

LONGWOOD



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FIRE COMPANY

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September 30, 2014

Representative Steve Barrar
House Bill 2427 Panel Testimony

My name is A.J. McCarthy and I am the Fire Chief for Longwood Fire Company located in Kennett Township, Chester County. I have been in the fire service for 17 years, the last four as Fire Chief.

The house bill as proposed has good intentions but I believe is dodging the real problem facing fire service funding.

As the Fire Chief covering 4 second class townships for Fire/Rescue and EMS as well as an additional second class township and one Borough, appropriate levels of emergency service funding is difficult to obtain. In each of the municipal codes set in forth by the Commonwealth, amended by Act 7, 8 & 9 of 2008 authorized by Gov. Rendell, each municipality was mandated to provide fire, rescue and emergency medical services to its residents AND provide adequate funding. The latter being the problem with fire service funding in the Commonwealth. With Chester County being ranked the 4th best County (Movoto Real Estate Co.) to live within the entire country, and specifically being noted for a low unemployment rate, it comes down to a township's unwillingness to pay, not an inability to pay.

Longwood Fire Company is a combination fire company providing fire, rescue, emergency medical services and technical rescue operations to approximately 30,000 permanent residents. We annually respond to over 2500 calls for service with a volunteer force of 55 members supported by 28 career EMT's and Paramedics. Our annual budget for 2015 is projected to be \$1.66 million dollars with municipal tax income accounting for 44% of our income that leaves a pretty big gap in funding. Take into account that our EMS operation bills out annually over \$1,000,000 and has a historic collection rate of 49% coupled with a 28% return on our fund drive, at the end of the day we still face an approximate short fall of \$300,000.

Longwood has been in the process since 2012 of working with our municipal partners to establish dedicated fire and ems taxes to ensure we survive as a predominantly volunteer

organization. Using a national recognized service costs formula, a full career replacement for Longwood would be a minimum of \$13,000,000 annually. While some of municipal partners have agreed with our projections and have begun to take the necessary steps to provide adequate funding, others have outright refused. When reviewing their expenses, many times we take a back seat to open space initiatives, parks and recreational projects and other agenda items of the Board of Supervisors.

With HB 2427 the limits placed on a \$1,000 reimbursement for actual expenses. This number is not realistic. With today's cost of fire apparatus and equipment, \$1,000 doesn't go far at all. I would ask anyone who owns a business, would you provide \$5,000 worth of work for \$1,000 payment. The obvious answer would be no. Why should that be acceptable to an organization that is already providing a great cost savings service to their community just because they are a volunteer organization?

The other issue is the restriction on a person who pays a tax which funds at least part of the fire company's service or a monetary contribution. In one municipality I cover it costs the fire company \$178,330.76 to provide advanced life support services. The municipality provides \$7,500 annually. With a population (2010 Census) of 6,072, each resident pays \$1.23 in taxes for this service. A township that I cover 100% for all services costs the fire company \$344,139.20. They provide a contribution of \$85,000 annually. With a population of 3,604 (2010 Census), each resident pays about \$24.00 in taxes for this service.

I don't see where the restrictions, as written, provide a benefit to the fire company. Simply stated, you can donate \$5.00 to the fire company and be exempted from a bill for services rendered. On face value of this bill, it seems to be written more towards charging for non-resident motor vehicle crashes than anything else. If that is the case, the bill should have specific language that reflects that.

If the Committee's true intention is to provide adequate funding for emergency services, then restrictions on the municipalities is a must. To date, the definition of "appropriate", as listed in the municipal codes, has yet to have a clear and concise meaning with regards to the funding provided and probably won't until it is challenged in a court of law. With many townships spending millions on open space, and reducing their tax base by doing so, and less than \$100,000 on emergency services, someone has to define a clear set of priorities. The municipal codes should be amended to reflect that any municipality that institutes an open space tax without first having a dedicated fire tax will be mandated to provide a dedicated tax of equal millage to the proposed open space tax.

Another area of revenue could be the liquids fuel taxes. These taxes are directly funded out of transportation related activities. A portion of these taxes could be provided to fire companies for funding equipment that directly relates to handling motor vehicle crashes.

Another concern with the house bill that I see is who sets the rates and approves them. Will there be a standard formula to determine what the rate should be? Who decides what the actual costs is? What costs a fire company in Chester County may not cost the same in Potter County.

I thank you for the opportunity to provide an opinion on fire service funding.

A.J. McCarthy

Fire Chief