

Assessment/Audit of the Operating Budget of the



PROVIDENCE
VOLUNTEER FIRE DEPARTMENT



protecting the

Town of Weddington



Conducted by



November, 2014



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Executive Summary

The reader of this report is encouraged to read the report in its entirety and not depend solely on the executive summary to provide sufficient information to judge the recommendations made within this report. The executive summary is intended to highlight the major themes discussed throughout the report. At the end of the report the consultants have provided a priority listing of all the recommendations.

During the review of the draft report by Town Officials, it was obvious that not all parties will agree with our observations or the recommendations. The consultants appreciate different perspectives and encourage the reader to look at this document as a book of opportunities written by four nonbiased consultants. We have gone to great lengths to assure that we did not include information in this report that did not materially contribute to the scope of the project. In the end how you got to the position you find yourselves in today is far less important than developing a strategy to move the Town forward on a strong financial footing which this report attempts to address.

The recommendations were developed after extensive review of data provided (see Appendix A – Data request), information gathered during interviews, observations, review of previous documents pertaining to the Fire Department, and professional experience. During the review of the draft report, updated and new data was provided to the consultants. The consultants are always wary of new data, especially data that contradicts previously provided information or data that we cannot reconcile with data gathered during our review. In those cases the consultants elected to report only on the data which we felt was supported by written records or from information gleaned from multiple interviews.

Town Overview

The Town of Weddington is located 15 miles south of downtown Charlotte, in Union County, NC and covers approximately 17 square miles with a population of 9,949. The Town receives fire protection services from three private, volunteer fire organizations. These departments are Providence, Wesley Chapel, and Stallings Fire Departments. All are non-profit corporations and generally speaking autonomous from direct oversight from the Town of Weddington. The

Providence Volunteer Fire Department is the primary service provider for the Town and for purposes of this report the concentration of the consultants' review was this department.

Department Leadership

The PVFD is commanded by a Fire Chief who is elected by the Fire District's Board of Directors. At the time of this study, the former chief had just been replaced following his three-year appointment to the position. The Fire Chief is responsible for the oversight of the Department and is supported by a cadre of officers appointed by and reporting directly to him. They include a Deputy Chief, Assistant Chief, three Fire Captains and two Lieutenants. Each of them is assigned functional responsibilities within the Department.

National Standards

There are numerous standards and codes the Providence Volunteer Fire Department (PVFD) must be aware of, although most are not mandatory but by which the department may be judged if a serious incident occurs (such as a serious injury or death of a firefighter). The consultants discuss the following industry standards as part of the report:

- National Fire Protection Association (NFPA) – non mandatory
- Occupational Safety and Health Administration (OSHA) – mandatory
- Insurance Service Offices, Inc. (ISO) – non-mandatory

Neither the PVFD nor the Town of Weddington should adopt the NFPA standards; rather they should strive to meet them whenever fiscally possible.

Staffing and Deployment Model

A primary consideration in a department's ability to effectively control/extinguish fires, respond to medical emergencies, and mitigate other types of emergency calls is having adequate staffing readily available to respond to and carry out essential job functions. Ultimately, the staffing and deployment model used by a community attempts to balance the identified risks with the costs associated with providing the service. PVFD, over the past decade, has evolved from a principally Volunteer Fire Department to what is currently a Combination Department (primarily paid-on-premise).

The staffing model has changed relatively quickly from the initial staffing complement of two firefighters during the day between 6:00 am and 6:00 pm, to three paid-on-premise firefighters from 6:00 am to 6:00 pm and one paid-on-premise and two Volunteers from 6:00 pm to 6:00 am. Today the staffing allocation is four paid-on-premise from 6:00 am to 6:00 pm and two paid-on-premise and two Volunteers from 6:00 pm to 6:00am. Suffice it to say the financial impact to the Town of Weddington continued to track upward correlating to the increase in staffing.

The reasons for this evolutionary process from volunteer to paid-on-premise as well as the increasing staffing model were different depending on the person we were speaking with.

Emergency Activities

There were some problems with the data available for review on call activity. Much of this may be attributed to the somewhat recent change to a Municipal Style Fire Department. Proper data collection and reporting is an important function and helps frame the demand placed upon the department in terms of workload. It is important is to clearly define the type and frequency of activity including when and where this activity is occurring. All of this data can be used as part of an annual overall comprehensive review by the Chief to determine whether there are opportunities to address service, staffing, and/or mitigate risks.

Stations/Facilities

As previously noted the Town of Weddington receives fire protection services from three fire departments: Providence VFD, Stallings VFD, and two stations of Wesley Chapel VFD.

The PVFD provides service to the Town of Weddington and unincorporated areas from their fire station located at 5025 Hemby Road. The 8,306 square foot station was constructed in 1985 and was occupied the same year. In 2013 the station underwent a major remodel designed primarily to add appropriate living quarters for personnel in order to provide round-the-clock coverage.

During the site visits, the consultants did take the opportunity to perform a cursory review of the other two departments who provide fire services to the Town of Weddington. Consultants toured

the Wesley Chapel and Stallings Fire Department stations which also provide service to the Town. The Wesley Chapel stations both appeared to be recently built and it is our understanding Stallings will be doing a major remodeling of their station in the near future.

All stations we toured were clean and well-kept and had living space designed to accommodate their on-duty staff including shower, kitchen and sleeping facilities.

Apparatus

The entire current apparatus inventory is titled to the PVFD. PVFD provides fire and emergency medical first response to Weddington with three engines, one rescue, one tender and one brush unit.

PVFD has sufficient apparatus in terms of pumping capacity to fulfill the “fire flow” requirement established by ISO. Presently, 57% of the department’s coverage area has hydrants with 43% having no hydrant availability. Although the Town of Weddington continues to develop their water system, there remains a need to maintain tender capabilities within the fleet.

There is currently no formalized apparatus or for that matter equipment replacement schedule strategy. Given that, the consultants have offered a replacement strategy for the rolling stock of PVFD. The Town of Weddington is funding a capital replacement program to help cover the cost of replacement of existing equipment as necessary.

Fiscal

The Town of Weddington is notable for being North Carolina’s third wealthiest town in terms of median household income. The Town has enjoyed a strong fiscal position with a healthy fund balance which has been significantly reduced over the past three years due to expenses related to the purchase and renovation of the Fire Station acquired from PVFD.

In July, 2012 the Town of Weddington underwent a significant change in the overall structure of the system to deliver fire services to its community by creating a Municipal Fire Department structure and contracting for fire services with three Volunteer Fire Departments; Providence,

Wesley Chapel and Stallings. Prior to this occurrence the town was provided fire services by Union County via the same departments with significantly different service areas.

With the creation of the Municipal style fire department the Town implemented a tax increase of .022/\$100 of valuation. A review of the costs related to the contractual agreements with the VFDs was prepared by the consultants and shows that the implemented tax increase which has not increased over time has been insufficient to cover the cost of the contracted fire services. Several options have been provided for consideration by the Town to address this issue.

Introduction

McGrath Consulting Group, Inc. was commissioned by the Town of Weddington to conduct an audit (assessment) of the Providence Volunteer Fire Department (VFD). The purpose of this study was to present to the Mayor and Town Council an independent assessment of the current public safety services model to ensure the system is providing the highest level of service in the most cost effective manner. Our focus was primarily on the PVFD, but in the course of the assessment more causal observations on the Wesley Chapel and Stallings Fire Departments were made. Although the consultants will identify opportunities for improvement or change, it needs to be recognized during the assessment all stakeholders felt PVFD provides a high level of emergency services.

To complete this study, the consultants conducted a series of interviews with the Mayor, Council Members, Town Officials, Fire Department leadership (Providence, Wesley Chapel and Stallings) and other identified stakeholders. In addition to the site surveys conducted, past documentation pertaining to the Fire Department services was reviewed. However, it is important for the reader to understand that a study of this nature is a snapshot in time, and staffing, apparatus, response plans and policies are always fluid.

Any report of this nature is only as good as the data and information provided to the consulting team by the client. Every effort was made to ensure the data and information received was correct; however, the consulting team is dependent on the accuracy of the data provided by the parties to this study. The consultant team initially requested considerable data (see Appendix A) and followed up with many requests for additional data or clarification of material that was provided. Thus, in the end, this report is presented as a book of opportunities for the Town in concert with the Fire Department to provide the highest level of service in the most cost-effective manner.

Four consultants were assigned to this project, each handled topics that were appropriate to their specific skills and expertise.

- Dr. Tim McGrath – Project Manager – 33 years Fire/EMS experience

- Chief Robert Wilcox (retired) – Fire/EMS consultant – 35 years Fire/EMS experience
- Dr. Victoria McGrath – Human Resources – 29 years public and private sector HR experience
- Ms. Rita Miotti – Finance Consultant – 31 years municipal experience

The consultants wish to express their appreciation to the many individuals who were involved in interviews, and those who provided copious amounts of data, and general information for this report. A special thanks to the Mayor, Town Council, Fire Department Chiefs and Town Administrator Amy McCollum who worked to coordinate meetings and to ensure the consultants were provided the material they requested in a timely manner. Of course, service delivery is a dynamic process and one which can change with little warning and the consultants acknowledge that this is the nature of public safety services, recognizing some things might have changed prior to the final distribution of this report. However, to the best of the consultants’ knowledge, the material in this report was accurate at the time of the writing.

The report is divided into major sections each of which will begin on a new page. After the executive summary, the following sections contain a discussion and describe in greater detail the PVFD, Town of Weddington and the data as documented during the time of the study. Each section (when applicable) concludes with the consultants’ recommendation(s). The report concludes with a summary – by section – of all recommendations/opportunities. All recommendations have been prioritized as illustrated in the table below:

Table 1: Recommendation Priority Scale

Recommendation Priority	Definition
1	Immediate
2	Within six months
3	Within one year
4	Long term
5	Information only

Town Overview

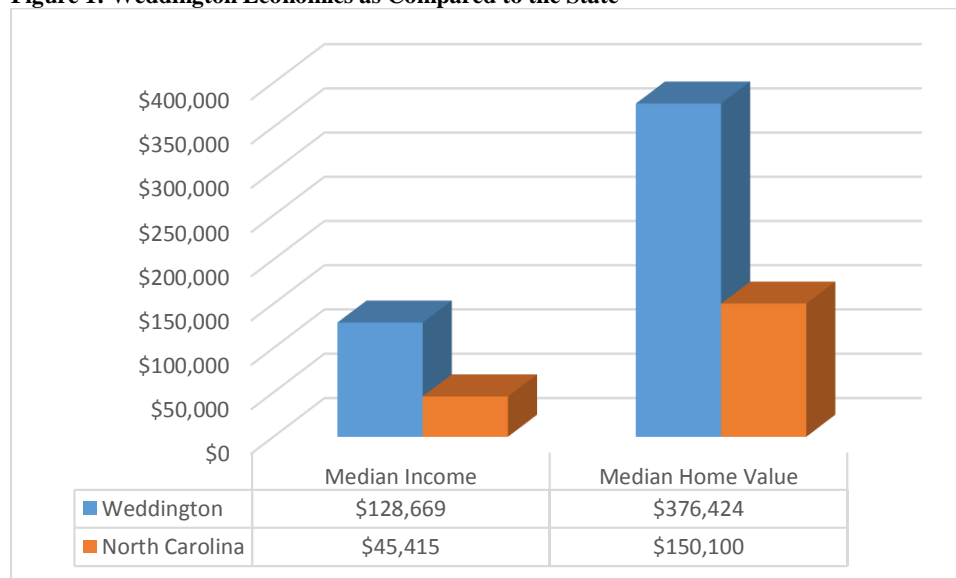
The Town of Weddington is located 15 miles south of downtown Charlotte, covers approximately 17 square miles and has a population of approximately 9,924. PVFD currently serves Weddington as well as unincorporated areas of Mecklenburg and Union County which are not yet annexed by the City of Charlotte.

The Town of Weddington is governed by a Town Council, which has four members, and the Mayor. The Town is divided into four electoral districts, and each district is represented on the Council by one member. To be eligible for election to Council as a representative of the district the person must reside in the district. Eligible voters elect members to the Council for the entire Town on a nonpartisan basis and the results determined by plurality.

Once elected the Town Council members serve a four-year term with the Mayor serving a two-year term of office. The Town of Weddington employs a Town Administrator but operates under a Mayor-Council form of governance.

The Town has a relatively high socioeconomic base, with a homogenous population.

Figure 1: Weddington Economics as Compared to the State



The PVFD was founded in 1954 by citizens that resided in what is now the Town of Weddington. Their location was at the intersection of Providence Road and what is now Ballantyne Commons Parkway. In 1954 the Stallings Volunteer Fire Department was founded, and in 1975, the Wesley Chapel Volunteer Fire Department was founded. The Town of Weddington was incorporated in 1983.

In 1984 the fire district lines were redrawn by the Fire Marshal, with support from Wesley Chapel Volunteer Fire Department and County Commissioners. The newly elected Mayor and Council of Weddington fought that decision – but to no avail. Over the years, different Mayors and Councils tried to reverse that decision. Finally, after 28 years, Weddington was able to have the lines redrawn with the creation of a Municipal Style Fire District.

The PVFD is the primary service provider for the Town of Weddington; some Weddington elected officials feel a strong need to ensure its existence. However, the Town receives fire protection from three private, volunteer fire organizations. These departments are Providence Volunteer Fire Department, Wesley Chapel Volunteer Fire Department, and Stallings Volunteer Fire Departments. All are non-profit corporations and generally speaking autonomous from direct oversight from the Town of Weddington. With the change to a Municipal Fire District; Weddington's sphere of influence over PVFD's operation is perceived to have increased.

Providence Volunteer Fire Department

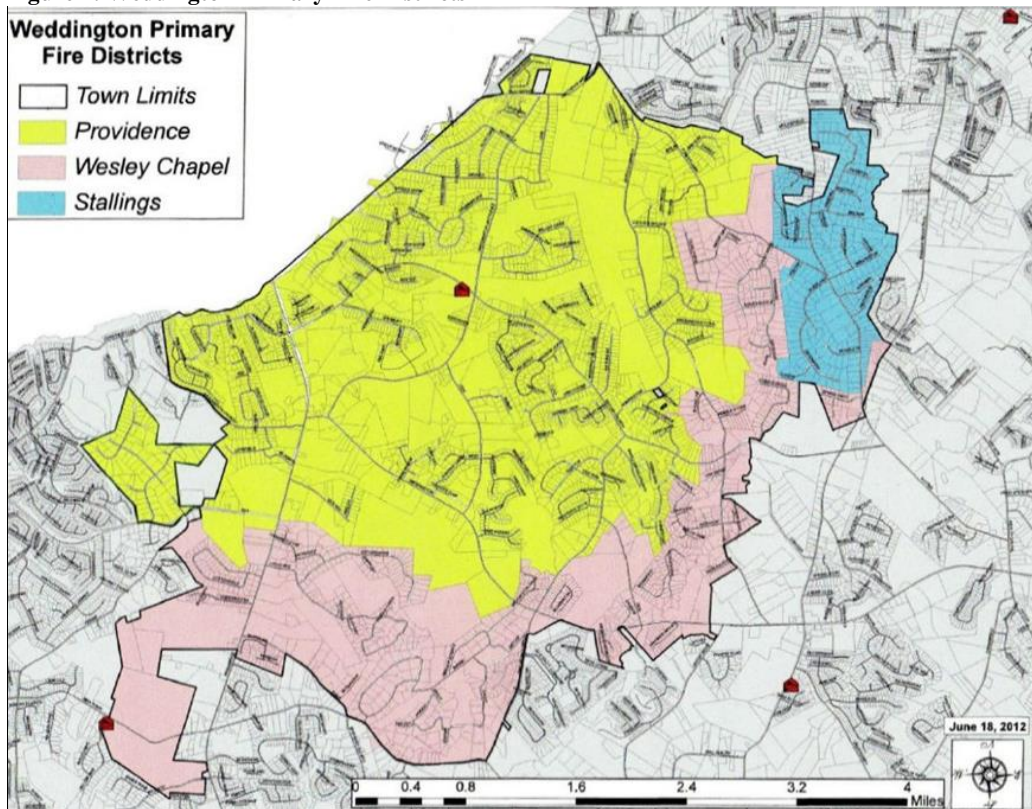
The PVFD has a proud history dating back to its inception in 1954 by then Chief Tom Grier and others who lived on the many farm lands that surrounded the area with no fire protection. Local farmers and other residents pooled together their resources for mutual protection and the PVFD was born. The first station was a small two-bay station that sat on the corner of Providence Road and Providence Road West (now known as Ballantyne Commons Parkway).

In 1972, with the expansion of the City of Charlotte, PVFD moved into a new four-bay station at the intersection of McKee Road and Tilley Morris Road. The new station afforded additional space to accommodate the growth of their fleet. In 1985, Providence relocated again to their

current station located on Hemby Road. The Hemby Road Station is located in Weddington, NC; this station relocation facilitated faster response times to residents of Union County and better served the residents of the Town of Weddington. In October of 2014, PVFD celebrated their 60th Anniversary of service to both Mecklenburg and Union Counties.

The Fire District consists almost entirely of single-family homes with only 27 acres zoned for commercial. Today, the PVFD protects a total population of approximately 9,924 covering roughly 17 square miles incorporating the Town of Weddington and sections of Mecklenburg and Union County.

Figure 2: Weddington Primary Fire Districts



PVFD Autonomy

The Providence Volunteer Fire Department is established as a non-profit 501(c) (3) corporation under North Carolina law. Thus, it is a private corporation and acts autonomously from the governance of any of the municipalities it protects. The corporation has a detailed set of rules

(bylaws) on how the nonprofit shall be run. The statute provides for the establishment of a “Board of Directors” to run the business of the organization presided over by the Board President.

In this instance the “Board of Directors” is elected at the District’s annual meeting held in June of each year. There are a total of nine members and once elected, members serve staggered three-year terms with the caveat that only a total of three Firefighters can serve on the board at any given time. All residents of the “Response Area” (excluding Mutual and/or Automatic Aid) or a Member of the Fire Department are eligible to be elected to a post on the board by providing their name to be placed on the Ballot. Anyone meeting the criteria described above can have their name placed as a write-in candidate at the Annual Meeting but no proxy votes are permitted.

The makeup of the Board includes the President, Vice President, Secretary, Treasurer, and five Directors with the Officers selected by the sitting board at the annual meeting. Following the annual meeting (but before September) the Board elects the Fire Chief who serves a one-year term and reports directly to the Board on all operations of the department.

The PVFD has developed a mission statement and a Standard of Response Coverage plan. Standards of Response Coverage are an integral part of strategic planning for fire protection. They are the allocation and distribution of resources to meet the goals and objectives of a community’s master fire protection plan.

Standard utilized by the Commission on Fire Accreditation International (CFAI) to measure:

- Distribution – the locating of geographically distributed, first due resources, for all risk initial intervention. These station locations are needed to assure rapid deployment to minimize and mitigate average, routine emergencies. Distribution is measured by the percentage of the jurisdiction covered by the first-due units within adopted public policy response times.

- Concentration – is the spacing of multiple resources arranged (close enough together) so that an initial "effective response force" can be assembled on-scene within adopted public policy time frames? An initial effective response force is that which will most likely stop the escalation of the emergency for each risk type. Concentration is measured by risk type category - high-risk areas need second and third due units in shorter time frames than in typical or low risk areas.
- Reliability – looks at actual incident history data to measure historical performance. How reliable is the response system, does the department frequently see multiple calls for service and do these degrade service? Are there predictable times of the day, week or year when queued calls occur? Can these occurrences be controlled or can peak hour staffing be used?

The elements of Standard of Coverage included the department to self-evaluate: overview, community outcome expectations, community risk assessment, distribution, concentration, reliability, effectiveness, overall evaluation, and assessment of goals and objectives.

The mission statement of the Department is:

“The mission of the PVFD, Inc. is to provide superior fire suppression, rescue and emergency medical services to the Providence Fire District, Town of Weddington and the citizens of the surrounding community”.

The Standards of Coverage developed by PVFD are:

- Respond initial apparatus appropriate for the reported nature of the incident, with a crew of four firefighters.
- The initial apparatus will be enroute within two (2) minutes (turnout time) of notification of the incident by the county communication center.
- The initial apparatus and crew will be on scene of incidents within the Providence Municipal Fire District within ten (10) minutes of response time.
- This initial apparatus and crew shall have the capabilities to establish command per the requirements of NIMS and ICS; investigate to determine the actual nature of the incident, and to initiate mitigation efforts.

- For fire incidents, the initial apparatus and crew shall have the capability to place into service one (1) attack line with a minimum flow rate of 150 gallons per minute.
- Fire/EMS incidents, the initial apparatus and crew shall have the capability to ensure scene safety, assess patient condition, and treat the patient consistent with established EMS protocols.
- For extrication incidents, the initial apparatus and crew shall have the capability to assess the patient's medical status, stabilize one (1) patient, and place into service one (1) piece of hydraulic or pneumatic extrication equipment.

Today, the Department consists of 24 Paid-On-Premise and 21 Volunteer members who provide - 24/7 (on-duty) fire suppression, public safety education, special teams and first responder level emergency medical services to their constituents. The combination staffing model provides for four Firefighter/EMT's on-duty during the day and four Firefighters, two of which must be EMT's, in the evening throughout the year supported by a Volunteer component when available.

With the utilization of both Paid-On-Premise (POP) and Volunteers, PVFD is by definition a combination department. Following a series of interviews and a review of the supporting data, the consultants found that without the current paid-on-premise staffing model, the ability of PVFD to continue to meet the requirements to maintain the "9S Rating" would be in jeopardy (additional commentary under Staffing).

Requirements to Meet the 9S Rating

Each fire department shall assure the response of at least four members and one engine to all fires and fire alarms in structures. The chief may be one of the four responding members. Response of a fire department, as primary first alarm department, to a fire or fire alarm in a structure within its established fire insurance district with less than the minimum required engine or manpower shall be considered by the OSFM to be a Non-Response. Any department determined by the OSFM to have two or more "Non-Response" records shall be placed by the OSFM on probation for a period of 12 months. A fire department on probation shall submit quarterly to the OSFM inspector all fire and fire alarm in structure response records for the next 12 consecutive calendar months that show there have been no additional "non-responses" within that 12 month period. If the fire department fails to submit the quarterly report, the insurance district for the fire department shall be designated a "Class 10" by the OSFM.

Advance Life Support (ALS) ambulance patient treatment and transport services in Mecklenburg County is provided by Mecklenburg EMS Agency – paramedic service since 1978. Providence provides “First Responder” level emergency medical support to residents within their assigned primary territory. Conceptually, this approach provides the logic that the closest service provider responds to the stricken party. Inferences were made to the consultants that in some cases the assigned primary territories do not always reflect the logic or methodology of the closest department responding to medical emergencies.

Wesley-Chapel Fire Department

The Wesley-Chapel Fire Department is a non-profit 501(c) 4 corporation and elects their Board of Directors in a similar fashion at an annual meeting in June of each year. There are a total of thirteen members, nine elected, each serving staggered three-year terms, and four officers (President, Vice President, Secretary and Treasurer) serving one-year terms. The Fire Chief also serves as a member of the Board in an ex-officio position on the Board. To be eligible for a Board position, the prospective candidate must be a tax-paying member of the District, indicate interest by providing their name as a candidate prior to the annual meeting in June to have their name added to the printed ballot available at this meeting. Additional nominations can be made from the floor at the annual meeting. Like Providence, only three of the Board positions can be filled by Firefighters. No proxy voting is permitted.

The Wesley Chapel Fire Chief reports to the Board but is elected by members of the Fire Department annually.

The Town of Weddington is also protected by fire stations that are owned and operated by the Wesley Fire Department:

- Wesley Chapel VFD – Station #31 is located at 8821 New Town Road, Marvin, NC. (this station sits on the far southwest edge of the Town of Weddington).
- Wesley Chapel VFD – Station #26 is located at 315 Waxhaw Indian Trail Road, Wesley Chapel, NC.

Stallings Fire Department

The Stallings Fire Department was established in 1954 and is located in Union County and is currently located at 4616 Old Monroe Road, Indian Trail NC. The current facility is 14,000 square feet with ten apparatus bays. At the time of the consultants' site visit there was an addition be added to the rear of the facility.

Similar to the Providence Volunteer Fire Department, the Stallings Fire Department is a non-profit 501(c) (3) corporation. The Board of Directors for the Stallings Fire Department is elected at an annual meeting in June of each year. There are a total of nine members elected each serving staggered three-year terms. Only tax-paying members of the District are eligible to serve on the Board or vote for a candidate for those positions. There is no limit on the number of firefighters that may hold positions on the Board. The Deputy Chief was not certain if proxy voting was permitted.

The makeup of the Board includes the President, Vice President, Secretary and Treasurer and five Directors. Officers are selected by the sitting board and once appointed serve in that capacity for a one-year term. The Fire Chief is selected by and reports to the members of the Board and serves a two-year term.

Recommendations: Overview

- *As a component part of their "Standard of Coverage", PVFD has delineated a target "Turnout Time" of two minutes or less. Given their on-duty staffing, consideration should be given to align the times with those found in NFPA 1710; sixty seconds on EMS calls and eighty seconds on Fire incidents. **Priority 2***

Department Leadership

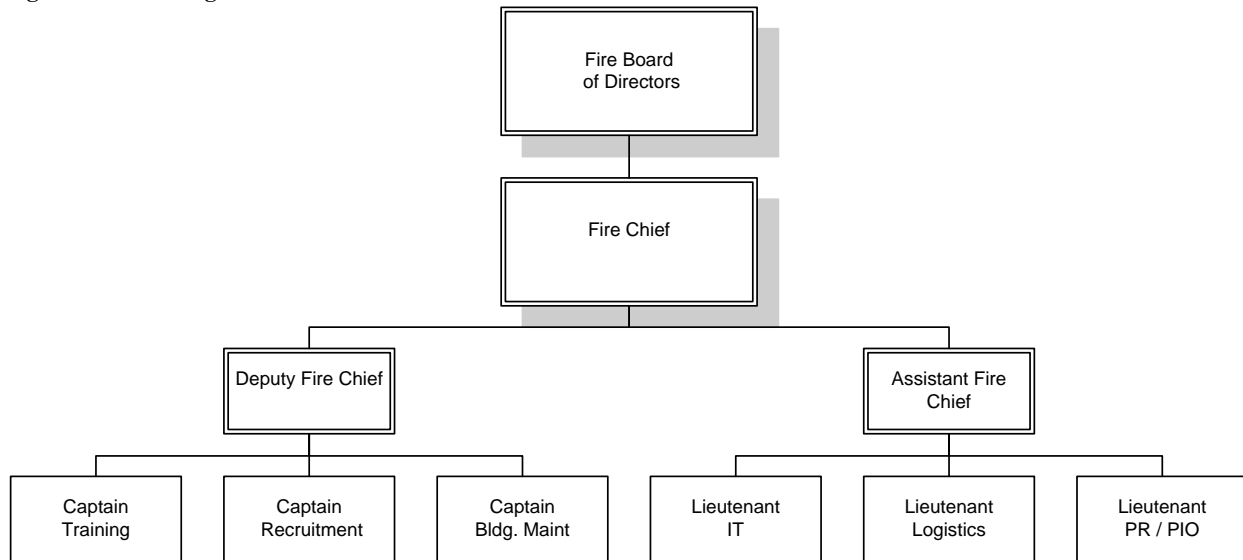
Perhaps the single most critical element in the determining the success of a department is its leadership. The PVFD is commanded by a Fire Chief who is elected by the Fire District's Board of Directors. At the time of this study, the former chief had just been replaced following his three-year appointment to the position. The current Fire Chief was appointed following the selection process outlined in the By-Laws at the District's Board of Directors Meeting on August 8, 2014. The Chief can reapply annually for the position but cannot serve as Chief for more than three terms.

PVFD, due to its structure, has a unique opportunity to appoint a new Chief on a yearly basis. The Chief is allowed to appoint his leadership team, further changing the management dynamic of the department. Thus, this new team has the ability to establish new strategic initiatives to move the organization in the direction as the new Chief feels is most appropriate. The consultants observed that the elected Board appears to be more engaged in the day-to-day operations of the department.

The Fire Chief is responsible for the oversight of the Department and is supported by a cadre of officers appointed by and reporting directly to him. They include a Deputy Chief, Assistant Chief, three Fire Captains and two Lieutenants. Each of them is assigned functional responsibilities as outlined below:

- Deputy Chief – Fire operations/Discipline
- Assistant Chief – Administration
- Captain – Training
- Captain – Recruitment and Retention
- Captain – Buildings/Maintenance
- Lieutenant – Public Relations
- Lieutenant – Logistics

Figure 3: PVFD Organization Chart



Although changes in leadership are often positive, the potential for annual changes can cause the department to alter its course too frequently and as a result, never achieve its full potential. In most municipal departments, the Chief and the command staff have more longevity in these positions which allow them the time to fulfill the strategic goals and objectives. Further, since the fire chief does not change annually, there is no need to appoint new command staff and therefore, there is more stability for subordinate staff.

One way to overcome some of the undesirable or negative impacts of the potential frequent turnover of the Chief and associated command staff is to have a very sound and continually updated strategic plan in place. In this way, the department continues to follow an established plan even though the leadership may change. Chiefs will be responsible for providing direction and developing functional teams to ensure the strategic mission of the organization is being accomplished.

For PVFD to enjoy future success, they must assure their goals are in concert with those of the Town of Weddington. The Town indicated they do receive reports on fire department activities which are included in the Town Board's packet. Keeping Board Members and those in oversight capacities updated with current operational activity reports and data, provides them important information necessary to make educated, critical decisions. Moving toward a collaborative

approach with the Town will represent a paradigm shift from what both the Town and the department have previously known and both will have to adapt to the new environment. This new challenge for PVFD is going to take strong leadership and flexibility, the responsibility for this resting with the new Fire Chief.

With the annual change in leadership, the culture and climate of the organization changes with the new command staff's vision and values. Therefore, how the Chief and his newly appointed command staff will deal with employee related issues or their philosophical approach to managing the department may be very different than the previous administration.

During our multiple site visits, the consultants had the opportunity to meet not only with PVFD but also the command staff of Wesley Chapel and Stallings Fire Departments. Although made to feel welcome, there are very notable cultural differences between the agencies. An organization's culture does ultimately have an impact on the bottom-line perhaps not from a technical perspective, but in how the organization is perceived. What is interesting to note is that all three departments essentially pull from the same pool for their paid-on-premise firefighters; therefore, "why is there such a divergent personality between these three departments?" The answer to this question is its leadership – and as a result, there are very divergent philosophical and cultural differences between the organizations. These distinctions were clearly evident in the members of both the Wesley Chapel and Providence Volunteer Fire Departments.

The Town of Weddington needs to understand these cultural differences as it interacts with each agency and ensure that each of these organizations understands its emergency service performance expectations.

Recommendations: Department Leadership

- *Since the Fire Chief is appointed annually by the Board of Directors, and he appoints his new command staff, there is a greater potential for loss of continuity which could have negative impacts on the Town. To combat this, the Town in concert with the department, should work together to develop a strong strategic plan. **Priority 3***
- *Town Council should request the fire department to provide a 3-4 year Strategic Plan to assure the fire department initiatives are in concert with those of the Town. **Priority 3***

- *The Town of Weddington should request the Chief to attend council functions as they would for any other department head. **Priority 1***
- *The Fire Chief should develop a comprehensive annual report that gives a full accounting of department accomplishments of the year, progress on initiatives developed during the strategic planning process and an unaudited financial accounting of year-end revenue to expenditures synopsis. **Priority 3***
- *The restriction of allowing the Fire Chief to only hold that position for a maximum of three years should be reconsidered. Further, the department should consider electing the Fire Chief for a minimum of a two-year term. **Priority 1***
- *The consultants noted there were remarkable cultural differences between the three departments with PVFD being more guarded. Certainly, this could be due to the current tense relationship with the Town, or in part a simple philosophical difference. Regardless, future success will require a collaborative partnership between the Town and fire department in addressing community concerns. **Priority 2***

National Standards

Like all fire departments nationwide, the PVFD has standards (some mandatory and some advisory) which impact how they provide fire and EMS. This section will address the federal and state codes and standards which apply to PVFD.

National Fire Protection Association (NFPA) Non-mandatory

The National Fire Protection Association creates and maintains private, copyrighted, standards and codes for usage and adoption by local governments. NFPA was formed in 1896 by a group of insurance firms; their mission was to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus codes, standards, research, training and education.

Today, the NFPA includes representatives from some fire departments, fire insurance companies, manufacturing associations, trade unions, trade associations and engineering associations. NFPA is responsible for 300 codes and standards that are designed to minimize the risk and effects of fire by establishing criteria for building, processing, design, service, and installation all over the world. NFPA has more than 200 technical code and standard development committees and are comprised of over 6,000 volunteer seats.

There is much disagreement as to the meaning of the word “codes and standard”. NFPA defines a Standard as:

A document, the main text of which contains only mandatory provisions using the word “shall” to indicate requirements and which is in a form generally suitable for mandatory reference by another standard or code or for adoption into law. Non-mandatory provisions shall be located in an appendix, footnote or fine print, and are not to be considered a part of the requirements of a standard.

NFPA defines a Code as:

An extensive compilation of provisions covering broad subject matter or that is suitable for adoption into law independent of other codes and standards. The decision whether to

designate a standard as a code is based on such factors as the size and scope of the document, its intended use and form of adoption and the presence of substantial enforcement and administrative provisions.

If one were to accept the NFPA definition, it would appear that all standards listed in any NFPA code, other than in the appendixes, are in fact mandatory. Such would be the case if a governing body were to adopt the code in which the standard is listed. However, governing bodies are not required to adopt the NFPA codes; although, many view the NFPA terms, codes and standards as a benchmark by which to judge against.

The understanding of the significances of NFPA codes and standards becomes more complicated in the event in which a firefighter might be seriously injured or killed in the line of duty. In these events, NFPA codes have the effect of a double-edged sword; the Fire Department/Town is not required to meet them, but the Fire Department/Town would most likely be judged against these standards by a host of investigating agencies. Therefore, it is advantageous for everyone in a decision-making position to be familiar with NFPA codes and standards. Decisions pertaining to resources and the deployment of those resources should be based on knowledge of current industry standards as outlined by NFPA.

NFPA 1710 or 1720

NFPA adopted two standards addressing fire departments' organization and development: NFPA 1710 (Organization and Development of Fire Suppression, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments), and a sister standard NFPA 1720 (Organization and Development of Fire Suppression, Emergency Medical Operations, and Special Operations to the Public by Volunteer/Paid-On-Call Fire Departments).

If a department's employees are both paid-on-call and volunteer, they are classified as a "combination fire department". NFPA's definition is: **Combination Fire Department** – a fire department having emergency service personnel comprised of less than 85% of either volunteer or paid membership.

The table below illustrates the category of employees, number of employees in each category, and the percent they represent of total employees in the PVFD:

Table 2: PVFD Employee Categories

Employee Type	# of	% of Total
Paid-on=Premise	24	53.33%
Volunteer	21	46.67%
Total	45	100%

The PVFD clearly falls into the combination category. The question then becomes which of the two NFPA codes (1710 or 1720) should apply to the PVFD?

According to the Staffing for Adequate Fire & Emergency Response (SAFER) grant program within the Federal Emergency Management Agency (FEMA) the Authority Having Jurisdiction (AHJ) has the power to decide which standard the department should utilize. Therefore, in this case the fire department board needs to identify which of the two standards they believe applies.

Why does it matter which NFPA code would apply? Although NFPA 1720 is very comprehensive, it is not as stringent as NFPA 1710. The consultants recommend that the department **does not adopt** either code; rather they should attempt to meet as many of the NFPA standards as feasibly and fiscally possible. It is assumed the AHJ would choose NFPA 1720 inasmuch as it is less stringent and with approximately half the employees categorized as volunteers (46.67%). The consultants recommend that when referring to NFPA standards, the department leadership utilizes NFPA 1720. What the department cannot do is switch between the two standards to choose which is best at any given moment.

Occupational Safety and Health Administration (OSHA) Mandatory

Before fire mitigation can begin, the following rule must be considered: The Occupational Safety and Health Administration (OSHA) regulation 29 CFR 1910.134 paragraph (g) (4). This regulation outlines the “Procedures for Interior Structural Fire Fighting”, which dictate the number of firefighting personnel required to be assembled on the fire ground prior to any interior

firefighting efforts. This regulation requires two stand-by personnel and two fire suppression personnel on-scene prior to the commencement of interior fire suppression activities.

This rule is commonly known in the industry as the 2 In/2 Out rule. There is an exception to this rule if through an appropriate size-up there is believed to be someone trapped and there is a chance for a lifesaving rescue, such action can be taken; but this exception must be recorded in the incident report. This is a mandatory rule that applies to all career, paid-on-call and volunteer departments.

Based on the discussions we had with various stakeholders the consultants think it's important to clarify this federally mandated rule to eliminate any confusion on its application. The rule does not require that there has to be four people on-duty, on the same vehicle or for that matter that four people have to arrive together. It simply means there are "rules of engagement" which must be followed before a crew can enter an Immediately Dangerous Life Health (IDLH) environment until four people are assembled.

Although not directly related to the 2in/2out rule or OSHA there is similar confusion on the requirements to meet the 9S rating for North Carolina fire departments. The association here relates to Item E under Personnel whereby departments must assure the response of at least four members and one engine to all fires and fire alarms. Here again this requirement does not set a threshold of four-person staffing at a station, but simply that a minimum of four members and one engine respond to the events previously mentioned. The consultants will discuss this again under the staffing section.

Insurance Service Offices, Inc. (ISO) Non-mandatory

Insurance Service Office (ISO) – ISO is a leading source of information about property casualty insurance risk that provides risk information to many industries, including government. The ISO Public Protection Classification program is designed to help establish fire insurance premiums for residential and commercial properties based in part on a community's fire protection services. By itself, ISO ratings do not provide a comprehensive assessment of staffing, deployment and service delivery. Keep in mind that ISO is not an industry standard, it is only an index developed

through a standardized data pool that is used by insurers to set rates. Once a fire department's capability is determined and classified, the information is communicated to and might be used by insurers to set rates for homeowners and commercial properties in local communities.

For years the fire service has lacked any measurable metrics to evaluate the efficiency of a fire department and to that end ISO has attempted to fill that void. Many people have the belief that a Class 3 ISO fire department has to be better than a Class 4 department. What is missed in this thinking is the fact that the rating of the fire department only accounts for 50% of the overall ISO rating. The other two elements are water supply at 40% and dispatch at 10% of the final community rating; therefore, all three components impact the ISO classification and it does not reflect solely on the fire department.

PVFD ISO Classification

The PVFD was last evaluated by ISO in 2014 and the results were not available at the time this report was finalized. Prior to that, in May of 2001 the department was awarded a Class 6 rating, up from the previous 6/9 split rating. It will be interesting to see what improvements have been made since their last survey, particularly in the areas related to the fire department personnel and training. Specifically, in the credits received for Company Personnel given the current staffing allocation; and whether the training credit has improved above the 26th percentile of the maximum points available for that category.

ISO Point Scale

In review, ISO evaluates fire departments on a 100 point scale into three categories:

- 10% Receiving and Handling Fire Alarms (Dispatch)
- 50% Fire Department
- 40% Water Supply

The best rating is a Public Protection Classification (PPC) of 1 and the lowest is 10 as illustrated in the table below:

Table 3: ISO PPC Point Scale

PPC	Points
1	90.00 or more
2	80.00 to 89.99
3	70.00 to 79.99
4	60.00 to 69.99
5	50.00 to 59.99
6	40.00 to 49.99
7	30.00 to 39.99
8	20.00 to 29.99
9	10.00 to 19.99
10	0.00 to 9.99

PVFD ISO Classification

The table below illustrates the actual points awarded to the PVFD in their last ISO assessment:

Table 4: Actual ISO Rating Breakdown – May 2001

ISO Category	Points Awarded	Possible Points
Fire Department	16.91	50.00%
Water Supply	29.94	40.00%
Dispatch	09.90%	10.00%
Divergence*	-8.21	
Total	48.54%	100.00%

* Divergence factor mathematically reduces the score based upon the relative difference between the fire department and water supply scores.

The figures below illustrate the number of departments nationally and in North Carolina holding PPC classifications of Class 6 as does the PVFD:

Figure 4: National ISO Class & Number of Departments

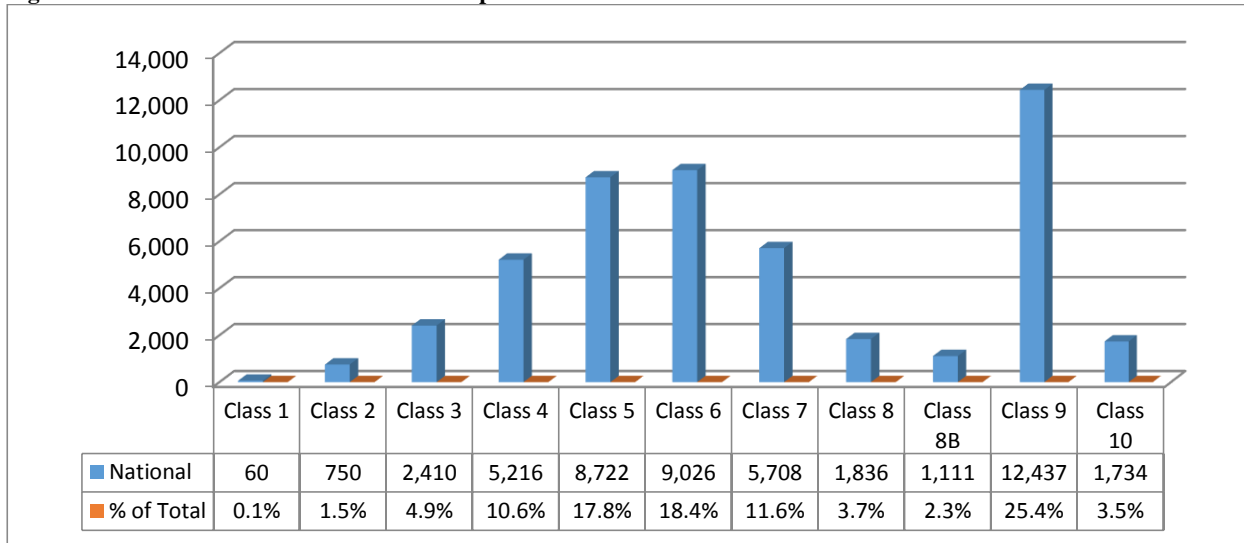
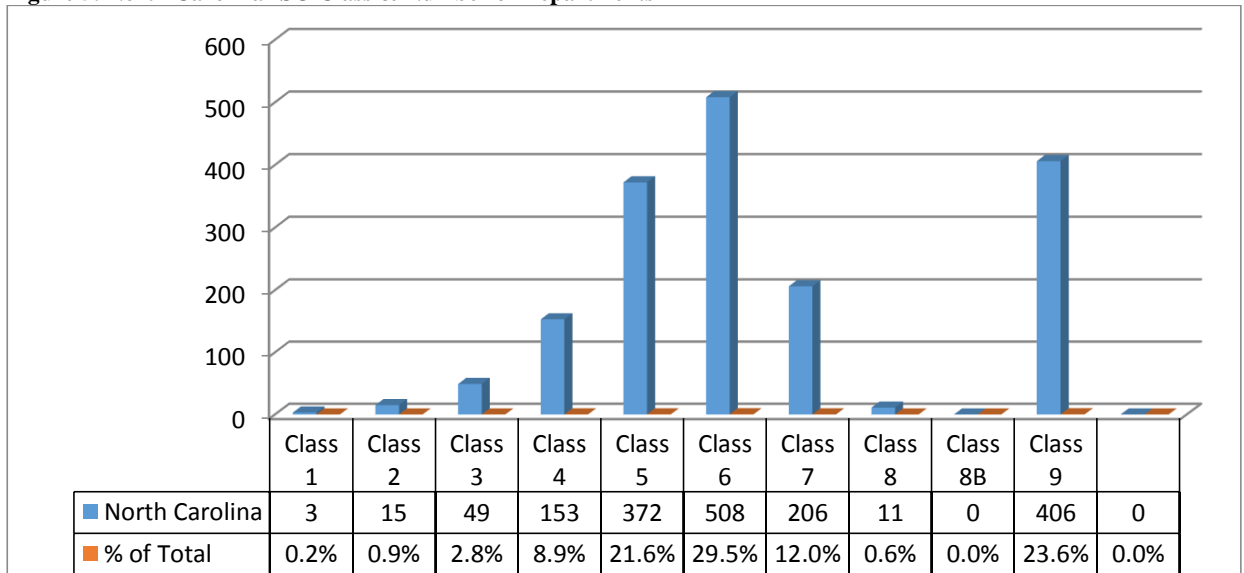


Figure 5: North Carolina ISO Class & Number of Departments



Keep in mind the value of the ISO rating continues to be questionable as a determining factor in a community's level of fire protection. The ISO survey is not a complete assessment of a community's fire protection program, defenses, or performance. The ISO does not rate the quality of the fire prevention program, built-in fire suppression systems, fire loss and property saved, or the actual competence and performance of the fire suppression personnel and operations. The ISO only rates those pieces of the fire protection program they feel are important to assign insurance rates.

Recommendations – National Standards

- *Neither the Town nor PVFD should adopt NFPA 1720. Adoption would include the adoption of all OSHA and NFPA standards by reference. The consultants recommend a plan be developed to satisfy the spirit of the standard to the extent possible. **Priority 2***
- *Town officials need to fully understand that the OSHA 1910.134 and North Carolina's 9S requirements are not staffing standards and place no duty on the Town of Weddington to staff at a predetermined level. **Priority 5***

Staffing and Deployment Model

A primary consideration in a department's ability to effectively control/extinguish fires, respond to medical emergencies, and mitigate other types of emergency calls is having adequate staffing readily available to respond to and carry out essential job functions. Ultimately, the staffing and deployment model used by a community attempts to balance the identified risks with the costs associated with providing the service. At the end of the day, it is a purely a question of how much risk the community is willing to accept and at what cost.

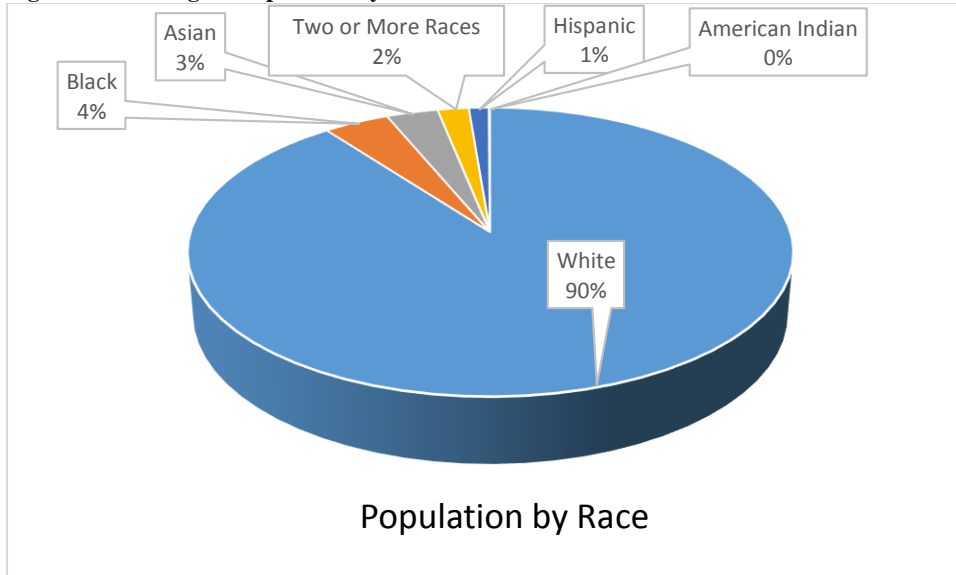
For the purpose of the study, the consultants looked to some of the Census information as a means to help understand overall community risk factors. Looking at population served first, all parties agree there will be an impact on fire protection at some point due to growth. Given the density requirements and the fact that all of the growth will be within the current boundaries, the consultants did not believe population growth would create any unusual fire risks assuming proper infrastructure development occurs with expansion.

The 2010 Census listed the population at approximately 9,577 residents. As of October, 2014 the Town is estimating the population at 9,924. So what will the landscape look like with regard to population with new or planned developments coming on-line? Again we can make some predictions using the Census data gathered on the average persons per household rate. In this instance the Town of Weddington's rate is 3.22 members per household and absent some major change in this benchmark or other demographic, changes in population increase should not pose an appreciable risk to the Town.

As we look at community risk factors, the demographics of a community can play into the overall demand on emergency services. Two such factors are the percentage of the community living below the poverty level, and the ethnicity of the population. According to the National Fire Protection Association, those living below the poverty level tend to have a higher fire risk profile. In terms of median household income and the actual population below the poverty line, there is an extremely low risk threshold for the community.

The ethnic make-up of a community can also have an impact on the fire risk profile. Cultural differences can play a part in a community's risk of an unwanted fire.

Figure 6: Weddington Population by Race



Source: United States Bureau of the Census 2010

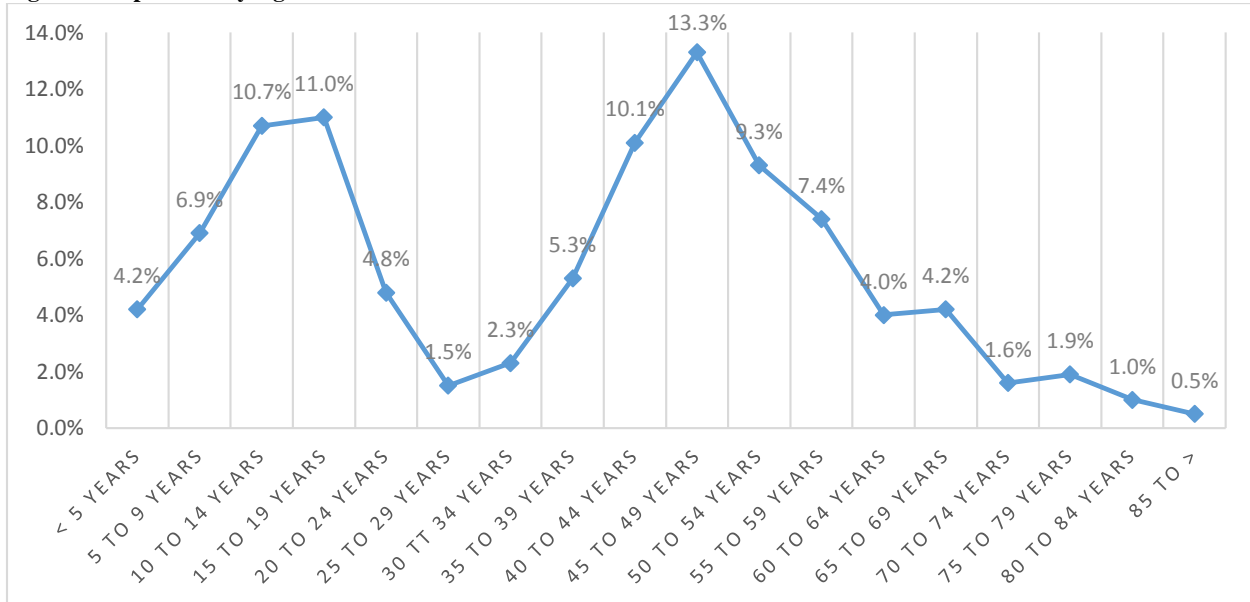
There is no compelling data which would give rise to an elevated threat or risk based on ethnicity.

In terms of this study, age is an important variable on two fronts. First, it is important in terms of impact on the community's risk as the elderly and younger populous are at a greater risk for a fire event and the elderly also tend to utilize emergency medical services at a higher rate than the general population. The second consideration hopes to speak to the emerging question of "whether there are potentially a sufficient number of residents of an age to support PVFD as Volunteers".

Fortunately, as it relates to fire risk, the Town of Weddington has a lower risk profile with only 4.4% of the 2010 population under five years of age and only 9.4% of its population over 65. Of the remaining populous, 29.5% are less than 18 years of age and approximately 43% falling into the 18 to 65 age range. With 43% falling within the 18 to 65 age range one might draw the conclusion there are potentially enough candidates to support the Volunteer ranks of PVFD;

however, the consultants believe there is insufficient detail in the scope of the data available to draw that conclusion.

Figure 7: Population by Age



Source: United States Bureau of the Census

The final consideration is the housing stock and according to the 2010 census there were 3,285 housing units in the Town of Weddington. Of interest here, is that multi-unit structures account for less than one half of one percent of the total housing stock. The median value of the owner-occupied home (98.5% ownership rate) is \$387,000 compared to the median value of \$153,600 for the State. This valuation is consistent with the one-acre lot size requirement enforced by the Town to address the density desired within the community. Based on the age of most of the housing stock and the high owner occupancy rate, lack of maintenance is not a global risk factor in Weddington.

Not included in the census data but certainly important to the evaluation of risk is the age of the home, as older homes (if not properly maintained) tend to be at a higher risk from fire. Beyond the age and maintenance of the home, influences like size in terms of square footage and distance from a hydrant are significant aspects to consider when determining the overall fire risk. In the case of Weddington these last two elements present the largest challenge to service delivery.

Stakeholders should keep in mind a chief measure of performance is what the first arriving fire companies are capable of doing prior to the arrival of automatic or mutual aid. Proper staffing levels permit emergencies to be handled quickly and safely with the least number of units. Certainly there is no hard and fast rule to this as municipalities across the country use diverse delivery models and staff fire response vehicles differently, but there are opportunities to collaborate at much higher levels especially between Providence Volunteer Fire Department and Wesley Chapel Volunteer Fire.

The NFPA compares a department’s staffing methodology to both national and state data by population categories. There were 26,430 departments nationwide that responded to the survey. The table below illustrates the method of staffing in fire departments compared to the population they protect and Providence’s standing is highlighted in yellow.

Table 5: Fire Department National Staffing Methods

Population	Career	Mostly Career	Mostly Volunteer	All Volunteer	Total
500,000-999,999	81.10%	17.00%	3.80%	0.00%	100%
250,000-499,999	67.80%	27.40%	4.80%	0.00%	100%
100,000-249,999	84.00%	12.20%	3.80%	0.00%	100%
50,000-99,999	72.00%	18.30%	8.10%	1.60%	100%
25,000-49,999	48.00%	20.60%	23.70%	7.70%	100%
10,000-24,999	21.00%	21.60%	37.80%	18.70%	100%
5,000-9,999	4.20%	5.90%	37.90%	52.00%	100%
2,500-4,999	0.60%	1.80%	16.40%	81.20%	100%
Under 2,500	0.40%	0.80%	4.70%	94.10%	100%

Source: NFPA 2010 Survey of the Needs of U.S. Fire Service

NFPA also provides population comparison to fire department staffing methodology for each state. In the State of North Carolina 100 fire departments responded to the NFPA survey. Using the same color identifications, there were 0.00% of departments that had “Career” with a population of less than 10,000 and only 1.60% of departments were mostly career.

Table 6: North Carolina Staffing Methods

Population	Career	Mostly Career	Mostly Volunteer	All Volunteer	Total
25,000-49,999	64.70%	23.50%	11.80%	0.00%	100%
10,000-24,999	20.00%	25.00%	30.00%	25.00%	100%
Under 10,000	0.00%	1.60%	28.60%	69.80%	100%

Source: NFPA 2011 Survey of the Needs of North Carolina Fire Service

Assessment of the two tables above suggests that the PVFD is, as a practical matter, out of step with the staffing methodology of both the National and State of North Carolina's fire staffing comparisons inasmuch as PVFD utilizes the paid-on-premise model as the primary means of service delivery. This type of staffing essentially aligns them with the mostly Career column in both tables; however, when the Town's population reaches 10,000 it would require comparison to the 10,000 to 24,999 category in each table. As a cautionary note, however, breaking the 10,000 threshold does not mean that the staffing should equate to this very wide population spread.

Staffing Methodologies

There are many different factors to consider when staffing a fire department. Some of these factors have been previously touched upon, but the entire list is: population, geographic size, number of calls, level of fire and EMS services desired, socioeconomics of the area, district risks/vulnerability, future area development, fiscal capabilities of the Town, politics, other service provider options, citizen expectations, and availability of automatic or mutual aid. From the previous NFPA tables, there are essentially four basic staffing models (with enumerable hybrids thereof) employed throughout the United States. These staffing models are career (full-time), part-time (paid-on-premise), paid-on-call, and volunteer.

PVFD incorporates two types of staffing on a daily basis: Paid-on-premise (paid) and Volunteer firefighters or firefighter/EMTs. At the time of this report there were a total of 45 members of the department with 24 paid-on-premise (paid) and 21 volunteers. There is little question that the PVFD has a long-standing presence in Union County. According to data provided to the consultants, the department was the first in Union County to have EMTs as "First Responders," the first to use automatic defibrillators, and in 2003 the first to establish daytime paid-on-premise staffing with limited evening staffing beginning in December of 2009.

PVFD, over the past decade, has evolved from a principally Volunteer Fire Department to what is currently a Combination Department (primarily paid-on-premise). The reasons for this evolutionary process from volunteer to paid-on-premise were different, depending on just who the consultants were speaking with. It was found however, according to the information found

on the PVFD Website, the original daytime staffing was undertaken to address the lower number of Volunteers available during the daytime hours. This lack of daytime availability was due to the members' full-time jobs constraints, and was believed to be the driving force behind development of this current staffing model.

The initial staffing complement grew over that time period from two firefighters during the day from 6:00 am to 6:00 pm, to three paid-on-premise from 6:00 am to 6:00 pm and one paid-on-premise and two Volunteers from 6:00 pm to 6:00 am. Today the staffing allocation is four paid-on-premise from 6:00 am to 6:00 pm and two paid-on-premise and two Volunteers from 6:00 pm to 6:00am. Suffice it to say the financial impact to the Town of Weddington continued to track upward correlating to the increase in staffing.

Here again, there were many differing opinions about why there existed such a need for the staffing levels described above. Discounting for a moment the entire municipal fire service district discussion, we need to look more closely at this evolutionary process in an attempt to understand how it came to pass. The consultants believe there are principally three factors which have driven these staffing decisions to be made – insufficient volunteers, NFPA guidelines for staffing, and the OSHA two-in/two-out standard.

First, there is no debate that the future solvency of the PVFD, given the old district boundaries, was at risk. The consultants believe that PVFD would not have survived without the subsidies paid to them by the Town of Weddington. Now with the new municipal fire district boundaries, the responsibility for funding lies predominantly with Weddington. But the underlying issue which gave rise to the staffing level remains unchanged; PVFD simply does not have enough volunteers to have a guaranteed response to fire incidents, fire alarms or EMS first responder calls without the paid-on-premise staff. Of course this lack of a guaranteed response would also negatively impact the department's 9S rating. To put this in perspective, this is not simply a PVFD problem, it is a nationwide concern as fewer and fewer people are volunteering to be firefighters.

Second, during our interviews it appeared that there is a lack of clarity on whether there is a requirement for four (on-duty) paid-on-premise firefighter staffing. This appeared to stem from the belief there is a statutory requirement for such staffing and this is simply not the case. One could advance an argument that there are not enough staffing resources available to assemble four people as required in the 9S provision, but that is distinctly different than policy makers believing there is no other choice but to staff four to meet the provision. The 9S provision simply states four personnel and one engine must respond to all fires and fire alarms in structures.

Under NFPA 1720, the number of responding firefighters and the amount of time in which they are required to respond varies with the number of people (population) per square mile to eight mile radius as illustrated in the table below:

Table 7: NFPA 1720: 4.3.2 Staffing and Response Time

<i>Demand Zone (a)</i>	<i>Demographics</i>	<i>Minimum Staff to Respond (b)</i>	<i>Response Time (Minutes) (c)</i>	<i>Meet Objective (%)</i>
<i>Urban</i>	<i>>1,000/mi²</i>	<i>15</i>	<i>9</i>	<i>90</i>
<i>Suburban</i>	<i>500-1,000/mi²</i>	<i>10</i>	<i>10</i>	<i>80</i>
<i>Rural</i>	<i><500/mi²</i>	<i>6</i>	<i>14</i>	<i>80</i>
<i>Remote</i>	<i>≥ 8 miles</i>	<i>4</i>	<i>Related to Travel Distance</i>	<i>90</i>
<i>Special Risk</i>	<i>AHJ*</i>	<i>AHJ*</i>	<i>AHJ*</i>	<i>90</i>

* Determined by Authority Having Jurisdiction (AHJ)

- a) A jurisdiction can have more than one demand zone
- b) Minimum staffing includes members responding from the AHJ’s department and automatic aid
- c) Response time begins upon completion of the dispatch notification and ends at the time interval shown in the table.

For example, if the fixed population is 500 to 1,000 people within one square mile the department must respond with a minimum of ten firefighters within ten minutes 80% of the time.

Finally, similar to the second item, there is also the same level of misunderstanding with regard to OSHA 1910.134 “two-in/ two-out” provision. OSHA states that “once fire fighters begin the interior attack on an interior structural fire, the atmosphere is assumed to be “immediately dangerous to life or health” (IDLH) and paragraph 29 CFR 1910.134(g) (4) [**two-in/two-out**] applies.” OSHA defines interior structural firefighting “as the physical activity of fire

suppression, rescue, or both inside of buildings or enclosed structures which are involved in a fire situation beyond the incipient stage.” It does not mandate four members be on-duty in the event of structure fire or other IDLH incidents, it simply identifies what actions can be undertaken and what can’t be done until four members are assembled.

It should be noted both Stallings and Wesley Chapel now use similar staffing models utilizing on-duty paid-on-premise, supported by a cadre of Volunteers. All three departments provide around the clock staffing and all have on-duty staffing numbers. Each of these departments utilize volunteer staffing; however, Wesley Chapel clearly has the edge on its ability to attract and retain volunteers.

Compensation

Given the similarities between the three departments the consultants took the opportunity to determine whether there were any distinctions with regard to compensation for department members. Looking at the current compensation for the three agencies, the consultants noted Stallings and Wesley Chapel had a salary range of \$11 - \$14 per/hour for their paid-on-premise personnel; whereas Providence’s salary range was \$11.50 - \$14 per/hour. At the top of the range (\$14 per/hour) is the company officer and that seemed consistent among the departments. Stallings has a set salary for paid-on-premise of \$12 per/hour for firefighters, Wesley Chapel \$11 per/hour for firefighters and \$12 per/hour for Driver-Operators and as previously mentioned \$14 per/hour for the Officer. Providence referred to their hourly pay range: \$11.50 was the average for paid-on-premise and duty officers received \$13.50 unless they had over 10 years with the department. The department did not provide the number of members that fell into each range.

Table 8: Paid-on-Premise Compensation

Department	Minimum	Maximum	Average Pay
Providence	\$11.50	\$14.00	Unknown
Stallings	\$11.00	\$14.00	\$12.00 FF-POP
Wesley Chapel	\$11.00	\$14.00	\$11.00 FF-POP
			\$12.00 Driver-POP

On a side note, the Fair Labor Standards Acts (FLSA) defines an employee as one where the pay is tied to productivity. All three departments pay their paid-on-premise in an hourly fashion;

thus, all would be considered employees. Each department is then responsible for ensuring that pay is above minimum wage, establishing a pay cycle for the determination of overtime, and the tracking and paying of overtime pay.

Each of the departments are supported by a cadre of Volunteers and from what consultants could glean from our interviews, all receive different levels of compensation as well as differing methodologies for said compensation. From our review, PVFD provides their Volunteers either \$30 or \$60 if they work a duty shift, but no other compensation is provided with the exception of recruitment-retention bonuses. Stallings pays a flat fee of \$6 to Volunteers who respond back on a call, and if qualified, they receive \$12 per/hour for a duty shift. Wesley Chapel compensates their Volunteers through a points system whereby Volunteers receive points based on a pre-determined standard and are paid the value of those points on a monthly basis.

Table 9: Volunteer Compensation

Department	Pay	Reason
Providence	\$30 or \$60	Per Shift*
Stallings	\$6/call	Call Response
	\$12/hour	Per Shift*
Wesley Chapel	Points	

* As soon as the compensation is per hour, the volunteer status is eliminated and all pay must be on an hourly basis, with assurances that it meets minimum wage and overtime; would suggest moving it to a set dollar amount per shift to retain volunteer criteria.

As the organizations grow, all three need to ensure they understand the FLSA implications of a volunteer versus a paid employee. As an employee, the organization, per FLSA, is required to establish a set work cycle, pay overtime for all hours worked in excess of those set per FLSA in the work cycle, and ensure that all pay is at or above the established minimum wage.

Further, there may be other implications when counted as an employee such as vulnerability to discrimination laws (federal and/or state), as well as the need to provide benefits. *[Note, the State of North Carolina has state discrimination laws if the public or private employer has three or more regularly employed employees.]*

Regardless of whether classified as career, paid-on-premise, or volunteer, all compensation should be paid via a payroll system, with appropriate tax deductions, and a W-2 issued at the end of the year. A 1099 is issued only for subcontracted individuals, and the regulation of work by the department would not qualify paid-on-premise or volunteers under the subcontractor definition.

Emergency Activity

This is an important element and helps frame the demand placed upon the department in terms of workload. Perhaps even more important is to clearly define the type and frequency of activity including when and where this activity is occurring. All of this data can be used as part of an annual overall comprehensive review by the Chief to determine whether there are opportunities to address service, staffing, and/or mitigate risks.

The table below illustrates fire statistical data provided by Union County:

Table 10: Number of Calls Provided by County

2009	2010	2011	2012*
154	183	167	181

* Estimate – primary area calls only

Table 11: Providence NFIRS - 3 Years

Nature of Call	2011*	2012	2013	% of Total	3 Year Total
Fires	34	37	29	8.46%	100
Overpressure/Explosion	0	0	0	0.00%	0
Rescue/EMS	105	167	170	37.39%	442
Hazardous Conditions	9	16	10	2.96%	35
Service Calls	14	14	17	3.81%	45
Good Intent Calls	76	93	87	21.66%	256
False Alarm/False Calls	75	88	132	24.96%	295
Severe Weather	1	1	4	0.51%	6
Special Incidents	0	0	0	0.00%	0
No Category Listed	0	0	3	0.25%	3
Total	314	416	452	100%	1,182

*This Table was modified (2011) to reflect totals found on Incident Listing Summary Report

Analysis

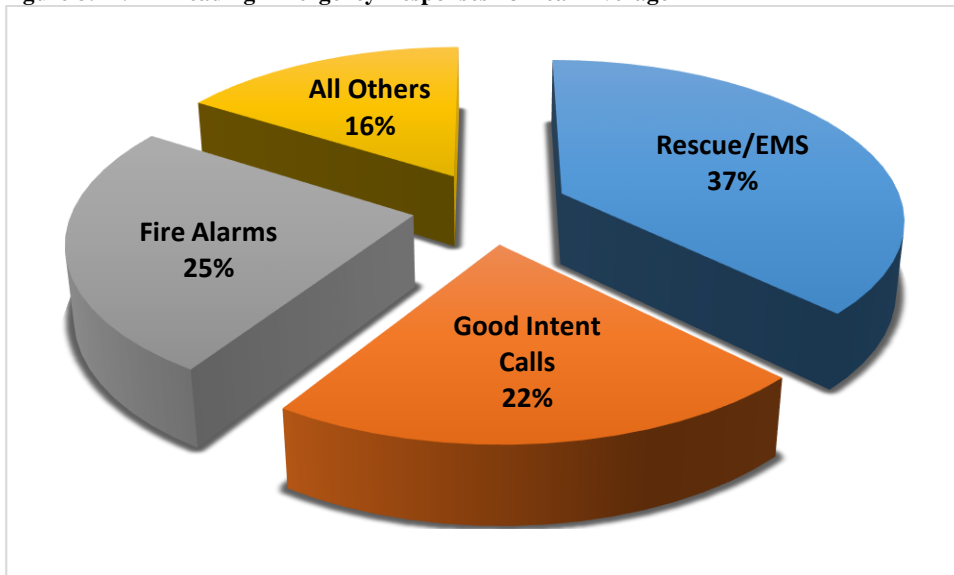
In the review of the incident data it was obvious to the consultants it would be difficult to reconcile the variances noted in the two tables above. Recognizing the information comes from two different sources there are numerous statistical anomalies which we cannot resolve. If one looks at the number from Union County for 2012, it should be noted that there is a 230% difference between what the County reports and what was reported by PVFD. The first thought

of the consultants was that the Union County numbers did not include EMS calls for service, but the math simply did not support that assumption. So the question is why is there such a variance between these two sources? Is the basic reporting methodology changed; has there been some yet unidentified demand placed on the department which can account for the change; or is this a result of the modification of the boundaries?

If one looks at the calls for service by incident type one will discover two other emerging statistically relevant changes in the response profile. The first is the large increases in demand for EMS services between 2011 and 2012 with a modest increase in 2013. A comparison of the year-to-year summary report does not provide enough detail to make an analysis of what may have precipitated such a trend. The other noteworthy tendency is in the area of false alarms. Here again there may be a possible change emerging in 2012 and 2013; however, this will require further attention to determine whether 2013 was only an aberration or a new trend.

An evaluation of calls for service illustrates three general areas driving the basic incident profile for PVFD depicted in the pie chart below:

Figure 8: PVFD Leading Emergency Responses - 3 Year Average



The three areas driving calls for service are Fire Alarms, Good Intent calls and EMS. When we looked into the Good Intent calls the consultants discovered the most significant contributing

factor in this category was “Dispatched and Cancelled in Route.” In the areas of Fire Alarms and Good Intent Calls there are certainly possible opportunities to help minimize these events from occurring. With regard to EMS, the sudden growth in activity very well could be related to the PVFD response area changes.

Deployment

On receipt of a call for a structure fire, PVFD will normally respond with two “Class A” Engines with the on-duty crew. The crew of four is split between the two engines and off-duty Volunteers are summoned to respond via pager. During our visit the consultants were advised the normal or average call-back for a structure fire was eight firefighters. Of interest was the call-back rate for fire alarms was essentially non-existent according to statements made to consultants. This is a significant finding and if the accounting is true, helps to affirm our earlier theory that this perceived response method is the need for four-person on-duty staffing.

PVFD falls under NFPA 1720 (volunteer) which is less stringent than NFPA 1710 (career) staffing. As PVFD increases their paid-on-premise employees or consolidates with other service providers the standard to which PVFD should strive might change.

For illustration purposes the following table compares the staffing requirements for both standards. In this table, the structure would be a two-story single-family dwelling without basement and with no exposures (defined in the same section). A working fire is defined as a fire within a structure of such magnitude that an aggressive interior or exterior attack will occur with a minimum of two hose lines for suppression.

Table 12: NFPA Suppression Staffing Requirements

2,000 sq. ft. Residential Fire		
NFPA Standard	NFPA 1720	NFPA 1710
Suppression Personnel Needed	6 to 15*	14
Aerial Utilized	same	15
Compliance	80% to 90%	90%

* *NFPA 1720 staffing needed is based on population within one square mile.*

If one looks to NFPA for a staffing benchmark it is clear that the number of personnel needed is approximately 14 to 15 depending on the resources deployed. From the information provided to the consultants, PVFD must make use of automatic aid to obtain the needed complement. The inference should not be made that either Wesley Chapel or Stallings would be always capable of the staffing complement described above. In the interviews with members of Wesley Chapel, the average number of volunteers responding to a call was reported to be 16 and can be attributed to their access to a large volunteer base.

Looking at the issue of response from a more global view, it seems there is a real opportunity to think about service delivery in a completely different way. In looking at Providence and Wesley Chapel, they both provide 24/7 on-duty staffing, both need to share equipment (tenders), and they each have stations located within the Town of Weddington. These two departments have the opportunity to complement each other, but currently operate independently- except when they work together in times of crisis. The consultants believe there are operational efficiencies that are not being considered which would ultimately benefit the end user, both in terms of resources and also financially.

Recommendations – Staffing and Deployment Model

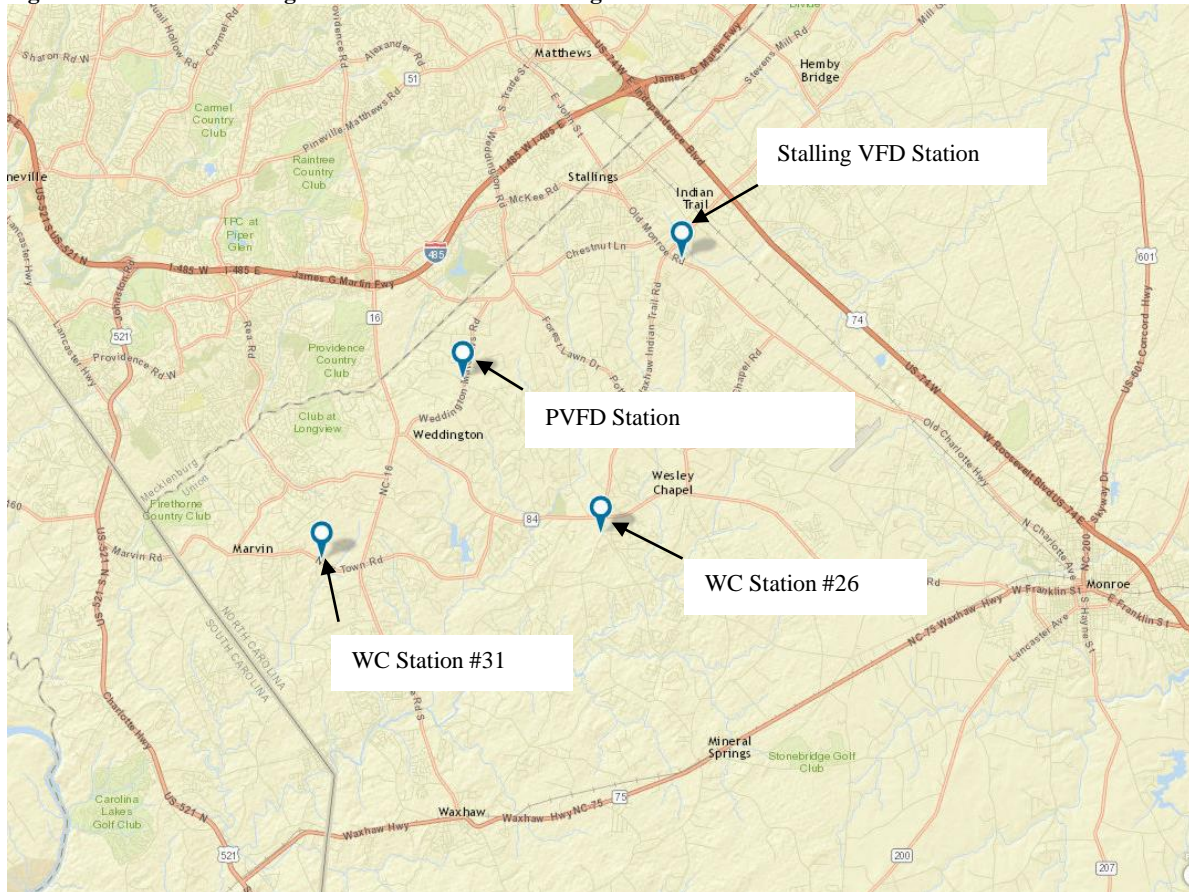
- *Continuation of the overall deployment strategy articulated to the consultants by having the closest fire company responding – regardless of department affiliation. **Priority 1***
- *Conduct further analysis of district response boundary lines to ensure they are in concert with the Town’s deployment strategy. **Priority 2***
- *Research the use of GIS as a tool for the Public Safety Answering Point (PSAP) to dispatch the closest unit to the stricken party. **Priority 3***
- *Conduct a thorough review of the Providence’s paid-on-premise pay rates as they relate to the other rates in the area. Ensure compliance with the Fair Labor Standards Act. **Priority 2***
- *The consultants fully support the combination staffing of the paid-on-premise and Volunteer Model; however, the staffing allocation should be revisited. If the status quo remains, efforts should be made to determine whether there are sufficient volunteers available to respond from their homes negating the need for, or reliance on, four person duty shifts. **Priority 2***

- *The fire department leadership should take a more active role in assuring the False Alarm Ordinance is enforced, thereby reducing the number of false alarms generated. The Department's and Town's Web pages should have all the relevant information relating to the Ordinance available for the public. **Priority 2***
- *A more comprehensive analysis of calls for service needs to be completed to determine why there are so many cancelled-in-route calls. Are these associated with false alarms or are there issues to be addressed at the PSAP to prevent what is now averaging 17% of PVFD's annual incident base. **Priority 2***
- *A similar review of EMS calls for service need to be made to determine whether there is a new development which is causing this increase in activity. If so, the department or Town has the opportunity to develop a service agreement (fee schedule) for the increased service demands the facility is placing on the department. **Priority 2***
- *There is a real opportunity to look at the entire fire service delivery model for the Town of Weddington. The consultants believe there are a number of practical and financial reasons to re-open dialog between PVFD and Wesley Chapel to move towards the consolidation of these two service providers. Whether in the end it is a functional or full consolidation, ultimately, it is a Win/Win situation for all parties involved, but more importantly – for the citizens they protect. **Priority 2***

Stations/Facilities

As previously noted the Town of Weddington receives fire protection services from three fire departments: Providence VFD, Stallings VFD, and two stations of Westley Chapel VFD as illustrated in the figure below:

Figure 9: Stations Providing Services to Town of Weddington



* Dotted line indicates Union and Mecklenburg Counties.

The PVFD provides service to the Town of Weddington and unincorporated areas from their fire station located at 5025 Hemby Road. The 8,306 square foot station was constructed in 1985 and was occupied the same year. In 2013 the station underwent a major remodel designed primarily to add appropriate living quarters for personnel in order to provide round-the-clock coverage. During the remodel, on-duty staff used an outlying building (1,500 square feet) on their property to temporarily house the staff which is now being used as fitness center and storage.

The apparatus floor consists of approximately 6,315 square feet and has five bays facing the street and one bay facing outward from the rear of the building. The Air Cascade System is co-located in the apparatus bay and it was noted the make-up air for the unit was not piped to the outside. The system is used to fill the department's self-contained breathing apparatus (SCBA's) used by firefighters in structural firefighting and other hazardous operations. This is an important finding as SCBAs must be free of all contaminants and therefore the consultants agree with the numerous technical papers/bulletins recommending compressor air-intakes for SCBA compressors should be drawn from outside air which should contain 20.9% oxygen. Samples of the air are taken on a quarterly basis and tested by Safe-Air to assure the quality of the breathing air for firefighters.

The apparatus bays are equipped with an emission exhaust system. This system protects fire personnel from engine emission exhaust fumes by hooking directly to fire apparatus' Plymovent system thereby collecting the majority of the potential hazardous exhaust fumes created by the apparatus. To maximize the benefits of the system, it is critical fire personnel properly use and maintain the system in accordance with manufacturer's instructions. The system, when used correctly, will help mitigate the exposure to carcinogens and meets the intent of both NFPA and OSHA standards.

The new on-duty living quarters provides accommodations (bunkroom) for up to six personnel. It also includes a dayroom, male/female locker rooms which include washroom and shower areas for a total living space of approximately 1,991 square feet.

The building is completely compliant with the Americans with Disabilities Act (ADA) and includes elevator access to the second floor. The facility (Fire Station proper) has 100% emergency power source with a generator powered by diesel. The station is fully protected with an automatic fire suppression system (sprinklers) and a fire alarm system. This is a very prudent protection provided by the District, as there are approximately 150 fires in fire stations annually in the United States (source: U.S. Fire Administration).

Other Observations

During the site visits, the consultants did take the opportunity to perform a cursory review of the other two departments who provide fire services to the Town of Weddington. Consultants toured the Wesley Chapel and Stallings Fire Department stations which normally provide service to the Town. The Wesley Chapel stations both appeared to be recently built and it is our understanding Stallings will be doing a major remodeling of their station in the near future. Stations we toured were clean and well-kept and had living space designed to accommodate their on-duty staff including shower, kitchen and sleeping facilities.

Recommendations: Stations/Facilities

- *The Air Cascade system located in the apparatus bay shall be plumbed so the air intake comes from an outside source. Care should be taken to ensure proper clearance between the air intake and existing vent discharges. **Priority 2***

Apparatus

The Fire Department’s entire current apparatus inventory is titled to the Providence Volunteer Fire Department. PVFD provides fire and emergency medical first response to Weddington with three engines, one rescue, one tender and one brush unit. All current rolling stock has been paid for through funds received by Mecklenburg County.

Table 13: Providence Apparatus Inventory

Apparatus Number	Manufacture	Year	Pump (GPM)	Tank Size (Gal)	Condition
Brush 326	Ford	2002	250	250	Good
Tender 324	Red Diamond	2002	500	3,000	Good
Rescue 32	Hackney	1995	—	—	Good
Engine 321	KME	2006	1,250	750	Good
Engine 322	Spartan	1998	1,250	1,000	Good
Engine 323	KME	1993	1,500	1,000	Good

Apparatus Maintenance

The apparatus appeared to be in good running order and records provided during the last Insurance Service Office (ISO) inspection revealed the Engines receive the required annual pump test. A review of the record indicates the engines passed the annual test; however, the records provided to the consultants noted annual hose testing was not documented (since review of the draft the consultants have been informed verbally, records do exist for 2013).

The Fire Department’s apparatus and related equipment are maintained by First Class Emergency Vehicles. The mechanics working on the equipment are all ASE, EVT and Spartan Chassis certified.

Apparatus Equipment

In a review of the last ISO report on file and the Apparatus and Equipment Sheets provided to the consultants, the documents indicate that the engines were slightly deficient in the “Needed” complement of required hose or equipment. The apparatus and equipment carried was clean and appeared to be in good working order. It should be noted the scope of the inspection was a visual only and did not include a functional assessment.

Sufficiency of Apparatus

PVFD has sufficient apparatus in terms of pumping capacity to fulfill the “fire flow” requirement established by ISO. Presently, 57% of the department’s coverage area has hydrants with 43% having no hydrant availability. Although the Town of Weddington continues to develop their water system, there remains a need to maintain tender capabilities within the fleet.

One of the three engines maintains its in-service status or readiness but is considered the reserve engine. This engine (E-322) is the second oldest in the fleet and is planned for replacement in 2017; with the oldest being Rescue 32. Although the consultants agree it makes sense to have a reserve engine, reserve apparatus is not without expense such as maintenance, fuel expense, and costs related to the additional equipment carried on board.

There are opportunities to reduce the overall financial exposure of maintaining a reserve engine, but the current stand-alone model does not easily facilitate this cost savings. In order to achieve cost savings, the departments would have to consider establishing a partnership, or multiple partnerships to share a reserve system. This would provide a more unified approach to fire service delivery.

Another possible consideration to explore, is whether there is a legitimate need for a medium duty rescue truck, given the availability of a heavy rescue within a short travel distance. The consultants do not question the need for rescue equipment, but the larger question here is whether the PVFD can make use of another rescue style pumper when it is time to replace their next engine. Thus, the consultants recommend a more thorough analysis of equipment to identify any duplication of equipment on both rescue trucks. There is a price tag associated with this equipment, and if low frequency technical equipment can be reduced, there is a cost savings to both departments.

Apparatus Replacement

Over the years, the NFPA has attempted to define life expectancy of apparatus with little success. However, under the 2009 edition of NFPA 1901, a new Annex D, titled Guidelines for First-Line and Reserve Fire Apparatus was added which discusses apparatus built prior to 1991.

Section D.1 discusses minimizing the risk of injuries to firefighters and improvements in safety features that have been instituted since that time (1991). The guideline further states that new safety upgrades and innovations are not generally found in units built prior to 1991; therefore, this standard recommends that apparatus built prior to 1991 be placed into reserve status. This reserve status is only recommended if compliance to NFPA 1912, *Standard for Fire Apparatus Refurbishing*, has been adhered to.

Another significant factor in equipment replacement outlined in the NFPA standard and worth re-emphasizing is the rapidly changing technology, much of which is directly related to firefighter safety. Therefore, apparatus technology becomes a factor when considering replacement. NFPA recommends apparatus older than 15 years should be considered for reserve status only if these NFPA standards have been followed: required maintenance of the vehicle has been maintained, and overall condition of the vehicle has been determined to be safe. Apparatus not manufactured to the applicable NFPA fire apparatus standard or that are over 25 years old should be replaced.

Apparatus Replacement Program

In discussions with PVFD there is no formalized apparatus or for that matter equipment replacement schedule strategy. Given that, the consultants have offered a replacement strategy for the rolling stock of PVFD. In the development of the replacement benchmarks, the consultants gave additional weight to the limited amount of actual activity the department undertakes on an annual basis, and for this reason have extended the active use of the front line apparatus. Please bear in mind the Table below illustrates the strategy based on the current delivery model and does not incorporate any economies of scale previously mentioned.

Table 14: Recommended Replacement Schedule

Apparatus Number	Manufacture	Year	Recommended Replacement	Current Cost	Projected Cost
Brush 326	Ford	2002			
Tender 324	Red Diamond	2002	2030	\$230,000	\$309,550
Rescue 32	Hackney	1995	2020	\$250,000	\$276,020
Engine 321	KME	2006	2035	\$335,000	\$497,792
Engine 322	Spartan	1998	2015	\$335,000	\$335,000
Engine 323	KME	1993	2025	\$335,000	\$408,363

* Future costs calculated using a 2% annual escalator to the projected base cost in 2015

Other Observations

During site visits, the consultants performed a cursory review of the other two departments who provide fire services to the Town of Weddington. A visual walk-through inspection was made of the apparatus housed at Wesley Chapel and Stallings Fire Departments. All of the rolling stock appeared to be in good to excellent condition and there appeared to be an adequate number of suppression units available for deployment. One of the departments also reported having a detailed apparatus replacement strategy for their entire fleet.

Recommendations – Apparatus

- *The consultants have provided an apparatus replacement schedule and in some cases have extended the life expectancy of the existing fleet to incorporate a phasing plan which is designed to level expenditure spikes. Consideration of adoption of such a plan should be undertaken. **Priority 2***
- *The Brush Truck is not on the schedule and the consultants recommend the vehicle be re-chassised at a time frame based upon need and financial opportunity. **Priority 3***
- *The consultants would support the further exploration of whether it makes business and financial sense to consider a pumper/rescue unit with the ultimate goal of phasing out the medium duty rescue. This approach would only be possible if there was space to carry routinely used extrication equipment on the pumper/rescue and an agreement for access to the heavy duty rescue from Wesley Chapel for more significant/technical rescues. **Priority 2***
- *Looking forward, it appears the Town of Weddington will hold the title of apparatus if purchased by the Town. **Priority 5***

Fiscal

The Town of Weddington is notable for being North Carolina's third wealthiest town in terms of median household income. The per capita income for the town for 2010 was \$48,209. About .5% of families and 1.5% of the population were below the poverty line, including 1.9% of those under 18 and 2.5% of those ages 65 or over.

The Town has enjoyed a strong fiscal position with a healthy fund balance which has been significantly reduced over the past 3 years due to expenses related to the purchase and renovation of the Fire Station acquired from PVFD.

In this section the consultants have attempted to detail the history leading up to the town's most recent financial challenges. Additionally, for this report the consultants have outlined the current financial position of the Town which has been used as the benchmark in the analysis of opportunities available to the Town of Weddington. Specific focus will be on the financial approaches the town might use to fund fire services.

Background

In July, 2012 the Town of Weddington underwent a significant change in the overall structure of the system to deliver fire services to its community. Prior to this occurrence the town was provided fire services by Union County via three Volunteer Fire Departments; Providence, Wesley Chapel and Stallings.

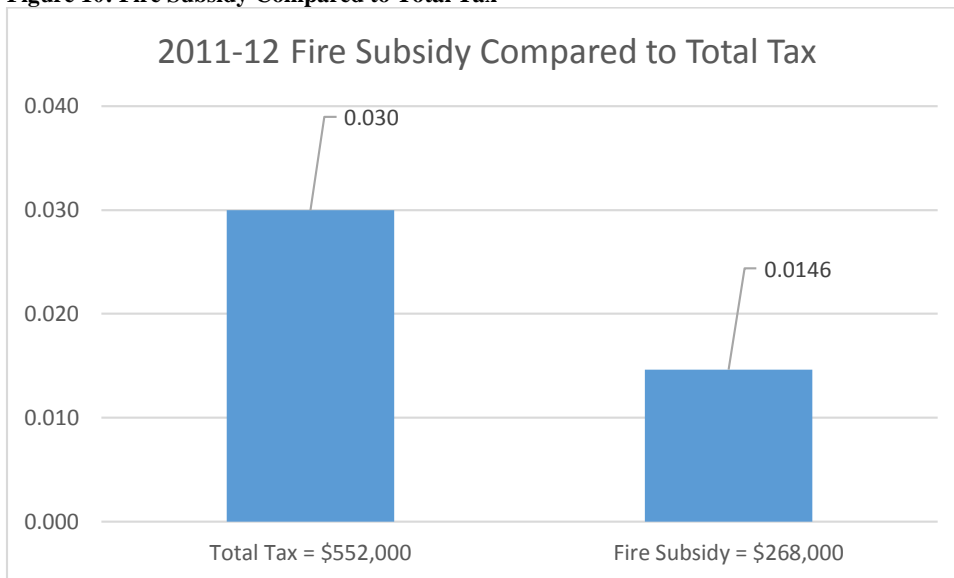
The Providence Volunteer Fire Department service area was significantly smaller than the areas covered by the other two departments, a situation that had developed over time as incorporation of property by the City of Charlotte shifted the fire service responsibilities from the volunteer department.

Funding of volunteer fire departments in Union County was accomplished either through a Fire Tax or Fire Fees collected and distributed by the County. Both Wesley Chapel and Stallings Fire Departments were funded through a Fire Tax with Providence being a Fire Fee department.

Historically, the county had also provided a subsidy from the County General Fund for fee districts and in limited circumstances, they had provided additional allocations if the budget required for the fee district exceeded projected fee revenue limits established by state law.

The PVFD Fire Fee was \$50 per single family residence through FY 10-11 after which it increased to \$100. Even with the increased fee, the shrinking service area and reducing number of properties has caused funding issues and the financial viability of the department was in question. The Town of Weddington was approached for supplemental funding in order to meet the cost of desired service levels. The Town agreed to provide PVFD with a subsidy which increased annually to as much as \$268,000 in the FY 11-12 Budget when it was increased by \$31,480 to cover an increase in 24/7 paid staffing. This new funding was provided without any increase in tax levels by the Town and represented almost half of the 2011-12 revenue produced by the Ad Valorem Tax of .030 (per \$100) or an equivalent tax rate of .0146

Figure 10: Fire Subsidy Compared to Total Tax



In 2011, an effort to consider consolidation of the PVFD and Wesley Chapel FD was undertaken as a result of the recommendations in a study of Fire Services conducted by Union County.

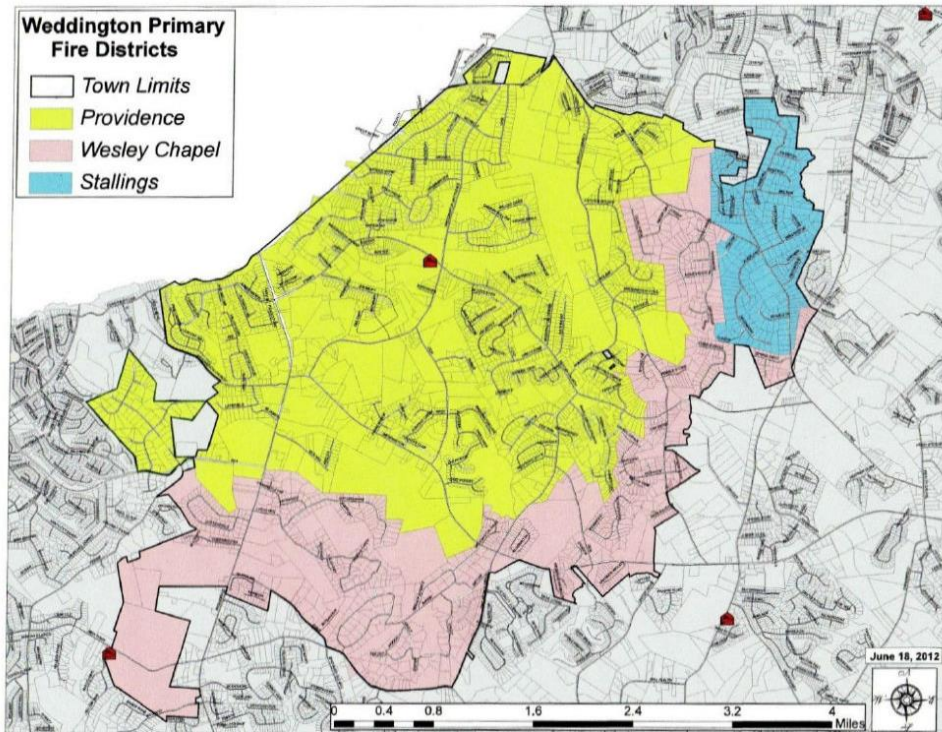
Wesley Chapel was one of the three departments already providing fire services to the Town of Weddington and had responsibility for the largest portion of the Town. Based upon information the consultants gleaned from interviews, a plan for consolidation was introduced and discussed

by both departments; but negotiations failed to result in concurrence on several points of the plan.

With the apparent inability to reach an agreement on consolidation, an effort was undertaken by individuals in the PVFD and the Town of Weddington to establish a municipal style of fire coverage. In May 2012, the Weddington Town Council passed a resolution that established a Municipal Fire District. The resolution withdrew consent for incorporated territory of the Town of Weddington to be included in the Wesley Chapel Fire Service District, the Providence Fire Fee District, and the Stallings Fire District of Union County. By doing so, the Town became responsible for overseeing and funding their fire services. Additional required actions by the town and county relating to the change to a Municipal Fire District were completed in the coming month; and effective July 1, 2012 the incorporated area of the Town of Weddington was removed from the Union County fire districts.

In order to provide funding for fire services, Weddington increased its tax rate from .030 to a total of .052 beginning with the 2012-13 Fiscal Year. The additional .022 was the equivalent of the tax rate of the Wesley Chapel FD for services to their district for the 2011-12 FY. The Town also entered into an agreement with PVFD for the Town to purchase the land and buildings (Fire Station) owned by Providence and located within Weddington; and to fund renovation and improvements agreed to by both. Having ownership of the Fire Station property the Town also entered into a Lease Agreement with PVFD for use of the Fire Station. The Town has also entered into contractual agreements with the Providence Volunteer Fire Department, Wesley Chapel Fire Department, and Stallings Fire Department, to provide fire services as illustrated on the following map. [Note, the consultants received and reviewed the following contracts: Interlocal Agreement; Lease Agreement; Fire Suppression Agreement; and Fire Suppression Contract.]

Figure 11: Weddington Primary Fire Districts



Baseline Statistical Information for Fire Services

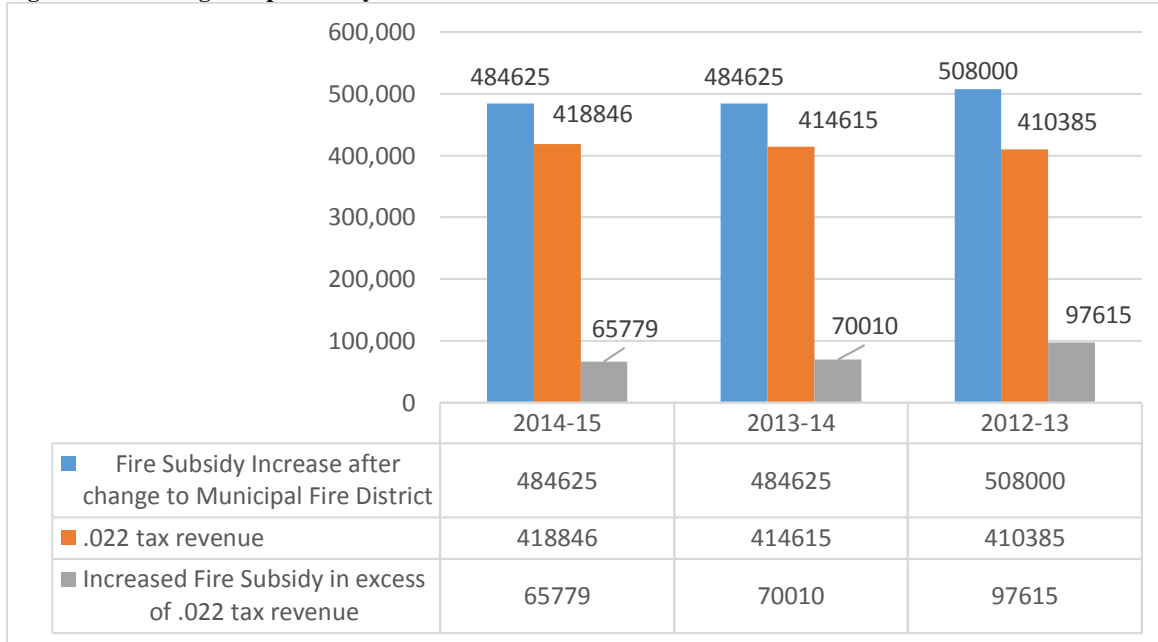
The tax rate for the Town of Weddington has not changed since the .022 increase in the 2012-13 Fiscal Year. Proportionately, the tax revenues budgeted for each fiscal year since that period representing the original .03 tax rate and the .022 rate increase are as follows:

Table 15: Four-Year Tax Revenues

		2014-15	2013-14	2012-13	2011-12
Budgeted Ad valorem Tax-Current		990,000	980,000	970,000	552,000
	.03 tax	571,154	565,385	559,615	552,000
	.022 tax	418,846	414,615	410,385	

Although the .022 tax increase was implemented in response to the change to the new Municipal Fire District, this increase has not been sufficient to cover the increase in fire subsidies that has occurred since the change. Funds from other sources have been required to cover these costs.

Figure 12: Funding Comparison by Year



It can be noted that there was a decrease in excess over the .022 tax revenue from 2012-13 to 2014-15; however, this was due to an increase in property values rather than a decrease in expenses. In addition, the 2012-13 Fire Subsidy Increase amount includes a \$50,000 Building Upgrade that was included in the Fire Department Subsidies line item for that year. There was an \$80,000 building upgrade budgeted in 2013-14 that was shown as a separate line item entitled Fire Department Capital and is not included in this comparison.

As stated earlier, the original .022 increase implemented for Weddington in 2012-13 was equivalent to the Wesley Chapel fire tax rate for the 2011-12 FY. However, the actual rate for Wesley Chapel for the 2012-13 tax year was .0241. The Wesley Chapel tax rate increased again for the 2014-15 tax year to .0281. If the Weddington increase had mirrored the Wesley Chapel rates in all years following the change to the Municipal Fire District, the comparisons would have been as follows:

Table 16: Estimated Tax Rate Increase

	2014-15	2013-14	2012-13
	.0281 tax	.0241 tax	.0241 tax
Revenue for Increased Rate	534,981	454,192	449,558
Budgeted Fire Subsidies	752,625	752,625	776,000
Budgeted Fire Subsidies over 2011-12	484,625	484,625	508,000
Increased Subsidies Over (Under) new tax rate	-50,356	30,433	58,442

Only at the current .0281 rate for 2014-15 does the tax revenue fully support the subsidies over the 2011-12 amount paid by the Town for fire services.

The tax rate required to totally cover the fire subsidies for the 2014-15 FY (\$752,625) is approximately .0394.

Table 17: 2014-15 Tax Rate

Calculated Tax Rate for Actual Fire Subsidies Budgeted		
Property Values	\$2,012,263,270.00	2014-15
Budgeted Fire Subsidies		\$752,625
Projected Tax Rate for Total Fire Subsidies		0.03939
Revenue Produced		\$792,631
Estimated Revenue with 95% Collection Rate		\$752,999

Historically, Weddington uses a 95% collection rate to project Ad Valorem tax for the budget. The cost differences on an average home in Weddington (\$400,000) for the tax rates in the above scenarios are shown below.

Table 18: Cost Differences on Average Home

	.0394 tax	.0281 tax	.0241 tax	.0220 tax
Cost per \$400,000 property	\$157.60	\$112.40	\$96.40	\$88.00
Additional Cost per Year over .022 rate	\$69.60	\$24.40	\$8.40	

Charting of tax rates for local jurisdictions show the Town of Weddington at or below the mid-point for the following comparisons

Table 19: Tax Rate for Local Jurisdictions

Fire Tax Rates for Local Jurisdictions					
	2014-2015	2013-2014	2012-2013	2011-2012	
Hemby Bridge	0.0526	0.0526	0.0526	0.0493	
Springs VFD	0.0483	0.0355	0.0355	0.0315	
Stallings VFD	0.0428	0.0428	0.0428	0.0428	
Weddington**	0.0394	0.0399	0.0416	0.0146	
Waxhaw VFD	0.0386	0.0386	0.0386	0.0372	
Wesley Chapel VFD	0.0281	0.0241	0.0241	0.0220	
Weddington*	0.0220	0.0220	0.0220		
*tax rate increase for fire service					
** calculated rate for total budgeted fire subsidies					

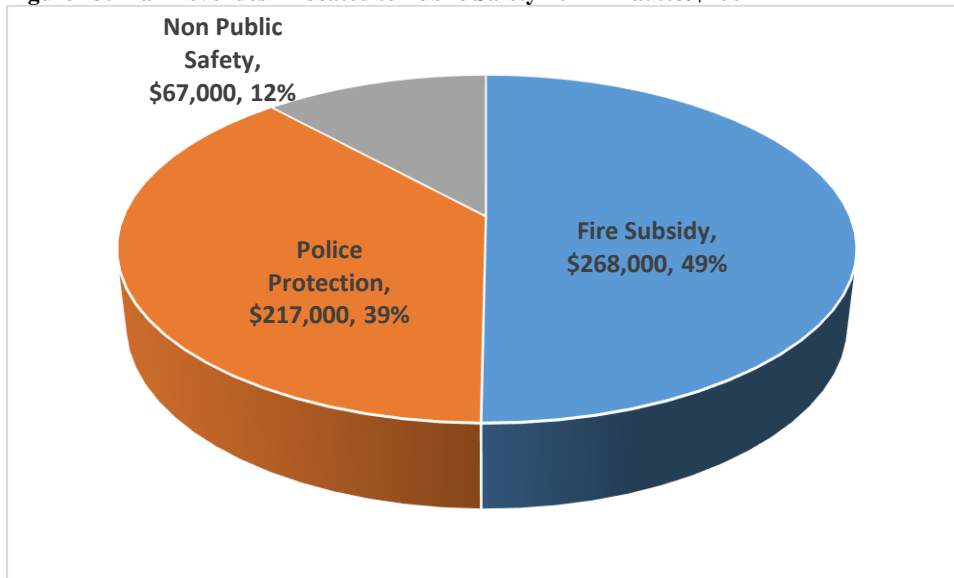
Tax Rates for Local Towns					
	2014-2015	2013-2014	2012-2013	2011-2012	
Waxhaw	0.3400	0.3400	0.3400	0.3400	
Stallings	0.2150	0.2150	0.2150	0.2150	
Weddington	0.0520	0.0520	0.0520	0.03	
Mineral Springs	0.0250	0.0250	0.0250	0.0250	
Wesley Chapel	0.0165	0.0165	0.0165	0.0165	
Hemby Bridge	0.0000	0.0000	0.0000	0.0000	

Combined Rate - Town and Fire					
	2014-2015	2013-2014	2012-2013	2011-2012	
Waxhaw VFD	0.3786	0.3786	0.3786	0.3772	
Stallings VFD	0.2578	0.2578	0.2578	0.2578	
Springs VFD	0.0733	0.0605	0.0605	0.0565	
Hemby Bridge	0.0526	0.0526	0.0526	0.0493	
Weddington	0.0520	0.0520	0.0520	0.3000	
Wesley Chapel VFD	0.0446	0.0406	0.0406	0.0385	

Even at the calculated rate for all budgeted fire subsidies of .0394 for the 2014-15 FY, Weddington is at the midpoint for the Fire Tax Rate comparison.

Prior to the change in the fire services (2011-12), the Ad Valorem tax rate for Weddington was .030 with budgeted revenue of \$552,000. At that time the budgeted fire subsidy was \$268,000 and the Police Protection budget was \$217,000 for a total Fire and Police expense of \$485,000. Budgeted tax revenues (.030) not allocated to Public Safety was \$67,000.

Figure 13: Tax Revenues Allocated to Public Safety 2011-12 at .03/\$100

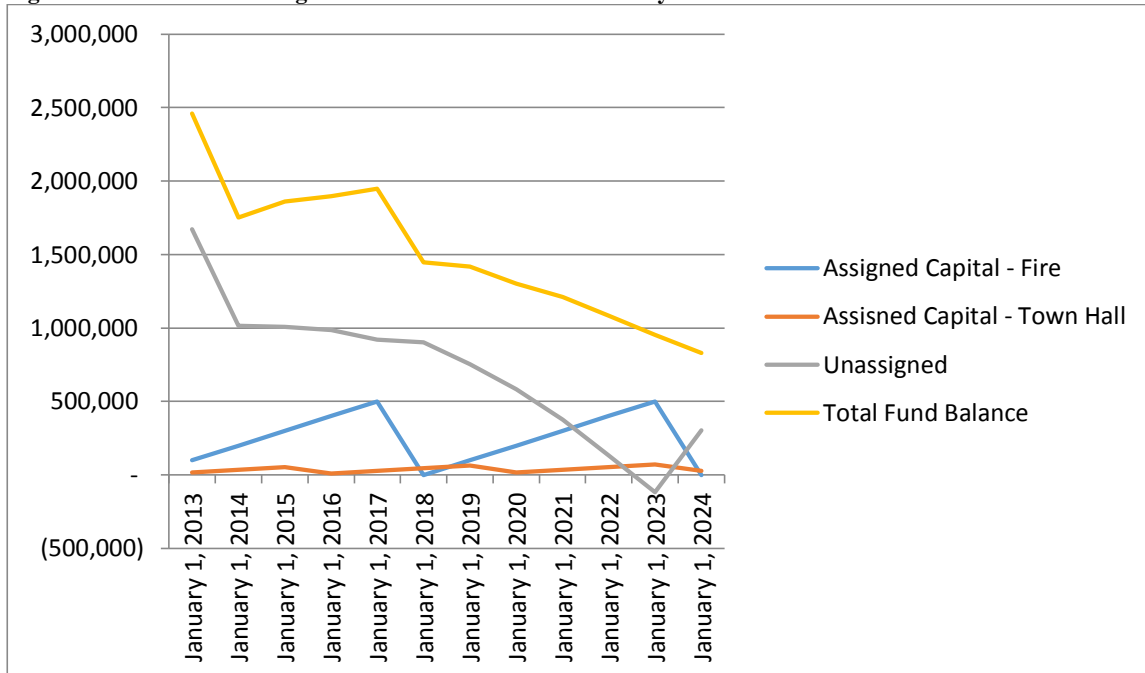


For FY 2014-15 the Ad Valorem tax rate is .052 with a budgeted Ad Valorem Tax – Current revenue of \$990,000. Fire subsidies have grown to \$752,625 and Police Protection to \$243,850 for a total Fire and Police expense of \$996,475 slightly **over** the anticipated Ad Valorem Tax – Current. In three years, the cost of all Public Safety subsidies has grown to exceed the budgeted Ad Valorem Tax (.052) revenue for the Town for the current year.

Optimum Cash Balances

The consultants were provided a 10-Year Fund Balance Projection and the Town of Weddington Fund Balance Policy (Appendix B) which establishes limits on fund balance appropriations in any given year. The Fund Balance report begins at June 30, 2013 with a healthy Fund Balance of \$2,461,586; however, the report shows that it is anticipated that Unassigned Fund Balance will fall significantly below the Minimum Unassigned Fund Balance Required by Town Policy (\$528,240 – not less than 25% of budgeted general fund expenditures) by June 30, 2021 – just 6 years from the current fiscal year.

Figure 14: Minimum Unassigned Fund Balance – 6 Year History



The majority of the reduction in the fund balance to date can be attributed to the expenses related to the purchase and renovation of the Providence Fire Station property. However, with the increase in Public Safety subsidies over the years now exceeding the budgeted Ad Valorem Tax rate of .052, this trend may continue. The town is facing the very difficult task of reducing expenditures or the need to increase revenues.

It is likely that the Town will need to find new ways to generate revenues or decide what they are willing to tax residents for services provided. There has been a very big change in the method of providing fire services as well as the level of fire services provided over the past 3-4 years which have resulted in increased expenses. Increases in taxes for these services have not kept pace and the Town finds itself in a position where fund balances will be required to meet operational expenses. However, as shown in comparison charts above, Weddington is in a very competitive position when comparing tax rates of surrounding jurisdictions.

Service Delivery Options

The consultants were asked to analyze the current service delivery system to determine whether the model was self-sustaining financially or if there was an alternate approach which might provide the same or enhanced service at a more affordable cost. Concerns were expressed about the declining fund balance and the monies committed to public safety leaving little available revenue for other needed services.

There was clearly no unanimity from the Council on how this issue should be addressed. Solutions ranged from raising taxes, decreasing expenditures or going back to the previous County based taxing formula. Fundamentally, from a financial perspective there are a finite number of ways to achieve the balance the Council envisions and it will ultimately come down to a business decision about the balance between cost and services.

What follows is the financial analysis of several opportunities the Town may have prospectively to address this matter.

Option 1 – Status Quo

Service Agreements with Providence Volunteer Fire Department, Wesley Chapel Fire Department and Stallings Fire Department.

Since the change to a Municipal Fire District on July 1, 2012, the Town of Weddington has made substantial financial commitments to purchase and fund renovations and improvements to the Providence Volunteer Fire Department Fire Station. In addition, the Town has entered into fire service agreements with three fire departments to provide standardized levels of fire service coverage for their entire community. This arrangement is in place and residents are receiving the fire services expected under these agreements.

As previously noted, the statistics and calculations demonstrate that the .022 tax rate increase implemented by the Town in conjunction with this change was not sufficient to fully cover the resulting increase in the budgeted subsidies. This rate has not been adjusted since its

implementation in 2012-13 FY. Looking at the 2014-15 budget information, the increased subsidies paid after the creation of a municipal fire district are as follows:

• Providence increased subsidy over 2011-12	\$311,825*
• Wesley Chapel service agreement	135,985
• Stallings service agreement	<u>36,815</u>
Total increase in Fire Subsidies	\$484,625

*Prior to the change, the Town was already paying \$268,000 in subsidies to Providence from General Revenues which were funded from the existing tax rate of .030. This amount is not included in the above numbers. For the following comparisons the consultants will be including this amount in the fire service cost numbers. Therefore, the total fire subsidies paid by the Town of Weddington for all fire service agreements are actually:

• Providence Service Agreement with audit fees	\$579,825
• Wesley Chapel Service Agreement	135,985
• Stallings Service Agreement	<u>36,815</u>
Total Fire Subsidies FY 2014-15	\$752,625

The tax rate to produce revenues to fully cover this amount is approximately .0394 as shown in previous charts.

However, an additional and important consideration to keep in mind in this Option is the existing Fire Service Agreements with both Wesley Chapel and Stallings Fire Departments are at a calculated tax rate below what they are currently charging the residents of their districts. The consultants feel it is not logical to assume that these Departments will not attempt to address that issue with future renewals. These are one year contracts that the Town may find they are unable to renew without considering an increase in rate. If these Departments seek to increase the revenue received from their Fire Service Agreements to an equivalent of what their district residents are paying, these agreements could increase to as much as the following:

Wesley Chapel FD at .0281	\$ 164,971	
Stallings FD at .0428	<u>44,886</u>	
	\$209,857	increase of \$37,057

This increase in these Fire Service Agreements would result in total Fire Subsidies of \$789,682 increasing the calculated tax rate to fully cover these fire service agreements to .0414.

Previously illustrated in this section, along with the Police Subsidies of \$243,850, the total for current Public Safety Subsidies has grown to exceed the budgeted Ad Valorem Revenue – Current of \$990,000 which is based upon the .052 tax rate currently in place. Including the potential increase in the Wesley Chapel and Stallings Fire Agreements as shown above would result in the following for Public Safety Subsidies in future years if all other related expenses were held flat.

Fire Subsidies	\$789,682
Police Subsidies	<u>243,850</u>
Total Public Safety Subsidies	\$1,033,532

The calculated tax rate that would be required to provide revenues for this scenario would be .0541 with no revenues being produced to cover other expenses.

Prior to the change to a Municipal Fire District, the .03 tax rate funded both Fire and Police subsidies with an additional \$67,000 remaining for other operations. Increases in the Fire and Police subsidies since that time have totally eaten away that \$67,000. Absent the increase in Permits and Subdivision fee revenues the Town has experienced from development in the past few years, the cost of other operations would have resulted in a deficit budget. Increasing the tax rate to reinstate that \$67,000 buffer for other expenses would increase the required tax rate to .0578.

The Town has the option of trying to reduce the fire budget to fall within the generated revenue, continue covering overages with other revenues/fund balance or increasing the tax rate to better

represent the increases in subsidies resulting from the change. The likelihood of holding expenditures flat, let alone reducing them over multiple years without a reduction in fire and police services, is unrealistic. In reality, the Town is facing a need to increase their tax rate or continue to see a decrease in fund balance to maintain the status quo.

The only question is how much of an increase is acceptable or appropriate. Do you seek to increase only to an amount to avoid deficit spending and deal with the decrease in fund balance (already projected to be critical in 2021) at a later date; or do you increase the rate to a level that provides the additional revenue for other purposes that existed prior to the fire service change or somewhere in between?

Tax rate increases are never easy but they are not always financially devastating to the resident when put in perspective. The following chart shows what the increases considered in this scenario would mean to the average homeowner with a home value of \$400,000.

Table 20: Tax Increase Scenario to \$400,000 Property Owner

Tax Increase	Current			
Tax Rate	.052 tax	.0524 tax	.0541 tax	.0578 tax
Cost per \$400,000 Property	\$208.00	\$209.60	\$216.40	\$231.20
Additional Cost per Year over Current .052		\$1.60	\$8.40	\$23.20

Should the Town of Weddington decide to select the highest rate of .0578, the owner of a \$400,000 home would pay an additional \$23.20 more in taxes each year than previously paid at the .052 rate; or for all practical purposes, an extra \$2.00 per month.

When considering an increase in tax rate for public safety purposes another significant issue to look at would be the \$100,000 annual commitment that Weddington has been making for fire capital equipment. This funding has to this point been from the Fund Balance with no new revenue being budgeted for this purpose. With the already declining Fund Balance it may be prudent to increase the tax rate to cover this expense as well. This would require a tax rate of approximately .0497 beyond the rate calculated in the above scenarios.

In this circumstance, the original increase in rate was lower than required to produce funds to cover the resulting increase in fees. Correcting that situation and taxing at a rate that would bring the Town of Weddington back to balanced revenues and expenditures for operations would involve an increase from the .052 tax rate of the past couple years to a rate of as high as .0578. This rate would provide for a potential increase in the fire service agreements with Wesley Chapel and Stallings, cover current expenses for Providence and Police protection, and generate a balance for other operating expenses equal to what existed prior to the change to the Municipal Fire Structure.

For the purpose of analyzing the above hypothetical situation, the calculated rates were derived from known costs from the 2014-15 budget. Policy makers must keep in mind these figures simply represent a snapshot in time. Ultimately the council, when calculating the final desired rate, must keep in mind increases in Police Subsidies and reductions in revenues that may occur in the coming year.

Option 2 – Single Source Provider

The Town of Weddington would establish a service agreement with one agency for their entire Municipal Fire District

One of the specific scenarios the consultants were requested to evaluate was whether there was an opportunity to return to the pre-municipal fire district service model. The consultants felt this was possible, but it would require very careful coordination and the process itself would most likely be volatile. At any point in the process should a breakdown occur, the Town would be at risk of not having a fully functioning operation.

Prior to cancelling the existing service agreement, the Town would have to have a firm, long-term negotiated agreement with a reliable alternate source (most likely Wesley Chapel) that will assure a tax rate that will produce a lower cost than that of the Status Quo. Built into the costs related to this option would be a significant financial penalty of \$750,000 for breaking the existing Fire Suppression Agreement with Providence. Paying this amount from Fund Balance would accelerate the reduction of that fund to below the Minimum Unassigned Fund Balance

Required by Town Policy. If the Town chose to take a loan for this amount, amortized over future years, those payments would have to be included into the costs of this scenario and calculated tax rates for this loan could run as high as .005 (10 year) to .01 (5 year) depending on finance rate.

The Providence Fire Station is now owned by the Town of Weddington, but there is a 10 year lease with Providence. It appears, according to Section 21 of the Lease Agreement – “Events of Default and Remedies”, that termination of the Fire Safety Agreement (FSA) shall also terminate the lease. If this is correct, the Station would be available for use by the newly contracted department; however, the majority of the equipment in that station is owned by PVFD.

It is questionable whether the new department would have sufficient equipment available for relocation to this station for fire services and as a result the cost for fire equipment becomes an unknown part of the cost equation. The Town has been setting aside funds for Fire Capital purchases; however, that funding will only total \$300,000 at the end of the 2014-15 FY and would not be sufficient to purchase all needed equipment for operations.

Of additional concern is that breaking the FSA with Providence would effectively result in their demise because of a lack of service area; an undesirable situation which was likely of such concern during past consolidation negotiations that it spurred the effort to create the Municipal Fire District of today. Likewise, it would be impossible to accomplish the steps involved in moving to this Option without it becoming public knowledge. The negative impact on the working relationship with Providence while trying to move away from their services would be significant should the attempt to move in this direction fail.

It is unlikely that the Wesley Chapel FD would accept a service agreement with a value less than that being paid by tax paying residents of their jurisdiction. As a result it should be assumed that the Town of Weddington would pay a rate of .0281 of property values for fire services. The Town would need to continue to tax for Police Protection (\$243,850) and potentially the equivalent of \$67,000 for other operational expenses that it had available before the change to the Municipal Fire District resulting in a calculated tax rate of .0163. Adding the costs of a

potential loan for the \$750,000 penalty for cancelling the Providence FSA with a calculated tax rate of between .005 and .01 would result in the need for a total tax rate of somewhere between .0494 to .0544.

Table 21: Tax Rate Implications with Loan

Category	10 Year Loan	5 Year Loan
Fire Protection	0.0281	0.0281
Police and Other	0.0163	0.0163
Loan Payments	0.005	0.01
	0.0494	0.0544

Compared to the rate calculated in Option 1 (.0578) this Option appears to provide a cost reduction; however, these calculations do not include costs of any equipment/apparatus purchases that might be required, or the legal fees associated with this approach which collectively presents a potentially significant cost.

Although attainable, the consultants do not believe there is merit in pursuing this path unless the final option is unsuccessful. At that point a decision would have to be made to maintain the status quo or embark on this path which is filled with many uncertainties.

Option 3 – Consolidate with Wesley Chapel Fire Department

The Town of Weddington would seek to accomplish a consolidation of the Providence Volunteer and Wesley Chapel Fire Departments.

The consultants strongly believe revisiting the idea of consolidation of the PVFD and Wesley Chapel FD is warranted and in the best financial interests of all concerned. The move to a Municipal Fire Department created a very unusual situation for a town the size of Weddington. They now find themselves in the business of providing fire services at a level equal to much larger jurisdictions, and at costs which are proving to be higher than originally projected. Additionally, the Town has taken on the responsibility of determining and overseeing the appropriate structure for providing those services.

When discussing the previous consolidation attempt with various stakeholders, a number of areas were identified as sticking points to one side or the other. These, however, do not appear to be significant enough to warrant the negotiations totally falling apart. Many of the most challenging issues related to staffing are now moot as all departments provide a level of 24/7 coverage. It appears to the consultants that negotiations ended due to a commitment to preserve PVFD and honor its history. Thus, rather than examining other options, an alternative was developed and as such, that alternative is now posing financial challenges for the Town of Weddington.

A consolidation of the two departments would get the Town of Weddington out of the fire business and move those services back into the hands of the professionals who are responsible for providing the service. Proceeding with a merger into Wesley Chapel Fire Department, increasing their district to include the entire area of Weddington, would return the responsibility for fire services to Union County where it rested prior to 2012. It would also result in the Town of Weddington being taxed for fire services at the same rate as the residents of Wesley Chapel fire district, which appeared to be the goal when establishing the Municipal Fire Department in 2012.

This attempt at a consolidation would actually have a somewhat different cause behind it than before. Previously it was two fire districts (one very large and one reducing in size with a questionable ability to survive) attempting to agree on a consolidation and possibly viewed as a takeover or absorption rather than a consolidation with mutual benefits for all. If consolidation is attempted at this time, it would be the Town encouraging the consolidation to facilitate the best outcome for its residents. The Town could work to preserve the history of the department that has served its community for over 50 years while accomplishing a merger of services that would benefit all through economies of scale.

It would be important for the Town of Weddington to take the lead and participate fully in the negotiation of a consolidation to assure the needs of its community are met and to address and minimize the impact of existing agreements that would be affected. As an interested third party,

they may successfully negotiate through the previous issues by removing the politics associated with each department protecting their individual interests.

The consolidated district would include the three main stations involved in the current fire services arrangement. The area served by Stallings may continue to create some issues for desired coverage levels, but at a relatively affordable cost until a new east-west access road is constructed to service that area from the existing Weddington Stations.

Although the Town of Weddington now owns the Providence Fire Station and property it may be prudent to consider contributing this facility to the consolidation. With the consolidation now including a fire station, and PVFD contributing its owned equipment and apparatus, there would be more equality in what each party is bringing to the table for consolidation.

Based on information gleaned by consultants, it would appear necessary to make an effort to preserve the history of the PVFD. This could be accomplished with an appropriate organizational structure, and creative naming of stations.

The merger of governing boards would continue to be a challenge; however, it may provide an opportunity to address the need to create an organizational structure that assures consistent professional leadership, while allowing the governing boards to set policy rather than oversee operations.

Based upon the data covered in this report, it is clear that new justifications for consolidation now exist after trying the current arrangements and experiencing a higher than anticipated cost. With the Town of Weddington being primarily the sole source of revenue for PVFD, they are in a position to provide the leadership necessary to ensure open and honest negotiations leading to a win/win solution for all parties.

If a consolidation is successful, the cost of the fire services would be based upon the tax rate of the resulting Fire District, currently .0281. The town of Weddington would continue to tax for the Police Subsidies and any additional general revenue needs determined to be appropriate.

Using the example of the \$67,000 produced for other operation purposes prior to the change to the Municipal Fire District the revenue to be produced would be as follows:

Police Subsidies	\$243,850
Other Operations	<u>67,000</u>
	\$310,850

To produce this revenue would require a calculated tax rate of approximately .0163. When added to the estimated fire tax rate of .0281, for comparison purposes, residents would be paying a total rate as shown below:

Fire Service District	.0281
Weddington Ad valorem Tax	<u>.0163</u>
Combined rate	.0444

This option is *clearly* the most cost effective plan providing the lowest tax rate to residents of Weddington and should be strongly considered for the betterment of the community.

Recommendations – Fiscal

- *The Council should initiate preliminary discussions with PVFD and Wesley Chapel FD to reintroduce a consolidation effort between the two parties to include the possible renaming of the new district which would include the Wesley Chapel Fire District area and the Town of Weddington. **Priority 1***
- *Until a final determination can be made on the ultimate structure to be used for providing fire services to the Town of Weddington, it is recommended that a tax increase be implemented that would, at a minimum, cover the actual costs related to the increases in Public Safety subsidies incurred since the 2011-12 budget. **Priority 2***
- *While continuing to operate under the Municipal Fire Department structure for fire services, PVFD should be required to fully participate in all budget processes of the Town. Clear budgetary guidelines and parameters should be set by the Council at the beginning of the process in March of each year and each Department Head should be accountable for preparing a budget within the guidelines established by the Town Council. **Priority 1***

- *The Town needs to look for alternative revenue sources that may be available to them to increase revenues without further tax increases or to offset capital funding needs. These might include*
 - *Grant funding that may be available for fire apparatus*
 - *Enforcement of the false alarm fee ordinance.*
 - *Fees for fire services provided to non-residents such as responses to accidents, auto extrication, car fires, etc. **Priority 1***

- *The consultants caution the council about relying on revenue streams that fluctuate such as subdivision and permit fees to cover general operating expenses. **Priority 1***

Summary of Recommendations

Priority	Objective	Recommendation
1	Leadership	<i>The Town of Weddington should request the Chief to attend council functions as they would for any other department head.</i>
1	Leadership	<i>The restriction of allowing the Fire Chief to only hold that position for a maximum of three years should be reconsidered. Further, the department should consider electing the Fire Chief for a minimum of a two-year term.</i>
1	Staffing & Deployment	<i>Continuation of the overall deployment strategy articulated to the consultants by having the closest fire company responding – regardless of department affiliation.</i>
1	Fiscal	<i>The Council should initiate preliminary discussions with PVFD and Wesley Chapel FD to reintroduce a consolidation effort between the two parties to include the possible renaming of the new district which would include the Wesley Chapel Fire District area and the Town of Weddington.</i>
1	Fiscal	<i>While continuing to operate under the Municipal Fire Department structure for fire services, PVFD should be required to fully participate in all budget processes of the Town. Clear budgetary guidelines and parameters should be set by the Council at the beginning of the process in March of each year and each Department Head should be accountable for preparing a budget within the guidelines established by the Town Council.</i>
1	Fiscal	<i>The Town needs to look for alternative revenue sources that may be available to them to increase revenues without further tax increases or to offset capital funding needs. These might include: Grant funding that may be available for fire apparatus; Enforcement of the false alarm fee ordinance; Fees for fire service provided to non-residents such as responses to accidents, auto extrication, car fires, etc.</i>
1	Fiscal	<i>The consultants caution the council about relying on revenue streams that fluctuate such as subdivision and permit fees to cover general operating expenses.</i>
2	Overview	<i>As a component part of their “Standard of Coverage”, PVFD has delineated a target “Turnout Time” of two minutes or less. Given their on-duty staffing, consideration should be given to align the times with those found in NFPA 1710; sixty seconds on EMS calls and eighty seconds on Fire incidents.</i>

Priority	Objective	Recommendation
2	Leadership	<i>The consultants noted there were remarkable cultural differences between the three departments with PVFD being more guarded. Certainly, this could be due to the current tense relationship with the Town, or in part a simple philosophical difference. Regardless, future success will require a collaborative partnership between the Town and fire department in addressing community concerns.</i>
2	National Standards	<i>Neither the Town nor PVFD should adopt NFPA 1720. Adoption would include the adoption of all OSHA and NFPA standards by reference. The consultants recommend a plan be developed to satisfy the spirit of the standard to the extent possible</i>
2	Staffing & Deployment	<i>Conduct further analysis of district response boundary lines to ensure they are in concert with the Town's deployment strategy.</i>
2	Staffing & Deployment	<i>Conduct a thorough review of the Providence's paid-on-premise pay rates as they relate to the other rates in the area. Ensure compliance with the Fair Labor Standards Act.</i>
2	Staffing & Deployment	<i>The consultants fully support the combination staffing of the paid-on-premise and Volunteer Model; however, the staffing allocation should be revisited. If the status quo remains, efforts should be made to determine whether there are sufficient volunteers available to respond from their homes negating the need for, or reliance on, four person duty shifts.</i>
2	Staffing & Deployment	<i>The fire department leadership should take a more active role in assuring the False Alarm Ordinance is enforced, thereby reducing the number of false alarms generated. The Department's and Town's Web pages should have all the relevant information relating to the Ordinance available for the public.</i>
2	Staffing & Deployment	<i>A more comprehensive analysis of calls for service needs to be completed to determine why there are so many cancelled-in-route calls. Are these associated with false alarms or are there issues to be addressed at the PSAP to prevent what is now averaging 17% of PVFD's annual incident base.</i>

Priority	Objective	Recommendation
2	Staffing & Deployment	<i>A similar review of EMS calls for service need to be made to determine whether there is a new development which is causing this increase in activity. If so, the department or Town has the opportunity to develop a service agreement (fee schedule) for the increased service demands the facility is placing on the department.</i>
2	Staffing & Deployment	<i>There is a real opportunity to look at the entire fire service delivery model for the Town of Weddington. The consultants believe there are a number of practical and financial reasons to re-open dialog between PVFD and Wesley Chapel to move towards the consolidation of these two service providers. Whether in the end it is a functional or full consolidation, ultimately, it is a Win/Win situation for all parties involved, but more importantly – for the citizens they protect.</i>
2	Stations/Facilities	<i>The Air Cascade system located in the apparatus bay shall be plumbed so the air intake comes from an outside source. Care should be taken to ensure proper clearance between the air intake and existing vent discharges.</i>
2	Apparatus	<i>The consultants have provided an apparatus replacement schedule and in some cases have extended the life expectancy of the existing fleet to incorporate a phasing plan which is designed to level expenditure spikes. Consideration of adoption of such a plan should be undertaken.</i>
2	Apparatus	<i>The consultants would support the further exploration of whether it makes business and financial sense to consider a pumper/rescue unit with the ultimate goal of phasing out the medium duty rescue. This approach would only be possible if there was space to carry routinely used extrication equipment on the pumper/rescue and an agreement for access to the heavy duty rescue from Wesley Chapel for more significant/technical rescues.</i>
2	Fiscal	<i>Until a final determination can be made on the ultimate structure to be used for providing fire services to the Town of Weddington, it is recommended that a tax increase be implemented that would, at a minimum, cover the actual costs related to the increases in Public Safety subsidies incurred since the 2011-12 budget.</i>
3	Leadership	<i>Since the Fire Chief is appointed annually by the Board of Directors, and he appoints his new command staff, there is a greater potential for loss of continuity which could have negative impacts on the Town. To combat this, the Town in concert with the department, should work together to develop a strong strategic plan.</i>

Priority	Objective	Recommendation
3	Leadership	<i>Town Council should request the fire department to provide a 3-4 year Strategic Plan to assure the fire department initiatives are in concert with those of the Town.</i>
3	Leadership	<i>The Fire Chief should develop a comprehensive annual report that gives a full accounting of department accomplishments of the year, progress on initiatives developed during the strategic planning process and an unaudited financial accounting of year-end revenue to expenditures synopsis.</i>
3	Staffing & Deployment	<i>Research the use of GIS as a tool for the Public Safety Answering Point (PSAP) to dispatch the closest unit to the stricken party.</i>
3	Apparatus	<i>The Brush Truck is not on the schedule and the consultants recommend the vehicle be re-chassisied at a time frame based upon need and financial opportunity.</i>
5	National Standards	<i>Town officials need to fully understand that the OSHA 1910.134 and North Carolina's 9S requirements are not staffing standards and place no duty on the Town of Weddington to staff at a predetermined level.</i>
5	Apparatus	<i>Looking forward, it appears the Town of Weddington will hold the title of apparatus if purchased by the Town.</i>

Appendix A – Data Request

Data Requested – McGrath Consulting Group, Inc.

-Fire/EMS Component

Show each year data separately i.e. 2011, 2012, and 2013 – do not group them

We request data in an electronic format on a flash drive or disk

- **General Information**
 - Overview of the department
 - History
 - Overview of the area protected
 - District
 - Population – Residents of Protection Area
 - Department’s Strategic Plan

- **Response District –**
 - Map Of the District
 - Total Square Miles Protected
 - Square Miles Of Hydrant Area
 - Square Miles Of Non-Hydrant Area

- **Personnel Management/Human Resources**
 - Current Roster Of Members
 - Personnel (information needed for all employees)
 - Organizational Chart
 - # of Career
 - # of Paid On Call
 - # of Paid On Premise
 - # of Volunteers
 - # of Other Employees (Include civilian)
 - ~~Current PayRate~~
 - ~~Paid Crew~~
 - ~~Volunteer~~
 - Department’s By-Laws
 - Promotional Process – including forms utilized
 - History Of Turnover (All Employees Last 3 Years – Include Reason and/or Exit Interview Data)
 - Recruiting/Retention Programs
 - Hiring Process (all forms)
 - Application
 - Hiring packet

- Reference questions
- Interview questions
- Etc.
- Grievances/Discipline Issues
- Last year's overtime by employee – include rank
- SOG/SOP Manual – prefer electronic copy – (sure to include HR policy section)
- New employee Orientation Process – (packet and/or forms)

- **The Department**
 - Department SOG's
 - Department Rules & Regulations
 - Annual Reports – Last 3 Years
 - Current ISO Rating
 - Last ISO On-Site Evaluation (copy of point distribution sheet)
 - Accreditations – National Or State
 - Last On Site Evaluation

- **Emergency Activities – Last 3 Years (All Sub-Sections)**
 - # Of Emergency Responses
 - (NFIRS) Type of Responses: Structure Fires, Auto Accidents, Brush, Mutual Aid, Fire Alarm Systems Both Commercial &/or Residential, False, Etc.
 - EMS Responses
 - Incidents By Time Of Day
 - Incidents By Day Of The Week
 - Incidents By Month
 - Distribution by Shift
 - Response Times: (include documentation from dispatch)
 - Notification time
 - Turnout time
 - Drive time
 - Total time out
 - Mutual Aid – Auto Responses (Given & Received) – With Whom? –
 - Simultaneous (Overlapping) Call Data

- **Dispatch (PSAP)**
 - Who provides dispatch
 - Cost
 - Who answers 9-1-1
 - Who answers cellular 9-1-1

- **Fire Station(s) – include mailing address for each station – include City & Zip**
 - Current Facilities

- # Of Stations – Street Address
- Square Footage – (Floor Plans for each if available)
- Age
- Future Facility Plans/Needs Documents

- ~~**Apparatus & Equipment**~~
 - ~~Type Of Apparatus (I.E. Engine, Ambulance, Utility, Truck – Include Manufacturer)~~
 - ~~Apparatus department ID number~~
 - ~~Pump & Tank sizes~~
 - ~~Mileage~~
 - ~~Engine Hour Reading (if appropriate)~~
 - ~~Age Of Apparatus~~
 - ~~Manufacturer~~
 - ~~Replacement Schedule~~
 - ~~Computers (Number of, Type, Age, Replacement Plan)~~
 - ~~In Apparatus?~~
 - ~~Software Programs~~

- **Training**
 - Training Records (Last year) for each member
 - Training schedule
 - Training hours per month per employee
 - Training Curriculum & Lesson Plan
 - Instructors qualifications
 - Training Manual
 - Certifications Categories (state)
 - All current members certification level

- **Fire Prevention –**
 - Number of inspectable occupancies
 - History Of Inspections & Re-Inspections (Last Year)
 - Identification of Codes Adopted

- **Safety Education**
 - Public Safety Education Programs
 - Public Safety Education Data (Last Year)

- **Fiscal**
 - Past three years of audited financials
 - Current year audited financials
 - Past three years budget

- Operating – include all revenue and expenses
- Capital - include all revenue and expenses
- Financial policies and procedures
- Purchasing policies
- Equipment or Capital reserve fund ledger
- Overtime records

- **Revenue**
 - List of grants applied for and/or received for current year and two previous years
 - List and explanation of any other department revenue received i.e. inspections fees, permit fee, etc.

Any Additional Information Deemed Important

Appendix B – Fund Balance Policy & 10-Year Projection

TOWN OF WEDDINGTON FUND BALANCE POLICY

Total Fund Balance Available for Appropriation

Total Fund Balance Available for Appropriation shall not be less than 50% of budgeted expenditures in any given year. This amount approximates the State average for towns of Weddington's size which do not operate their own electric systems. In addition, fund balance appropriations in any given year (other than appropriations for a capital project encompassed as part of fund balance assigned for capital projects) shall be limited as follows:

Not to exceed 15% of General Fund budget if the Total Fund Balance Available is greater than or equal to 75%.

Not to exceed 10% of General Fund budget if the Total Fund Balance Available is less than 75% but greater than or equal to 50%. In addition, a plan for the future replenishment of Total Fund Balance Available should be established.

Unassigned Fund Balance and Assigned Fund Balance

Total Fund Balance Available for Appropriations may be allocated between unassigned fund balance and assigned fund balance. Total unassigned fund balance shall not be less than 25% of budgeted general fund expenditures (equivalent to three months of operating expenses). Any excess may be transferred to assigned fund balance to be used for designated items such as future capital projects, transportation, events, etc.