

SWARTZ CREEK AREA FIRE DEPARTMENT



EVALUATION OF FIRE DEPARTMENT OPERATIONS

December 2007



REHMANN ROBSON

Certified Public Accountants



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December 4, 2007

Mr. Roderick Shumaker
Township Supervisor
Clayton Township
2011 South Morrish Road
Swartz Creek, MI 48473

Mr. Paul Bueche
City Manager
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

Dear Mr. Shumaker and Mr. Bueche,

We have completed our Evaluation of Fire Department Operations for the Swartz Creek Area Fire Department (SCAFD). This review has included an evaluation of operational and procedural practices, budgetary and equipment issues, service levels and the full scope of responsibilities and activities borne by a professional firefighting agency. This final report contains the findings and conclusions resulting from this analysis and recommendations for improvement.

We appreciate the cooperation extended to us by employees in SCAFD, particularly Fire Chief Brent Cole. In each case we found employees to be cooperative, candid and willing to offer suggestions for improving operations.

We have sincerely enjoyed this opportunity to work with Clayton Township and the City of Swartz Creek. Should you have questions concerning this report, please do not hesitate to contact me at 517.841.4912.

Very truly yours,

REHMANN ROBSON

Mark W. Nottley, Principal
Governmental Consulting Division

**SWARTZ CREEK AREA FIRE DEPARTMENT
EVALUATION OF FIRE DEPARTMENT OPERATIONS**

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SECTION I

EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

BACKGROUND

In July 2007, Rehmann Robson was retained by the City of Swartz Creek and Clayton Township to conduct an operational evaluation of the Swartz Creek Area Fire Department (SCAFD). This final report contains the findings, conclusions and recommendations resulting from this study.

In conducting the review, it has been our intention to provide the City and Township with a thorough assessment of SCAFD, resulting in practical, implementable recommendations for improvement. Toward this end, the evaluation has considered:

- Organization and command structure
- Operational management and performance
- Personnel management
- Service scope
- Equipment and capital issues
- Budgetary and revenue issues
- Other miscellaneous issues pertaining to the operation of SCAFD

METHODOLOGY

In conducting the study, we have obtained information from a number of sources, including:

- Interviews with the Fire Chief, command officers and Fire Board members
- Review of financial and operational data
- Utilization of a Fire Chief and FEMA grant reviewer as a project team member
- On-site inspection of facilities, equipment and the service area
- Benchmark data collected from other fire agencies
- Research related to specific operational or other concerns.

MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Based on the information obtained from these sources, we have compiled this final report document. The report is organized as follows:

- ***Section II:*** An overview and backdrop for the study.
- ***Section III:*** Specific findings and conclusions pertaining to SCAFD's operational strengths and weaknesses.
- ***Section IV:*** Recommendations for improvement.

Major conclusions, contained in Section III, can be summarized as follows:

A. Service Area Overview

1. THE FUTURE GROWTH OF THE SERVICE AREA WILL LIKELY BE LIMITED. THIS WILL IMPACT FUTURE FINANCES.

- **The economic downturn has affected the SCAFD communities**
- **Revenue growth will be slow, affecting future financial wherewithal**

2. MUCH OF THE SERVICE AREA IS LOW DENSITY AND/OR RESIDENTIAL. THIS PROFILE SHOULD INFLUENCE AND GUIDE VARIOUS ASPECTS OF OPERATIONS AND EXPENDITURES.

- **All aspects of operations should be geared toward firefighting within this profile**
- **Procedures and equipment should reflect this standard**

B. Overall Operations

1. SCAFD APPEARS TO BE GENERALLY WELL MANAGED.

- **From a technical perspective the Department appears strong**
- **The Chief appears highly committed**

2. *DEPARTMENTAL WORKLOAD IS RELATIVELY CONSTANT AND PREDICTABLE FROM YEAR-TO-YEAR.*

- **Historically, call volume has remained constant**
- **With limited new growth expected, it is likely that workload will remain static**

3. *THE FIREFIGHTING CONTINGENT APPEARS SUFFICIENT TO MEET OPERATING NEEDS.*

- **Turnout appears adequate on all shifts**
- **SCAFD is relatively well-staffed in comparison to other paid-on-call departments**

C. Personnel Management

1. *THE FIRE CHIEF EMPLOYS AN AUTHORITATIVE MANAGEMENT APPROACH.*

- **There are some negatives associated with this management style**
- **Communications, interpersonal relations and consensus building are areas that are discussed**

2. *SOME PERSONNEL SYSTEM DEFICIENCIES ARE APPARENT. DECISIONS MUST BE MADE REGARDING RELATED RESPONSIBILITIES.*

- **Some inconsistencies are apparent in personnel policies and approach, increasing liability exposure**
- **A comprehensive review would be beneficial**
- **The respective roles of the Fire Chief and Board are discussed**

3. *FIREFIGHTER PAY IS DIFFICULT TO COMPARE, HOWEVER, SOME CONCLUSIONS CAN BE DRAWN BASED ON OUR ASSEMBLED DATA.*

- **The Fire Chief appears to receive an equitable base wages – however, other compensable factors are also examined and contrasted**
- **The wages of other personnel are examined and generally found to be comparable to the market**

4. CONCLUSIONS CAN ALSO BE MADE REGARDING SCAFD'S PAY PRACTICES.

- All components of the Fire Chief's compensation should be clearly understood and agreed-upon. An employment contract would be beneficial
- In its entirety, SCAFD's compensation program appears equitable and progressive

5. SCAFD MAY BENEFIT FROM AN INCREASED FOCUS ON PERFORMANCE EVALUATION.

- Performance evaluation should be viewed as a positive tool
- The Chief should be evaluated annually – other Firefighters bi-annually

D. Equipment and Capital Requirements

1. SCAFD'S CURRENT PHILOSOPHY REGARDING EQUIPMENT PURCHASE APPEARS TO BE FOCUSED ON ACQUIRING TOP-OF-THE-LINE APPARATUS.

- Examples are given – the current philosophy favors the purchase of comparatively expensive equipment
- SCAFD is not taking full advantage of competitive bidding to reduce equipment costs

2. SCAFD SHOULD CONSIDER REPLACEMENT OF THE GRASS RIG, AS WELL AS SELF-CONTAINED BREATHING APPARATUS (SCBA).

- A new grass rig is needed. Options are provided for purchase or vehicle conversion
- SCBA should be a priority purchase

E. Budgetary and Revenue Issues

1. SCAFD'S OPERATING BUDGET IS RELATIVELY STABLE. HOWEVER, CAPITAL BUDGETING REMAINS PROBLEMATIC AND WILL BE A GROWING ISSUE.

- There is currently no capital fund

- Future capital needs will require extensive pre-funding, cost estimates are provided
- The City has pre-funded somewhat for this purpose – however, the Township may require an earmarked millage

2. *A MORE AGGRESSIVE AND PROFESSIONAL APPROACH TO GRANT SOLICITATION COULD BE BENEFICIAL.*

- Past grant writing has not been of sufficient quality to secure FEMA monies
- SCBA needs should be a focus of a more professional grant writing strategy, as outlined

F. Miscellaneous Service Issues

1. *THE AUTOMATIC AID AGREEMENTS ARE BENEFICIAL, BUT UNBALANCED IN REGARD TO SERVICES GIVEN AND RECEIVED.*

- SCAFD receives approximately one response for each three that are given
- Automatic aid call-out should proceed from more precise protocol or be limited to certain times of day

2. *SCAFD COULD CONSIDER A COST RECOVERY FEE SCHEDULE.*

- Many communities are adopting fees for service
- This might include accident clean-up, HAZMAT or fire suppression

3. *EMERGENCY MEDICAL SERVICES ARE NOT PROVIDED BY SCAFD. THIS APPEARS APPROPRIATE.*

- Currently, services are provided by the County and private sector
- Service appears adequate allowing SCAFD to focus on its primary mission
- If a service void developed, a limited response could be implemented

4. AS A PAID-ON-CALL DEPARTMENT, SCAFD IS ONLY marginally INVOLVED IN FIRE PREVENTION ACTIVITIES.

- On-duty personnel are not available for fire prevention programming
- A right-to-know inspection program would provide benefit if the staffing issue could be resolved

Specific recommendations are as follows:

1. AN ANNUAL PERFORMANCE REVIEW PROCESS SHOULD BE INSTITUTED FOR THE FIRE CHIEF.

- To provide a basis for specifying mutual professional goals and objectives
- To improve communications

2. THE PERSONNEL ADMINISTRATION SYSTEM SHOULD BE REVIEWED, REVISED AND EXPANDED.

- Personnel policies, recruitment practices and disciplinary actions should be reviewed and revised
- Performance evaluations should be instituted for all firefighting personnel
- Training and succession plans should be developed

3. THE FIRE CHIEF SHOULD BE GIVEN AN EMPLOYMENT CONTRACT.

- If changes are desired, compensation should be negotiated
- All aspects of compensation should be clearly documented
- All terms of employment should be specified

4. BROAD-BASED COMPETITIVE BIDDING SHOULD BE INSTITUTED FOR ALL CAPITAL AND MAJOR EQUIPMENT PURCHASES.

- A low bid policy should be adopted by the Board
- A broader bid solicitation process should be implemented

5. *OUR CONCLUSIONS REGARDING EQUIPMENT NEEDS SHOULD SERVE AS THE GUIDE FOR FUTURE PURCHASES.*

- **Changes have been made to the current replacement schedule – these should be adopted**
- **A grass rig and SCBA should be the first priorities**

6. *GRANT WRITING SHOULD BE CONTRACTED OUT OR ASSIGNED ELSEWHERE IN THE ORGANIZATION.*

- **A skilled and enthusiastic approach is required**
- **Options are discussed for the assumption of responsibility**
- **SCBA should be the first and primary objective of grant application**

7. *A CAPITAL BUDGET SHOULD BE ESTABLISHED AND FUNDED.*

- **An annual level of funding should be agreed-upon and funded**
- **The Township should pursue a millage for this purpose**
- **A capital fund should be established within the SCAFD financial system**

8. *THE AUTOMATIC AID AGREEMENTS SHOULD BE MODIFIED.*

- **The Fire Chief should revisit and revise the basis for response**
- **Time limitations or more exact information should be employed to limit turnout to necessary response**

9. *SCAFD SHOULD INSTITUTE A COST RECOVERY FEE SCHEDULE.*

- **Ideally, a series of service charges including fire suppression**
- **Related fees should be earmarked for the capital fund**

10. *SCAFD COULD ALSO CONSIDER THE ADOPTION AND IMPLEMENTATION OF A RIGHT-TO-KNOW INSPECTION PROGRAM.*

- **Staffed with paid-on-duty personnel**
- **Funded by a modest inspection fee designed to only recover related expenses**

SECTION II

BACKDROP AND OVERVIEW OF THE STUDY

SECTION II

BACKDROP AND OVERVIEW OF THE STUDY

The City of Swartz Creek and Clayton Township have maintained a cooperative arrangement for the provision of fire services for more than thirty years. This arrangement is formalized through a negotiated agreement that provides the conditions for the funding and operation of the Swartz Creek Area Fire Department (SCAFD). The SCAFD Board, comprised of seven appointed members, oversees a paid-on-call fire agency providing fire suppression and prevention services to the approximately 38.7 square miles that comprise the two funding jurisdictions. More directly, an appointed Fire Chief provides administrative and operational management, and directs the efforts of the approximately forty-member firefighting cadre.

As with most fire departments, the costs pertaining to SCAFD operations require ongoing scrutiny. As a labor-intensive operation with large capital requirements, SCAFD represents a fairly significant financial outlay for the two communities. This is particularly evident in the current fiscal environment – a point-in-time characterized by limited growth, shrinking property tax revenues and reductions in state-shared revenues to municipalities.

Faced with cost limitations in providing public services, the City and Township must maintain a prudent approach to the funding of all operational areas – including SCAFD. However, the two entities do not wish to compromise public safety in this important service area. Instead, they wish to determine the cost benefit of current operations and assure that scarce dollars are being expended at the highest level of cost efficiency. Essentially, the City and Township wish to exercise their fiduciary responsibility in a prudent fashion, thus assuring the greatest level of cost benefit to the residents of the two communities.

To accomplish this task, the City and Township engaged our firm to provide an in-depth evaluation of SCAFD operations and funding. Key focuses of this evaluation have included:

- Determining the ideal service level – and what the communities truly need in regard to related operating and capital expenditures
- Identifying means of increasing the cost efficiency of fire operations through the introduction of new approaches and techniques
- Evaluating and concluding upon more rational methods for funding fire operations and capital acquisition
- Identifying any areas where professional approach is lacking and recommend methods for upgrading these practices.
- Developing solid recommendations for improvement and a “road map” for achieving further professionalism in operations.

To accomplish this, we have performed an in-depth evaluation of all facets of SCAFD operations. This final report document is the culmination of this analysis and review process. The following Section III details our findings and conclusions regarding the strengths and weaknesses of current operations – followed by a section detailing our recommendations for improvement.

SECTION III

FINDINGS AND CONCLUSIONS

SECTION III

FINDINGS AND CONCLUSIONS

In this section of the report, we summarize the findings and conclusions resulting from our review of the Swartz Creek Area Fire Department (SCAFD). To facilitate review, this information is organized in a number of subsections as follows:

- A. Service Area Overview*
- B. Overall Operations*
- C. Personnel Management*
- D. Equipment and Capital Requirements*
- E. Budgetary and Revenue Issues*
- F. Miscellaneous Service Issues.*

Each is discussed separately below.

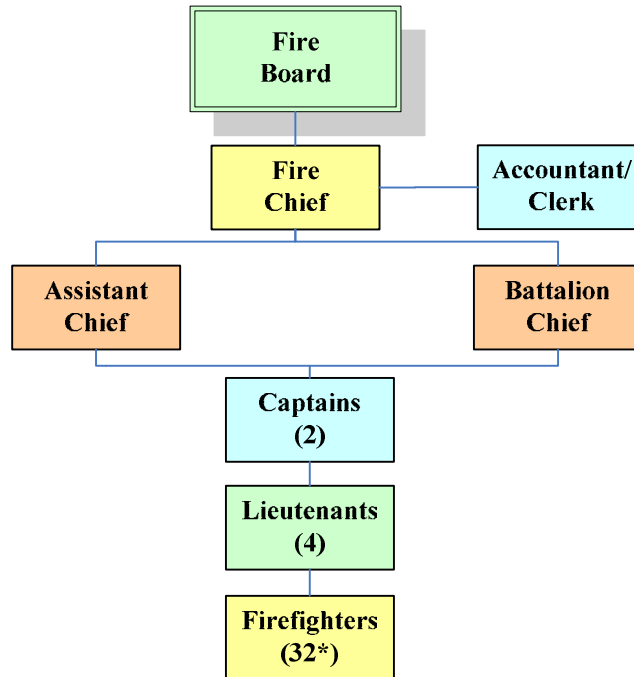
A. Service Area Overview

The Swartz Creek Area Fire Department provides fire protection services to the full geographic area of its two member communities: the City of Swartz Creek and Clayton Township. Additionally, an automatic aid agreement has been negotiated with three neighboring communities – an issue discussed later in this report.

SCAFD operates as a paid-on-call fire department with a part-time Chief and a well-defined command structure. The Department's mission is primarily fire suppression and rescue. In performing its duties, SCAFD represents an integral component of the overall emergency services network of its service area, and Genesee County more generally. The Department and its service area have achieved an ISO Public Protection Classification level of 5 from the Insurance Services Office, a relatively impressive level for a suburban/rural fire district.

The organization of SCAFD is illustrated in the following Exhibit 1.

**Exhibit 1
Swartz Creek Area Fire Department
Current Organization**



*Estimated

Key findings regarding SCAFD's service area include the following:

1. THE FUTURE GROWTH OF THE SERVICE AREA WILL LIKELY BE LIMITED. THIS WILL IMPACT FUTURE FINANCES.

The greater Flint area experienced fairly steady building activity throughout the period 1990-2005. Despite a declining industrial base, residential and commercial development was brisk, including development within Swartz Creek and Clayton Township. More specifically, the following statistics indicate the level of growth during the period 1990-2000:

	1990	2000	
	Housing Units	Housing Units	% Increase
City of Swartz Creek	1,981	2,357	19.0
Clayton Township	2,271	2,890	27.3

Source: U.S. Census Bureau

Though precise statistics are not available, it is apparent that this growth trend continued forward into 2005. At that point, Genesee County, and in turn, the City of Swartz Creek and Clayton Township were affected by the decline in the housing market that has

impacted the State of Michigan so heavily. The initial impact of this downturn is indicated in Exhibit 2.

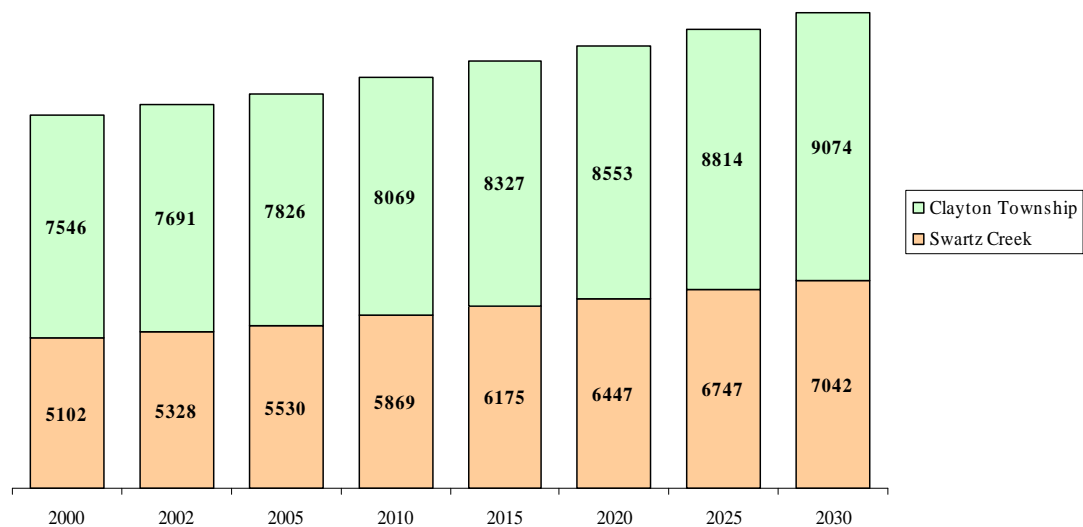
**Exhibit 2
Comparison of Southeastern Michigan Building Permits**

County	2006	2005	+/-	%
Macomb	2,616	4,185	-1,569	-37.5%
Wayne	2,534	4,653	-2,119	-45.5%
Oakland	2,133	4,368	-2,235	-51.2%
Washtenaw	850	1,632	-782	-47.9%
Genesee	844	1,817	-973	-53.5%
Livingston	654	1,482	-828	-55.9%
Monroe	511	745	-234	-31.4%
St. Clair	377	692	-315	-45.5%
Lapeer	207	474	-267	-56.3%
Total	10,726	20,048	-9,322	-46.5%

Source: Housing Consultants Inc.

The recovery from this economic downturn is expected to be slow, with the total impact still unknown. As seen in Exhibit 3, the Genesee County Metropolitan Alliance estimates some modest future growth for the two communities, however, these and other estimates are subject to revision and are speculative at best.

**Exhibit 3
SCAFD's Estimated Service Area Population**



Source: Genesee County Metropolitan Alliance

Summarily, all indications point to a static growth scenario for the foreseeable future. This will impact SCAFD in several ways, including the following:

- The property inventory (and population) of the two communities should not increase significantly. In turn, service demand (and associated operating needs) should remain relatively constant.
- Property tax revenues will remain flat, or possibly decrease. In turn, SCAFD (and other municipal operating departments) will be expected to operate at a greater level of cost efficiency.

Essentially, SCAFD must prepare for a future in which resources are scarce while the level of service demand remains at or near the current level. In turn, operating requirements should not vary greatly, presuming the scope of services remains unchanged.

2. MUCH OF THE SERVICE AREA IS LOW DENSITY AND/OR RESIDENTIAL. THIS PROFILE SHOULD INFLUENCE AND GUIDE VARIOUS ASPECTS OF OPERATIONS AND EXPENDITURES.

The SCAFD service area is primarily zoned residential with the City designating 93% of its land mass to this use, and the Township 91%. Essentially, the City can be seen as a developed “bedroom” community with the Township modeling future growth to achieve a less dense, though similar end result. At present, population density within the Township is relatively low, averaging 220 residents per square mile. The City, as a more developed entity, averages 1,326 residents per square mile.

The profile of a community dictates many of the procedural and equipment requirements of a fire service. In the case of SCAFD, the department should be well equipped to address residential and rural firefighting needs. Training, apparatus and other aspects of operations should be directed and/or selected to meet the needs of this profile – not that of another community or personal standard. This issue is revisited throughout this report as we evaluate the various facets of operations.

B. Overall Operations

As noted, SCAFD operates primarily as a fire suppression and rescue agency. Emergency medical response is not provided and fire prevention programming is minimal. In this sense, SCAFD is a very targeted agency with a clearly defined operational mission. Key findings related to operations include the following:

1. SCAFD APPEARS TO BE GENERALLY WELL MANAGED.

The SCAFD Fire Chief has held this position since 1996. A career Firefighter for another department, the Chief administers SCAFD on a part-time basis. From all indications, the

Chief approaches his position in a dedicated and technically competent manner. Examples include the following.

- The department's command structure is well-defined with each command officer having assigned areas of responsibility (e.g. training, vehicle repair, quartermaster, various inventories, fire education and others).
- Standard operating procedures (SOP) are generally well documented. SOP has been edited and customized, rather than just adopted as boilerplate.
- Average response times appear adequate, averaging between seven and seventeen minutes throughout the service area. Additionally, automatic aid agreements have been negotiated as a means of increasing response capability.
- Vehicle and equipment maintenance practices appear sound with several examples of innovative and/or cost effective approaches to vehicle customization or fabrication (i.e. such as the conversion of the 1991 International to a tanker).
- Records management and accounting systems appear to be well conceived; facilitated by the ongoing input of a part-time Accountant/Clerk.

Summarily, SCAFD appears well-managed from a technical and response perspective. Much of this appears to be due to the Fire Chief's dedication to his position and agency.

2. DEPARTMENTAL WORKLOAD IS RELATIVELY CONSTANT AND PREDICTABLE FROM YEAR-TO-YEAR.

A fire agency's workload is never predicable, as related to the potential for a serious fire occurrence. However, in regard to ongoing call volume, SCAFD maintains a relatively constant level of output. This is illustrated in the following Exhibit 4, a summary of historic calls for service.

Exhibit 4
SCAFD's Historic Calls for Service

Calendar Year	Clayton Township	Swartz Creek	Automatic Aide	Mutual Aid	Weather	Total Calls
2003	104	64	37	22	3	230
2004	97	60	36	17	5	215
2005	104	50	30	21	1	206
2006	88	67	46	11	1	213
2007*	107	65	44	19	4	239
Annual Average	100	61.2	38.6	18	2.8	220.6
% of Annual Average	45.33	27.74	17.50	8.16	1.27	

*10 months extrapolated to 12 months

Source: SCAFD

As seen in the exhibit, SCAFD's annual call volume has remained relatively constant for the past five years. This is to be expected, considering the narrow service scope (i.e. fire suppression) of the agency. Nationally, most other fire agencies have also experienced flat or even declining levels of fire suppression activity. Increases in call activity can typically be attributed to medical response – a service not performed by SCAFD.

As previously discussed, the member communities cannot expect significant new growth over the coming decade. Related, call volume will likely remain flat – an important consideration for future planning and expenditures.

As seen in Exhibit 5, SCAFD's 2006 fire-related call volume is generally consistent with a survey of other fire departments in the metro area. The provision of first responder medical service has put pressure on some of these departments to maintain adequate call-out from the paid-on-call contingent. As discussed in the following finding, this does not appear to be a problem with SCAFD – largely due to its narrower focus on fire suppression, predictable workload, and ability to recruit and maintain an acceptable number of firefighting personnel.

**Exhibit 5
Comparison of Call Volume**

City/Township	Fire-related	Medical	Other	Total Calls for Service
Swartz Creek	141	0	72	213
Clio Area Fire Authority	192	0	117	309
Davison-Richfield Fire Authority	216	47	82	345
City of Fenton	84	216	242	542
Fenton Township	60	422	194	676
Flushing	108	0	160	268
Genesee Township Central Fire Dept.	243	0	7	250
LSW Emergency Services Fire Division	98	328	0	426
Milford Township	109	654	327	1090
Mundy Township	83	508	159	750
North Oakland County Fire Authority	92	427	143	662
AVERAGE	129	260	143	532

Source: Rehmann Robson survey

3. THE FIREFIGHTING CONTINGENT APPEARS SUFFICIENT TO MEET OPERATING NEEDS.

A common problem for paid-on-call agencies is the uncertainty regarding firefighter turnout. Some departments simply have insufficient levels of personnel responding on one or more shifts, while others have problems getting fire personnel to respond to certain types of calls.

While SCAFD also notes some ongoing concerns with daytime turnout, the agency, on whole, appears to manage a more than adequate turnout for all service calls, irrespective of time of day. This is illustrated in Exhibit 6, an estimate of manpower turnout for SCAFD and other surveyed agencies.

**Exhibit 6
Comparison of Average Response**

City/Township	Average manpower response to a call		
	Day	Afternoon	Night
Swartz Creek	7-12	15-23	12-20
Clio Area Fire Authority	10	-	13
Davison-Richfield Fire Authority	5-7	6-12	8-15
City of Fenton	7	7	15
Fenton Township	15	6	20
Flushing	5	5	10-15
Genesee Township Central Fire Dept.	12	-	14
LSW Emergency Services Fire Division	11	11	17
Milford Township	7	13	4
Mundy Township	10	15	10-15
North Oakland County Fire Authority	10	8	20+

12 hr shift: 6am-6pm; 6pm-6am

12 hr night shift: 6pm-6am

Source: Rehmann Robson survey

In large part, maintaining an adequate turnout is a direct result of SCAFD's ability to recruit and retain a sizable firefighting force. As evidence of this, as seen in Exhibit 7, SCAFD maintains a much larger firefighting contingent per capita. This should be viewed as an extremely positive situation – particularly in light of the problems and issues that the paid-on-call paradigm is experiencing more generally.

**Exhibit 7
Comparative Personnel Levels**

City/Township	Population served	Total Personnel	Personnel per 1,000 Capita	Service area (sq. mi.)	Personnel per Sq. Mile
Swartz Creek	13,000	43	3.31	38.7	1.1
Clio Area Fire Authority	25,000	57	1.14	72.0	0.79
Davison-Richfield Fire Authority	35,000	35	0.50	72.0	0.49
City of Fenton	18,000	39	1.08	25.0	1.56
Fenton Township	25,000	38	0.76	40.0	0.95
Flushing	19,000	26	0.68	36.0	0.72
Genesee Township Central Fire Dept.	16,000	25	0.78	18.5	1.35
LSW Emergency Services Fire Division	8,000	43	2.69	110.0	0.39
Milford Township	16,500	31	0.94	36.0	0.86
Mundy Township	14,600	34	1.16	34.6	0.98
North Oakland County Fire Authority	10,000	55	2.75	69.0	0.80
AVERAGE	18,710	38	1.25	51.3	0.89

Source: Rehmann Robson survey

It should also be noted that SCAFD’s numbers are not “padded” by phantom firefighting personnel. The Fire Chief maintains strict standards regarding mandatory turnout for service calls and training, thus assuring that each member of the force is a legitimate and reliable asset. As seen in Exhibit 8, most of the surveyed departments report similar enforcement policies – though the practice is hardly universal or consistently applied.

**Exhibit 8
Comparison of Response Policy**

City/Township	Is there a minimum percentage of annual calls that paid-on-call must respond to?	If yes, please specify percentage:	If yes, is it enforced?
Swartz Creek	Yes	25% of available	Yes
Clio Area Fire Authority	Yes	50%	Yes
Davison-Richfield Fire Authority	Yes	60%	Yes
City of Fenton	Yes	30%	Yes
Fenton Township	Yes	30%	Yes
Flushing	No	-	-
Genesee Township Central Fire Dept.	Yes	25%	Yes
LSW Emergency Services Fire Division	No	-	-
Milford Township	Yes	15% per month	Yes
Mundy Township	Yes	45%	Yes
North Oakland County Fire Authority	Yes	33%	Yes

Source: Rehmann Robson survey

On the negative side, a high turnout has cost ramifications. To mitigate the cost impact, some departments assign firefighters to two or more battalions or otherwise limit

response to certain types of calls. SCAFD has not pursued this course, opting instead for the safety of a full turnout. We do not disagree with this policy, since for all practical purposes, SCAFD's approach to fire response (i.e. a successful paid-on-call system) is ultimately more cost effective than most other firefighting options. In this sense, a full turnout may be one concession for assuring response adequacy and internal harmony as Firefighters are assured a reasonable level of ongoing participation.

C. Personnel Management

In SCAFD, the personnel function is divided between the Board and Fire Chief. The Chief has day-to-day responsibility for supervision and the administration of personnel rules, while the Board has ultimate and final responsibility for employment and disciplinary matters. Our findings regarding personnel management include the following:

1. THE FIRE CHIEF EMPLOYS AN AUTHORITATIVE MANAGEMENT APPROACH.

In conducting the study, we have found the Fire Chief to be more than cooperative in providing us with needed data and information. However, in our interviews with the Fire Chief, he has sometimes been curt, impatient with the study process and unsure of our motives. Interviews with others suggest that this behavior is not reserved for our consulting team, but fairly common. In essence, the Fire Chief appears to take his leadership role seriously, with little or no room for compromise or critique.

Departmental personnel (and other interviewees) appear resigned to this management style. Some cite the negative aspects of the Chief's approach and the tension it has caused – both internally, and at a political level. In commenting on this, it should also be mentioned that all of the interviewed command officers appear highly loyal to the command structure and the Fire Chief and organization more generally.

While the Fire Chief's management style could be discounted as a personality trait, it should be noted that, taken to extremes, it can have negative ramifications. More specifically:

- Political tensions are apparent due to one or more equipment requests that have not been approved. The Chief's outward frustration and reluctance to compromise on this issue has served to somewhat polarize SCAFD from its funding jurisdictions on the important issue of capital acquisition.
- Command officers have defined roles but appear to have limited input into the actual decision making process. With decision making so centered in one person, valuable group and individual input is undoubtedly lost. As an example, the department has had no success in grant writing. Delegating this responsibility to someone with strong writing skills has apparently not been

considered but is, in our opinion, a potentially beneficial option. (This issue is discussed further in a following subsection.)

A standard conclusion and recommendation for this situation would be to encourage, or require the Fire Chief to seek additional professional training in communications, interpersonal relations, consensus building or similar workshops. However, this type of training has apparently been suggested in the past, without the desired interest or outcome.

In this situation, a more formal approach may be preferable. One option would be to institute an annual performance evaluation, with interpersonal relations being one factor to be rated. Remedial training, (if deemed beneficial), could then be jointly agreed upon with progress noted in later evaluations.

2. SOME PERSONNEL SYSTEM DEFICIENCIES ARE APPARENT. DECISIONS MUST BE MADE REGARDING RELATED RESPONSIBILITIES.

Unlike a municipal fire department, SCAFD does not have an organizational (i.e. in-house) human resources function on which it can rely. Instead, human resources decisions are made by the Fire Chief or Board – neither of whom are trained in personnel management.

Related to this, the State and Federal laws pertaining to personnel management are broad, other times stringent, and if ignored, potential land mines for litigation. In conducting the evaluation, we noted several areas that indicate a general lack of consistency in personnel practices and application. Specifically:

- SCAFD’s employment application solicits information regarding an applicant’s marital status. Federal employment anti-discrimination laws prohibit such questions.
- The Fire Chief has apparently posted disciplinary actions in a public setting. This action violates privacy laws regarding personal documentation and employer/employee communications.
- The Fire Board has apparently refused to accept the resignation of a firefighter in the recent past. Presuming that SCAFD’s objective is to be an at-will employer, this action by the Board would compromise the employee’s right to separate at any time, for any purpose – a tenet of at-will law.

Summarily, the existence of these administrative deficiencies indicates the need for a more professional and comprehensive approach to personnel management. In this sense, the deficiencies noted above are likely the “tip of an iceberg” that should be addressed in a thorough and broad-based manner.

At present, the Board has ultimate responsibility for personnel actions. As seen in Exhibit 9, this is fairly common among the surveyed agencies.

**Exhibit 9
Comparison of Personnel Management Practices**

City/Township	Makes major personnel decisions (hire, fire, etc.)			
	Fire Chief	Board	Manager	Other
Swartz Creek	-	Final approval of Chief's recommendations	-	-
Clio Area Fire Authority	-	Final approval of Chief's recommendations	-	-
Davison-Richfield Fire Authority	-	Final Decisions	-	-
City of Fenton	Yes	-	-	Fire Chief and City Manager work together on discipline and firing
Fenton Township	Yes	-	-	-
Flushing	-	-	Final Decisions	-
Genesee Township Central Fire Dept.	-	Final Decisions	-	-
LSW Emergency Services Fire Division	Yes	-	-	-
Milford Township	-	Final approval of Chief's recommendations	-	-
Mundy Township	-	Final Decisions	-	-
North Oakland County Fire Authority	Yes	-	-	-

Source: Rehmann Robson survey

However, as seen in Exhibit 9, in SCAFD and the other agencies that have a Board, the responsibilities related to personnel management are generally limited to final approval of the Chief's recommendations. The Board is essentially relying on the Chief, or others to maintain the actual personnel management system.

In this regard, the upgrade of SCAFD's personnel practices is an organizational issue and concern. The Fire Chief should either identify internal resources for accomplishing upgrades or identify, and rely on third-party assistance. Options are presented in the recommendations section for either of these approaches.

In regard to overall responsibility for personnel actions, it does not seem inappropriate for the Board to render final decisions regarding hire and termination. However, the Board should not be involved in other personnel matters including disciplinary actions short of termination. Related, the Board's role should be clearly articulated and limited to the oversight duties deemed most appropriate.

3. FIREFIGHTER PAY IS DIFFICULT TO COMPARE, HOWEVER, SOME CONCLUSIONS CAN BE DRAWN BASED ON OUR ASSEMBLED DATA.

The compensation levels for SCAFD personnel is another component of personnel management. One method of evaluating pay levels is to compare SCAFD’s wages to those of other fire agencies. However, the comparison of pay levels between fire agencies can be difficult due to the differences in hours, assignments, perquisites and other factors. While recognizing this, we have collected information related to pay and included this information in several following exhibits.

First, Exhibit 10 presents comparative wage data for the Fire Chief, Assistant Chief and Battalion Chief positions.

**Exhibit 10
Comparison of Wages
Fire Chief, Assistant Chief and Battalion Chief**

City/ Township	Fire Chief				Assistant Chief				Battalion Chief			
	Base Pay	Stipend	Per Run/hr.	Training	Base Pay	Stipend	Per Run/hr.	Training	Base Pay	Stipend	Per Run/hr.	Training
Swartz Creek	\$29,211	-	\$14.68	\$14.68	\$4,860	-	\$14.98	\$14.98	\$5,160	-	\$15.28	\$15.28
Clio Area Fire Authority	\$17,825	\$600	-	-	\$13,368	\$600	-	-	\$2,045	\$600	\$14.06	\$14.06
Davison-Richfield Fire Authority	\$49,000	\$800	-	-	\$14,000	-	-	-	\$12,000	-	-	-
City of Fenton*	\$56,000	-	-	-	-	\$3,500	\$15.00	\$15.00	-	\$4,000	\$15.00	\$15.00
Fenton Township	\$59,000	-	-	-	-	-	-	-	\$4,050	-	\$19.00	-
Flushing	\$28,100	-	-	-	-	\$2,100	\$11.44	\$11.44	-	\$1,500	\$11.21	\$11.21
Genesee Township Central Fire Dept.	\$4,641	-	\$11.47	\$11.47	\$3,646	-	\$11.47	\$11.47	-	-	-	-
LSW Emergency Services Fire Division	\$6,000	-	\$12.00	\$12.00	\$4,000	-	\$12.00	\$12.00	\$1,000	-	-	\$12.00
Milford Township	\$67,600	-	-	-	-	\$3,900	\$14.00	\$14.00	-	-	-	-
Mundy Township	\$60,000	-	-	-	-	\$5,628	\$13.77	\$13.77	-	\$3,939	\$13.77	\$13.77
North Oakland County Fire Authority	\$55,000	-	\$19.00	\$20.00	-	\$4,000	\$19.00	\$20.00	-	-	-	-

*Battalion Chief = Deputy Chief

Source: Rehmann Robson survey

As seen in the exhibit, these positions may receive several forms of compensation. Moreover, some Fire Chiefs in our sample are full-time, and accordingly receive a higher base wage.

In addition to the above, Exhibit 11, below, contains information regarding run pay and vehicle use among the Fire Chiefs. These factors should also be considered in evaluating relative compensation for the Fire Chief’s position.

Exhibit 11
Comparison of Fire Chief Run Pay and Vehicle Use

City/Township	Does the Fire Chief get per run pay?	Does the Fire Chief get a personal vehicle?	If yes, is the use of the vehicle limited or unlimited?
Swartz Creek	Yes	No	-
Clio Area Fire Authority	No	Yes	Limited
Davison-Richfield Fire Authority	No	Yes	Limited
City of Fenton	No	Yes	Limited
Fenton Township	No	Yes	Unlimited
Flushing	No	No	-
Genesee Township Central Fire Dept.	Yes	No	-
LSW Emergency Services Fire Division	Yes	No	-
Milford Township	No	Yes	Unlimited
Mundy Township	No	Yes	Limited
North Oakland County Fire Authority	Yes	Yes	Unlimited

After hours calls

Source: Rehmann Robson survey

Reviewing the information contained in Exhibits 10 and 11 can be burdensome, due to the lack of standardization. However, having collected and reviewed the data at some length, we have summarized the following, as pertaining to the SCAFD positions:

- The SCAFD Fire Chief is paid approximately one-half the base of the full-time Chiefs and roughly the same as the Flushing Fire Chief, a similar part-time position. This would appear to be a relatively fair level of compensation.
- However, the SCAFD Fire Chief is provided per run and training pay at an additional hourly rate. This is not consistent with the majority of the survey sample.
- The SCAFD Fire Chief does not receive a personal vehicle, a perquisite granted to a majority of the Chiefs in the surveyed agencies.

- The wages of the Battalion Chief and Assistant Chief appear comparable – particularly since each have well-defined additional duties (i.e. equipment repair and training officer respectively).
- The provision of per run and training pay to the Assistant Chief and Battalion Chief is consistent with pay practices in the majority of the surveyed departments.

Exhibit 12 continues the comparison of pay for other officers and the Firefighter rank.

**Exhibit 12
Comparison of Wages
Captain, Lieutenant and Firefighter**

City/ Township	Captain				Lieutenant				Firefighter		
	Base Pay	Stipend	Per Run/hr.	Training	Base Pay	Stipend	Per Run/hr.	Training	Base Pay	Per Run/hr.	Training
Swartz Creek	\$1,860-\$3,600	-	\$14.23	14.23*	\$1,560	-	\$13.16	13.16*	-	\$9.04-\$14.98	\$9.04-\$14.98
Clio Area Fire Authority	\$1,023	-	\$14.06	\$14.06	\$569	-	\$14.06	\$14.06	-	\$14.06	\$14.06
Davison-Richfield Fire Authority	\$3,000	-	\$13-\$17	\$13.90	\$3,000	-	\$13-\$17	\$13.90	-	\$13-\$17	\$13.90
City of Fenton	-	\$2,500	\$15.00	\$15.00	-	\$2,000	\$15.00	\$15.00	-	\$15.00	\$15.00
Fenton Township	\$2,400	-	\$19.00	-	\$1,625	-	\$19.00	-	-	\$13-\$19	\$13-\$19
Flushing	-	\$900	\$10.86	\$10.86	-	\$600	\$10.50	\$10.50	-	\$9.87	\$9.87
Genesee Township Central Fire Dept.	\$2,984	-	\$11.47	\$11.47	\$2,271	-	\$11.47	\$11.47	-	\$11.47	\$11.47
LSW Emergency Services Fire Division	\$600.00	-	-	\$12.00	\$400	-	-	\$12.00	-	\$12.00	\$12.00
Milford Township	-	\$3,000	\$16.00	\$16.00	-	\$2,100	\$16.00	\$16.00	-	\$8-\$16	\$8-\$16
Mundy Township	-	\$2,814	\$13.77	\$13.77	-	\$2,252	\$13.77	\$13.77	-	\$13.77	\$13.77
North Oakland County Fire Authority	-	\$3,500	\$19.00	\$20.00	-	\$1,700	\$19.00	\$20.00	-	\$12-\$17	\$20.00

* Average of multiple wages

Source: Rehmann Robson survey

Based on our review of Exhibit 12, we have noted the following:

- SCAFD’s Firefighter wage (i.e. \$9.04 - \$14.98) is generally lower than the gross average of the surveyed departments (i.e. \$14.46). However, SCAFD

uses a sliding scale to determine hourly rates, factoring in training and longevity. As an example, a ten year Firefighter has a base rate of \$12.09. However, if the Firefighter has completed Command Officer III training, the rate would rise to \$14.08.

- SCAFD's Firefighters receive an additional \$1.25 per run (and training hour) in deferred compensation. This added compensation appears to be an innovative method for encouraging longevity that is not reported by any of the surveyed agencies. The presence of this benefit effectively narrows the per hour gap, resulting in a much greater level of pay comparability.

4. SUMMARILY, SOME CONCLUSIONS CAN BE MADE REGARDING SCAFD'S PAY PRACTICES.

The information contained in Exhibits 10-12, combined with our knowledge of SCAFD's pay practices, provides the backdrop for the following conclusions regarding SCAFD's pay system:

- Fire Chief:

The SCAFD Fire Chief's base wage appears appropriate. However, other compensable factors must also be considered. Specifically:

- The Fire Chief receives per run and training session pay. This is not the typical situation among our survey sample.
- The Fire Chief, unlike many in our sample, does not have use of a vehicle. This is a perquisite with obvious value.
- The Fire Chief apparently accrues comp-time and uses this time for vacations and other off-time. Policymakers do not appear to understand the method for the accounting and use of this time. Related, a formal, written policy does not appear to exist.

In considering the legitimacy of each of the above benefits, there will always be opposing views on what is fair and equitable. Ideally, consensus would be achieved through negotiation, with the results clearly specified in a written contract. Through this process, any questions or concerns regarding compensation could be addressed in a forthright, business-like manner.

- Command Officers:

The base wages for command officers appear to be reasonable. The per run pay provides an incentive for call response and is appropriate at all levels. As noted, the additional duties borne by the Assistant and Battalion Chiefs (as

well as the Captain/Quartermaster) appear to be compensated at modest and acceptable levels.

- Firefighters:

As noted, Firefighter hourly pay, in its entirety, is generally market comparable. The pay system, tiered by longevity and training accomplishment is complex, but appears to provide true incentives. More specifically:

- The training component encourages a more professional department.
- The longevity component rewards and encourages experience.
- The deferred compensation component encourages tenure and long-term commitment.

Ideally, pay systems are designed to promote and accomplish organizational objectives. In this regard, SCAFD's compensation system appears to satisfy this objective.

5. SCAFD MAY BENEFIT FROM AN INCREASED FOCUS ON PERFORMANCE EVALUATION.

Presently, SCAFD conducts a performance evaluation of each Firefighter following the completion of one year on the force. This is the extent of the performance evaluation process – no other evaluations are performed.

Performance evaluation is often associated with negative factors. In fact, it is an opportunity to promote positive planning, career development and the articulation of command goals. In this sense, SCAFD would benefit from a greater focus on performance evaluation. Ideally, this would include:

- Bi-annual review of all firefighting personnel.
- Annual evaluation of the Fire Chief conducted by the SCAFD Board.

Through this process, goals and expectations could be clearly communicated, performance problems could be addressed in a consistent manner and individual development plans instituted. In regard to the latter, SCAFD does not currently have a succession plan for the Fire Chief or other top administrative positions. This would be one key element of a performance evaluation process.

D. Equipment and Capital Requirements

Capital expenditures represent a significant ongoing expenditure for the two funding communities, and an issue of contention over the two prior years. Our conclusions focus on the actual requirements of SCAFD and approaches for funding these needs. They include the following:

1. SCAFD'S CURRENT PHILOSOPHY REGARDING EQUIPMENT PURCHASE APPEARS TO BE FOCUSED ON ACQUIRING TOP-OF-THE-LINE APPARATUS.

During our interview sessions, the Fire Chief strongly emphasized his commitment to maximizing the safety and well-being of the fighting force. The Chief notes that this is (among others) a strong justification for the acquisition of a ladder truck. We consider this an admirable position, however, it is apparent that it is a position that must also be tempered by cost and other considerations. This is a reality faced by all emergency service providers including police, emergency medical and others.

In reviewing SCAFD's equipment, our project team drew several conclusions related to this issue. More specifically:

- SCAFD appears to focus on buying top-of-the-line apparatus and equipment. As examples:
 - All engines are Pierce brand. This is among the more expensive brands of fire trucks, considered the ‘Cadillac’ among available options. However, SCAFD does not require this more costly option with its modest workload and low density environment. Other brands have proven to be equally durable, often at lower price.
 - Further, the engines are custom chassis, rather than commercial. The custom does have a smaller turning ratio (which is useful in the City). However, this feature adds \$20,000 or more to the purchase price of each vehicle.
 - SCAFD uses 5 inch hose which, again, is the ‘Cadillac’ of the industry. A 4 inch hose is quite common for a rural department and provides a generally adequate water stream.
 - The Fire Chief will apparently request a heavy rescue vehicle to replace the current squad within the context of the replacement schedule. The cost difference between the two vehicles is substantial – likely \$100,000 or more. While the heavy rescue is bigger, with custom chassis and greater equipment storage capability, a small department like SCAFD should be adequately served by a new squad.

- SCAFD does not appear to require a ladder truck. There are few buildings beyond three stories in the jurisdiction and set up would be problematic at many of the large homes in the Township, due to their location in former farm fields (i.e. stabilizing jacks would often lack the necessary foundation). Moreover, the Fire Chief’s plan to use the ladder truck as a primary response vehicle is a costly option.

As an option to ladder truck purchase, SCAFD should rely on mutual aid in the rare occasions in which a ladder truck is needed. Several nearby agencies have this equipment including Clio, Fenton and Davison. All are located roughly 20 miles from Swartz Creek.

- SCAFD also desires a back-up pumper at Station #2, citing the need for readiness if the front-line pumper is down. However, fire truck repairs are typically performed quickly and expeditiously, with a short turn-around time. In most departments, having a truck down for a week would be a rare occurrence. Essentially, mutual aid should fill any void that results. This is one primary reason for having mutual aid agreements.

Having said this, the presence of a back-up vehicle is advantageous from an ISO grading perspective (i.e. increase in pumping capacity). Related, an older, lightly used vehicle is relatively inexpensive to maintain. Consequently, the current 1991 pumper, when replaced (possibly in 2016) could be retained as a back-up at minimal cost.

- SCAFD is not taking full advantage of the competitive bid process. The Pierce vehicles are evidence of this. If SCAFD was bidding and considering low bid, it would not be selecting Pierce.

2. SCAFD SHOULD CONSIDER REPLACEMENT OF THE GRASS RIG, AS WELL AS SELF-CONTAINED BREATHING APPARATUS (SCBA).

SCAFD’s current apparatus replacement is illustrated in Exhibit 13.

Exhibit 13
SCAFD's 2008 Fire Apparatus Replacement/Addition Schedule

New or Replacement Year	Purchased New Year	Original Cost	Service Years When Replaced	Apparatus Description	Replacement/Additional Apparatus	Projected Cost
2012	1991	\$55,459	20	1991 Chevy Step Van (Squad)	Fire designated squad & air system unit	\$450,000
2013	1993	\$24,290	20	1993 Chevy Crew Cab	Replace with like utility vehicle	\$65,000
2016	1991	\$180,681	25	1991 Pierce, 1,500 GPM pump, 1,000 gallon tank	1,500 GPM pumper, 750 gallon tank	\$522,395
2020	1992	\$71,235	28	1992 International, 5,000 gallon tanker	New chassis & pump - remount tank	\$350,000
2023	1997	\$215,366	25	1998 Pierce, 1,500 GPM pump, 750 gallon tank	1,500 GPM pumper, 750 gallon tank	\$770,000
2024	1999	\$227,919	25	1999 Pierce, 1,500 GPM pump, 750 gallon tank	1,500 GPM pumper, 750 gallon tank	\$820,000

Source: SCAFD

Not included in this schedule are the department's two 1979 grass rigs. Currently, one of these vehicles is stationed at each fire house. In our discussions, the Fire Chief has not expressed a desire to replace one or both of these vehicles. Instead, he cites the potential for automatic or mutual aid if a grass rig is required.

In considering the rural Township areas serviced by SCAFD, it is our opinion that a well functioning grass rig has value, ideally housed at Station #2. In regard to replacement of the current vehicle(s) SCAFD has several options.

- Purchase a new fully equipped grass rig vehicle at a cost of \$40,000 - \$60,000.
- Purchase only the slide-on tank and pump at a cost of roughly \$10,000. In turn, mount this equipment on the 1993 Chevrolet crew cab, and convert the vehicle to its new use. This vehicle is now used to transport Firefighters to and from training. Instead, Firefighters could be paid mileage for use of their own vehicles – or other accommodations could be made.

SCAFD also requires new SCBA. Current equipment is both aged, and not standardized. The Fire Chief estimates the cost of new SCBA at \$5,200 per unit, with 24 units required. In our experience, a cost of \$4,000 per unit may be more accurate if the purchase is bid among competing manufacturers. Should our estimate be accurate, SCAFD will be required to expend approximately \$100,000.

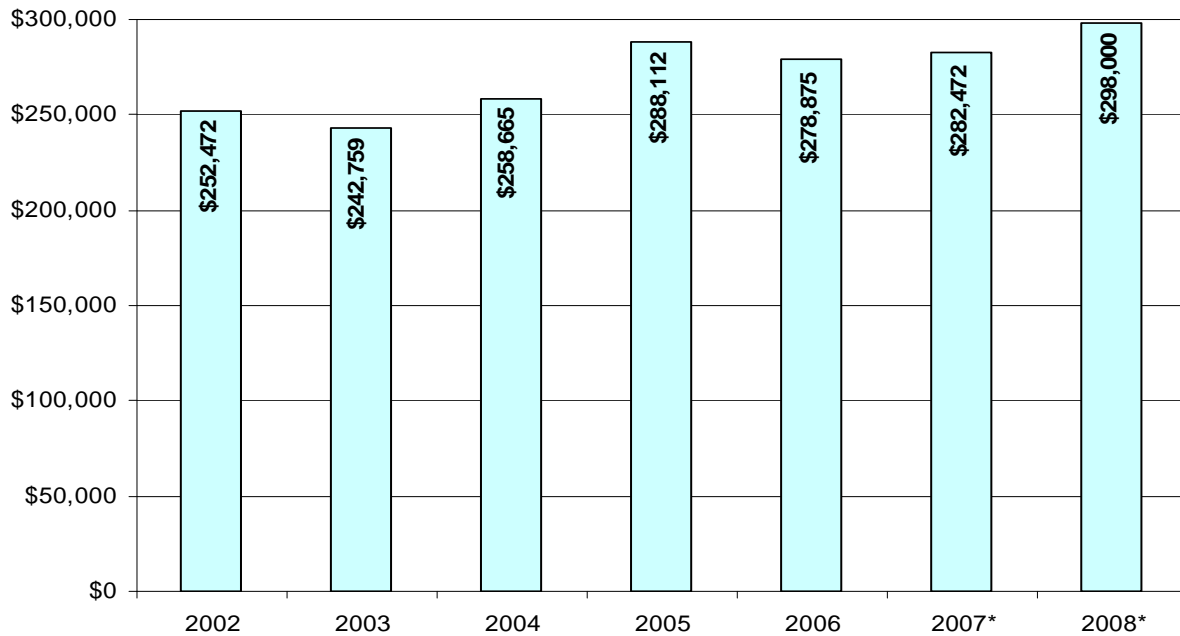
E. Budgetary and Revenue Issues

Budgetary and revenue issues encompass both operating and capital budgets as well as funding methods. Key findings include the following:

- 1. SCAFD'S OPERATING BUDGET IS RELATIVELY STABLE. HOWEVER, CAPITAL BUDGETING REMAINS PROBLEMATIC AND WILL BE A GROWING ISSUE.**

Exhibit 14 illustrates historic and budgeted expenditures for SCAFD:

**Exhibit 14
Historic and Budgeted Expenditures**



*Budgeted
Source: SCAFD

As seen in the exhibit, expenditures are relatively steady from year-to-year, increasing by approximately 3% per annum during the period 2002-2008. In regard to annual funding, each jurisdiction is responsible for one-half of the operating budget, as well as direct labor costs for calls to their service area.

As seen in Exhibit 15, this is one of many funding formulas utilized throughout Michigan.

Exhibit 15
Comparable Funding Formulas

City/Township	Multi-jurisdictional funding formula
Swartz Creek	Each government pays 1/2 of budget and labor costs to calls for service to their jurisdiction.
Clio Area Fire Authority	1 mill per jurisdiction
Davison-Richfield Fire Authority	Each government charged on a per run basis. Operating revenue comes from several sources including interest from trust funds, cost recovery and inspection income.
City of Fenton	City is funded through the General Fund. Contract with Tyrone Twp. on a per run basis.
Fenton Township	Fenton Twp. - Assessment; Tyrone Twp. - Pay per alarm.
Flushing	City Department serves Twp. Flat rate fee billed to Twp. Annually.
Genesee Township Central Fire Dept.	N/A - only one jurisdiction served.
LSW Emergency Services Fire Division	Dedicated millage of 1 mill.
Milford Township	N/A - only one jurisdiction served; dedicated millage of 1 mill.
Mundy Township	N/A - only one jurisdiction served.
North Oakland County Fire Authority	Each jurisdiction contributes half of the budget.

Source: Rehmann Robson survey

The City of Swartz Creek and Clayton Township generally seem pleased with the formula used to fund general operations. In this sense, the two communities have avoided the bickering and petty arguments that plague some communities and joint service agreements.

However, the funding of capital acquisitions does not proceed as smoothly. This is primarily due to the significant cost associated with these expenditures, and the lack of a long-term funding plan. Related to this:

- There is no capital fund for SCAFD. Capital expenditures for vehicles are roughly scheduled at five-year intervals and must be approved by both jurisdictions.
- The City of Schwartz Creek budgets \$20,000 per annum for capital acquisition for SCAFD, with a current balance of \$160,000. Consequently, there is some potential pre-funding on the City's side, though it is separate from the SCAFD budget.
- Clayton Township does not budget for SCAFD's capital needs. The Township levies only 2.0146 mills and does not have sufficient inflows to dedicate a portion to this purpose – particularly with the ongoing reductions in state-shared revenues.

In regard to equipment inventory, we generally agree with the current uses and deployment. Assuming that it remains the same for the foreseeable future, we anticipate that SCAFD will have the following major assets that require ongoing replacement.

- 3 engine/pumpers
- 1 squad
- 1 tanker
- 1 grass rig

We have included these in the following Exhibit 16 with an estimated depreciable life and cost estimates.

Exhibit 16
Major Assets That Require Ongoing Replacement

Apparatus Description	In Service	Assumed Vehicle Life in Years	Replacement Year	Replacement Description	2007 Assumed Cost	Projected Future Cost*
1991 Chevy Step Van (Squad)	1991	20	2011	Squad	100,000	\$131,080
1993 Chevy Crew Cab - Grass Rig	1993	20	2013	Replace with grass rig	55,000	\$82,540
1991 Pierce, 1,500 GPM pump, 1,000 gallon tank	1991	25	2016	1,500 GPM pumper, 750 gallon tank	300,000	\$551,538
1992 International, 5,000 gallon tanker	1992	28	2020	New chassis & pump - remount tank	None - Chief's Estimate Used	\$350,000
1998 Pierce, 1,500 GPM pump, 750 gallon tank	1998	25	2023	1,500 GPM pumper, 750 gallon tank	300,000	\$885,649
1999 Pierce, 1,500 GPM pump, 750 gallon tank	1999	25	2024	1,500 GPM pumper, 750 gallon tank	300,000	\$947,645
TOTAL OUTLAY						\$2,948,452

* Assumed annual increase of 7%

To fund these target acquisitions, SCAFD will require significant levels of funding in those years in which vehicle purchases are scheduled. Ideally, as noted, these expenditures would be pre-funded using a capital budgeting plan.

Related, Exhibits 17 and 18 have been created to illustrate the significant financial issues that SCAFD may face in regard to capital funding. More specifically, as seen in Exhibit 17, based on our estimates, SCAFD may require pre-funding of approximately \$135,000 per annum to fund all equipment purchases with cash at the designated points in time.

Exhibit 17
Swartz Creek Area Fire Department
Vehicle Replacement Schedule
Full Cash Basis

Year	Beginning Balance	Contributions	Interest Earnings	Use	Ending Balance
2007	\$0	\$0	\$0		\$0
2008	\$0	\$135,000	\$0		\$135,000
2009	\$135,000	\$135,000	\$6,750		\$276,750
2010	\$276,750	\$135,000	\$13,838		\$425,588
2011	\$425,588	\$135,000	\$21,279	\$131,080	\$450,787
2012	\$450,787	\$135,000	\$22,539		\$608,326
2013	\$608,326	\$135,000	\$30,416	\$82,540	\$691,203
2014	\$691,203	\$135,000	\$34,560		\$860,763
2015	\$860,763	\$135,000	\$43,038		\$1,038,801
2016	\$1,038,801	\$135,000	\$51,940	\$551,538	\$674,203
2017	\$674,203	\$135,000	\$33,710		\$842,913
2018	\$842,913	\$135,000	\$42,146		\$1,020,059
2019	\$1,020,059	\$135,000	\$51,003		\$1,206,062
2020	\$1,206,062	\$135,000	\$60,303	\$350,000	\$1,051,365
2021	\$1,051,365	\$135,000	\$52,568		\$1,238,933
2022	\$1,238,933	\$135,000	\$61,947		\$1,435,880
2023	\$1,435,880	\$135,000	\$71,794	\$885,649	\$757,024
2024	\$757,024	\$135,000	\$37,851	\$947,645	(\$17,769)

Assumptions: Contribute \$135,000 per year
Interest Earnings 5.0%

Note: Annual contributions could be reduced to about \$110,000 in the first year, if future year contributions are indexed to the growth in taxable valuation.

Exhibit 18 presents a second option that lessens the “upfront” burden somewhat. Under this scenario, SCAFD would finance 80% of the purchase price for the pumper purchases scheduled for 2023 and 2024 – pre-funding the remainder. This would reduce SCAFD’s capital savings requirement to approximately \$100,000 per annum.

Exhibit 18
Swartz Creek Area Fire Department
Vehicle Replacement Schedule
Full Cash Basis
Debt Finance Two Purchases in 2023 & 2024

Year	Beginning Balance	Contributions	Interest Earnings	Use of Cash	Debt Payments	Ending Balance
2007	\$0	\$0	\$0			\$0
2008	\$0	\$100,000	\$0			\$100,000
2009	\$100,000	\$100,000	\$5,000			\$205,000
2010	\$205,000	\$100,000	\$10,250			\$315,250
2011	\$315,250	\$100,000	\$15,763	\$131,080		\$299,933
2012	\$299,933	\$100,000	\$14,997			\$414,929
2013	\$414,929	\$100,000	\$20,746	\$82,540		\$453,136
2014	\$453,136	\$100,000	\$22,657			\$575,792
2015	\$575,792	\$100,000	\$28,790			\$704,582
2016	\$704,582	\$100,000	\$35,229	\$551,538		\$288,273
2017	\$288,273	\$100,000	\$14,414			\$402,687
2018	\$402,687	\$100,000	\$20,134			\$522,821
2019	\$522,821	\$100,000	\$26,141			\$648,962
2020	\$648,962	\$100,000	\$32,448	\$350,000		\$431,410
2021	\$431,410	\$100,000	\$21,571			\$552,981
2022	\$552,981	\$100,000	\$27,649			\$680,630
2023	\$680,630	\$100,000	\$34,031	\$177,130	\$91,756	\$545,775
2024	\$545,775	\$100,000	\$27,289	\$189,529	\$189,936	\$293,599
2025	\$293,599	\$100,000	\$14,680		\$189,936	\$218,343
2026	\$218,343	\$100,000	\$10,917		\$189,936	\$139,324
2027	\$139,324	\$100,000	\$6,966		\$189,936	\$56,354

Assumptions: Contribute \$100,000 per year
Interest earnings: 5.0%
Debt finance 80% of 2023 & 2024 purchases
Years to pay back loan: 10
Interest rate on loan: 5.0%

Note: Annual contributions could be reduced to about \$80,000 - \$90,000 in the first year, if future year contributions are indexed to the growth in taxable valuation.

Exhibits 17 and 18 are presented to provide the two communities with a sense of the magnitude of the problem they may face. Certainly, these are only two options for capital funding, such as full financing, lease arrangements or others that may provide options for lessening immediate cash needs. However, all will contain a corresponding cost.

The City, by virtue of its pre-funding policy, has some assets available – though not nearly enough. Clayton Township has no accumulated assets and will require a new funding source. One obvious option would be a dedicated millage. Related, Flint Township, a neighboring community, recently approved a ¼ mill levy for this purpose. Clayton Township could pursue a similar levy through referendum.

If approved in Clayton Township, a ¼ mill levy for fire equipment and apparatus would yield an estimated \$61,326 in tax revenue per annum (estimate based on 2007 taxable valuation). The millage could be requested for a multi-year period, with the duration determined by the funding requirements (as modified by policymakers) contained in Exhibits 17 and 18.

2. A MORE AGGRESSIVE AND PROFESSIONAL APPROACH TO GRANT SOLICITATION COULD BE BENEFICIAL.

Over the past three years, SCAFD has received two small grants from the 100 Club of Flint totaling \$3,200. The department has also applied for FEMA grants, though unsuccessfully. As seen in the following Exhibit 19, some other surveyed departments have been more successful in receiving large Homeland Security Grants, including neighboring Flushing.

**Exhibit 19
Comparative Grants**

City/Township	List any grants that you have received in the past three years including source and estimated amount		
	Grant	Amount	Source
Swartz Creek	2005-06	\$3,200	100 Club of Flint
Clio Area Fire Authority	2005	\$4,721	100 Club of Flint
	2005	\$1,000	Wal-Mart
Davison-Richfield Fire Authority	-	-	-
City of Fenton	2005	\$3,000	100 Club of Flint
	2006	\$500	
	2007	\$2,700	
Fenton Township	AFG	\$87,000	Homeland Security
	AFG	\$40,000	Homeland Security
Flushing	AFG	\$101,150	Homeland Security
	CEDAP	not reported	Homeland Security
	AFG	\$61,000	Homeland Security
	AED	\$3,000	Hundred Club
Genesee Township Central Fire Dept.	AFG	\$106,116	Homeland Security
LSW Emergency Services Fire Division	AFG	\$93,000	Homeland Security
Milford Township	AFG	\$189,193	Homeland Security
Mundy Township	CEDAP	\$7,200	Homeland Security
	Senior Citizen Development	\$3,300	not reported
North Oakland County Fire Authority	AFG	\$170,000	Homeland Security
	AFG	\$70,000	Homeland Security
	Various	\$8,000	Numerous smaller foundations

Source: Rehmann Robson survey

SCAFD's unsuccessful 2006 grant application to FEMA was a request for funding for SCBA. In discussing this with the Fire Chief, it is his impression that the grant was rejected due to the relatively strong financial and economic health of the member communities. In fact, however, many generally well-off communities (including several in Exhibit 19) have received FEMA grants. In the case of SCAFD, we have concluded that the quality of the grant application may have been a more likely reason for rejection. By way of explanation, the narrative statement/project description is a primary area of review. Successful applicants spend significant time in developing their rationale, while recognizing the competitive nature of the process.

SCAFD's application however, lacks depth and fails to clearly articulate the need for SCBA. Our related conclusions are as follows:

- The requested per unit amount (i.e. \$5,200) is generally high. Additional quotes should have been received, resulting in a unit cost nearer \$4,000. This fact would have raised questions from the beginning of the review process.
- Most of the detail regarding operations is not included – such as number of fire personnel and stations, types of apparatus, description of service area, call responses, structure fires, etc.
- No needs analysis was included – projecting department needs for 3-5 years. This ranks high on the list of grant reviewers.
- One purpose of the grant program is for the health and safety of the firefighters. Narrative should have been included citing any orthopedic injuries from the old units, value of ergonomically designed new units, other safety risks, how it might help with the 2in – 2out rule, etc.
- There is no detail regarding the standards that they do not meet, other than to cite the organizations that created them (i.e. NFPA 1981, OSHA-29, CFR 1910.134, MIOSHA Part 74).
- There should be additional discussion of budgetary problems and a description of current department deficiencies and areas where scarce dollars are needed, or being spent.

Essentially, a more professional and enthusiastic grant writing approach is required if SCAFD is to receive serious consideration for Homeland Security monies. Related, this is a task that should be delegated or contracted to an individual with the requisite skills and competitiveness. This might include:

- A command officer with writing and composition skills
- The City's Planner/Assistant City Manager
- A contracted grant writer.

F. Miscellaneous Service Issues

In addition to the topics discussed in the previous sections, we have collected data, and formulated conclusions regarding a variety of other miscellaneous issues. These include the following:

- Automatic aid
- Cost recovery
- Emergency medical services
- Fire prevention programming.

Each is discussed separately below.

1. THE AUTOMATIC AID AGREEMENTS ARE BENEFICIAL, BUT UNBALANCED IN REGARD TO SERVICES GIVEN AND RECEIVED.

At present, SCAFD maintains automatic aid agreements with three communities: Flushing, Gaines and Venice Townships. Under these agreements, SCAFD, or the other agency, provides turnout to any fire suppression-related calls-for-service in the partner community's service area. Through this process, resources are combined, thus providing a larger, and possibly quicker, service response.

Exhibit 20 summarizes automatic aid calls-for-service for the period 2003-2007.

**Exhibit 20
Historic Automatic Aid Provided to Other Jurisdictions**

Jurisdiction	2003	2004	2005	2006	2007*
Flushing	23	28	19	35	31
Gaines	13	7	11	9	12
Venice	1	1	0	2	1
Total	37	36	30	46	44
Received From:	27	21	22	17	10

*10 months extrapolated to 12 months

Source: SCAFD

As seen in the exhibit, there is a significant imbalance in responses provided by SCAFD to the partner communities, and those received. In 2006, as an example, this differential was approximately 3:1.

As seen in Exhibit 21, most of the surveyed fire agencies also have automatic aid agreements. Imbalances in calls-for-service also exist in most of these situations, though not as extreme as for SCAFD.

**Exhibit 21
Comparison of Automatic Aid**

City/Township	Do you have automatic aid with any surrounding communities?		If yes, estimated ratio of responses given, to responses received	If yes, do you charge the other community for automatic aid calls?
	Fire	Emergency Medical		
Swartz Creek	Yes	No	46:16	No
Clio Area Fire Authority	No	No	-	-
Davison-Richfield Fire Authority	No	No	-	-
City of Fenton	Yes	No	not reported	No
Fenton Township	Yes	No	60:40	No
Flushing	Yes	No	2:3	No
Genesee Township Central Fire Dept.	No	No	-	-
LSW Emergency Services Fire Division	No	No	-	-
Milford Township	Yes	No	1:1	No
Mundy Township	Yes	Yes	42:29	No
North Oakland County Fire Authority	Yes	No	2:1	No

Source: Rehmann Robson survey

As previously seen in Exhibit 20, automatic aid calls to Flushing have historically consumed the majority of this assistance. Related, in 2006, SCAFD incurred a direct personnel expense of \$6,380 for turnout to Flushing calls-for-service. Taking into account additional materials and vehicle expense, it is likely that SCAFD is expending a much greater amount to fulfill its obligations.

In maintaining this agreement, however, cost is only one consideration. The automatic aid agreements are valuable and should be retained. What is needed is some redefinition of the terms under which automatic aid is provided. More specifically:

- There should be some assurance that there is a fire. This could be achieved by working with E-911 to develop a more exacting protocol. Essentially, E-911 dispatchers could be instructed to garner more specificity from the callers reporting the incidents.
- Automatic aid could be limited to certain hours of the day (possibly 6am-6pm) when the assistance is most needed.

Essentially, if SCAFD and Flushing are to operate as one department, then they should be combined. Short of this, automatic aid should be designed to handle serious suppression situations, not routine response to well-staffed and/or less serious incidents.

2. SCAFD COULD CONSIDER UTILIZING A COST RECOVERY ORDINANCE.

As noted, SCAFD will be challenged to maintain current budgetary trends. Moreover, capital expenditures are a significant future cost consideration. In this situation, all revenue options should be examined.

One option used by many fire agencies, is the direct service charge. Typically this charge will be based on the expenses incurred for a service call. This may be a blanket charge on all fire calls or be limited to suppression, extrication, HAZMAT or others. Currently SCAFD has no service charges, though the City of Swartz Creek has adopted a HAZMAT cost recovery ordinance. In contrast, as seen in Exhibit 22, the majority of our survey sample has one or more charges-for-service in effect..

**Exhibit 22
Comparison of Cost Recovery Ordinance**

City/Township	Do you have a cost recovery ordinance?	If yes, what are the charges for the following:				Are non-resident charges different?
		Fire suppression	HAZMAT	Emergency medical first response	Traffic accident injury or extrication	
Swartz Creek Area Fire Department	City has	-	-	-	-	-
Clio Area Fire Authority	Yes*	\$249	-	-	\$249	Yes
Davison-Richfield Fire Authority	Yes	Charges are based on time spent at event, type of apparatus/equipment utilized, level/number of personnel on scene and additional resources required				No
City of Fenton	Yes*	-	\$700 min.	-	-	Yes
Fenton Township	Yes	\$550/vehicle	\$550/vehicle + materials	\$350	\$550	No
Flushing	Yes	All direct costs incurred by the city				No
Genesee Township Central Fire Dept.	No	-	-	-	-	No
LSW Emergency Services Fire Division	Yes**	-	-	-	-	Yes
Milford Township	Yes	-	Costs incurred by department	-	-	No
Mundy Township	Yes	\$250 + \$10/personnel (vehicles)	-	-	-	Yes
North Oakland County Fire Authority	Yes	Formula schedule is used		\$300-\$900	\$250-\$750	Yes

*No charge to residents

**Did not indicate amounts

Source: Rehmann Robson survey

Should SCAFD desire to institute a uniform charge it would be necessary for Clayton Township to adopt an ordinance, and possibly, require the City of Swartz Creek to expand its existing ordinance to specify a broader application. One approach might be to consider each potential charge-for-service separately, and determine those (if any) that

are philosophically acceptable. In other communities, HAZMAT and accident clean-up are the services that are most universally applied.

3. EMERGENCY MEDICAL SERVICES ARE NOT PROVIDED BY SCAFD, THIS APPEARS APPROPRIATE.

At present, SCAFD does not provide emergency medical services, responding only to entrapments. This appears to be appropriate, considering the structure of the emergency medical system in Genesee County.

Related, under the current emergency medical protocol, the County paramedic units provide first response emergency medical service throughout Genesee County. Service is provided at an ALS paramedic level.

Both BLS and ALS transport are provided by private ambulance companies. At present, there are numerous private companies operating within Genesee County, with Swartz Ambulance serving as the primary service provider for the SCAFD service area. The presence of these agencies (i.e. the County and private companies) greatly diminishes the need for the local fire departments in Genesee County to provide medical first response. This is illustrated in Exhibit 23.

**Exhibit 23
Comparison of Certification and Emergency Response**

City/Township	Level of medical certification	Do you provide first response to all medical occurrences?	If yes, list and explain
Swartz Creek	N/A	None	-
Clio Area Fire Authority	N/A	None	-
Davison-Richfield Fire Authority	MFR	No	Respond to Tier 1 only if transport or medic is more than 5 minutes from the scene.
City of Fenton	MFR	No	Only Tier I when no ambulance is in town.
Fenton Township	MFR	No	Tier I only
Flushing	N/A	None	-
Genesee Township Central Fire Dept.	N/A	None	-
LSW Emergency Services Fire Division	MFR	Yes	All ambulance calls
Milford Township	Basic Life Support - Transport, EMT-B	Yes	Respond to any medical emergency, PIA, or Citizen Assist, patient priority 1-3 calls. Do not respond to Psych commitment calls.
Mundy Township	MFR	No	Tier I only
North Oakland County Fire Authority	ALS Transporting	Yes	ALS transport to all medical runs.

Source: Rehmann Robson survey

As seen in the exhibit, those agencies based in Genesee County either do not provide, or provide only limited medical response. Related, the Genesee County system has been

often criticized as fragmented and poorly conceived. However, it does serve to remove the burden of emergency medical response from the local fire agencies. For SCAFD, this provides the opportunity to remain focused on its primary mission, limit expenditures and the training and time commitment of the firefighting force. In this sense, we see no reason for SCAFD to consider service expansion into the medical area. However, if a service void does materialize, SCAFD should consider a limited role such as that provided by Davison-Richfield (i.e. first-tier response if no ambulance is available).

4. AS A PAID-ON-CALL DEPARTMENT, SCAFD IS ONLY marginally INVOLVED IN FIRE PREVENTION ACTIVITIES.

At present, SCAFD provides some fire education and performs a limited amount of fire inspections. This low level of fire prevention activity is to be expected considering the lack of on-duty personnel.

However, paid-on-call departments, like SCAFD, are increasingly emphasizing this important aspect of fire operations. As seen in Exhibit 24, this is the case in many of the surveyed agencies.

**Exhibit 24
Comparison of Fire Prevention Programs**

City/Township	Do you have a fire prevention program as per the following:			
	Complete Right-to-Know annual inspection program	Complete commercial/industrial fire prevention programming	If yes, to either, do you charge for inspections?	If yes, please state amount:
Swartz Creek Area Fire Authority	No	No	-	-
Clio Area Fire Authority	No	No	-	-
Davison-Richfield Fire Authority	Yes	No	Yes - Right-to-Know	\$100-\$300
City of Fenton	Yes	Yes	No	-
Fenton Township	No	No	Yes	\$25
Flushing	No	No	No	-
Genesee Township Central Fire Dept.	No	No	-	-
LSW Emergency Services Fire Division	Yes	Yes	No	-
Milford Township	Yes	Yes	No	-
Mundy Township	No	No	-	-
North Oakland County Fire Authority	Yes	Yes	Yes	\$75-\$250

Source: Rehmann Robson survey

Most notably, many departments have implemented Right-to-Know inspection programs. The Right-to-Know program divides all commercial and industrial property into one of three classes, depending on the presence of flammable materials and/or relative fire risk in operations and conditions. Ideally, inspections are then performed at one, two or three year intervals; possibly with an inspection fee intended to recoup inspection costs.

SCAFD could benefit from such a program. The knowledge gleaned from the inspection process would provide the basis for a comprehensive system of fire preplans – as well as assuring business compliance with fire codes.

In regard to inspection personnel, many departments use firefighters in a paid-on-duty capacity to perform inspection duties. This option could also be available to SCAFD. The result could be a more rounded fire prevention program and the further professionalization of the department.

SECTION IV

RECOMMENDATIONS FOR IMPROVEMENT

SECTION IV

RECOMMENDATIONS FOR IMPROVEMENT

In this section of the report, we present our recommendations for improvements. These focus on the following areas:

- Personnel issues and matters
- Vehicle acquisition practices
- Capital budgeting
- Revenue enhancement strategies
- Service expansion.

In developing these recommendations, we have been mindful of the fact that SCAFD is a technically sound operation, with a dedicated firefighting cadre. In this sense, our recommendations are intended to further improve a well functioning and responsive fire agency. Key recommendations are as follows:

1. AN ANNUAL PERFORMANCE REVIEW PROCESS SHOULD BE INSTITUTED FOR THE FIRE CHIEF.

As discussed in the findings, the Fire Chief is extremely competent in many areas, but displays some deficiencies in others. In regard to the latter, areas in need of improvement appear to focus on interpersonal relations, analysis of capital options and grant writing. Having said this, when all responsibilities are considered, we consider the Fire Chief's overall performance to be more than adequate.

However, an annual performance evaluation by the Board would provide an opportunity to clearly focus on areas of strengths and weaknesses and provide a basis for specifying mutually agreed-upon professional goals and objectives for the Fire Chief.

In regard to performance evaluation instruments, templates are available through the Michigan Municipal League, Michigan Townships Association and other organizations. The Board might consider utilizing a professional consultant to assist in customizing such a template – or this task could be performed by a Board subcommittee.

While this recommendation might seem trivial to some, it can, in fact, be a valuable process. At present, there is an apparent credibility gap that exists between the Fire Chief and some appointed or elected officials. Related, a performance evaluation system could serve to provide the basis for needed dialogue, as well as a structure for correcting any legitimate job-related deficiencies.

2. **THE PERSONNEL ADMINISTRATION SYSTEM SHOULD BE REVIEWED, REVISED AND EXPANDED.**

As discussed, SCAFD's personnel policies contain deficiencies that must be addressed. Related, we recommend that upgrades be initiated. Ideally, this will include review and revision of the following areas:

- **Personnel policies** – to determine completeness, eliminate inconsistencies and assure legality in all instances.
- **Recruitment practices** – to assure that all practices are consistent with federal and state anti-discrimination statutes.
- **Disciplinary actions** – to develop a standard procedure that is consistent with labor laws and SCAFD's position as an at-will employer.

Additionally, new programs should be established related to performance evaluation. More specifically:

- A performance evaluation tool should be designed with all firefighting personnel receiving bi-annual evaluations.
- As part of this process, formal training plans should be developed for all command officers for purposes of progression and succession planning. Essentially, SCAFD should be preparing for future changes in a pre-emptive, forward-thinking manner.

As discussed, SCAFD currently does not have the internal resources and training to accomplish these upgrades. Consequently, external resources must be used. These might include:

- Individuals within the City of Swartz Creek's administration that have the requisite human resources training and responsibilities.
- Outside human resources consultants that can provide initial development and training.

Regardless of the approach taken for upgrade, it is also essential that the Fire Chief have a better understanding of personnel administration and labor law. Numerous workshops are available through the previously noted municipal organizations. The successful completion of this training would ideally be a jointly agreed-upon goal, initiated and tracked through the Fire Chief's performance evaluation process.

3. THE FIRE CHIEF SHOULD BE GIVEN AN EMPLOYMENT CONTRACT.

As the top administrative employee for SCAFD, the Fire Chief should be provided an employment agreement. This would require negotiation and consensus on the various aspects of compensation, as well as stipulation of other employment conditions such as term of the agreement, grounds and conditions for separation and other contractual issues.

If there is Board consensus regarding the appropriateness of current compensation, the adoption of an employment contract should be a relatively straightforward process. However, as discussed, there are various elements of total compensation for the Fire Chief position. We have listed some in the report and provided some market data from other jurisdictions. Should the Board wish to adopt some changes to the current compensation package, this information may prove useful as a guide.

In either event, the formalization of the terms of employment is what should be achieved. It is simply one more business/personnel practice that should be implemented.

4. BROAD-BASED COMPETITIVE BIDDING SHOULD BE INSTITUTED FOR ALL CAPITAL AND MAJOR EQUIPMENT PURCHASES.

As discussed, current purchasing practices appear to be restricted to solicitation of bids from preferred vendors or products. This is not cost-effective and should cease to be the practice.

Instead, the Board should institute a policy more firmly grounded in low bid. To accomplish this, future purchases should proceed as follows:

- A minimum of three manufacturers should be considered for all capital purchases.
- A maximum number of bids should be encouraged. On-line services such as bid.net should be consistently used.
- A low bid bias should prevail, except in cases in which true cost benefit can be established, quantified and demonstrated.

5. OUR CONCLUSIONS REGARDING EQUIPMENT NEEDS SHOULD SERVE AS THE GUIDE FOR FUTURE PURCHASES.

Exhibit 16 contains a listing of proposed vehicle purchases and depreciation schedules. This list differs from the Fire Chief's in several respects. Specifically:

- We suggest replacing the squad with a squad – rather than a heavy rescue unit.
- We suggest adding a grass rig to the schedule, and possibly using the current Chevy crew cab (with conversion) for this purpose.

Related, it is our recommendation that SCAFD use the proposed schedule as a guide for future capital planning and purchases. Not included on the list, the first purchase could be a slide-on tank and pump to convert the Chevy crew cab to a grass rig (estimated at \$10,000). Additionally, an expenditure of approximately \$100,000 will be required for SCBA in the near future. As discussed in the following recommendation, this should be the first objective of a more focused grant writing initiative.

6. GRANT WRITING SHOULD BE CONTRACTED OUT OR ASSIGNED ELSEWHERE IN THE ORGANIZATION.

As discussed, past efforts at grant writing have not been successful – in our opinion due to the quality of the grant application. In actuality, this could be an important revenue source for equipment purchase – ideally, including new SCBA for the Firefighters.

To increase this likelihood, we recommend that SCAFD either outsource this function or assign it elsewhere in the organization. Options might include the following:

- Utilize the City’s Assistant Manager/Planner for this purpose.
- Contract with a grants consultant.
- Assign the responsibility elsewhere in SCAFD. As an example, one command officer is a teacher and appears to be very literate. This individual (or another) could possibly assume the responsibility.

In either event, obtaining funding for SCBA should be the first and primary objective. As discussed in the following recommendation, SCAFD’s member communities will be hard pressed to fund future capital purchases. This “ability-to-pay” issue must be clearly conveyed to the FEMA grant reviewers, as well as other pertinent information.

7. A CAPITAL BUDGET SHOULD BE ESTABLISHED AND FUNDED.

As discussed, SCAFD could be facing a very uncertain future in regard to capital funding. Related, our analysis concludes that pre-funding for full cash purchase will require an annual set-aside of approximately \$130,000 over the next 17 years.

Related to this, our financial summary should serve as an early warning indicator to the two member communities. While we consider it unlikely that pre-funding can be made at this level – it is imperative that the City and Township determine an acceptable level and begin the process.

To accomplish this, the following steps should be taken.

- An annual level of funding must be agreed-upon.

- The two entities, particularly the Township, must identify funding sources. In the case of the Township, a dedicated millage will likely be required. (A ¼ mill levy is discussed in the findings; and may be a realistic amount to request from the public.)
- A capital fund must be established within the SCAFD financial system. Annual allocations must then be made by each entity at the agreed-upon level. Segregated accounts are one option, if desired.

8. THE AUTOMATIC AID AGREEMENTS SHOULD BE MODIFIED.

As discussed, the current automatic aid agreements are costly, due to the imbalance in service calls, as well as the extent of turnout.

To rectify this situation, it is recommended that the Fire Chief revisit these agreements for the purpose of modifying the conditions for turnout. More specifically, the Chief should:

- Work with E-911 to limit turnout to calls for service by obtaining more exact information on the specifics of the fire situation.
- Evaluate the potential for limiting automatic aid to daytime calls when fewer personnel are available – not simply round-the-clock automatic turnout.

Having reviewed these options, the Fire Chief should develop his recommendations for change and present this information to the Board.

9. SCAFD SHOULD INSTITUTE A COST RECOVERY FEE SCHEDULE.

As discussed in the findings, many fire departments in Michigan have adopted cost recovery ordinances. Some specify particular services such as HAZMAT and accident clean-up, while others extend service charges to fire suppression incidents. In many cases, these costs can be collected from an insurance company, thereby minimizing the impact on the property, or homeowner.

It is our opinion that SCAFD should consider instituting a cost recovery fee schedule. This would require the City of Swartz Creek to amend the current cost recovery ordinance to include a wider range of charges, and, Clayton Township to adopt an ordinance. Ideally, the associated fee schedule would be broad-based, and include a fire suppression charge. While philosophically some might consider this “double taxation,” it can also be seen as a simple user fee. Similar to a building permit or recreation service, it is simply a case in which a user can be clearly identified and billed for special services.

If SCAFD were to adopt a cost recovery fee schedule, related fees could be earmarked for the capital fund – further reducing pre-funding requirements.

10. SCAFD SHOULD ALSO CONSIDER THE ADOPTION AND IMPLEMENTATION OF A RIGHT-TO-KNOW INSPECTION PROGRAM.

As discussed, a Right-to-Know inspection program can serve to increase compliance with fire codes and also provide the Firefighters with valuable information for fire preplanning.

SCAFD's service area would benefit from such a program, however, the issue of how to staff the inspection function would need to be resolved. One option would be to use the Firefighters in a paid-on-duty (hourly) capacity. In turn, modest inspection fees could be charged – sufficient to recoup program costs. Training for the inspectors would require only a two week course – with costs also recouped through the fees.

Many successful programs currently exist throughout Genesee Country – the City of Swartz Creek and Clayton Township would also be well served by the expansion of services into this important area of fire prevention.