Governor's Center for Local Government Services. An official from this organization helped the group/committee structure itself to more effectively decide its future. After months of negotiation, the committee reached a consensus on a plan to create an umbrella organization dedicated to serving the interests of its members.

Appendix C – Warwick Township Regionalization (Continued)

In creating this new entity, the Warwick Emergency Services Alliance (WESA), the committee clarified its purpose and goals in a formalized mission statement that dedicated the member organizations to:

- *Ensuring that dependable, efficient emergency services are provided to the public.*
- *Preserving and enhancing the volunteer emergency services.*
- *Organizing and improving fund raising campaigns on behalf of all member organizations.*
- *Promoting personal and community involvement and increased interest in the emergency services.*
- *Establishing a central administration structure.*
- *Reducing costs and duplication within the alliance.*
- *Informing and communicating to the community the value of volunteer emergency services.*
- *Establishing educational and innovative fire protection programs for the region.*

To help carry out this mission, it was agreed that the Alliance required a central administrative focus that would be responsive as well as economical. The Alliance decided to hire a part-time administrator to coordinate the programs and initiatives of its members. The Alliance was able to secure a three-year grant from the DCED to cover the cost of the part-time WESA Administrator.

Following votes of the ten organizations to join the alliance, the organization was officially created through a written inter-municipal agreement on June 1, 2001. Formal recognition of the fire and EMS organizations to officially provide emergency services was subsequently provided by public ordinance of Warwick Township in January 2003.

What Is the Current Status and Impact of the Regional Partnership?

WESA is currently entering its fourth year of operation. One indication of its success is the willingness of the municipalities involved to assume the continued funding of the Administrator position. When the Alliance was awarded a DCED Shared Municipal Services Grant in 2001 for funding of a part-time administrator, the three municipalities had agreed that upon expiration of the grant, they would continue to fund the position on a per capita formula basis.

Also, as the region grows in population density and services, municipal officials benefit by having a spokesperson for the emergency service concerns of the community. Consequently, the Administrator, who is the point of contact from which emergency concerns are addressed, shoulders some of the burden generally assumed by municipal officials. For these reasons and others, the Administrator position is expected to be continued.

Municipal leaders also have been able to see the benefits of the Alliance, especially in its ability to save resources by having certain agreed upon tasks performed for the benefit of all members. Several examples of efficient utilization of resources can be demonstrated by the following initiatives:

- Fire safety education events for school districts can be coordinated on a regional basis rather than by individual companies
- Group training exercises as well as certification classes can be scheduled that affect more personnel and several companies at a time.
- Regionally based grant applications can be used in order to improve the chance of receiving federal grant money that is competitively awarded.
- Other grant opportunities, identified as Alliance priorities, have also been successful, for example, a recent project to obtain automatic electronic defibrillators (AEDs) for each member facility.

The Alliance members are also seeking to bring about further efficiencies through cooperating on their annual fund drives. Traditionally, all WESA member organizations have benefited from announcements

Appendix C – Warwick Township Regionalization (Continued)

for fund drives placed in township and borough newsletters. However, WESA is also looking at possible cost savings through group printing and mailing arrangements, or by having one company produce this service for all member organizations.

Communication among the Alliance members is facilitated through quarterly meetings of the WESA board of directors. The Administrator also provides monthly reports to each member on the progress of initiatives undertaken, schedules of upcoming events, and other news of mutual interest.

As previously indicated, the Alliance was born in part due to concerns about declining volunteerism and the challenge of ensuring adequate staffing to respond to emergencies. Hence, a top priority of WESA is the development of recruitment and retention strategies to acquire new and keep existing volunteers as part of their organizations. In this regard, the Alliance has administered a volunteer recognition program in which a WESA volunteer is profiled in the local newspaper. The Alliance is also giving consideration to establishing a length-of-service award program as an enticement to volunteers.

The Alliance's impact is also seen in its ability to respond more effectively to community challenges. For example, a tragic fire that took the life of a 7-year old in Lititz presented an opportunity to both memorialize the child and promote fire safety when a Memorial Smoke Detector Project (suggested by a friend of the victim) was created. This project involved establishing a fund to purchase and freely distribute smoke detectors throughout the community. Such a project would have been much more difficult to conduct if undertaken by a single volunteer company. One might say that the strength of the Alliance can at times seem greater than the sum of its parts.

The type of organization exhibited by WESA demonstrates that a regional partnership can be formed whereby companies can continue to operate as separate entities yet be bound by agreement to group cooperation for certain tasks. Such an arrangement has the potential to effectively meet the challenges faced by volunteer organizations through a sharing of ideas and resources.

Appendix C – Upper Merion Township Regionalization (Continued)

Case Study #7: Upper Merion Township, Montgomery County

Type of Action: Regionalization

Involved VFCs: King of Prussia VFC; Swedeland VFC; Swedesburg VFC; and Lafayette Ambulance and Rescue Squad

DCED Involvement: No

Status: Completed in 1994, resulting in the creation of the Upper Merion Township Fire and Rescue Services Board as an administrative oversight entity.

How and Why Was a Regionalization Process Undertaken?

This regional partnership effort involves Upper Merion Township, Montgomery County, Pennsylvania. The initiative involved three volunteer fire companies (King of Prussia Volunteer Fire Company, Swedeland Volunteer Fire Company, Swedesburg Volunteer Fire Company) and one combination emergency medical service agency (Lafayette Ambulance and Rescue Squad).

Upper Merion Township is located about 16 miles from Philadelphia. The Township comprises a population of about 27,000 inhabitants in a 17-square mile area. It is in many ways a unique community rich in history, quality shopping, high technology companies, and open space. The community includes the historic villages of King of Prussia, Swedeland, Swedesburg, and Gulph Mills. The second largest shopping mall in the country, the King of Prussia Plaza and Court, is located in the Township, as are such high tech corporations as Lockheed Martin and Glaxo Smith Kline. Some 1,800 acres of Valley Forge National Park are also located inside the Township. More than 20 million people annually visit Upper Merion Township to experience its attractions.

Upper Merion Township is a township of the second class under Pennsylvania State statutes. A five member Board of Supervisors governs it. The Township is served by 17 volunteer citizen boards. One of these "Boards" is the Fire and Rescue Services Board.

In the late 1970s and early 1980s significant growth occurred within the community. The volunteer fire companies simply could not keep pace with increases in volume of emergency responses, training demands, and the need to conduct fund raising. As a result, a more comprehensive approach was needed to fund fire apparatus. This led to the Upper Merion Township Board of Supervisors adopting a fire tax of 3 mills in 1983 and the establishment of a "Fire Board" to manage the process of procuring fire apparatus and managing the fund that paid for this apparatus. The original effort comprised two members of each fire company and three civilian members. A Township Supervisor served as an ex-officio member of the group with staff support provided by the Township Fire Marshal.

What Was Involved in the Regionalization Process?

The comprehensive approach began at that time and has evolved over the years, supported by the municipality's commitment to improve local fire and emergency services. The Upper Merion Township Board of Supervisors and Township Manager have worked proactively and cooperatively with the volunteer fire service providers to (1) maintain a volunteer fire service in the community to better manage overall expenses to the community, and (2) adequately fund and support the volunteer fire service.

Appendix C – Upper Merion Township Regionalization (Continued)

In the early 1990s a study was conducted by a consulting firm, which recommended modifications of the existing system to incorporate the concept of an oversight group. The Fire Board, established in the 1980s, was renamed the Upper Merion Township Fire and Rescue Services Board and was expanded to include Emergency Medical Services. The new board (introduced in 1994) includes one representative from each fire company/EMS squad (total of 4) and three civilian members. All are officially appointed to this "Board" by the Upper Merion Township Board of Supervisors and perform their duties according to ordinance. A Township Supervisor serves as an ex-officio member of the group with staff support provided by the Township Fire Marshal's office.

Upon establishment of the Upper Merion Fire and Rescue Services Board, the companies maintained their individuality and have developed joint working relationships and a long range plan to deliver service to Upper Merion Township. In areas where non-Township fire companies are closer in proximity to a township address, the non-Township fire companies are dispatched with a Township company (Radnor Volunteer Fire Company and George Clay Volunteer Fire Company).

What Is the Current Status of the Regionalization?

The regionalization project is considered complete, but is always being tested and enhanced. Under the guidance of the Board of Supervisors and the Township Manager, the volunteer fire and EMS units serving the township have advanced their training, equipment, and response capabilities, as well as their funding. While this effort has been ongoing for some time, the long term commitment to this initiative continues to be exemplified by specific examples, including the following:

- adoption of an ordinance creating a Fire and Rescue Services Board to effectively manage the budgetary, procedural, and long term planning of the municipality's fire and rescue services;
- adoption of an ordinance mandating automatic fire sprinklers in all new construction (including single family dwellings) and retrofitting of specific public occupancy structures to keep fires small and support the utilization of a volunteer fire service;
- adoption of a "fire tax" to assure adequate funding for capitalized expenditures to meet the needs of a growing community;
- adoption of a policy to enable volunteer fire fighters employed by the township to leave work for significant emergency incidents during their work time, to assure adequate manpower and capabilities to manage the emergency;
- regularly acknowledging members of the fire and emergency services for extraordinary performance (e.g., rescues, heroism, professional accomplishments);
- provision of an annual appreciation dinner to recognize volunteers for their individual length of service, and provision of skills and labor;
- providing for significant funding of the fire department operations as requested by each individual agency to help relieve fundraising demands in favor of time utilization for ever expanding emergency calls, required training, maintenance, and administrative duties;
- agreeing to give additional consideration to new employee hire for various municipal job openings to members of the local volunteer emergency service organizations (numerous members of the volunteer fire and EMS agencies are now municipal employees); and
- procedurally supporting efforts of the agencies to pursue training certification and accreditation programs.

Upper Merion Township enjoys a continuously growing community and low fire incidence rate with a volunteer fire service, demonstrating that the community continues to benefit from improvement of the fire service. In recent years the coordinated enhancement of the fire and rescue services has, among many projects and efforts, included:

Appendix C – Upper Merion Township Regionalization (Continued)

- Assuring the facilitation of a strategic plan and master plan for fire and rescue services, township wide
- Conducting a joint drill with the Upper Merion Police Department
- Managing the Fire Apparatus Acquisition Purchase Fund
- Developing new Standard Operating Procedures
- Evaluating and Updating Township Fire and Rescue Services Officer Training/Experience Requirements
- Modifying running procedures consistent with target hazard need
- Reviewing the potential for a Length of Service Award Program as a recruitment and retention product for volunteer fire and EMS personnel
- Investigating expanded use of GIS for Fire and Rescue Services

What Is the Impact of the Regionalization Effort?

This effort is considered very successful. The effort was recognized by the Pennsylvania Fire and Emergency Services Institute as the recipient of the 2003 "Chandler Award" recognizing exceptional cooperative work efforts between emergency service groups and the municipality.

The effort has not only managed the original challenge of who would purchase fire apparatus, but has been an active participant in the township budgeting process and emergency services capital fund, helping manage the financial impact of emergency service delivery for the community, while providing a state of the art delivery system.

While Emergency Medical Services have been forced to hire full-time staff for the majority of their operating time, this was due to a continued increased call volume, county requirement to have staff in station prior to being dispatched, and the required training. Volunteers simply could not handle the service 24 hours per day, however all officers are volunteers. The fire department and rescue services boast over 150 total members with no significant recruitment or retention issues.

Training standards were developed and are regularly modified to keep pace with changing times. This has resulted in a highly competent emergency response capability, unmatched by many fully career departments in similar sized cities. Equipment acquisition is considered to be excessive by some, and in actuality is unmatched by the majority of communities of similar size and complexity. However, the equipment purchases are considered to be a significant volunteer retention practice and the costs have been managed through a long range plan while reducing the related tax rate. Funding is considered adequate by all operational chiefs, and the relationships remain positive between the Board of Supervisors, the emergency services groups, and the Township Manager/Assistant Manager.

As part of the strategic plan currently in development, a standard of response cover (response time) model has been adopted and is regularly achieved which demonstrates acceptable response time performance. The standards of response cover are

- Fire – respond with apparatus and muster a competent crew of four at the scene within 10 minutes from time of dispatch, 90 percent of the time.
- EMS - respond with apparatus and muster a crew of two within 12 minutes from time of dispatch, 90 percent of the time (County-wide standard).

During 2004, it is expected that the Fire and Rescue services will respond to approximately 1,500 incidents while the Emergency Medical Services will approach 3,000 responses. According to a study by the National Fire Protection Association, over 67 percent of communities which protect over 25,000 population, and experience Fire, Rescue, and EMS emergency responses between 4,000 and 5,000 runs per year have primarily a full-time fire department costing taxpayers millions of dollars each year.

Appendix C – Upper Merion Township Regionalization (Continued)

Upper Merion Township's Fire and Rescue Services have calculated that volunteers save the community over \$6,000,000 annually in taxes, by providing volunteer services.

A recent poll of resident group leaders found great public satisfaction in the emergency service system of the community.

While not without its challenges and rough spots, the process works with open lines of communication and proactively works to resolve questions, solve problems, and appropriately plan for the future.

Appendix C – Jefferson Hills Borough Association (Continued)

Case Study #8: Jefferson Hills Borough, Allegheny County

Type of Action: Association

Involved Parties: Large Volunteer Fire Company; Gill Hall Volunteer Fire Company; Jefferson 885 Area Volunteer Fire Company; Floreffe Volunteer Fire Company; and Jefferson Hills Area Ambulance Association

DCED Involvement: Yes

Status: Completed and incorporated September 1999 resulting in the creation of the association known as the Jefferson Hills Fire-Rescue and Emergency Medical Services which consists of the following organizations – Gill Hall Volunteer Fire Company, Jefferson 885 Area Volunteer Fire Company (Large VFC merged with Jefferson 885 Area VFC), Floreffe Volunteer Fire Company, and Jefferson Hills Area Ambulance Association

How and Why Was the Association Process Undertaken?

The Borough of Jefferson Hills, although primarily a suburban area, retains a distinct rural character. The borough is located about twelve miles south of the City of Pittsburgh and has convenient access to the major state highways and the interstate highway system that run through this portion of western Pennsylvania. As reported in the 2000 census, the population is 9,666 and the land mass of the borough of Jefferson Hills is approximately 16.6 square miles.

Prior to the formation of the association, Jefferson Hills Borough was served by four fire companies and two emergency medical services organizations. The fire companies serving the municipality were the Large Volunteer Fire Company housed in Allegheny County Station 177, the Gill Hall Volunteer Fire Company housed in Allegheny County Station 179, the Jefferson 885 Area Volunteer Fire Company housed in Allegheny Station 180, and the Floreffe Volunteer Fire Company which was a combination fire and ambulance company housed in Allegheny County Station 178. The other emergency medical service organization serving the community was the Jefferson Hills Area Ambulance Association housed in Allegheny County Station 595.

In the early 1990s, volunteer fire company, emergency medical services, and municipal officials began to recognize that there were problems and issues that needed to be addressed in order for the citizens of the Borough of Jefferson Hills to have a more effective and efficient fire and emergency medical service. Chief among these problems and issues that contributed to the formation of the association known as the Jefferson Hills Fire-Rescue and Emergency Medical Services were:

- a. Recognition that the community had a duplication of resources in the various fire and emergency medical service organizations serving the borough. This duplication of resources had, for the most part, come about as a result of a less than adequate assessment of the needs of the community for the resource. The lack of a needs assessment had resulted in the expenditure of scarce funds that failed to ensure the community got the “biggest bang for the buck spent” and did not maximize to the fullest extent possible the purchasing power of the fire and emergency medical service organizations.

Appendix C – Jefferson Hills Borough Association (Continued)

- b. Recognition that the response for emergency services (fire, rescue, and emergency medical services) would be strengthened through operational consolidation of emergency services.
- c. Recognition that if a single association of organizations providing emergency services to the community existed, assets housed within the borough would be used first before it would be necessary to request outside agency or mutual aid resources thus fully maximizing the use of available community resources.
- d. Recognition that it was logistically feasible to house two existing fire companies and an emergency medical services organization in a central station because of the close proximity of the three organizations' then current locations. Through the centralized housing of these three organizations, officials expected to advance coordination of their personnel to act as one unit through training and responding together from a single location.
- e. Recognition that "best management practices" would be enhanced by having a central clearing house for record-keeping, grant development, recruitment and retention of personnel, training program coordination, as well as coordination with municipal officials.

Initially, officials from the Large Volunteer Fire Company, the Jefferson 885 Area Volunteer Fire Company, and the Jefferson Hills Emergency Medical Association were the driving forces in identifying the need for some form of regionalization that would provide for more effective and efficient fire and emergency medical services for the citizens of the community they served. Following the initial work done by these three organizations' officials, the Mayor of the Borough of Jefferson Hills arranged a meeting between all the fire chiefs and heads of emergency medical services serving the community with the local government policy specialist from the Center for Local Government Services of the Pennsylvania Department of Community and Economic Development who was responsible for providing assistance to volunteer fire companies. The purpose of this meeting was to advance the regionalization concepts that had already been discussed by the fire chiefs from the Large Volunteer Fire Company and Jefferson 885 Area Volunteer Fire Company and the coordinator of the Jefferson Hills Emergency Medical Association.

What Was Involved in the Association Process?

To further the regionalization process, all affected parties agreed to the establishment of a 501 (c) (3) non-profit corporation to be known as the Jefferson Hills Fire-Rescue and Emergency Medical Services. By-laws were then written and an executive board was appointed to oversee the new association. The initial goals and objectives developed for the association, as reported by fire company officials, were to:

- a. Formalize on-going regionalization efforts and facilitate the meetings between all borough organizations associated with the provision of fire, rescue, and emergency medical services to the community.
- b. Address the fire, rescue, and emergency medical services needs of the Borough of Jefferson Hills.
- c. Coordinate and manage the fire, rescue, and emergency medical resources available to the Borough of Jefferson Hills.
- d. Develop a "Strategic Plan" for fire, rescue, and emergency medical services for the municipality.
- e. Address the funding needed to provide fire, rescue, and emergency medical services to the community.

Appendix C – Jefferson Hills Borough Association (Continued)

As identified by fire officials, an important asset to the on-going regionalization process was the input provided by the local government policy specialist from the Center for Local Government Services. The local government policy specialist advised the fire, rescue, and emergency medical services officials as well as borough officials concerning the resources the Department of Community and Economic Development could bring to the table to facilitate this regionalization effort. Additionally, this policy specialist offered advice and provided case histories of how other similar organizations were organized as well as lessons learned from their efforts at consolidation of emergency services.

The process of establishing an association to coordinate the activities of the organizations providing fire, rescue, and emergency medical services to the Borough of Jefferson Hills proved to be challenging. The individuals overseeing this effort found that there were numerous issues – some major and some minor – that caused stumbling blocks to their efforts at providing more effective and efficient fire, rescue, and emergency medical services to the citizens of the municipality. Some of the major “stumbling blocks” were:

- a. Ensuring that all the key players needed, including fire, rescue, emergency medical services as well as borough officials, came to the table prepared to move the regionalization effort forward.
- b. A periodic revisiting of why the need for the regionalization effort still existed as various department officers changed over time.
- c. The requirement to continually remain focused on the overall needs of the municipality and not on perceived needs of any one organization or person within that organization.
- d. Because of the rich tradition of the existing fire service, there were many people who did not believe in or support the changing of the fire and emergency medical service structure for the community.
- e. The political pressure placed on borough council members by those in the community who did not support the proposed changes and who desired that things remain as they were. This pressure came not only from the fire and emergency medical services community but also from citizens who did not understand the benefits of what was being proposed or the changing needs of the community for these type emergency services.
- f. The financial support available within the community to ensure that the needs of the citizens were best served. Those responsible for directing this regionalization effort found that while some members of the in-place emergency service organizations could endorse and support the overall concept of regionalization of emergency service assets as laid out in the strategic plan that was developed, the issue of money or financial support pushed them into not adhering to the precepts of the strategic plan just to obtain the maximum amount of financial support for their individual organization.

Local fire and emergency medical service officials charged with accomplishing the given strategic mission fully understood that as they proceeded along the path toward providing more effective and efficient emergency services, there would be roadblocks that must be overcome or worked around without changing the direction and the goals established in the strategic plan. It became readily apparent to them that it took a dedicated, committed group of people united by the common mission of providing more effective and efficient emergency services to their community to fully understand the development and adherence to the goals and objectives laid out in the strategic plan. However, as one fire official observed, the “stumbling block” of money in some financial matters was never completely resolved to the satisfaction of all concerned parties. It is perhaps wise to realize that in any endeavor of this nature, there will be perceived “winners and losers,” but the important point to remember is to never lose sight of the

Appendix C – Jefferson Hills Borough Association (Continued)

objective to provide the best fire and emergency medical services to the citizens being served with the resources available.

The end result of the establishment of the Jefferson Hills Fire-Rescue and Emergency Medical Services Association was that two fire companies merged into one fire company and two emergency medical services providers merged into one service. However, it should be noted, as one fire official pointed out, the primary reason there was a merger of the two fire companies was that the Large Volunteer Fire Company was in financial difficulty and was faced with being forced into bankruptcy by a creditor. In the judgment of township fire officials, the struggling financial condition of the Large Volunteer Fire Company expedited the merger with Jefferson 885 Area Volunteer Fire Company. The association, with the concurrence of the members of the Large Volunteer Fire Company and elected borough officials, was able to work out an arrangement with the creditor whereby it assumed all the fire company's debt in exchange for the fire company's equipment and property assets. This fire official also stated that management of an effective fire company in today's world can be beyond the capability of many volunteers so it is important to use the available combined efforts of people who have the financial and management background to accomplish this essential function.

Today the fire companies providing fire service to the Borough of Jefferson Hills are the Floreffe Volunteer Fire Company housed in Allegheny County Station 178, the Gill Hall Volunteer Fire Company housed in Allegheny County Station 179, and Jefferson 885 Area Volunteer Fire Company (Large Volunteer Fire Company merged with Jefferson 885) housed in Allegheny County Station 180. The Floreffe Volunteer Fire Company Ambulance Company merged with the Jefferson Hills Area Ambulance Association. The resulting organization (Jefferson Hills Area Ambulance Association) is housed in Allegheny County Station 595.

What Is the Current Status and Impact of the Association?

Local fire officials classify the establishment of the Jefferson Hills Fire-Rescue and Emergency Medical Services Association as a success story still in the making. They do so since many members of the community do not understand that the emergency fire services of the Borough of Jefferson Hills are not a paid service but a volunteer service. This is based in part on some new residents' past experience with the fire services of where they previously lived and the fact that they are new to the volunteer concept. There still remains work on the part of local fire officials to educate and market to the community the volunteer concept, how the fire service that people currently observe in the community got to where it is today, and what is needed to be prepared to better serve the needs of the municipality in the future. They see their efforts as never being completed since they must constantly review and evaluate the growth of the Borough of Jefferson Hills to address the ever-changing demands placed on the emergency services for not only the traditional needs of fire, rescue, and emergency medical services, but also the new demands placed on these services because of the threat of terrorism, the demands of homeland security, and general emergency management of an all-hazards approach to serving the needs of the community.

There have been many positive organizational and operational changes to the provision of fire and emergency medical services to the citizens of the Borough of Jefferson Hills. Chief among them are:

- a. The merger into a single fire service agency of the Large Volunteer Fire Company with Jefferson 885 Area Volunteer Fire Company.
- b. The coordination of the purchase of apparatus to address the true needs of the municipality so as not to duplicate equipment unless a need to do so was identified and justified in the strategic plan.
- c. The coordination of all fire service organizations to work together in responding to the emergencies in the supported community.

Appendix C – Jefferson Hills Borough Association (Continued)

- d. A closer working relationship through joint training and pulling together of resources between Jefferson 885 Area Volunteer Fire Company and the Jefferson Hills Area Ambulance Association.
- e. The enactment by the municipality of a fire and emergency medical services tax that funds the purchase of apparatus for the fire and emergency medical services of the borough. This tax money can only be used to purchase fire apparatus and ambulances and not for operational expenses.

Fire and local elected officials share the view that while some of the goals set forth in the strategic plan have been achieved, the process is dynamic in nature and in continual revision to address the needs of the community and the ever-changing world being faced by the citizens of the Borough of Jefferson Hills.

The association formed by the fire and emergency medical services to support the needs of the community has had some major positive impacts on several operational and organizational requirements faced by the fire services of Jefferson Hills. Local fire officials indicate that in the case of Jefferson 885 Area Volunteer Fire Company they have experienced a dramatic increase in the recruitment of volunteer firemen and staff to support operations since the association has come into existence. While they did initially lose some members from the Large Volunteer Fire Company during the merger process, many of these members have now volunteered for service in a fire company where they now reside. The new source of funding for major equipment purchases from the fire and emergency medical services tax has permitted the fire company membership to focus their attention on being well trained to perform their required firefighting functions instead of spending valuable time on fund-raising activities. The result of this has been shown with the award of the Silver Level Certificate for having over 75 percent of their members certified at the minimum level of Fire Fighter I. These individuals are now pursuing training for certification at the Fire Fighter II level.

The fire and emergency medical services tax has provided a funding source that was needed to purchase required equipment that was unaffordable in the past. While grants and loans from the Commonwealth are still needed, the tax has eased the burden of fund raising somewhat and has made service as a volunteer in the Borough of Jefferson Hills a more attractive proposition than perhaps it had been in the past. Through the requirements established for use of this tax money, it is envisioned that the volunteer fire companies will be better able to manage available resources as well as coordinate major apparatus purchases amongst the fire companies providing service to the borough. This action is expected to ensure that the right equipment is available to support the needs of the community without the risk of duplication of effort thereby wasting precious resources. The association also provides a single unified voice that works with elected officials to put in place, through use of the taxing powers of the municipality, the mechanism to provide much needed resources to purchase the equipment required for community needs. It is hoped, as time goes on, that the cooperation shown among the officials of the local fire companies as well as with municipal officials will result in better working relationships for the overall improvement of fire protection services for the community.

The association provides the individual volunteer fire companies with an improved position for bargaining with providers of equipment, other products, and services using the purchasing power associated with a larger entity to achieve more desirable rates or pricing because of the increased volume attendant to a larger organization. The increased purchasing power achieved by the association was pointed out by fire officials when they cited the example of being able to purchase a single group insurance policy for the association instead of each individual organization being forced to negotiate for and purchase separate policies. However, a fire official also stated that the association has not yet been able to fully maximize this strength because of the resistance by some members who appear to view this as a loss of individual fire company control.

APPENDIX D

Suggested Steps in the Consolidation Process

1. Determine Feasibility

An individual or small group becomes interested in exploring consolidation possibilities.

2. Form and Activate an Advisory Group

Both a central executive committee and a number of working groups will be required.

3. Identify Key Needs, Issues, Requirements, and Constraints

This step involves identifying any needs that must not be overlooked, issues that underlie possible changes, requirements that must guide future plans and constraints that might influence the outcome.

4. Develop Goals and Objectives

Goals and objectives for the consolidated organization will be developed during this step and then submitted for approval to the involved fire companies.

5. Establish Criteria for Selecting Programs and Approaches

A myriad of possible ideas will arise during the planning process. A means must be established for determining which will be enacted and which will not.

6. Develop and Analyze Alternative Programs and Approaches

The working groups now develop a long list of ideas for specific programs or approaches that might be undertaken to enhance the new organization. A range of options should be identified so that eventual choices are not limited.

7. Formulate an Action Plan

The action plan will describe and guide the future of the organization. It will serve as the manual for implementing the selected programs and approaches to those programs.

8. Implement the Plan

Implementation of the plan must be accomplished in accordance with the approved procedures and schedule contained in the plan.

9. Monitor and Evaluate

Evaluate programs by monitoring their effects to determine whether and how closely they match the intended results.

Source: *Fire Department Consolidation, Why and How To Do It . . . Right*, Campbell Associates, Inc., for VFIS, 1994.

APPENDIX E

Summary of Recommendations Made by the Senate Resolution 60 Special Bipartisan Legislative Commission

1. Consistent Statutory Requirements

Issue: There are no consistent municipal statutory statements of authority, responsibility, and accountability for fire and emergency medical service within the forms of municipality in the Commonwealth.

Resolution: Legislative changes are suggested at the “policy level in order to clarify the need and delivery system of fire and emergency medical services within the Commonwealth.”

2. Service Delivery Model

Issue: There is no common or defined approach regarding fire and EMS delivery within Pennsylvania.

Resolution: It is recommended that the state adopt legislation that would incent municipal governments to certify an expected level of service before state funds are received. Any mediation necessary would be provided by the Regional EMS Council or the Center for Local Government Services in the Department of Community and Economic Development. Legislative changes are suggested at the “policy level in order to clarify the need and delivery system of fire and emergency medical services within the Commonwealth.”

3. Act 84 Restructuring

Issue: Restructure Act 84 to return to the original goals of the program and assure some minimum protection levels to all responders.

Resolution: Reform is necessary to determine how the funds should be used, how they should be distributed, and how the program is audited. A select committee should be established to hold appropriate hearings and develop appropriate legislation, equitable to the intent of the program.

4. Tax Credit to Volunteer Firefighters and EMS Staff

Issue: Our volunteer emergency service responders perform a critical public service. It is a service we cannot do without. As a result, a tax credit represents a responsible course as an incentive for recruitment and retention.

Resolution: SB 916 (2003/04 session) would provide an annual \$250 state income tax credit for “active” volunteer firefighters and EMS personnel. Unlike a pension benefit that may be more attractive to those volunteers who are thinking about retirement, a tax credit provides an immediate benefit to all and may be particularly rewarding to young volunteers in the early stages of their employment careers. Active status for tax credit eligibility would be determined by a service point system established by the State Fire Commissioner. The General Assembly should also develop legislation granting counties, municipalities, and school districts the optional authority to provide for a similar credit against local taxes for active volunteer emergency service responders.

Appendix E (Continued)

5. EMS Act 45 Reform

Issue: The EMS Act (Act 45 of 1985, P.L. 164) was developed in the early 1980s and enacted in 1985. Although it was a model for its time, some aspects are outdated and need to be revised.

Resolution: The Legislature should form a Commission to review the reports that have been conducted over the past several years, as well as conduct statewide hearings to hear testimony from active EMS providers on current challenges and recommendations for system improvement. Based on the review of the studies and reports as well as the testimony received, comprehensive revisions to the EMS Act should be drafted.

6. Volunteer Fire Service/Volunteer Ambulance Grant Program

Issue: Continued positive impact of the Volunteer Fire Service/Volunteer Ambulance Grant Program.

Resolution: The Legislature should provide for permanent funding so that the grant program can be administered in an efficient manner, without taking monies from other much needed emergency services programs. The Grant Program should become permanent with an increase every other year, starting in 2006. This increase should be tied to the Consumer Price Index.

7. Tax Rate Modification for EMS - Local

Issue: Permit modification of the local taxing rate to 3 mills for fire and EMS. (Higher than 3 mills would still require voter approval.)

Resolution: This would be a small advancement for most services. The ability for municipalities to levy separate taxes up to 3 mills for either fire or EMS is a substantial change and could provide the necessary funding to eliminate shortfalls.

8. Authorize/Enable Regional Fire/EMS Boards/Districts/Authorities

Issue: Establish legislation to authorize fire and EMS regional boards/districts/authorities which would provide an optional organizational structure and consistent revenue generating system.

Resolution: To facilitate the opportunity for optional organizational designs, establish alternative funding systems with dedicated revenue, and ensure deployment programs in the best interest of the people, draft legislation that would permit fire/EMS/regional boards, fire/EMS authorities and fire/EMS districts to be established in Pennsylvania if certain criteria are established, met, and agreed to by the public.

9. Establish/Permit a Service Longevity Program

Issue: One of the most pressing problems we face in our communities is the decline in the ranks of our emergency volunteers. Benefits that directly affect volunteers are most visible and positively impacting on those volunteers. One such program would be to establish a state-based retirement program and enable organizations to use Act 84 monies for qualified Length of Service Award Programs (LOSAP).

Resolution: Legislation needs to be drafted to achieve this issue.

Appendix E (Continued)

10. Mutual Aid Agreement Model

Issue: There is no clear model or guideline provided in Pennsylvania statutes to define mutual aid or mutual aid agreements, or when they are appropriate.

Resolution: Legislation is needed to provide a framework for emergency services mutual aid.

11. Education Tuition Credit

Issue: One of the most pressing problems our communities face is the decline in the ranks of our emergency volunteers. Benefits that directly affect volunteers are most visible and positively impacting on those volunteers. One such program would be to establish a tuition credit for volunteer firefighters and EMS personnel who are continuing their higher education at a facility of the state university system or the community college system.

Resolution: Through the Pennsylvania State University System and the community college system, provide for reduced tuition/credit for volunteer fire and EMS personnel, to an established maximum credit. Legislation is necessary to achieve this recommendation.

12. Business Tax Credit for Supporting Volunteer Fire/EMS Staff

Issue: Providing a tax credit to businesses who permit volunteers on their staff to respond to calls or attend training during working hours would provide additional support to our volunteer system of emergency response.

Resolution: Legislation needs to be drafted.

13. Public Safety Service Fee

Issue: Authorize the local levy of a municipal public safety service fee to offset the costs of providing services to resident and non-resident workers.

Resolution: Amend Act 511 of 1965, the Local Tax Enabling Act, to allow for the local levy of a municipal public safety service fee of \$52 per year on resident and non-resident workers. This fee takes the burden of increased property taxes off the retired or low-income property owner and places it on the working population, who are more likely able to afford the fee. Any such fee proposal should require repeal of the Occupational Privilege Tax in those municipalities that decide to levy the fee.^a

14. Permit Direct Reimbursement to EMS and Fire Agencies

Issue: Enable any agency with the authority to charge to receive direct reimbursement from insurers.

Resolution: The same system used to compensate physicians and hospitals should be used to pay fire and EMS agencies on a direct basis. Legislation would be required, and there may ultimately be gains in the cost structure as less follow-up activity on the part of insurers and fire/EMS agencies would be necessary.

^aThis act was amended by Act 2004-222. It changed the name of the occupational privilege tax to the "emergency and municipal services tax." The tax may not exceed \$52 per year.

Appendix E (Continued)

15. Establish Position of EMS Commissioner

Issue: Unlike other states, Pennsylvania does not have a “fire-based” EMS system. In fact, public safety in Pennsylvania is a three-system delivery model consisting of law enforcement, fire, and emergency medical services. Although there is a Police Commissioner and a Fire Commissioner who report directly to the Governor’s office, there is no EMS Commissioner.

Resolution: Short term, the Governor should issue an Executive Order creating the Office of the State EMS Commissioner using similar verbiage as was done for the Homeland Security Office. The long-term solution is for the establishment of an Office of EMS Commissioner and related provisions for that office. This office could be housed within the Department of Health and report directly to the Secretary; however, like the Fire Commissioner’s Office, it should have access to the Governor’s Office when needed.

16. Expand State Contract for Fire/EMS Equipment

Issue: Expand the state contract purchasing capability for fire and EMS equipment, apparatus, and supplies by supporting the further development and maintenance of this program.

Resolution: The Department of General Services, Pennsylvania Council of Governments, and the Pennsylvania Fire and Emergency Services Institute should be charged with the expansion of a fire and EMS purchasing process, list, and expanded choices (including basic ambulances, pumpers, and aerials) for use by Pennsylvania fire and EMS agencies. This should be web based and also offer the opportunity for municipalities to offer used equipment for sale.

17. Reimburse Cities for Career Fire Staff Training

Issue: Provide reimbursement to cities for career staff fire and EMS training.

Resolution: HB 767 already exists and has passed the House, however, the Senate Veterans Affairs and Emergency Services Committee has not moved it. This program will, like the similar law enforcement program, establish training standards of performance for the cities affected while training their staff for domestic response capabilities.^b

18. Billing Services

Issue: Expand the ability for fire and EMS agencies to bill for incidents other than medical and hazardous materials.

Resolution: Develop and pass legislation that would enable fire and EMS agencies to bill for services such as fire suppression, rescue, spill control, and law enforcement/coroner support. Discussions, debate, and testimony should determine if there are other similar services that can be “billed for.” Standardized rates for fire service delivery, statewide, should be a part of the legislation. Legislative changes are necessary. As long as proposed fees are reasonable, they will be within tolerable loss expectations of insurance carriers and not pose an undue burden on them.

^bHB 767 expired at the end of the 2003-04 legislative session. SB 161, SB 97, and HB 172 introduced in the current session include similar provisions.

Appendix E (Continued)

19. Volunteer Loan Assistance Program Restructuring

Issue: The Volunteer Loan Assistance Program should be restructured.

Resolution: Reform is necessary to determine how the funds should be used, how they should be distributed, and how the program is defined. Inherent with any structural modification or apparatus purchase should be the reference to a risk assessment that supports the need, while providing limitations and criteria for the purchase of heavy rescues, aeri-als, and hazardous materials vehicles. In addition, to encourage consolidation and regionalization of services, the system should be redefined to better incent for proactive and constructive (be-havior) change; enabling more money to be available for consolidating organizations at lower rates, and be based on needs, not wants.

20. Regional Emergency Service Consultant

Issue: Establish at a regional (or county level if appropriate) level a position of Regional Fire/EMS Service Consultant to assist agencies in the multitude of management required tasks being placed on fire officials.

Resolution: Establish a regional (or county) level position for a consultant to local fire commissioners, presidents, fire chiefs, EMS managers, etc., for items involving recordkeeping, fire suppression counseling, urban search and rescue, report filing, grant development, PENNFIRS reporting, training program coordination, recruitment and retention, legislative changes, etc. This may be fundable through the Federal SAFER Act and/or may be modeled after the New York Office of Fire Safety Services system.

21. Create a Permissible Benefits Spending Program

Issue: Create the opportunity for a "Permissible Benefits Spending Program" that brings value to the members of the organization.

Resolution: Funding systems should incent organizations who inventory on a periodic basis what members seek in benefits and provide more funding to those who have a defined plan to recruit and retain members. This can be made part of Act 84 Reform to permit up to \$575 per person in a "qualified plan." Other initiatives may be made part of this, such as partici-pation in a credit union and the development of a reduced rate home mortgage.

22. Provide Health Care Benefit Program Opportunity

Issue: There is a need to establish the opportunity for volunteer and nonprofit firefighters and EMS personnel who are in need of health care insurance to participate in the state's health care program.

Resolution: Develop and pass the legislation to provide the opportunity for volunteer and nonprofit fire and EMS personnel (including family benefits) who are in need of health care insurance to obtain it through the state's health care system. The individuals could fund this themselves, or Act 84 monies could be used to provide some of the benefit to the volunteer. (This would require modification to Act 84 as well.)

Appendix E (Continued)

23. State Legislature Should Eliminate Unnecessary Administrative Reporting Required of Fire and EMS Organizations

Issue: Various state agencies currently require volunteer fire and EMS and related organizations to comply with state regulations and reporting requirements that they place unilaterally on all nonprofits. These requirements place a burden on the already overloaded providers and produce little or no known value to the system.

Resolution: A review of existing state legislative reporting requirements for fire and EMS related organizations: (1) to ensure that the reporting is necessary, and (2) determine methodologies to eliminate unnecessary and burdensome reporting requirements.

Senate Resolution 60 Commission Membership

1. Dr. William F. Jenaway, Chairman, King of Prussia Volunteer Fire Company
2. Honorable Timothy Solobay, Vice Chairman, General Assembly of the Commonwealth of Pennsylvania
3. Honorable Richard A. Kasunic, Member, Senate of the Commonwealth of Pennsylvania
4. Honorable Sean Logan, Member, Senate of the Commonwealth of Pennsylvania
5. Honorable Michael Waugh, Member, Senate of the Commonwealth of Pennsylvania
6. Honorable Donald White, Member, Senate of the Commonwealth of Pennsylvania
7. Honorable Lawrence Sather, Member, General Assembly of the Commonwealth of Pennsylvania
8. Honorable Stanley Saylor, Member, General Assembly of the Commonwealth of Pennsylvania
9. Honorable Timothy Tigue, Member, General Assembly of the Commonwealth of Pennsylvania
10. Mr. Barry Albertson, Member, Ambulance Association of Pennsylvania
11. Mr. Vincent Difillipo, Member, Radnor Fire Company
12. Mr. David Eckman, Member, Pennsylvania Professional Firefighters Association
13. Mr. Mark Hamilton, Member, County Commissioners Association of Pennsylvania
14. Mr. James Hertzler, Member, Pennsylvania State Association of Township Commissioners
15. Ms Kathleen Hogan, Member, Pennsylvania Emergency Health Services Council
16. Ms Helen Jackson, Member, Pennsylvania State Association of Boroughs
17. Mr. Alan Jenkins, Member, Western Pennsylvania Firemen's Association
18. Mr. Donald Konkle, Member, Fire Chief/EMA Coordinator, City of Harrisburg
19. Ms Deborah Kulick, Member, Pennsylvania State Association of Township Supervisors
20. Mr. Edward Mann, Member, State Fire Commissioner, Commonwealth of Pennsylvania
21. Mr. Fred McCutcheon, Member, Fireman's Legislative Federation of the State of Pennsylvania
22. Mr. Roland R. Mertz, Member, Pennsylvania League of Cities and Municipalities
23. Mr. William H. Rehr, Member, City of Reading Fire Department
24. Mr. Ernie Rohjan, Member, Fireman's Association of the State of Pennsylvania
25. Mr. Thomas Savage, Member, Pennsylvania Fire and Emergency Services Institute
26. Mr. David Gemmill, Alternate to Representative Stanley Saylor
27. Mr. Elam M. Herr, Alternate to Ms Deborah Kulick, Pennsylvania State Association of Township Supervisors
28. Mr. Ron Oettel, Alternate to Senator Donald White
29. Chief John Senft, Alternate to Senator Michael Waugh
30. Mr. Walter Wise, Alternate to Mr. Ernie Rohjan, Fireman's Association of the State of Pennsylvania
31. Mr. Robert Timko, Alternate to Mr. Fred McCutcheon, Fireman's Legislative Federation of the State of Pennsylvania

Source: Senate Resolution 60 Commission Report to the Senate of the Commonwealth of Pennsylvania, November 2004.

APPENDIX F

Municipal Fire/EMS Service Delivery Chart Proposed by the SR 60 Commission

Based upon a meeting of the undersigned, this summary chart identifies the primary provider of services to the community.

- Fire Suppression¹ _____.
- Hazardous Materials – Awareness Level _____.
- Hazardous Materials – Operations Level _____.
- Fire Police _____.
- Rescue (Vehicle, Elevator, Light Entrapment) _____.
- Confined Space Rescue _____.
- Trench Rescue _____.
- Technical (Structural Collapse) Rescue _____.
- Water Rescue _____.
- Wilderness Rescue _____.
- High Angle Rescue _____.
- Basic Life Support – EMS _____.
- Advanced Life Support – EMS _____.
- QRS _____.
- Mass Casualty Incident _____.
- Terrorism Response _____.

Fire Official

EMS Official

Municipal Official

Date _____.

Issues/Challenges/Needs Faced That Require Action:

Appendix F (Continued)

Standard of Service Level (Attach Standard of Service Level Matrix)

Fire _____

EMS _____

Budget

Year	Operating Budget	Capital Budget
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Objectives for Fire and Rescue Services

Year _____ 1. _____ Implement PENNFIRS _____.

2. _____.

3. _____.

4. _____.

Year _____ 1. _____.

2. _____.

3. _____.

4. _____.

Year _____ 1. _____.

2. _____.

3. _____.

4. _____.

¹Includes structure fires, brush fires, vehicle fires, etc. requiring basic suppression via water usage

Source: SR 60 Commission Report, November 2004.

APPENDIX G

Standard of Service Matrix and Training Requirements Proposed by the SR 60 Commission

Standard of Service Matrix:

Service Level ¹	<u>Description</u>
Defensive Service Level F	<p>a. Personnel required – 3</p> <p>b. Equipment – 1 NFPA criteria engine (pumper)</p> <p>c. Exterior Defensive Firefighting capabilities only</p> <p>d. Expectations – Protect surrounding exposures, loss of involved property – NO TIME LIMITS</p>
Offensive Service Level E	<p>a. Personnel required – 5</p> <p>b. Equipment – 1 NFPA criteria engine (pumper)</p> <p>c. Interior Firefighting capabilities only of room or contents and small buildings under 750 square feet, NFPA PPE/SCBA.</p> <p>d. Expectations – Ability to extinguish a fire and save life and property. Respond within 9 minutes, plus travel time.</p>
Offensive Service Level D	<p>a. Personnel required – 5</p> <p>b. Equipment – 1 NFPA criteria engine (pumper)</p> <p>c. Interior Firefighting capabilities only of room or contents and small buildings under 750 square feet. Also, vehicle extrication capabilities with little or no power equipment. NFPA PPE/SCBA.</p> <p>d. Expectations – Ability to extinguish a fire and save life and property. The ability to extricate a person from a motor vehicle efficiently. Respond within 9 minutes, plus travel time.</p>
Offensive Service Level C	<p>a. Personnel required – 6</p> <p>b. Equipment – 1 NFPA criteria engine (pumper)</p> <p>c. Interior Firefighting capabilities of room or contents and small buildings under 1000 square feet. Vehicle rescue capabilities with power or no power equipment and provide Operations level Hazardous Materials Response. NFPA PPE/SCBA.</p> <p>d. Expectations – Ability to extinguish a fire and save life and property. The ability to perform and extricate a person from a motor vehicle efficiently. The ability to identify and provide operations level hazardous materials response. Arrive on scene within 14 minutes, 80 percent of the time.</p>
Offensive Service Level B	<p>a. Personnel required – 10</p> <p>b. Equipment – 2 NFPA criteria engine (pumper)</p> <p>c. Interior Firefighting capabilities of room or contents and small buildings under 5000 square feet. Vehicle rescue capabilities with power or no power equipment and provide Operations level Hazardous Materials Response. NFPA PPE/SCBA.</p> <p>d. Expectations – Ability to extinguish a fire and save life and property. The ability to perform and extricate a person from a motor vehicle efficiently. The ability to identify and provide operations level hazardous materials response. Arrive on scene within 10 minutes of dispatch, 80 percent of the time.</p>
Offensive Service Level A	<p>a. Personnel required – 15</p> <p>b. Equipment – 2 NFPA criteria engine (pumper), and one truck company (aerial or support truck)</p> <p>c. Interior Firefighting capabilities of room or contents and small buildings under 10,000 square feet. Vehicle rescue capabilities with power or no power equipment and provide Operations level Hazardous Materials Response. NFPA PPE/SCBA for each person.</p> <p>d. Expectations – Ability to extinguish a fire and save life and property. The ability to perform and extricate a person from a motor vehicle efficiently. The ability to identify and provide operations level hazardous materials response. Arrive on scene within 9 minutes of dispatch, 90 percent of the time.</p>

Appendix G (Continued)

Training Requirements²

Service Level ¹	Description
Defensive Service Level F	Firefighter – Basic firefighting course Pump Operator – Basic pump course
Offensive Service Level E	Firefighter – Basic firefighting course, Haz Mat R&I, NIMS Pump Operator – Basic pump course, basic firefighting course
Offensive Service Level D	Firefighter – Basic firefighting course, basic vehicle rescue course, Haz Mat R&I, NIMS Pump Operator - Basic pump course, basic firefighting course, basic vehicle rescue course, Haz Mat R&I, NIMS
Offensive Service Level C	Firefighter – Basic firefighting course, basic vehicle rescue course, Haz Mat operations course, NIMS Pump Operator - Basic pump course, basic firefighting course, basic vehicle rescue course, Haz Mat operations course, NIMS
Offensive Service Level B	Firefighter – Basic firefighting course, advanced vehicle rescue course, Haz Mat operations course, RIT course, truck company operations course, NIMS Pump Operator - Basic pump course, basic firefighting course, advanced vehicle rescue course, Haz Mat operations course, truck company operations course, NIMS
Offensive Service Level A	Firefighter – Firefighting I certification, advanced vehicle rescue course, Haz Mat operations course, RIT course, truck company operations course, NIMS Pump Operator - Basic pump course, firefighter I certification, advanced vehicle rescue course, Haz Mat operations course, truck company operations course, NIMS
EMS Service Level D	First Aid response by two first responders
EMS Service Level C	Quick response unit with one EMT and one first responder
EMS Service Level B	Basic life support – one EMT and one first responder
EMS Service Level A	Advanced life support – one EMT and one paramedic

Suggested Minimum Training for Administrative Officers:

President – Rules of Order, bylaws, conducting of meetings, grant writing

Treasurer – IRS reporting, grant writing, charitable registrations

¹An ultimate (most basic) goal is to have a turnout time (time from dispatch to time first vehicle leaves the door) is 9 minutes 90 percent of the time, plus travel time to the incident (levels E and F). Communities may have more than one service level. NOTE: SPECIAL RISKS REQUIRE ADDED SERVICES AS DETERMINED LOCALLY.

²Applies to 50 percent of active responders not including fire police.

Source: SR 60 Commission Report, November 2004.

APPENDIX H

Pennsylvania Fire Information Reporting System

The Pennsylvania Fire Information Reporting System (PENNFIRS) is Pennsylvania's component of the National Fire Incident Reporting System (NFIRS). NFIRS is an information system that was initiated and is supported by the U.S. Fire Administration. This system was developed as a means of assessing the nature and the scope of the fire problem in the United States. NFIRS first came on line in 1976 and has grown in participation and use since that time.

Act 1995-61 (State Fire Commissioner Act) mandates that the State Fire Commissioner is responsible for serving as the focal point for information relative to fires, property damage, injuries, and loss of life. The development and implementation of a statewide fire incident reporting system will materially assist the Fire Commissioner in fulfilling this legislatively mandated responsibility.

In developing this statewide fire information reporting system the Office of the State Fire Commissioner was assisted by a PENNFIRS Task Force made up of knowledgeable fire service representatives from a variety of types of fire departments and county emergency agencies from across the Commonwealth. A great deal of hard work has gone into ensuring that this system would provide everyone, beginning with the local fire departments, with the information needed to operate safer and smarter.

From the very start of this effort, there was complete agreement between the Office of the State Fire Commissioner and the PENNFIRS Task Force that to provide the type of electronic data collection that was needed, it would be necessary to wait for the release of the new NFIRS 5.0 software being developed by the U.S. Fire Administration. The complicated nature of that software and the amount of volunteer time that went into its development extended the development time for Pennsylvania's Fire Information Reporting System well beyond that which had been anticipated.

In 2001, the Office of the State Fire Commissioner purchased a statewide license for the NFIRS 5.0 software. That purchase ensured that a basic, but robust NFIRS fire reporting package would be available to every fire department in the Commonwealth . . . at no cost to the fire department. The supplier for the NFIRS 5.0 software package is FireHouse Software. To date, over 1,400 Pennsylvania fire departments have received their copy of the software package. Another 450 departments that already had acquired the Firehouse Software, prior to the Fire Commissioner's purchase, were provided with software maintenance contract support. Some departments have opted to acquire NFIRS 5.0 compliant software from other vendors. Currently about 2,000 Pennsylvania fire departments have access to NFIRS reporting software.

Additionally, the Office of the State Fire Commissioner has been working with county agencies to encourage them to participate in PENNFIRS as first level data collection sites to ensure that this statewide data network functions as smoothly and efficiently as possible. While there is no requirement that County Emergency Management Agencies or 911 agencies get involved in the PENNFIRS program, it is believed by fire service personnel in the Office of the State Fire Commissioner that the information available from the system will become a valuable and beneficial resource for all agencies and organizations that participate in the system. The Office of the State Fire Commissioner is now receiving data from 35 county agencies that are

Appendix H (Continued)

doing PENNFIRS data collection for their fire departments. Another 18 county agencies are in the process of developing their data collection capabilities. The Office of the State Fire Commissioner provides data-collection software and software maintenance for county agencies involved in the data collection network.

Perhaps the most fundamental use of PENNFIRS is in the understanding of the nature of the fire problem whether conceived at the state or local level. One of its many uses at the state level will be its utilization in the preparation of a Fire Commissioner's annual report which will provide an overview of the effect fire has had on the Commonwealth's citizens and economy. Additionally, the data base generated by the system will be extremely useful for decision makers at the state level in assessing the adequacy of equipment inventory at various locations throughout the Commonwealth as compared to the associated risk at that particular locale. PENNFIRS has the potential to provide ongoing information for a statewide data base for the fire equipment assets of the Commonwealth once a "bricks and mortar" assessment has been completed.

More importantly, for the first time ever, PENNFIRS will allow the Office of the State Fire Commissioner regional and statewide views of the fire problem in Pennsylvania and afford the Office the opportunity to study the effect of the state's fire and emergency services response to those problems – all of which is essential to state and regional planning efforts.

At the local level, fire departments using PENNFIRS will be able to compare their own productivity and effectiveness with the larger regional and state response picture. They will also be able to seek out statistics on fire departments in communities similar to their own and conduct comparisons. As time goes on, the Office of the State Fire Commissioner believes that fire officials and local municipal officials will use the hard data available through PENNFIRS to make more effective and efficient fire protection management decisions for their communities.

PENNFIRS took on added importance with the introduction of the Federal Assistance to Firefighters Grant program in 2002. Recipients of these federal grants are required to submit NFIRS incident reports to the U.S. Fire Administration as a condition of accepting grant funding. During the 2004 grant program, \$47,746,279 was awarded to 549 Pennsylvania fire departments. Beginning with the 2003-04 grant year, recipients of funding from Pennsylvania's Volunteer Fire Company, Volunteer Ambulance Service Grant Program were required to agree to actively participate in the PENNFIRS program. Future VFCVASGP grant awards will be influenced by a recipient's fulfilling this requirement.

Source: Developed by LB&FC staff from information obtained from the Office of State Fire Commissioner, Pennsylvania Emergency Management Agency.

APPENDIX I

The Use of Special Fire Districts in Other States

Nationally, for the most part, municipalities are deemed “multi-purpose governments” that are authorized to provide a broad spectrum of services such as police, municipal courts, fire, sewer, water, parks and recreation, libraries, planning, building code enforcement, streets, and transportation. However, in contrast, special service districts are referred to as “single purpose governments,” which are typically formed to provide a specific service or family of services such as fire protection and emergency medical services.

Most states have statutes that recognize municipalities as “primary service providers” and therefore recognize them as a “preferred form” of government. Since special service districts do not fit the model of the “traditional” role of government, their very nature conflicts with this paradigm. Many states recognize districts as only “temporary service providers” yet the districts are typically the primary providers of special service to the developing areas. In many states these special districts have become so successful at providing municipal levels of service to developing areas that residents often resist annexation into a multi-purpose government.

Throughout the United States there are variances to the term “special service district” among others such as “fire district,” “regional district,” “special district,” and “fire protection district.” Exactly what is used to describe a special service district is very much dependent upon where one is located in the nation. We found three definitions/descriptions of the term “fire district” obtained from information provided by the National Emergency Training Center Library.

Dennis P. Nolan’s Encyclopedia of Fire Protection, published in 2001 by Thomas Learning, Stamford, Connecticut, defines a fire district as “A rural or suburban area served by a fire organization.”

In Fire Service and the Laws 2nd Edition by Timothy Callahan, which was published in 1987 by the National Fire Protection Association, a fire district is defined as “. . . a territorial subdivision of the state bounded and organized under the authority of the legislature for the government purpose of providing protection against fire within its limits Although composed of a part of one or many towns it is in substance a quasi-municipal corporation of definitely restricted (purpose and) powers. A fire district has been variously described as a political subdivision of a county or state, or even a municipal corporation. The designation is important only in determining the interrelationship among the district and other public entities and the status of the entity under state law.”

In the National Fire Protection Association’s Fire Protection Handbook a fire district is described as “another type of public fire service organization which is organized under special provisions of state law. It is in effect a separate unit of government, having its own governing body in the form of commissioners or trustees and commonly supported by a district tax levy. . . . The fire district may include portions of one or more townships or other governmental subdivisions.”

These are, however, just three of the many definitions/descriptions of the term fire district, and as was stated earlier, there are many variances of the term. While there are

Appendix I (Continued)

variations, the fact remains that a fire district is basically "... an entity created to provide for fire protection, suppression, and rescue services." Fire districts are not necessarily encompassed by easily identifiable landmarks and/or boundaries such as roads or trails. Furthermore, not all of a given road might be in the same district. In some locales, fire districts have taxing authority to enable the entity to fund the necessary equipment and personnel to provide fire protection, fire suppression, and rescue services as well as in some cases emergency medical services as needed and demanded by the citizens in the fire district.

Fire districts enjoy the ability to focus on fire protection and emergency medical services without the interdepartmental competition that might exist between municipal departments. From a district's perspective, municipalities place a lower priority on fire protection because it is just another service that must be considered along with roads, sewers, and police services, for example. For a fire district, fire and emergency medical services are its only business which, many times, permits it to provide a higher level of service for similar or lower costs. However, from a municipality perspective, fire districts lack adequate community involvement and oversight. These special districts are often referred to by critics as the "unseen government" that has enjoyed relative anonymity. While municipalities fight to fund libraries, the department of transportation, and wastewater treatment facilities and also to staff police departments to battle crime problems and are subject to much scrutiny from the media and taxpayers, special districts, in many cases, are free from detailed oversight by the media and the public.

In many areas of the United States, the citizens can select the level of service they desire through their vote. For example, if the voters want faster response times, they can simply vote for funding to hire staff or additional staff as well as facilities to accomplish reduced response times. However, in municipalities it is inherently more difficult to encourage elected officials and policymakers to reduce or abandon one function in favor of enhancing fire services.

In the course of our research we surveyed laws dealing with fire districts in a sampling of four states (New York, Colorado, Florida, and New Jersey) as well as Pennsylvania. The information that follows is a synopsis of what we found concerning how these four states handle the establishment of special districts to provide for fire services.

New York

New York law provides for three types of districts – fire districts, fire alarm districts, and fire protection districts. New York defines a fire district as:

A political subdivision of the state and a district corporation The officers and employees of a fire district, including paid and volunteer members of the fire department therefore, are officers and employees of such fire district and are not officers or employees of any other political subdivision.

Fire districts, fire alarm districts, and fire protection districts are basically established in the same manner. First, the town board or boards, if more than one town is involved, must either receive a petition from the resident taxpayers in the proposed district or the board(s) may propose on their own the establishment of the district. Any district must be outside any incorporated village or city, or any existing district. Second, the board(s) will hold a public hearing on the petition. Third, after the hearing, the board(s) will determine by resolution whether: (a) the

Appendix I (Continued)

petition is signed, acknowledged, or proved as required or otherwise sufficient; (b) all the property and property owners within the proposed district are benefited thereby; (c) all the property and property owners benefited are included in the district; and (d) it is in the public interest to approve the petition. A similar process is used for the town board and the board of trustees of an incorporated village to establish a joint fire district.

Once a fire district is established, its five-member board of district fire commissioners has the following powers and duties among others:

- cause a map to be prepared showing the exact boundaries of the fire district;
- make any and all contracts for the purposes authorized within the appropriations approved by the taxpayers of the district;
- organize, operate, maintain, and equip fire companies;
- adopt rules and regulations governing all fire companies and fire departments in the district;
- contract for a supply of water and for the furnishing, erection, maintenance, care, and replacement of fire hydrants;
- purchase or lease apparatus and equipment for the extinguishment and prevention of fires and for the purposes of emergency rescue and first aid and fire police squads;
- construct and maintain an adequate fire alarm system in the district; and
- as required, contract to provide for fire protection; emergency service in case of accidents, calamities or other emergencies; or general ambulance service outside the fire district.

Additionally, the board of fire commissioners will submit for a vote at a special or annual fire district election any proposals to purchase fire apparatus and fire fighting vehicles for the fire district; to purchase or install an adequate fire alarm system; to lease, purchase, construct, reconstruct, alter, repair, or equip suitable buildings for the preservation, protection, and storing of vehicles, apparatus, and equipment of the fire district; to purchase permanent or temporary rights for water within the fire district; and to purchase or construct fire suction pools in bodies of water within the fire district. The board of fire commissioners also annually prepares and files with the budget officer of each town in which the fire district is located detailed estimates of revenues to be received and expenditures to be made during the next fiscal year. After the annual budget is adopted by the town board and filed with the county board of supervisors, that board will assess and levy upon the taxable real property in the fire districts the amount to be raised by taxes to support the fire districts. The taxes assessed and levied are to be collected in the same manner and at the same time as the town taxes are assessed, levied, and collected.

Colorado

Colorado's Special District Act authorizes the creation of special districts to provide services to the public that will promote the health, safety, prosperity, security, and general welfare of the citizens of such districts and for all residents of Colorado. The purpose of this act is to prevent unnecessary proliferation and fragmentation of local government and to avoid excessive diffusion of local tax sources. A fire protection district is but one type of district that can be established under this Colorado law. Other districts that could be established include ambulance districts, health service districts, park and recreation districts, sanitation districts, water and

Appendix I (Continued)

sanitation districts, water districts, tunnel districts, and metropolitan districts. The Special District Act defines a "fire protection district" as:

A special district which provides protection against fire by any available means and which may supply ambulance and emergency medical and rescue services.

A special district may be entirely within or entirely without, or partly within or partly without, one or more municipalities or counties. It also may consist of noncontiguous tracts or parcels of property. However, no special district may be wholly or partly within an existing special district providing the same service.

The governing body of a special district is a board which has the following common powers among others:

- To have perpetual existence;
- to sue and be sued and to be a party to suits, actions, and proceedings;
- to enter into contracts and agreements affecting the affairs of the special district;
- to borrow money, incur indebtedness, issue bonds, and invest any monies of the special district;
- to acquire, dispose of, and encumber real and personal property;
- to refund any bonded indebtedness;
- to manage, control, and supervise all business and affairs of the special district and all construction, installation, operation, and maintenance of special district improvements;
- to fix and from time to time increase or decrease fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the special district;
- to furnish services and facilities without the boundaries of the special district and to establish fees, rates, tolls, penalties, or charges for such services and facilities;
- to accept real or personal property on behalf of the special district for the use of the special district; and
- to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of Colorado.

Florida

In Florida a special district is defined as a local unit of special purpose government, as opposed to general purpose, within a limited boundary created by general law, special act, local ordinance, or by rule of the Governor and Cabinet. An independent special fire control district is an independent special district created by special law or general law of local application that provides fire suppression and related activities within the jurisdictional boundaries of the district. Each special district has a governing body consisting of five members that are elected by the residents of the district. The district and the board have the following powers and duties among others:

- to sue and be sued;
- to provide a pension or retirement plan for its employees;

Appendix I (Continued)

- to contract for consulting, planning, engineering, legal, or other professional services;
- to borrow money and accept gifts on behalf of the special district;
- to adopt resolutions and procedures to carry out the work of the district;
- to acquire real and personal property;
- to borrow money and issue bonds and revenue notes;
- to charge user and impact fees as necessary to conduct district activities and services;
- to exercise the right and power of eminent domain;
- to cooperate or contract with other entities in the spirit of mutual aid;
- to assess and impose upon real property ad valorem and non ad valorem assessments;
- to impose and foreclose non ad valorem assessment liens; and
- to provide insurance on all real and personal property, equipment, employees, volunteer firefighters, and other personnel.

Additionally, special fire control districts must provide for fire suppression and prevention by establishing and maintaining fire stations and substations as well as acquiring and maintaining such fire protection equipment as necessary to prevent or fight fires. The special fire control district board may also:

- establish and maintain emergency medical and rescue response services;
- employ, train, and equip such personnel, as well as train, coordinate, and equip volunteer firefighters;
- conduct public education to promote awareness of fire prevention and other public safety concerns;
- adopt and enforce fire safety standards and codes and enforce the rules of the State Fire Marshal with respect to fire suppression, prevention, and safety code enforcement;
- conduct arson investigations and cause-and-origin investigations; and
- contract with general purpose local government for emergency management planning and services.

New Jersey

In New Jersey the law provides authorization for two or more adjoining municipalities by local ordinance to establish and maintain a joint fire department and force or to contribute for the maintenance and operation of a volunteer fire company serving the municipalities. In any municipality not having a paid or part-paid fire department, the municipal governing body may contract, by ordinance, with a volunteer fire company or companies for the purposes of extinguishing fires. The members of the contracted company are under the supervision and control of the municipality, and in the performance of fire duties are deemed to be exercising a governmental function. However, selection of the volunteer fire company chief remains a function and prerogative of the volunteer fire company membership.

Additionally, in any municipality in New Jersey not having a paid or part-paid fire department and force, the governing body, upon application of at least 5 percent of the registered voters or 20 legal voters, whichever is greater, may consider the designation of a fire district.

Appendix I (Continued)

After receiving the application, the governing body designates a time and a place for a public hearing on the application. After the hearing, the municipal governing body determines the question of the designation of a fire district. If the governing body decides that the designation of a fire district is appropriate, it will, by ordinance, designate a territorial location or locations for use as a fire district or fire districts. It will also provide by resolution for the election of a board of fire commissioners for the district consisting of five persons who are residents of the district.

The board of fire commissioners of a fire district not having a paid or part-paid fire department and force may contract with a volunteer fire company or companies for the purpose of extinguishing fires. The members of the contracted company are under the supervision and control of the board of fire commissioners, and in the performance of fire duties are deemed to be exercising a governmental function. Again, selection of the volunteer fire company chief remains a function and prerogative of the volunteer fire company membership.

Upon proper certification under the appropriate section of New Jersey law, the assessor of the municipality in which the fire district is situated will assess the amount to be raised by taxation to support the district budget against the taxable property in the fire district in the same manner as municipal taxes are assessed. The amount assessed is collected at the same time and in the same manner as other municipal taxes. The fire commissioners of any district, by resolution, may borrow money not to exceed the amount appropriated at the preceding annual election held in the district for current expenses and necessary repairs to fire apparatus and fire houses within the district in anticipation of revenue to be received. Generally, the board of fire commissioners has the same powers, duties, and functions within a fire district as do members of a governing body of a municipality relating to fire prevention and the extinguishment of fires and the regulation of fire hazards.

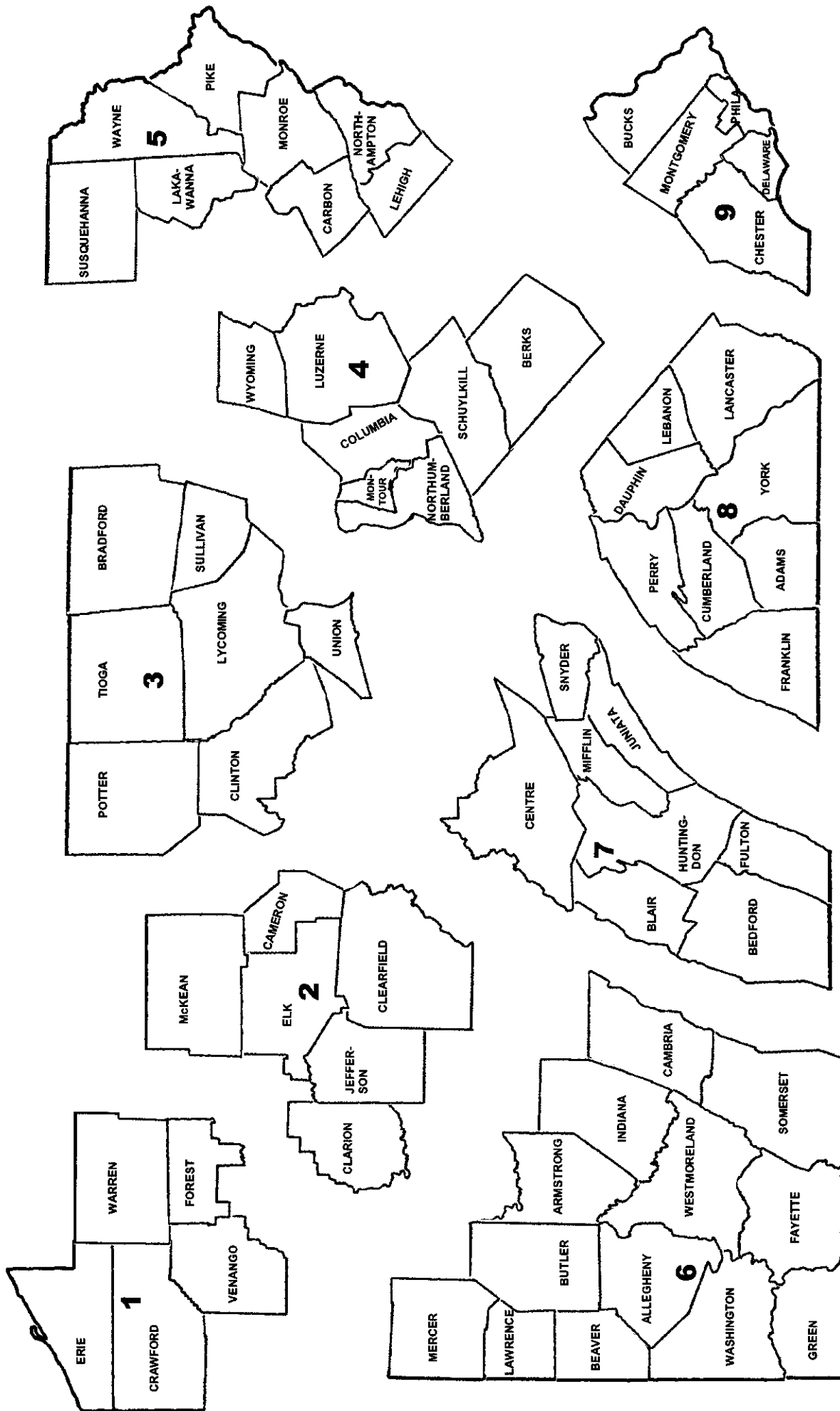
Pennsylvania

In our research of municipal laws in Pennsylvania concerning fire districts, we found only a passing reference to fire districts. The First Class Township code authorizes these townships to create, by ordinance, fire and water districts in any portion or portions of townships when, in the opinion of the township commissioners, it is necessary for the safety and convenience of the inhabitants of the township. Townships of the first class may issue bonds restricted to the district created for the purpose of procuring and maintaining the water supply for the district created. Additionally, the township may levy a special tax restricted to the district created to redeem any bonds issued. Furthermore, the township commissioners may charge for any water supply or water lines by an assessment of a special water or fire tax on real estate located in the water or fire district. This tax can be levied for a single year or a term of years as determined by the township commissioners, but in the case of fire districts cannot exceed two mills per annum. This tax is collected in the same manner as other taxes.

Source: Developed by LB&FC staff from information obtained from the National Emergency Center Training Library, National Fire Academy, and pertinent legislation from the states of Colorado, Florida, New York, New Jersey, and Pennsylvania.

APPENDIX J

Pennsylvania Counterterrorism Task Force Regions



- 1-Northwestern PA ERG**
- 2-Northwest Central PA ERG**
- 3-North Central Counterterrorism Task Force**
- 4-East Central PA CTTF**
- 5-Northeast PA ERG**
- 6-South Central PA ERG**
- 7-South Central Mountain TTF**
- 8-South Central PA RCTTF**
- 9-Southeast PA RTF**

Source: Pennsylvania Emergency Management Agency.

APPENDIX K

Regional Police Assistance Grant Program

Funding is available through the Regional Police Assistance Grant Program to assist municipalities in the initial startup costs of a consolidated regional police department. This program provides a limited number of grants up to \$99,000 spread over a three-year period to implement consolidated police departments. Priority is given to projects involving one or more distressed or at-risk communities under the Municipalities Financial Recovery Program and also to departments with a minimum of ten full-time officers and a full-time chief.

The process to obtain one of these grants begins with two or more municipalities contacting the Governor's Center for Local Government Services in the Department of Community and Economic Development (DCED) for assistance with a feasibility study. Once this study has been completed, and if DCED and the perspective consolidation candidate are deemed ready, the perspective candidate is referred to the Pennsylvania Commission on Crime and Delinquency (PCCD) for application for a grant.

The Regional Police Assistance Grant Program utilizes federal funds that are approved for this use by the Commission that comes from funding made available to the Commonwealth under the Justice Assistance Act. These federal funds were formerly known as Byrne funds. Under this funding, mergers are supported on a sliding scale over three years to assist in defraying the cost of the regional police chief's salary for the first three years of the existence of the regional police force. This assistance has been a major incentive in facilitating the consolidation of police departments in the Commonwealth. As of January 1, 2004, Pennsylvania has 32 consolidated regional police agencies operating in 19 of the Commonwealth's 67 counties.

Over the past three fiscal years, PCCD officials indicate that it has averaged two to three grants per year. Through May of 2004-05, PCCD had processed two applications for the \$150,000 in available grant money. These same officials indicate that the PCCD anticipates making available no more than \$150,000 to fund the Regional Police Assistance Grant Program in fiscal year 2005-06.

Source: Developed by LB&FC staff from information obtained from the Department of Community and Economic Development and the Pennsylvania Commission on Crime and Delinquency.

APPENDIX L

Fire and EMS Legislation Enacted During 2003 and 2004

Act 2004 – 80: Amends the Volunteer Fire Company and Volunteer Ambulance Service Grant Act to allow fire and ambulance companies to submit grant applications until December 31, 2004. Grants may be awarded through May 1, 2005.

Act 2004 – 5: Amends the Volunteer Loan Assistance Act, Act 1976-208, by increasing the \$50 million bond authorization, which is currently in law, to a \$100 million bond authorization. The \$50 million authorization currently in law has been depleted. In accordance with Act 2002-89, a referendum question was presented to the voters in fall 2002 requesting approval of an authorization of \$100 million for support of volunteer emergency services companies. Seventy-four percent of the voters voted in favor of the referendum. The Office of the State Fire Commissioner administers this program.

Act 2003 – 56: Amends Act 1990-78 by creating a wireless E-911 emergency telephone system, funded by a monthly \$1.00 surcharge on wireless telephones that are registered in Pennsylvania. There are approximately 4.8 million wireless telephones in use in Pennsylvania. The existence of an enhanced wireless E-911 system will allow county 911 centers to accurately pinpoint the location and phone number of a person that is calling 911 for emergency assistance.

Act 2003 – 48: Amends the Public School Code to allow school districts to add firefighter and emergency training services training as a credit-earning course. A school district will be required to provide transportation and supervision for that training when it takes place off school grounds. In school districts that participate, the courses will be available for students age 16 and older.

Act 2003 – 17: Establishes the Volunteer Fire Company and Volunteer Ambulance Service Grant Act. Grants will be used to improve and enhance the capabilities of volunteer fire companies and ambulance services across the Commonwealth. The sum of \$22 million is allocated for fire company grants and \$3 million is allocated for ambulance service grants. The Office of the State Fire Commissioner administers this grant.

House Resolution 148 (of 2003): Directs the LB&FC to conduct a study on the feasibility of regionalization of volunteer fire departments and to submit a report to the House of Representatives.

Senate Resolution 60 (of 2003): Establishes a Special Bi-Partisan Legislative Commission to develop and recommend legislation that will enhance the delivery of emergency services across Pennsylvania. This Commission was composed of volunteer and career fire department members, EMS professionals and members of local government entities. The report to the General Assembly was due on or before November 30, 2004.

Source: Developed by LB&FC staff.

APPENDIX M

Pending Legislation Relating to Volunteer Fire Companies

(As of May 20, 2005)

Senate Bill 23: Authorizes a tax credit for volunteer firefighters for purposes of personal income tax. (Also House Bill 785.)

Senate Bill 42: Amends the Emergency and Law Enforcement Personnel Death Benefits Act to extend benefits to a firefighter, ambulance service or rescue squad member, law enforcement officer, or National Guard member who suffers a fatal heart attack or stroke while on duty or not later than 24 hours after participating in a physical training exercise or responding to an emergency and who is presumed to have died as a result of the performance of his duties for purposes of this act. (House Bill 875 is similar.)

Senate Bill 96: Establishes an educational assistance program for volunteer firefighters; providing for grants; and making an appropriation.

Senate Bill 161: Establishes the Municipal Firefighter Education and Training Program; providing for the powers and duties of the State Fire Commissioner. (Also House Bill 172, Senate Bill 97).

Senate Bill 194: Proposes an amendment to the Constitution of the Commonwealth Pennsylvania, to provide that any person who is a citizen and resident of this Commonwealth and volunteers and serves at least 100 hours annually for at least two years consecutively as a volunteer firefighter or emergency medical technician shall be exempt from the payment of 15 percent of any real property taxes imposed by a political subdivision upon the residence occupied by that person.

Senate Bill 237: Amends the Tax Reform Code of 1971 to exclude from taxation on the sale at retail or use of food and beverages by volunteer firefighter organizations when the proceeds from the sale are used for public safety.

Senate Bill 240: Amends the Volunteer Firefighters' Relief Association Act, authorizing funds of volunteer firefighters' relief association in Second Class A counties to be spent on qualified retirement plans.

Senate Bill 343: Provides for the prevention, detection, treatment, and follow-up of cases of hepatitis B among State and local law enforcement officers, firefighters, paramedics, emergency medical technicians, ambulance attendants, first responders, and health professionals. (House Bill 732 is similar.)

Senate Bill 523: Establishes a firefighter mortgage assistance program.

Appendix M (Continued)

House Bill 46: Establishes a first responder building mapping system for buildings of state agencies and political subdivisions.

House Bill 357: Provides for a waiver of tuition and other fees for children of certain deceased firefighters and others at community colleges and state-owned and state-related institutions of higher education. (Also House Bill 365 and Senate Bill 159).

House Bill 395: Prohibits any municipal pension or retirement system in a city of the first class from denying certain benefits to surviving spouses of firefighters or certain employees upon a subsequent remarriage of the surviving spouse.

House Bill 457: Provides for the registration of personnel authorized to display visual and audible signals on emergency vehicles.

House Bill 557: Provides for a Postsecondary Education Tuition Reimbursement Program for volunteer firefighters and emergency services personnel.

House Bill 599: Amends the Volunteer Fire Company and Volunteer Ambulance Service Grant Act to extend the time to award grants.

House Bill 792: Amends the Judicial Code to include fire companies in the definition of local agency for purposes of civil immunity.

House Bill 855: Provides procedures for reducing or closing fire stations in cities of the first class, second class, second class A and third class. (House Bill 713 is similar and relates to any municipality.)

House Bill 989: Exempts certain emergency service personnel from the payment of vehicle registration fees.

House Bill 1448: Authorizes a tax credit for volunteer firefighters who purchase fire equipment with their personal income.

APPENDIX N

Response to This Report



RECEIVED JUN 03 2005

OFFICE OF THE STATE FIRE COMMISSIONER

June 3, 2005

Philip Durgin, Executive Director
Legislative Budget and Finance Committee
Room 400
Finance Building
Harrisburg, PA 17105

Dear Mr. Durgin:

I have read the House Resolution 148 report and wholeheartedly agree with the findings and recommendations. Many of the issues identified in the report can be found in any number of reports dating back to the mid 1970's and most recently the Senate Resolution 60 report. Additionally, many of the recommendations are consistent with the message I have delivered to the General Assembly and the fire service during my tenure as the State Fire Commissioner.

I believe a common element throughout the report is the fact that most public safety decisions must be made at the local level. The role of state government is to help where possible through a partnership with local elected officials and their first responder community.

As with any new program or new legislation, there can be substantial cost involved. In these days of the ever shrinking dollar, there must be a partnership between the General Assembly and the Administration to work towards the common good for all our citizens. I believe this partnership was evident throughout the SR 60 Commission process. Perhaps this Commission could provide the impetus for the continued dialogue that will no doubt be necessary if we truly want to address the issues facing Pennsylvania's Emergency Services.

In closing, I want to commend your staff for an excellent job and let you know I look forward to being available to answer questions during the June 7th meeting.

Sincerely,

Edward Mann
State Fire Commissioner