

OLD SALEM FIRE & RESCUE

OSFR Strategic Plan 2017-2019 Business Plan

(2019 Plan and Budget Request)

Treasurer - OSFR Board

Jack Horn

6/12/2018

June 12, 2018

I. Old Salem Fire and Rescue Department - geographic area covered - Fire Tax District 9

- Fire Tax District 9 Coverage - 38.7 Sq. Miles, 24,000 acres
- 93+ sq mi of Lake; 86+ mi of lake shoreline
- 122+ miles of roads
- 5500+ rooftops
- from 278 bridge north of I-20 south down hwy 44 to hwy 44 bridge, including Reynolds "peninsula".

II. Old Salem Fire and Rescue Operations Data

- Personnel (current):
 - Volunteers - **6**
 - Paid Firefighters (including officers) - **46 (2019 plan - 48-50)**
- Management - 7 member Volunteer Board of Directors, elected by Fire Tax District 9 taxpayers.
- Assets:
 - Buildings - Carey Station 91; Reynolds Station 92 (new); Fire Boathouse
 - Vehicles - 6 firefighting, including new (used) ladder truck, 2 pickups; 1 fire boat, Fire Chief's Car.
 - Assets Aging
- Calls: 600+/year. 65-75% medical, False Alarms 12-15%, Accident 8-10%, Rescue 2-3%, 3-5% Fire, Other (Hazmat, etc) 1-2%
- Current ISO rating 4/4 achieved 2/2015.

III. Demographic Situation

- Many part time residents (33%+)
- Many are aging/retirees
- Area served undergoing significant infrastructure growth, i.e.
 - 200+ new rooftops currently under construction in multiple existing and new neighborhoods 2018 thru current;
 - new subdivisions, other new infrastructure such as "The Glens" assisted living complex behind Cowles Clinic, Del Webb Expansion; LOA expansion, etc
 - planned: Hwy 44 four lane; Carey Station I-20 ramps
 - new businesses increasing/expanding

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OSFR Strategic Plan Components - 2019 Business plan and Proposed Budget

Strategic Plan Elements for 2017 - 2019, and 2017/2018 results:

1. Continue to ensure OSFR personnel, (Paid Firemen and Volunteers) are trained/certified at the appropriated levels to ensure capabilities to properly serve the Citizens of Fire Tax District 9.

- 2019 - Continue to develop and execute training to ensure OSFR at least stays at ISO rating of 4/4.

2. Ensure sufficient and appropriate numbers of certified personnel to meet state/national requirements, and growing demand for services.

- 2018 - completed station 92, also staffed 2 full time equivalent (24x7x52 weeks/yr- appox. 5+ firefighters on payroll per full time equivalent) certified firefighters, fully staffed by end of mid 2018 to man "new" Station 92 with avg. total of 43+ firemen on payroll. Staffing at planned level and rates will require additional 2019 funding (up to + \$200,000 per year).

- 2018/2019 - Consider and implement (as funding is available), funding to cover existing (added in 2018/19) Fire personnel (Sta. 92); also, funding (2019+) to become full time, and funding (2019+) to remain competitive with increasing hourly rates in the general economy. Any pay increases would be based on performance, certification levels, tenure, and position.

- 2018/2019 - continue and increase efforts to secure additional qualified Volunteer firefighters. Encourage and support certification efforts for volunteers. But, begin plans for transition to all paid firemen due to District 9 demographics, e.g., aging, decreasing availability, and/or interests of potential Volunteers.

3. Ensure all OSFR Assets (land and buildings, vehicles, equipment, and supplies) are sufficient in quantity, and are properly maintained and serviced to meet the demands.

- 2017 - Implemented "rotational acquisition plan" begun in 2016 for turnout gear - also plan for communications equipment, SCBA gear, and others as appropriate.

- 2018 - completed building, staffing and equipping new Station 92 inside Reynolds.

- 2018 purchased "new" (used - 2001 **Marion**, ladder fire truck, with only **1700**

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hours, and with only 19000 miles), *funding sourced from "truck fund reserve"* (\$150,000).

Issues OSFR will need to face in next 3-5 Years

1. Infrastructure -

- ongoing need for new fire fighting vehicles to replace aging vehicles (tankers, engine 901, etc; also possibly including Fire Boat).
- Appropriate levels of gear and/or supplies, including rotational replacement plans.
- Planned maintenance/repair of facilities and equipment.
- Possible (as needed) facilities expansion/replacement - Station 92 completed April 2018- possible replacement/renovation of Station 91 (long term), and/or Fire boathouse.

2. Personnel -

- Training/Certification for all paid and volunteer firemen.
- Sufficient paid personnel to meet any National and/or State and/or County requirements, including +2 FTEs (10-18 new firemen on payroll) to staff Station 92, added by April 2018.
- Proper mix of, and use of, and sourcing of Volunteer firemen over time.
- Transition to all paid firemen, where feasible.
- Transition to full time firemen, where feasible. Chief Jay became full time (eg, no 2nd job), on April 1, 2018. Plan to consider other officers as appropriate in 2019+.
- Competitive pay levels (Plan Increase in 2019).

3. County -

- Fire Tax District Funding levels for ongoing operations over time.
- Funding for major capital items - vehicles, buildings, etc. over time.
- Legal Challenges to District funding model.
- Role of SPLOST funds - amount, timing, conditions.
- Contingency plan(s) for a possible future county wide integration and plans for eventual transition to County wide Fire Dept.
- Road system changes and impacts.

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4. OSFR Board -

- Continuity of Vision, Strategies for OSFR; Role of OSFR Board; including abilities to appropriately adjust to any "new realities".
- Finding future interested/qualified Board Members/Board Candidates.
- Appropriate levels and methods of "public relations".

5. Risks

- Economy Crashes.
- Funding increase not granted, or otherwise unavailable.
- Key Fire personnel leave OSFR, or otherwise become unavailable in the marketplace
- Qualified Board Members/candidates become unavailable
- Legal issues deem Fire District funding model not legal.
- County and/or next Board decides to pursue alternative approach(s) to providing fire protection.

OPTION 2 Includes millage rate increase to yield +\$200k in Fire Tax Dist 9 Revenue (avg + \$36/roof/ft)

est FY 19 fire tax rev. Budget--> \$1,100,000

Proposed FY 19 Budget - option 2

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Proposed FY 19 Budget - option 2

Revenue Red = under 2018 est. actuals

	Income	FY 18 est. actuals	Proposed FY 19 Budget	Variance 2019 budget vs est. 2018 actuals	Comments - FY 2019 proposed budget vs FY 2018 est actuals	2019 as % of 2018
<i>Note: Recall that Fund Raising, Donations, Excelsior Bay rental revenue and expenses are non-county funds</i>						
1	Fire Tax District Revenue	\$882,450	\$1,100,000	\$217,550	for 2019, assume District tax rate increases to yield budgeted amount. Without Millage rate increase, est. Fire Tax District 9 revenue is \$900,000.	124.7%
2	Interest	\$3,000	\$3,900	\$900	Assume same rate as 2017	130.0%
3	Training Classes	\$0	\$0	\$0	Estimated	
4	Non Co. funds - Donations/Contributions	\$3,000	\$2,500	(\$500)	Best Guess	83.3%
5	Non-Co. Funds - Excelsior Rent	\$13,200	\$15,600	\$2,400	12 mo at \$1300/mo - assuming they stay in business and continue storing their ambulance at Sta. 91	118.2%
6	Miscellaneous	\$28,449	\$500	(\$27,949)	2018 includes special 1 time disbursement for FLPA grant, not anticipated for 2019	1.8%
	Subtotal	\$930,099	\$1,122,500	\$192,401	-	
	Splost Fund	\$65,000	\$48,000	(\$17,000)	Net Incl. est 2019 SPLOST funds available to OSFR	73.8%
	(incl SPLOST)	\$995,099	\$1,170,500	\$175,401		117.6%
Proposed FY 19 Budget - option 2		6/14/18	Red means est 2019 less than 2018 est. actuals			
	EXPENSES	FY 18 est. actuals	Proposed FY 19 Budget	Variance 2019 budget vs est. 2018 actuals	Comments - FY 2019 proposed budget vs FY 2018 est actuals	
1	Boat/Truck/Bldg/Equip Maint	\$54,000	\$50,000	(\$4,000)	Ageing assets - bldg, equip, truck: assumes Engine 901 at sta. 92; new ladder truck at sta. 91	92.6%
2	Equipment/Supplies	\$82,145	\$70,000	(\$12,145)	used 2017 and 2018 Splost funds in 2018. est 2018 actual exp need to be adjusted due to additional SPLOST to be used in 2018. also needs turn out gear for new firemen.	85.2%
	Emergency Call Service	\$775	\$775	\$0		
3	Fuel	\$12,847	\$12,000	(\$847)	Assumes Fuel slightly higher cost rate as 2018, and includes fuel for vehicles located at station 92	93.4%
4	Call-outs	\$2,000	\$2,000	\$0	Estimated - Volunteers only pd quarterly	100.0%
5	Insurances & other payroll costs	\$79,714	\$85,000	\$5,286	OSFR now pays all insurances; Cycling several new ones added/changed in 2016-2018; also Ins & WC impact for 2 new FTEs (+12-15 fire fighters on payroll) in 2018-19 (staffing for station 92); + mandated cancer Ins for all firefighters	106.6%
6	Office Expenses	\$25,000	\$25,000	\$0	2018 Estimated incl stocking newly built out station 92	100.0%
7	Payroll	\$468,400	\$678,000	\$209,600	Staffing Sta. 92 (50+/-) firemen; Also Chief now full time eff (4/1/18). 2019 plan to fund all paid firemen and increase rates by \$1-\$2/hour as merited.	144.7%
8	Professional Services	\$16,809	\$15,000	(\$1,809)	estimated	89.2%
9	Station Mortgage	\$87,272	\$103,000	\$15,728	\$7300/mo + some prepayment from non-county funds as budget/expenses allow	118.0%
10	Training/Material	\$1,200	\$2,000	\$800	-	166.7%
11	Uniforms	\$5,000	\$8,000	\$3,000	for new FTEs and replacements for existing fire fighters	160.0%
12	Utilities	\$28,794	\$40,000	\$11,206	Estimated - now have 2 fire stations as of April 2018; costs are function of weather and utility costs.	138.9%
13	Other	\$300	\$300	\$0	Estimated	100.0%
	Sub Total - Expenses-Incl Sta 92 & Excl Truck/Equip Reserve	\$864,256	\$1,091,075	\$226,819	2018 included build out costs for station 92; also est. 2018 Operating Expenses based on 2017 est. full year expenses incl. trends + impacts of station 92 being operational & staffed	126.2%
	Income minus Expense <i>excl. Truck/Equip reserve</i>	\$130,843	\$31,425	(\$99,418)	-	24.0%
	Equipment & Truck Fund	\$30,000	\$30,000	\$0	to support Equip etc reserve	100.0%
	Expenditures + Truck/Equip fund additions	\$894,256	\$1,121,075	\$226,819	-	125.4%
	Income minus Expense (incl Sta. 92 & truck/Equip fund)	\$100,843	\$49,425	(\$51,418)	-	49.0%
Cash Flow		est 2018	2019 (est.)			
	est. Cash Beginning FY + truck/equip fund contrib.	\$240,000	\$180,000			
	Total Income (incl SPLOST)	\$995,099	\$1,170,500			
	Total Expenses (Incl Station 92)	\$894,256	\$1,121,075			
	Cash Ending (MMFs & Checking)	\$370,843	\$259,425			
		<i>Est. Mortgage: at end of 2018</i>		=	\$705,000	
		<i>Est. Mortgage: at end of 2019</i>		=	\$663,000	

Note: To achieve one 24x7 x 52 weeks FTE firefighter requires 8736 hours/year.
 - Firefighters can work max of 36 hours/week or 1872 hrs/year - This means it will require adding 8736/1872 = 5 firemen to the payroll to yield 1 FTE.