



# Fire District Information Presentation

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# The Path to this Point

- The Firefighter Union worked with the Budget Officer to reduce cost with minimal impacts to the residents
- The Union understands the current financial situation of the City and wanted to work to reduce costs while ensuring we could still provide critical life safety
- The Union supported the idea of a temporary Public Safety Support fee proposed by the Budget Officer, while also reducing other costs

# The Path to This Point

- 2019-2021 Budget – Multiple cuts to Fire Department
  - Cut of Operations/Deputy Chief Position – 200K
  - Cut in Materials and Services – 100K
  - Cut in Overtime – 100K
    - Huge consequence – currently operating with a minimum of 8 firefighters instead of 9



# Staffing Comparison

## 9 Firefighters

- 2 Fire Engines Staffed
- 2 Ambulances Staffed
- Possibility for 3<sup>rd</sup> Ambulance Response
- 2 Wildland Engine Response Available

## 8 Firefighters

- 1 Dedicated Fire Engine Staffed
- Station 2 Firefighters cut by 50%
- Station 2 Fire Engine Not Staffed 42% of the Time
- 2 Ambulances Staffed
- No 3<sup>rd</sup> Ambulance Availability
- No Wildland Engine Response from Station 2

# Current Situation

- Public Safety is an Essential Service, not a value added service
- Not being funded as an Essential Service
- The fire department is not the only city department experiencing budget cuts but one could argue it has had the **BIGGEST CUTS**
- Fire Department future staffing needs
  - Deputy Chief
  - 3 additional Firefighters

# Staffing Comparison Continued

- Industry Standard is 15 firefighters for residential fire and 28 for commercial fire for initial response
  - Studies have shown that 4 Firefighters vs. 3 Firefighters increases efficiency of fireground operations.
    - A 4-person crew can complete 22 essential firefighting and rescue tasks in a typical residential structure fire 25% faster than a 3-person crew.
    - Staffing of 9 allows us to typically have a 4-person crew
    - Increased flammability of modern building materials increases the importance of initial response for citizens' safety, firefighter safety and property conservation

# Ambulance Service Area and Fire Department Capabilities

- Ambulance Service Area (ASA)
  - Firefighters who work on the ambulances respond to fires and other types of emergencies
    - In other words, the Ambulance Service provides for additional Firefighter response with their cost being offset by revenue
  - Losing ASA will reduce Firefighters by 3
  - Reduces Service Levels to the Citizens of Ashland
  - Reduces Firefighter Safety and Department Capabilities

# Solution

- Ashland Fire and Rescue becomes a Fire District



# What does a Fire District Look like

- Continue to serve the City of Ashland
- Governed by a Fire Board instead of the City of Ashland
  - Ensures that an Essential Service is staffed at an adequate level to ensure safety of the community.
- Fire District is its own entity instead of a department within the general fund
- Primary funding would come from property taxes

# Pros and Cons of a Fire District for the City of Ashland

## Pros

- 30+ employees out of City PERS
- 30+ employees out of City Insurance costs
- Ashland citizens would make up the Fire District Board
- Reduced Burden on internal City Services
- One less bargaining unit to negotiate with (free up time for City Attorney and HR director)
- Possible Funding for City Services
  - District would contract for City services

## Cons

- Loss of general fund revenue from the ambulance service
- Loss of general fund revenue from fire inspections

# Pros and Cons of a Fire District for the Fire Department

## Pros

- Governed by a board which would solely focus on fire department and become specialists on fire operations
  - As opposed to a City Administration/City Council needing to split focus between all city departments
- More stable funding based on property tax and ambulance revenue
- Direct citizen control of fire department services
- Any revenues from ambulance service would go directly to supplement fire operations

## Cons

# Steps for District Formation

(Grants Pass Fire District Feasibility Study by Matrix Consulting Group)

- Establish a working committee
  - Set up community meetings and contact local agencies
  - Draft maps and research property values
- Review estimated costs and boundaries at public meetings
- Circulate petitions and obtain resolutions from any affected cities
- Draw up petitions and submit perspective petition to county clerk
- Begin preparing Economic Feasibility Statement
- County schedules hearing date and bond posted

# Steps for District Formation

- County holds initial hearing
- County holds second hearing
- County enacts formation resolution or schedules election date
- Formation materials submitted to Department of Revenue
- Submit formation to Assessor's office
- Hold levy and board elections (Permanent tax rate elections may only be held in May or November of even numbered years)

# Fire District Funding

- Grants Pass tried to add an additional Fire District tax rate to current property tax rate
  - We would suggest we would work within City of Ashland's current framework for the property tax rate
  - City would take in less property tax revenue but would not fund fire department which is 34% of general fund

# City of Ashland Property Tax Distribution

- 2019-2021 City of Ashland Property Tax Rate = 4.4317/\$1,000
  - 0.1895/\$1,000 or 4.27% – Fire Station Bonds
  - 1.89/\$1,000 or 42.64% – goes directly to Parks
  - Leaves \$2.3522 or 53.07% left

# Tax Rates and Wildfire Division

## With Wildfire Division

- \$2.66 / 1,000

## Without Wildfire Division

- \$2.41 / 1,000

If Fire District would be approved it would be prudent to include Wildfire Division. Citizens would not pay \$3.00 AFR fee but instead using this funding to help fund Fire District

For comparison other fire district tax rates:

JCFD #3 - \$3.1194/\$1,000

JCFD #5 - \$3.19/\$1,000



# Hurdles to becoming a Fire District

- Agreement on Fire Stations and Apparatus
  - Grants Pass proposal had the district pay the City of Grants Pass \$1.00 for each station
- Convincing citizens that a Fire District is that right approach for General Fund Sustainability
- Wildfire Division (AFR) – we would propose to include but because of the way it is funded it could be complicated (water transfer funds)
- As stated \$2.35/\$1,000 left after Parks and Fire Station contributions
  - We would suggest not adding a Fire District property tax but reduce the amount the City of Ashland collects via property tax

# Fire District would allow

- To keep the Ambulance Service Area
- Would help with General Fund Sustainability
- To use funding that helps the fire department meet the needs of the citizens it serves
  - Hiring Deputy Chief
  - Hiring of additional Firefighters

# Summary

- Presentation was given to provide you basic information on a possible solution to Ashland Fire Department Funding
- We believe it would be a collaborative working relationship to become a fire district
- Most importantly – It is our opinion that in the current state becoming a fire district would allow us to meet the increasing demands of our citizens and keep our firefighters safe



# Questions

## **Fire District Proposal Summary**

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### **Background - The Path to This Point**

- Budget shortfall leads to tough choices.
- Fire Department receives \$400,000 in budget cuts (\$100K in Overtime, \$100K Materials/Services and an additional \$200K offset by the Fire Chief's resignation).
- Cuts lead to reductions in minimum staffing and in the number of crews available for response.
- As Fire Departments are highly specialized, expensive and labor intensive enterprises, they are difficult for cash-strapped Cities to administer.

### **Fire District Proposal**

- Transition AF&R into a Fire District.
- Independently funded and administered.
- Relieves CoA of the burden of operating the Fire Department.
- Removes 33+ FTEs from City PERS and insurance.
- Pros and Cons weighed against City Values and priorities.
- Requires approval from both City government and Ashland voters.

A Fire District gives Ashland residents the opportunity to determine what level of fire protection they want and at what cost. At the same time it would reduce the managerial burden on City government while providing a stable, responsive source of funding for an essential service.

Ashland Fire and Rescue Department  
Admin, Fire, and EMS Operations

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022	2022-2023	2023-2024
<b>Status Quo</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>
Ambulance Revenue	1,087,246	1,161,352	1,260,882	1,130,591	1,191,492	1,301,000	1,171,000	1,200,275	1,230,282	1,261,039
Total Fire and EMS Expense	6,210,333	6,485,976	6,580,921	7,133,135	7,646,491	7,575,973	7,826,533	8,105,497	8,418,511	8,747,277

<b>General Fund need</b>	<b>5,123,087</b>	<b>5,324,624</b>	<b>5,320,039</b>	<b>6,002,544</b>	<b>6,454,999</b>	<b>6,274,973</b>	<b>6,655,533</b>	<b>6,905,222</b>	<b>7,188,229</b>	<b>7,486,238</b>
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	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022	2022-2023	2023-2024
<b>Without Ambulance Service</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>
Ambulance Revenue	1,087,246	1,161,352	1,260,882	1,130,591	1,191,492	1,301,000	1,171,000	-	-	-
Total Fire and EMS Expense	6,210,333	6,485,976	6,580,921	7,133,135	7,646,491	7,575,973	7,826,533	6,994,402	7,304,116	7,629,401

<b>General Fund need</b>	<b>5,123,087</b>	<b>5,324,624</b>	<b>5,320,039</b>	<b>6,002,544</b>	<b>6,454,999</b>	<b>6,274,973</b>	<b>6,655,533</b>	<b>6,994,402</b>	<b>7,304,116</b>	<b>7,629,401</b>
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<b>Additional General Fund</b>								<b>89,180</b>	<b>115,887</b>	<b>143,162</b>
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	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022	2022-2023	2023-2024
<b>Additional 3FF and Chief</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>
Ambulance Revenue	1,087,246	1,161,352	1,260,882	1,130,591	1,191,492	1,301,000	1,171,000	1,200,275	1,230,282	1,261,039
Total Fire and EMS Expense	6,210,333	6,485,976	6,580,921	7,133,135	7,646,491	7,575,973	7,826,533	8,991,166	9,333,907	9,694,025

<b>General Fund need</b>	<b>5,123,087</b>	<b>5,324,624</b>	<b>5,320,039</b>	<b>6,002,544</b>	<b>6,454,999</b>	<b>6,274,973</b>	<b>6,655,533</b>	<b>7,790,891</b>	<b>8,103,625</b>	<b>8,432,986</b>
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<b>Additional General Fund</b>								<b>885,669</b>	<b>915,397</b>	<b>946,747</b>
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