

To the Citizens of Jericho,

The Jericho Town Meeting created our committee to look at the budget and structure of the Underhill Jericho Fire Department and make recommendations to the Selectboard.

Attached is our full report. We hope gives a full picture of the fire protection services in Jericho and meets the request of the citizens.

We present this summary to offer answers to the specific questions we heard from citizens and to summarize our recommendations – all of which are offered in more detail in the formal report.

1. The Underhill Jericho Fire Department is not a “department” of the town. Nor is it a private organization. The UJFD is incorporated as a 501c3 public charity. The UJFD has the same type of legal structure as the UVM Medical Center, the Visiting Nurse Association, and Essex Rescue.
2. The bylaws governing the UJFD are on their website along with a detailed annual report. Many of the questions we heard from the community are answered by these two documents.
3. The UJFD has a contractual relationship with Jericho and provides services based on an annual negotiated price. The Selectboard reaches agreement with the UJFD on a budget and includes it in the overall budget it recommends to the town (just as it does with the Visiting Nurse Association, Richmond Rescue, Essex Rescue and other agencies contracting with the town to provide services)
4. The UJFD contract with Jericho specifies that upon dissolution UJFD assets will be used for fire protection in our community under a successor entity.
5. Over the last decade UJFD responded to requests from Jericho and Underhill for better transparency. They use a professional bookkeeper whose work is reviewed by a Certified Financial Accountant. The UJFD uses a second CPA firm to complete an annual audit (the same firm that audits the town). This audit is available for public viewing. The UJFD files a 990 tax return annually with the IRS (this is the tax form used by 501c3 public charities). These tax returns are available for public review at the fire station (this is a legal requirement for all 501c3 organizations and any citizen should feel comfortable asking to see it). Numerous online services offer access also.
6. Complaints of a lack of financial transparency are outdated and to our knowledge no longer have any factual basis.
7. Evaluating the performance or preparedness of a fire service is difficult. The generally accepted objective standard is the Insurance Services Organization (ISO) rating which is the Fire Suppression Rating Schedule. The UJFD has the best ISO rating of the towns we studied with comparable rural circumstances. This rating was achieved with intentional focus through the years and theoretically leads to lower insurance rates for many Jericho residents. Jericho residents should consider this high rating a substantial and hard earned asset for the town.
8. We evaluated in detail the fire service budgets of four towns. We used Jericho’s share of the UJFD budget for comparison. The examination involved smoothing year to year capital

expenditures, taking out imbedded EMS costs and adding in fire service costs which are included in some town budgets (like insurance for example). Fire service expenditures for the towns are:

Jericho	\$61 per person
Richmond	\$56 per person
Hinesburg	\$52 per person
Charlotte	\$97 per person

Based on the ISO ratings, we can objectively conclude we pay a little more than Richmond and Hinesburg and get a higher level of fire protection.

9. Firefighter pay was questioned at town meeting. Firefighters who are not duty officers receive a stipend for training and responding to calls. Currently the stipend is \$10 per hour for calls and \$20 per training (which are typically more than two hours). Officers receive an additional \$350 to \$1,500 per year depending on rank. Annual compensation and benefits average \$1,667 per volunteer member. The pay rates are spelled out in the bylaws for public review. Adjusted for inflation, current fire fighter pay for UJFD is less than 1/3 what UJFD fire fighters were paid in the 1940's.
10. Unlike most volunteer jobs in our community, UJFD volunteer time requires unscheduled interruptions at work. Volunteers lose work time (and sometimes pay) at their employment when responding to UJFD calls or after they are up at night responding to a call. They also have unscheduled day care and other expenses. The stipend received by firefighters, however much eroded by inflation the last 70 years, is an acknowledgement of these costs.
11. The UJFD has two full time salaried members working weekdays. They provide rapid response during the week for BOTH fire and EMT services. They are also substantially responsible for maintaining equipment and facilities, staging weekly training and cleanup, administrative functions, working with the town on planning and building permits as it relates to fire protection, working with businesses and schools on preparedness, coordinating preparedness with other towns, and generally handling everything from making sure the UJFD knows the classroom of every child in a wheel chair to sharpening the jaws of life.
12. As a percentage of the budget, total firefighter pay (including full time and volunteer members) is a smaller percentage of the budget than it was in 1950, the first year full UJFD budgets appear in the Jericho town report.
13. We looked at truck purchases. Compared with other departments generally, UJFD buys less expensive trucks, keeps trucks longer, and keeps more trucks in service to maximize water supply to fires. This is consistent with a decision to fight fires with water rather than foam. UJFD has a goal of keeping fire trucks for 20-30 years. The current fleet of six large trucks has an average age of 14 years. UJFD capital budgets are in line with comparable towns.
14. Truck purchases are put out to bid and built by specialty fire truck companies. UJFD does not buy fire trucks from Clark's but benefits from Clark's expertise in developing vehicle strategies.
15. Purchases from vendors with connections to the UJFD are subject to a conflict of interest procedure. One related party transaction of note is with Clark's Truck Center for work on vehicles. Clark's and Charlebois in Milton are the leading vendors for this service. The UJFD determined the prices for the two vendors are similar and uses Clark's based on proximity. Parts and labor with Clark's averaged \$16,894 the last two years less than 4% of the UJFD budget.
16. The task force studied both municipal and independent 501c3 fire services. Departments can be well run under either model. The details of this study are in the final report. We conclude Jericho should not consider moving to a municipal department at this time.

17. The governance structure for the UJFD is an understandable reflection of its history. The UJFD started in 1913 as an informal organization to fight fires. The department first served Riverside and then expanded to the rest of the two towns as roads, vehicles and phone systems improved. Beginning in the early 1940's the UJFD begins appearing in Jericho Town reports. The town made annual contributions to the UJFD but paid firefighters directly.

The UJFD incorporated for the first time in 1950 a non-profit charity and made clear that all assets were owned by the non-profit and not any individual members. UJFD began submitting budgets to the towns and paying fire fighters directly.

Responding to new IRS laws, the UJFD became a 501c3 non-profit public charity in 1994 and continues so today.

18. We believe an updated governance structure – reflecting current IRS recommendations for 501c3 public charities – would benefit the UJFD internally and externally. The UJFD is a highly technical, complex, capital and procedural intensive, organization of forty or more people providing 24 hour emergency services.
19. With a four member board comprised of the Chief, 1st Asst Chief, 2nd Asst Chief, and a Treasurer the board is necessarily inwardly and operationally focused. With board members responsible for the fire fighting command as well as governance, business, finance, government and community relations, the Chief and Asst Chiefs are stretched. Just as we would not expect the board of a hospital to be comprised only of admitting physicians or a college board to be comprised only of professors, we believe the UJFD would be better served by separating board and line management. Current IRS recommendations to 501c3 public charities call for appointment of board members covering “broad public interest” with particular skill sets needed by the organization such as finance or accounting. An expanded board could also include experienced or retired fire fighters who don't have line leadership responsibilities and have more time to focus on strategy and long term goals.
20. The municipal fire departments we observed were more integrated with town government than the UJFD. This is understandably so because municipal departments report directly to the town manager (alongside highway and other departments). The town manager is responsible for fire department finances, personnel, building maintenance issues and insurance.
21. The Town of Jericho has a “small government” strategy. We have a small town staff. We combine services with Underhill in many areas. We contract for police, rescue and fire services. Our parks, libraries and water supply are run by independent districts. Contracting with UJFD for fire services is consistent with this strategy. But the Selectboard and town government need to work at the relationship with the UJFD for the system to work.
22. The Selectboard needs to establish a climate of mutual ambition with the UJFD for our fire protection services. New Selectboard members should request thorough orientation to the UJFD and maintain continuing personal contact. The Selectboard should be knowledgeable about long term plans and strategy for the UJFD and collaborate on water supply, dry hydrants, integration of fire protection in town plans, opportunities to finance UJFD equipment more efficiently, and better benefits for UJFD personnel.
23. We recommend the Selectboard establish a peer relationship between the Town Administrator with a fulltime officer at UJFD and set an expectation of regular face to face contact and advocacy by town government staff.
24. In past years the Selectboard has not “owned” and defended the budget it negotiates with the UJFD. We believe once the Selectboard agrees upon a budget with the UJFD it “owns” the

budget and should support it at town meeting just as it supports the highway budget and the rescue budget. This happened for the first time in memory at last town meeting and we commend the current Selectboard for that.

25. The current contract between Jericho and the UJFD needs more specificity in key areas. Fortunately it is up for re-negotiation. Contractual changes could be used to improve cash management and lower borrowing costs, provide better benefits for UJFD professional staff, and bring clarity to multi-year budget plans. We feel strongly, however, these negotiations are not the place to organize a better working relationship. That should come from earnest initiatives by individuals.
26. Finally, we learned a great deal from observing the UJFD and neighboring departments. We saw complex and at times volatile relationships between town and fire departments across the board. We saw a range of preparedness levels. In the end, we say to the citizens - you are getting good value for your money.

Fire Services Task Force Report

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1 EXECUTIVE SUMMARY

In the March 2015 Town Meeting, citizens of Jericho called for the formation of a Task Force to compare the Underhill-Jericho Fire Department (UJFD) budget to those of neighboring towns, and to compare a municipal fire department model with an independent fire company model. Jericho uses the independent fire company contract model and contracts with UJFD for fire protection and emergency services. UJFD, like other private fire companies, is structured as an independent 501c3 charity.

The Task Force was launched in July of 2015. Over several months, the Task Force developed a baseline understanding of fire services, of the specifics of UJFD's operation, and of UJFD's budget. Then the Task Force analyzed four neighboring fire companies, in Charlotte, Colchester, Hinesburg and Richmond, and conducted several interviews and on-site visits. These four represented both the municipal department model and the independent fire company model.

The Task Force identified different cost drivers for each fire company, reviewed the contractual relationship between the fire company and the communities they serve, and looked at the governance structure for each fire company. Because of Colchester's more complex service arrangement, Colchester was excluded from the financial analysis, but other points of comparison were preserved.

In the budget review, Jericho, Richmond and Hinesburg had similar costs per citizen and costs per household, despite some differences in their cost structures. On a per household basis and a per citizen basis, Jericho is slightly more expensive than Richmond which in turn is slightly more expensive than Hinesburg. However, the UJFD is arguably providing a higher level of service, as reflected by UJFD's superior Public Protection Classification (PPC) rating which enables some Jericho residents to recoup the incremental cost of UJFD's service through lower homeowner insurance rates. Charlotte, by contrast, had significantly higher costs per household (about 33% higher) and per citizen (about 50% higher), and no differentiation in their ISO PPC rating from Hinesburg and Richmond. The Task Force found the UJFD's budget is in line with other towns' fire protection budgets.

From a financial perspective, the Task Force found no particular advantage or disadvantage to the municipal model relative to the independent company (501c3 charity) model, and did not find financial justification for Jericho to become a municipal department at this time. From other perspectives, such as the level of integration between fire companies and the towns they serve, fire company morale, good governance and stakeholder engagement, the Task Force observed examples both good and bad within the companies evaluated, but these characteristics were not necessarily driven by a company's model as either municipal or independent.

The Task Force acknowledges Jericho could accrue some benefits to switch from contracting with an independent fire company to forming a municipal fire department, but there is insufficient cause to initiate a transition. Without coordination with Underhill to continue sharing fire protection services, a switch by Jericho would erode many of the cost advantages of serving two towns with one fire company.

The Task Force came to recognize that its initial scope to study budgets and models took root in issues related to governance and stakeholder engagement. The Task Force devoted time to study these fundamental aspects of each fire company, to try to identify best practices and to suggest a path toward a better relationship between UJFD and Jericho.

The Task Force developed recommendations under the following categories: Contract, Governance, Engagement and Transparency (see Section 6 of this document). The recommendations are directed toward the UJFD, the Jericho Selectboard and other town employees and commissions, and Jericho citizens.

Task Force members feel fortunate to be Jericho residents served by the UJFD, and look forward to a smoother relationship between UJFD and the town. Getting to that point will require adaptation from all parties. The UJFD, the Town Government, and Jericho citizens, all must adapt. The Task Force is confident all parties will recognize the benefits of moving in this direction and will make the appropriate effort.

Respectfully submitted this 26th day of January, 2017 by the Jericho Fire Services Task Force:

Bill Bresee

Christopher Corbin

Franklin Fisler

Chuck Lacy

Matt Thomson

2 BACKGROUND

Since its inception in 1913, the Underhill-Jericho Fire Department (UJFD) has served a changing community and has adapted itself to the changing environment. The population has grown, recruiting volunteers has become more difficult, and regulatory demands continue to change and increase. UJFD has evolved over time to meet the community's needs.

UJFD originally served properties in the Riverside using modified cars, small trucks and trailers. Eventually its coverage area expanded to all of Jericho and Underhill. In the 1940s funding began to shift from subscribers to contributions from both towns. UJFD formalized many functions through the 1940s and incorporated as a non-profit organization in 1950. From then on, UJFD managed its financial affairs internally, and was funded by payments from the towns of Jericho and Underhill. In the context of evolving IRS laws, the UJFD became a 501c3 not-for-profit public charity in 1994, and continues to operate in that configuration today.

In its first fifty years, UJFD served a relatively stable sized population. Between 1950 and 2000, Jericho and Underhill experienced significant population growth. During the tenures of Chiefs Randy H. Clark and Dave Tillotson alone, spanning 30 years from 1971 to 2001, the combined population of the two towns more than doubled from 3,500 to 8,000, with much of the expanded population originating from out of state¹. UJFD's task of building and maintaining relationships with the constituency served has become more complex.

Patterns of employment have changed significantly across several decades, depriving the UJFD of many of their traditional sources of volunteers, and also many junior members who train with the UJFD leave town to attend post-secondary institutions.

The regulatory environment in which the UJFD operates continually increases in complexity, which requires ongoing technical training to maintain the skills and knowledge needed to operate a safe fire company in compliance with all of the applicable laws, standards and codes.

UJFD has worked hard to adapt successfully to the many changes. For example:

- UJFD commands a leading position in firefighting preparedness among rural Vermont fire companies, as reflected by their ISO Public Protection Classification (PPC) ratings. PPC ratings are based on assessments of their configuration, staffing, training and ability to deliver water to the service area.
- UJFD has attracted and retained loyal members, many of whom have over a decade of service
- UJFD has made big strides in the last decade towards financial transparency, and now provide as much information as any other town agency. The information UJFD provides is similar to peer fire companies in neighboring jurisdictions.
- UJFD bylaws are set up to ensure business continuity as the organization transitions from one chief to the next.

¹ <http://vermonthistory.org/images/stories/census-records/1970.pdf> and <http://vermonthistory.org/images/stories/census-records/2010.pdf> demonstrates in-state population has risen approximately 1,700 while out of state population has risen by approximately 2,800.

- The UJFD budget appears reasonable, delivers value for the money invested, and is substantially in line with comparable fire companies.

At the same time, the relationship between the UJFD and Jericho is sometimes strained, with controversy flaring up every few years. Most recently, the UJFD attracted considerable negative attention in Jericho when trying to divest itself of property donated to them in 1986.

During this most recent controversy, the UJFD’s finance came under scrutiny. A number of questions concerning the UJFD were raised at the March, 2014 Town Meeting. When the Selectboard had not produced answers to the questions as of the March 2015 Jericho Town meeting, citizens passed the following motion:

“Motion by Peter Booth; seconded by Lisa Rector, to increase the budget by up to \$1,200 to support a committee of five members charged with looking at a municipal fire department and understanding the difference between the current Fire Department budget and those of similar towns in the area; and making recommendations to the Selectboard.”

In the ensuing months, the Selectboard conducted open interviews for Jericho citizens interested in participating in the committee, and ultimately appointed five members with a diverse range of skills to the Jericho Fire Services Task Force (the Task Force).

Task Force Member	Background
Bill Bresee	Bill Bresee founded and ran a healthcare software company. Bill understands technology-based businesses which operate in highly regulated environments.
Chris Corbin	Chris Corbin is a professional firefighter in South Burlington and has previously served as a volunteer firefighter elsewhere in Vermont. Chris is intimately familiar with the regulatory environment in which fire companies work and was instrumental in helping members of the Task Force understand the nuances of fire prevention and suppression.
Frank Fisler	Frank Fisler is a retired firefighter and has a strong relationship with the UJFD. Frank has witnessed the changes in the firefighting industry across several decades and added key insights about the UJFD and the changing environment.
Chuck Lacy	Chuck Lacy has run businesses and non-profit organizations in Vermont and nationally.
Matt Thomson	Matt Thomson is a consultant to the electric utility industry, where employees are trained to work safely in the presence of life-threatening hazards. Matt consults on Asset Management and Emergency Management alongside specialists with backgrounds as first responders and board members in firefighting, heavy rescue and EMS service.

The Task Force began its work in July of 2015.

3 TASK FORCE APPROACH

Starting in July of 2015, the Task Force met once to twice a month in warned sessions to research the industry, the UJFD and neighboring fire companies. Areas of investigation included:

- How fire companies work and the regulations to which they must comply
- The specifics of UJFD's operations, budget and governance
- What the citizens who passed the motion wanted us to study
- How UJFD supports the EMS service provided by Richmond Rescue and Essex Rescue
- The basic elements that should be present in all fire company budgets
- Which local fire companies to use as bases of comparison
- Differences and similarities between the fire companies
- How to express different budgets in comparable terms (aka normalization)
- What was good about UJFD and the companies we visited, and what could be improved
- What to recommend
- Produce this report

A significant portion of the effort involved interviews with other fire companies. The Task Force visited other towns to meet with the Chiefs of our neighboring companies in teams of two. The Task Force selected four organizations to compare with UJFD:

- Charlotte Volunteer Fire and Rescue - a 501c3 organization providing fire, rescue & EMS service to Charlotte's 3,754 residents and the rental tenants of Thompson's Point.
- Colchester Center Volunteer Firefighters Association - a 501c3 organization providing fire & rescue service in conjunction with St. Michael's fire & rescue in Colchester Fire District 3, home to a fraction of Colchester's 17,000 residents.
- Hinesburg Fire Department - a municipal department providing fire & rescue service as well as EMS support for 5,070 residents in Hinesburg and St. George. Hinesburg transitioned from a 501c3 to a municipal department in the 1990s.
- Richmond Fire Department - a municipal department providing fire & rescue service to Richmond's 4,081 residents. Richmond transitioned from an independent entity (before the days of 501c3) in the 1960s.

The Task Force met with each fire company/department to discuss their operations, strategy, governance, budget and relationship with the town. The Task Force obtained and analyzed each organization's budget information, identified gaps in the data, and discussed any discrepancies with the fire company in order to come up with reasonable estimates for the financial comparisons. During these meetings and visits, the Task Force observed aspects of each company which were desirable.

Early in our deliberations we determined that the budget issues raised in Jericho's 2014 Town Meeting were also symptoms of dissonance between the town and the UJFD. The Task Force was confident that expanding our scope of work to include looking at issues of "governance" and "stakeholder engagement" would be key to finding a positive path forward. The Task Force chose to consider the root causes of the friction between the town and the UJFD, and to identify meaningful opportunities for improvement.

The Task Force has held one to two publicly-warned sessions per month between July 2015 and June 2016, and provided a brief interim update on its work during Jericho’s 2016 Town Meeting. Most Task Force meetings have not been attended by the general public, but individuals participated as follows:

Date & Venue	Vistor(s)	Discussion Topics
8/17/2015 Town Hall	Chief Mat Champlin 1 st Assistant Chief Tim Clark 2 nd Assistant Chief Loni Morse	General overview of UJFD operations and call response scenarios
8/31/2015 Town Hall	Peter Booth Tom Joslin Lisa Rector Olaf Verdonck	Review the reasons for forming the task force and questions to be addressed.
10/19/2015 Town Hall	Chief Mat Champlin Robin Bartlett	Confirm general categories of cost typical in Fire/Rescue budgets, set agenda for 11/2/2015 visit with UJFD
11/2/2015 UJFD Route 15	Chief Mat Champlin 1 st Assistant Chief Tim Clark 2 nd Assistant Chief Loni Morse Several other UJFD members observing	Review all line-items of UJFD budget
4/4/2016 Town Hall	John Snow – Board President, Charlotte Volunteer Fire & Rescue	Discuss the CVFR governance structure and rationale

The Task Force also met in teams of two on several occasions to attend training nights and other UJFD meetings, visit outside fire companies, conduct research, gather additional information from the UJFD and to work on documents.

4 OBSERVATIONS

During the course of its work, the Task Force made many observations concerning the various parties involved, including the UJFD, the Jericho Selectboard, town staff and committees, Jericho's general public, and the four comparator fire companies. This section shares these observations without comment. Comments and interpretation of these observations are in Section 5 - Issues and Discussion.

4.1 THE UNDERHILL-JERICO FIRE DEPARTMENT (UJFD)

The Underhill-Jericho Fire Department (UJFD) is the main focus of this study. UJFD self-identifies as a private company, although the proper designation for companies of the sort is a 501c3 Public Charity. The company provides a service which would otherwise be furnished by government, and do so with direct funding from tax revenue.

The word "Department" suggests UJFD is a part of the town, like the Highway Department. In fact, UJFD exists at arm's length from the town government, and is not owned by the town. This arrangement is fairly common for independent fire companies throughout the United States, although structures of the relationships between towns and the arms-length fire companies vary considerably.

In this document, the Task Force uses the terms "independent" and "501c3" to describe firefighting entities such as the UJFD, and "municipal" and "department" to describe government-run entities such as the Richmond Fire Department.

4.1.1 How the UJFD is structured and how they operate

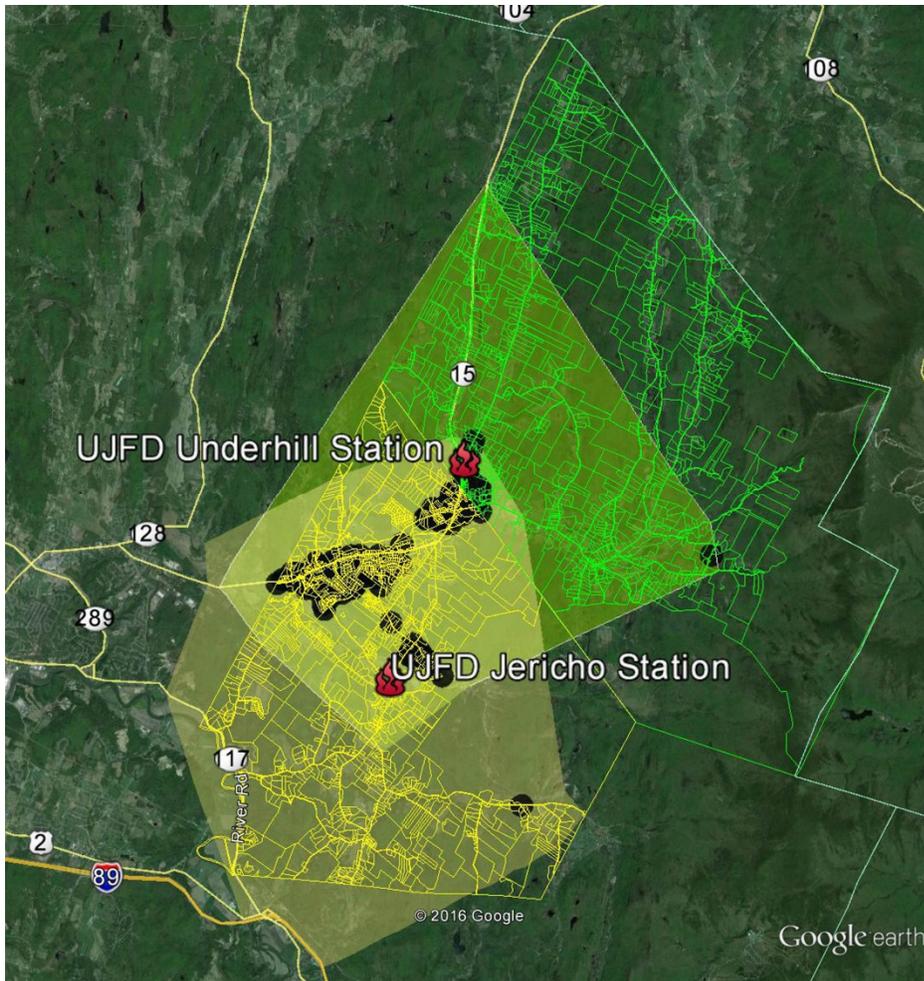
Service Territory

The UJFD provides fire protection and rescue services to all properties in the towns of Underhill and Jericho in Vermont. From an insurance perspective, this translates into three different levels of service.

- Properties situated within 1,000 feet of a pressurized (not dry) fire hydrant and within five miles driving distance from a fire station are considered to have the highest degree of protection
- Properties situated within five miles driving distance of a fire station but which are not close to a pressurized fire hydrant are considered to have a second tier of protection
- Properties beyond five miles driving distance from a pressurized fire hydrant are insured as though they have no fire service, although the UJFD does respond to calls from these properties

The Insurance Services Office (ISO) refers to the first area as the Fire Protection Service Area, and the second area as the Fire Department Supply.

The following map depicts the approximate five-mile coverage area for each of UJFD's stations superimposed on Underhill and Jericho's land parcels. Also depicted are the fire hydrants in Underhill and Jericho, with dark circles representing the one thousand feet radius served by each hydrant. Properties in the darkly shaded circles are part of the Fire Protection Service Area with hydrants. Properties in the lightly shaded areas are part of the Fire Department Supply, and the properties with no shading are those that are served by UJFD but which receive no insurance cost benefit.



As depicted, UJFD Fire Department Supply area includes nearly all² land in Jericho, and slightly less than half the land in Underhill, although UJFD will respond to calls from any Underhill or Jericho resident. UJFD also provides mutual aid to neighboring fire and rescue companies to bolster their ability to respond to large-scale and/or concurrent incidents.

The towns served by UJFD have the following characteristics:

Town	Square Miles	Population ³	Parcels	Grand List Value ⁴
Jericho	35.55	5,009	2,034	\$5,777,593
Underhill	51.40	3,016	1,305	\$3,836,505
Combined	86.95	8,025	3,339	\$9,614,098

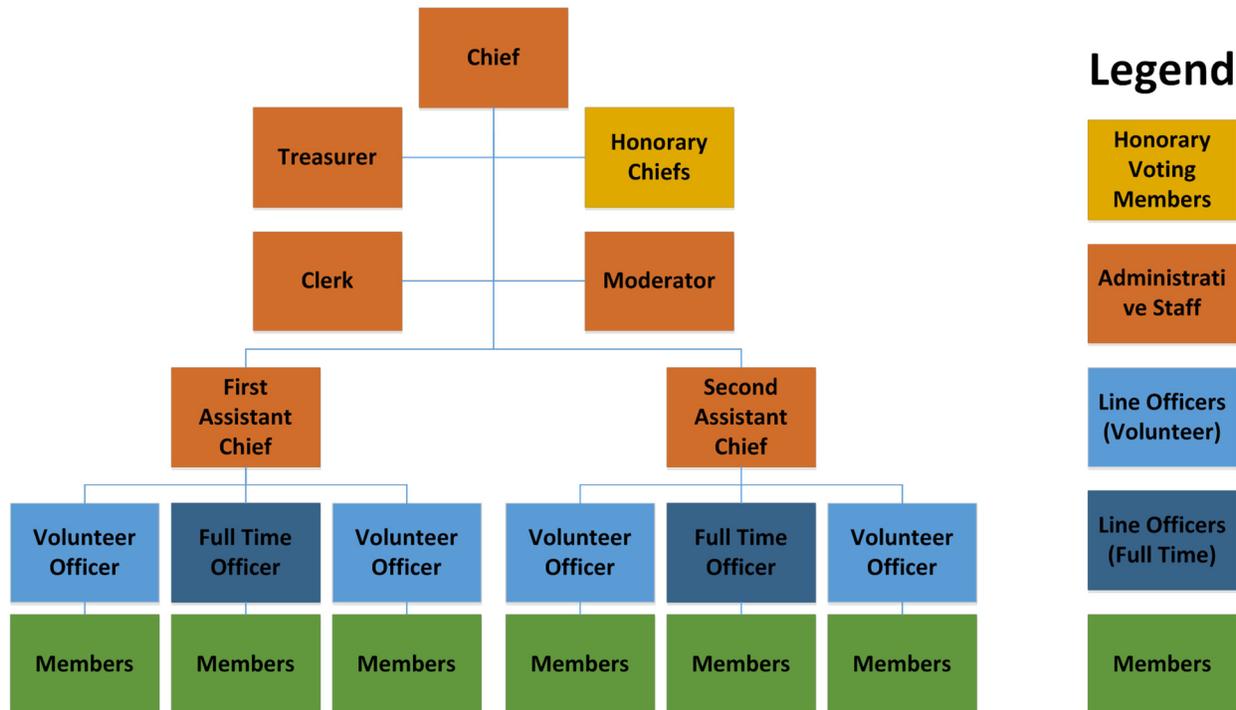
² The properties in the southeast and southwest corners of Jericho may also be covered, as well. The tool employed to draw the coverage areas is accurate enough to provide a general illustration, but is by no means an authoritative source. According to the UJFD Chief, all properties in Jericho are considered covered under the first or second tier, and only Underhill has properties which are considered unprotected for insurance purposes.

³ Square Miles and Population: 2010 Census Data: <https://www.census.gov/prod/cen2010/cph-2-47.pdf>

⁴ Parcels & Grand List: State of Vermont Department of Taxes Annual Report based on 2013 Grand List Data: <http://tax.vermont.gov/sites/tax/files/documents/2014AnnualReport.pdf>

Organizational Structure

Per UJFD bylaws, the membership is fixed at 33 firefighters, 4 fire police, fire specialists, and 11 auxiliary members. The UJFD is organized as illustrated below.



The trio of Chiefs are responsible for overseeing the department, setting strategy & policy, and maintaining relations with the Jericho & Underhill Selectboards. Together with the Treasurer, Clerk and Moderator, they form the Administrative Staff. The Chiefs are also Line Officers, along with the Full Time and Volunteer Captains and Lieutenants, responsible for the training and safety of the members. UJFD members are comprised of firefighters, fire police, specialists and auxiliary. The Honorary Chiefs are members who have served at least ten years as the UJFD Chief. Those who are active and participate in an established number of weekly meetings are able to participate in some, but not all votes.

Regulatory Environment

Regulations and standards are commonplace in the fire services industry. UJFD must meet Vermont Occupational Safety and Health (VOSHA) regulations for respiratory protection, hazardous materials response, blood-borne pathogens and roadway / traffic response, as well as regulations that apply to the fire station. Regulations require continual training on potential occupational hazards to ensure firefighters have the most current information.

The National Fire Protection Association (NFPA) sets forth additional standards for the fire service industry. These consensus standards can be adopted by a municipality as law. While Jericho has not adopted the NFPA standards as law, UJFD ensures that they meet several of these standards, for the safety of both the firefighters and the public. These standards apply to structural firefighting clothing, self-contained breathing apparatus (SCBA), firefighting tools and equipment, as well as their major apparatus (vehicles).

By meeting these standards, UJFD maximizes the safety of their activities and increases their level of effectiveness. Annual testing as required by NFPA of fire pumping apparatus, fire hose, ladders, and SCBA support the state of readiness that has come to be expected from UJFD.

ISO Public Protection Class

UJFD has made a significant investment to achieve its ISO Public Protection (PPC) rating. They have succeeded in achieving some of the strongest ratings in all of Vermont, benefiting both the town and UJFD in the form of lower homeowners’ insurance rates for property owners and the demonstrated capability of the department.

The PPC rating applies to a fire company and its coverage area based on assessments of the company’s dispatch system, water supply and the fire company. Each fire company is scored on a one-hundred-point scale⁵, with 10% of the score awarded for the quality of the dispatch service, 50% for the quality of the fire department and 40% for the quality of the water supply. Scores of at least ninety points receiving the best PPC rating of 1, eighty to ninety points receive a rating of 2, seventy to eighty points receive a rating of 3 and so on, with zero to ten points earning a rating of 10. Beyond the point scale, there are certain minimum requirements for achieving ratings of 9, 8 or better.

For the most part, it is uncommon for fire departments serving areas without pressurized fire hydrants to have a PPC rate better (lower) than 9. This is because there is a minimum water delivery requirement (water volume, flow, capacity over time) associated with levels 8 and lower, in which the fire department must be able to initiate water delivery of at least 250 gallons per minute within five minutes of the first engine arriving on scene, and sustain that rate of water flow for a period of at least two hours. UJFD’s largest engine carries 2,650 gallons of water, which covers ten to eleven minutes at 250 gallons per minute, so the logistics involved in safely maintaining this flow in the absence of fire hydrants onsite for two hours are considerably difficult. Only six fire companies in Vermont, including the UJFD, have qualified for this exemption as of April 2014.

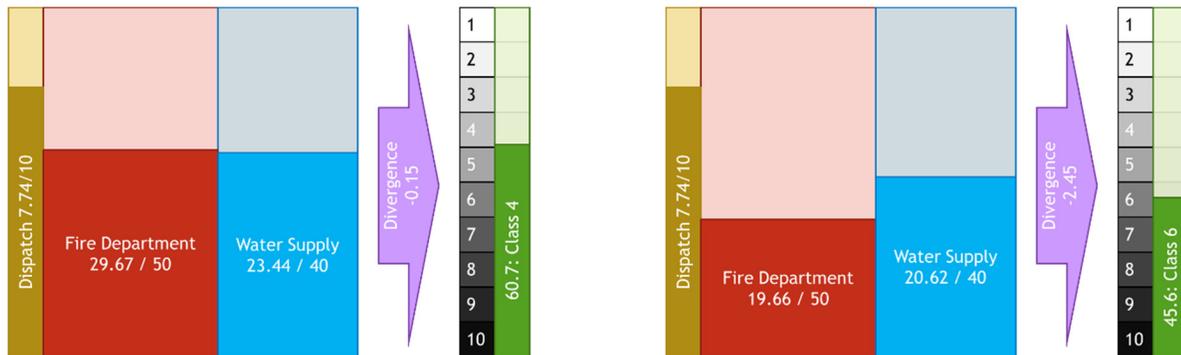
The UJFD’s score is summarized in the table below:

Scoring Element	Fire Protection Service Area (near hydrants)	Fire Department Supply (within 5 miles of a station but no hydrant)
Dispatch	Throughout the service territory, UJFD scores 7.74 out of 10 on their dispatch system. This scoring component is driven mainly by the State dispatch system, and applies equally to homes near fire hydrants and those without.	
Fire Department	The Fire Department component is based on how the fire company is equipped, the location of their fire stations, the complement of fire fighters and their training. The scores differ between the Fire Protection Service Area and the Fire Department Supply, because some of UJFD’s apparatus and personnel are considered part of the ‘Water Supply’ in the Fire Department Supply territory, thereby reducing their availability to combat fires on the front line.	
	For properties within 1000’ of a fire hydrant, the UJFD receives top marks for fire engines and pumpers, and roughly half	For properties without fire hydrants, the UJFD scores just over 50% for their apparatus, are rated as having one fifth of

⁵ UJFD’s most recent rating was based on a 100 point scale. ISO has recently made available five additional points based on community outreach and education, while maintaining the same raw score thresholds for earning PPC ratings.

Scoring Element	Fire Protection Service Area (near hydrants)	Fire Department Supply (within 5 miles of a station but no hydrant)
	marks for “ladder service”, which includes the heavy rescue vehicle. The UJFD has approximately one third of the personnel required for full marks, and they receive about half of the training required for full marks. All in all, the UJFD scores 29.67 out of 50.	the required personnel required for full marks, and they receive about half of the training required for full marks. All in all, the UJFD scores 19.66 out of 50.
Water Supply	The Water Supply component is based on the rate at which UJFD can deliver water to properties in the service territory, whether through Hydrants in the Fire Protection Service Area or by shuttling water in the Fire Department Supply territory. Different properties require different volumes of water for fire-fighting, and this is reflected in the assessment of the different areas.	
	In the Fire Protection Service Area, the UJFD’s score is just over 50% for the throughput of the fire hydrants. The marks for the configuration and condition of the hydrants as well as the inspection program are near perfect. All in all, the UJFD scores 23.44 out of 40.	In the Fire Department Supply territory, the UJFD’s score is just under 50% for their ability to deliver water by truck. The marks for the configuration and condition of the hydrants as well as the inspection program are near perfect. All in all, the UJFD scores 20.62 out of 40.
Total	The overall score for the UJFD within 1000’ of fire hydrants is 60.7 out of 100, which is at the lower end of the 60-70 range required for Class 4.	The overall score for the UJFD where there are no fire hydrants but within 5 miles of the nearest station is 45.47 out of 100, near the midpoint of the 40-50 range required for Class 6.

UJFD’s score is depicted graphically below:



The UJFD coverage area has a three-level rating, of which the top two ratings apply to Jericho:

- Homes within the Fire Protection Service Area (five miles of a UJFD station and within one thousand feet of a pressurized fire hydrant) have a PPC rating of 4. Fewer than two dozen fire companies in Vermont have achieved or exceeded this distinction for properties near fire hydrants.
- Homes within the Fire Department Supply territory (within five miles of a UJFD station but further than one thousand feet from a pressurized fire hydrant) have a PPC rating of 6. Only

three fire companies in Vermont have achieved or exceeded this distinction in areas without fire hydrants.

- Properties situated further than five miles from a UJFD station do not meet the minimum requirements for achieving a rating of 9 or better and therefore have a PPC rating of 10 (Underhill only).

UJFD Fire Protection Strategy (water delivery capability)

Water is critical for firefighting. Rural Jericho has relatively few fire hydrants, so UJFD has to ensure they have an adequate alternate water supply in order to earn a PPC rating better than 9.

ISO requires a minimum of 250 gallons per minute (GPM) be available for firefighting activities. The NFPA standard for water supply (NFPA 1142, Standard on Water Supplies for Suburban and Rural Fire Fighting) requires a minimum of 3000 gallons of water supply be available for a fire with exposures (other areas, buildings, belongings exposed to the fire). Firefighting water requirements are a function of the size and configuration of a home, while the fire company's water delivery capability are a function of the number and size of water delivery vehicles at their disposal, and the driving distance from the nearest source of water. ISO also awards points in the PPC scoring scheme for meeting requirements for how many vehicles are housed at each fire station.

UJFD works to ensure they have adequate water supply. UJFD selects apparatus and equipment necessary for the coverage area. In the rural environment, water must be obtained at a static source (natural water source, storage tank, etc.), delivered to the vicinity of the fire incident through tanker-style fire apparatus, then pumped to the fire location where it is then used by firefighters to extinguish the fire. This requires a versatile fleet of fire apparatus. UJFD's strategy includes using fire trucks with large water tanks, trucks which can draw water from ponds and rivers, a truck with a very long, high-capacity hose, and the ability to have the proper number of these trucks respond to a fire. UJFD has mutual aid agreements with outside agencies who can help deliver water to fires within Jericho. These agencies may, in turn, request help from UJFD.

Time Commitment

Training is a vital component of operational readiness and capabilities. The UJFD ensures that all members receive training in compliance with their job descriptions. Within two years of joining UJFD, members must complete a minimum 45 hours of entry-level training outside of UJFD, in addition to attending a satisfactory percentage of the weekly 2-plus hour of training sessions and meetings which are required to maintain an active member status. All UJFD training performed meets or exceeds the standards set forth by nationally recognized organizations. In addition to training to perform firefighting tasks, supplemental training is provided for those members that drive and operate the fire apparatus, and for members that provide emergency medical care. Having in-house resources such as CDL⁶-licensed drivers allows UJFD members to receive pertinent training for various aspects of their work.

The Volunteer Experience

UJFD volunteers are proud to serve together, and take their work seriously. Between training and responding to calls, the average UJFD volunteer invests about 20 hours of work per month for the

⁶ Commercial Driver's License

organization and the towns. While specifically trained to fight fires and respond to emergency calls, many drawn to the fire service have initiative and advanced problem-solving skills, and are able to help in a wide range of scenarios beyond fire and rescue.

Training and meeting nights are on Tuesdays at 7:00 PM. The complexities of the regulatory environment and regular advances in building and firefighting technology drive a requirement for continuous skills upgrades. On paper, training nights are two hours long, but they often run three hours or more. Attendance to at least 70% of training nights is expected, and most exceed this requirement comfortably.

As part of the call response, UJFD members strive to deliver excellent customer service. More often than not, the fire department needs to be at their best when their customers are at their worst. For example, in some cases as part of fighting a fire they provide services to assist with flooded basements and ensure they protect belongings and furnishings to non-affected areas of a home during a fire or other emergency. Based on discussions with several citizens, the Task Force concludes that the UJFD leaves a good impression when responding to calls.

Upon returning to the station after a call, the work is not yet complete. Additional work is done to return the apparatus to call-ready condition (hoses clean, every piece of gear in its proper place, vehicles and equipment properly fueled and ready) and vehicles are washed off to maximize their life span.

4.1.2 Cost structure

Jericho funds 60% of the UJFD budget, and Underhill funds 40%. For the purpose of this analysis, it is assumed that all line-items in the UJFD budget are split in this same 60/40 ratio. The total 2016-17 budgeted amounts are approximated and categorized below:

Budget Element	Size	Highlights
Personnel	\$219,000 (40%)	Includes direct compensation for full-time staff and volunteers as well as benefits, payroll taxes and workers comp. Full time staff are approximately 2/3 of this category
Fleet	\$124,000 (22%)	Includes vehicle purchase / financing, maintenance and fuel. Historically about \$80,000 per year on purchase/financing, increased to \$90,000 in 2016/17 budget.
Facilities	\$74,000 (14%)	Includes mortgage payments (\$42,000), maintenance (\$14,000) and utilities (\$18,000)
Firefighting Equipment	\$64,000 (12%)	Includes acquisition, maintenance and testing of personal protective equipment (turnout gear) and firefighting and rescue equipment (hoses, pumps, air packs, communications equipment)
Insurance	36,000 (7%)	Includes auto, buildings, equipment, liability and accident / disability
Other	32,000 (5%)	Includes membership costs, community outreach and office administration

UJFD's capital plan, typically applied to vehicles, facility purchases and improvements, air packs and portable radios, is woven into each of the budget elements above. The capital plan was approximately \$103,000 in 2008-09, has increased approximately 3% per year through 2014-15, and has increased 4%

per year in the last two fiscal years' budgets. The 2016-17 capital plan is valued at \$141,848 and includes UJFD's final \$41,369 in mortgage payments on the Route 15 station, \$91,827 set aside for vehicles and \$8,652 for radios and air packs.

4.1.3 Governance and Stakeholder Engagement

The UJFD Board of Directors comprises the Chief, First and Second Assistant Chiefs, and the Treasurer. Board members hold terms whose lengths align with their election into their roles as Administrative Staff. The Chief's term is limited to ten years, and the other Board members may serve on the Board indefinitely.

The UJFD interacts primarily with the Selectboard, to review the budget before Town Meeting, at Town Meeting, and on other occasions as requested by the Selectboard. The interactions between the UJFD and Jericho's Town Administrator are infrequent.

The UJFD are not regular participants in town committees, boards or commissions. The Planning Commission and the Development Review Board occasionally seek UJFD input into proposed regulations and applications. Typically, the Chief provides UJFD's input in the form of written recommendations, or participation in meetings.

The UJFD interacts with the community in other ways:

- Securing and participating in the Memorial Day and Harvest Market parades
- Participating in the Memorial Day ceremonies
- Hosting a booth at the Harvest Market
- Hosting a fundraising barbeque (the final UJFD barbeque was Labor Day 2015)
- Educational visits to elementary school classrooms and library programs
- Occasional announcements on Front Porch Forum

Although they are not persistently publicized or promoted, the UJFD offers programs to install smoke alarms, inspect child safety car seats, and install dry fire hydrants for residents. UJFD has an open meeting policy and welcomes citizens to attend and observe, but the policy and meeting agendas are not overtly publicized, and with the exception of a select few regulars, outsiders seldom attend.

4.1.4 Contract

The current contract binding the UJFD and the Town of Jericho is a trilateral Fire Protection Agreement between UJFD, Underhill and Jericho in effect since February 1997. The brief 3-page document contains seven articles, summarized as follows:

1. The towns agree that UJFD is the fire and rescue provider and will not establish municipal departments as long as the agreement is in force.
2. The agreement has no fixed termination date, but can be terminated by any party with one year's notice, provided there are no outstanding mortgages on real property held by the UJFD.
3. The towns will pay UJFD's annual budget in installments each year – Underhill in four annual payments, Jericho in three. The towns are to determine the budget in consultation with the UJFD Board of Directors, taking into consideration the number of calls to which the UJFD responds, both within its territory and as mutual aid providers. The budget must be approved by each town's voters.

4. The towns delegate to the UJFD the authority to provide fire and rescue service.
5. Under the provisions of sections 147(f)⁷ and 150(e)⁸ of the Internal Revenue Code, bonds issued to acquire, construct, reconstruct or improve firehouses or fire trucks for use by the UJFD will be considered bonds of the towns.
6. If the UJFD ceased to exist, the assets would be distributed to public bodies to provide the towns with the services currently provided by the UJFD.
7. The UJFD has the exclusive right to control, possess and use any of the assets acquired for the purpose of providing emergency services while the agreement is in effect.

4.2 SELECTBOARD AND THE TOWN OF JERICHO

Other than during the budget cycle, the Selectboard and Town of Jericho interact with UJFD infrequently. As mentioned in Section 4.1.3 - Governance and Stakeholder Engagement, the Planning Commission and Development Review Board sometimes solicit input from the UJFD, but for the most part, the town treats UJFD as a separate entity and the UJFD plays little role in setting policy.

The Contract stipulates that the Towns are to determine the budget in concert with the UJFD Board, but for many years the UJFD budget has been presented in the Town Report to citizens as UJFD's creation. The Jericho Selectboard has not taken ownership of UJFD's budget contents, referring all questions to UJFD. The approach was somewhat different in the 2016 Town Meeting where Selectboard member Catherine McMains presented the budget and fielded all but the most technical of questions.

Interactions between the Town Administrator and the UJFD are rare. The town has very little information on file concerning the UJFD.

4.3 CITIZENS OF JERICHO

It is difficult to find a citizen in Jericho who questions the dedication and capabilities of the members of the UJFD in their capacity as firefighters and rescue personnel, but a certain level of distrust exists nevertheless. Some of this distrust is rooted in the perception that the UJFD lacked transparency in the past. Some distrust is based on the business relationship between the UJFD and Clark's Truck Center, given the close family ties between the organizations. Some was based on the disposition of the UJFD in terms of considering town input regarding the potential sale of Alice Rivers' property. Other reasons may well exist. The Task Force is aware a vocal group of citizens have expressed negative sentiments, but has no gauge of whether or not they represent a majority opinion. Indeed, many residents have spoken in support of the UJFD, and not only UJFD members and their immediate families.

A common thread in discussions is the notion that since the towns' tax revenue provides most of their funding, UJFD is obligated to account for their use of funds in considerable detail and to consult the citizenry on major decisions affecting the town or towns. There are limited mechanisms for citizens to influence the path of the UJFD, so discussions often boil down to the main element over which citizens have some input and control, namely the UJFD budget. Although there are a number of opportunities

⁷ <https://www.law.cornell.edu/uscode/text/26/147>

⁸ <https://www.law.cornell.edu/uscode/text/26/150>

throughout the year to learn about and comment on the budget, the majority of interaction ends up happening at the annual Town Meeting, when it is too late to have meaningful discussion.

Many of the questions raised about UJFD at public forums like town meeting can be answered through documents posted on the UJFD website, the Jericho website, publicly available 1990 tax forms and in the open meetings offered on the budget in the Fall. While the UJFD openly invites citizens to drop in during the days and on training nights, few citizens take the opportunity to do so.

4.4 QUALITATIVE COMPARISON WITH OTHER TOWNS

The Task Force compared Jericho fire protection services with several other Vermont towns' Fire protection services. The Task Force met with the fire companies/departments of Charlotte, Hinesburg, Colchester Volunteer, and Richmond to understand the context of the numbers. Our goal was to understand the context for each fire company's budget, based on a qualitative assessment of each town's structure and challenges.

The towns and their fire companies tend to have similar histories, with all starting out as an independent volunteer entity of one type or another. Each company has three or four major apparatus per jurisdiction (~4,000 citizens). Some have one full time officer per jurisdiction, while others have none. Only Colchester has fire hydrants in the majority of its territory, while the others rely on water carrying capacity, and in some cases Compressed Air Foam (CAF) technology, which reduces the water requirement for fighting fires. All pay some form of stipend for their volunteer workforce, and all require their volunteers to attend significant amounts of training.

Despite these similarities, each town faces unique circumstances, so their challenges, demands, and growth paths are strikingly different. What remains constant among all towns is each fire department members' interests to support public safety, to manage increasing regulations, the constant need for more training, demands of members' time, and increased costs. Each entity is experiencing more oversight, more questioning of decisions, and a need for more sophisticated and transparent financial, administrative, communications, and strategic planning. Each company has formed their own unique strategy to handle these increased demands, and is evolving into a more complex organization.

One striking difference between the fire companies is their ISO PPC ratings. While Richmond and Charlotte have "9" ratings, which are a basic acknowledgement of the existence of a fire company, Hinesburg has ratings of "6" and "9", depending on how close residents are to a fire hydrant, while Jericho has ratings of "4" and "6", and Colchester recently got downgraded from "3" to "4" for residents near fire hydrants. The lower ratings represent a better level of preparedness, and are often reflected in lower insurance rates for homeowners.

Of the fire companies, only one proved too different to carry through the analysis. Colchester is served by three different fire departments, and it was difficult to discern what fraction of the population, properties and overall grand list value were served by Colchester Center Volunteer Firefighters Association. This made it impossible to produce cost statistics to compare with UJFD.

Details of the qualitative comparison can be found in **Appendix C: Qualitative Town Comparison**.

4.5 COST COMPARISON

The Task Force compared various cost-related metrics for UJFD and the comparator towns. Each jurisdiction's costs were evaluated from two perspectives:

- Costs associated with Fire & Rescue service
- Total cost for Fire, Rescue & EMS, including third-party services

The first focuses on traditional fire department/company services such as responding to structure fires and responding to motor vehicle accidents to make the scene safe for EMS personnel. The second includes costs associated with providing and/or procuring ambulance service in the jurisdiction.

In order to compare companies serving jurisdictions with varying populations, geographies and tax bases, the Task Force needed to express costs on a per unit scale, or "normalized" basis. After reviewing several options for scaling down the costs, the Task Force selected three characteristics of the towns to reduce overall budgets to normalized unit costs.

Characteristic - Normalizing Factor	Source	Metric – Normalized unit costs
Population	2010 Census Data	Average cost per citizen protected
Land Parcels	State of Vermont Department of Taxes Annual Report	Average cost per property protected
Grand List Value⁹	State of Vermont Department of Taxes Annual Report	Cost per \$100K in home value protected

The costs per citizen protected and per property protected are provided to help understand the relative cost in one town relative to another, but do not speak to how much each individual taxpayer pays based on their home value. The third value, cost per \$100K in home value allows the reader to estimate the amount they pay for the fire department, but is less useful for town vs. town comparisons. The cost per \$100K figure is also useful for understanding how fire services costs relate to insurance costs.

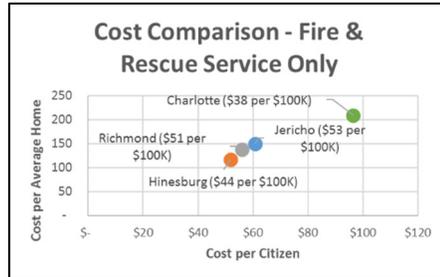
⁹ The Grand List calculations for Jericho pre-date the assessment completed in August 2016. The average costs were calculated based on the "old" property values as published by the Listers in June 2016.

The various assumptions and adjustments are documented in **Appendix A: Financial Assumptions and Calculations**. The results of the financial calculations are as follows:

Fire & Rescue Only

The following unit costs were calculated for each town’s Fire & Rescue Service:

Town	Cost per Person	Cost per Property	Cost per \$100,000
Charlotte	\$97	\$208	\$38
Hinesburg	\$52	\$116	\$44
Jericho	\$61	\$149	\$53
Richmond	\$56	\$137	\$51

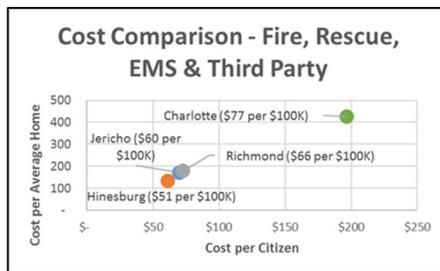


When considering the costs associated with Fire & Rescue services only (excluding portions of the budget allocated directly to EMS and/or payments to third-party services such as Richmond Rescue or Essex Rescue), Jericho is slightly more expensive than Richmond, which in turn is slightly more expensive than Hinesburg in all three measures: Cost per Citizen, Cost per \$100,000 of assessed value, and Cost per home. Comparisons with Charlotte yield mixed results. Because of the high property values in Charlotte, the tax rate impact of the fire department appears low, but expressed as a cost per home or cost per citizen, the Charlotte Fire Department is significantly more expensive.

Fire, Rescue and EMS

The following unit costs were obtained for each town’s Fire, Rescue & EMS, including contracted third party providers, and excluding any direct billing to patients from the EMS provider:

Town	Cost per Person	Cost per Property	Cost per \$100,000
Charlotte	\$197	\$425	\$77
Hinesburg	\$61	\$136	\$51
Jericho	\$69	\$171	\$60
Richmond	\$73	\$178	\$66



Factoring in the costs associated with procuring and/or providing ambulance service, Jericho, Hinesburg and Richmond remain fairly closely clustered, with Richmond slightly higher than Jericho, and both more expensive than Hinesburg. Charlotte is nearly three times as expensive as Jericho on a per home and a per capita basis.

5 ISSUES AND DISCUSSION

While the previous section serves to paint a picture of the UJFD, its stakeholders, and the comparator towns, in this section the Task Force discusses the circumstances surrounding these observations.

5.1 LEADERSHIP WORKLOAD

The pressure on the Chiefs under the current structure is immense. Although there are cost advantages to a department serving two towns as outlined above, the resulting workload for UJFD leadership is increased. Many of the reporting requirements are the same, but nevertheless the UJFD is engaged with two governments and two groups of citizens.

The Task Force has observed that the position of Chief encompasses both administrative and command duties in a highly technical and regulated field. Beyond staying current with their own certifications and training, the Chief must set goals for the organization, formulate policy, map out the training objectives for courses to be delivered by the officers, assemble budgets and reports for the towns, coordinate work with Essex Rescue, act as board chairman, and be the public face of the organization. The Chief and two Assistant Chiefs have varied backgrounds and work as a team to address certain issues. Frequently, as was the case for the majority of interactions with the Task Force, the Chief and two Assistant Chiefs tackle issues together, reducing the opportunity to spread the load through delegation.

The Task Force believes the current UJFD governance structure is putting undue stress on the leadership and makes it difficult for the UJFD leadership to meet its internal management and line obligations and to manage relationships with the community and town government.

5.2 THE ROLE OF FULLTIME STAFF

At least part of this overload is addressed through the use of full time staff. These employees are “cross-trained” as fire fighters and emergency medical technicians. They provide an initial response for all fire and EMS emergencies in Jericho during weekday, daytime hours. This allows for a timely response to an emergency during a time in the day when Jericho would have to wait a lengthy time for members to respond from their jobs outside of Jericho.

Beyond daytime response, the full time staff play a key role in maintaining equipment and facilities, staging weekly training and cleanup, administrative functions, working with the town on planning and building permits as it relates to fire protection, working with businesses and schools on preparedness, alarms, etc., coordinating preparedness with other towns, and generally handling everything from making sure the UJFD knows the classroom of every child in a wheel chair to sharpening the jaws of life.

The Task Force believes the full time staff fulfill essential functions within the UJFD and anticipates that the requirements for full time staff may well increase over time, as certain conditions may persist:

- *Decreasing volunteerism in the US in general and Jericho in particular*
- *Volunteers’ day jobs too distant from Jericho to participate on day calls during the work week*

- *Growth in the community driving up the number of calls*

These are all long-term issues, but the community should be prepared to engage in discussion regarding more fulltime staff in the years to come.

5.3 VOLUNTEER PAY

It is not unusual to see stipends paid to volunteers in an emergency response organization. Indeed, the Task Force encountered this at all of the organizations surveyed during this effort. Historically, volunteer pay was recompense for fire fighters stepping away from their workplace to respond to emergencies during business hours and foregoing their pay. While many volunteers are now only able to respond after hours and on weekends, the rationale for volunteer pay has shifted alongside the changing environment. Increased regulation and training requirements have increased the non event-response activities to the point where many fire companies use pay as an incentive to get volunteers out to weekly training and in some cases offset child care costs. The participation rate in training is a directly measured component of the Fire Department score in the ISO PPC rating system, and this investment translates directly to insurance savings on many policies.

The Task Force did not find anything extraordinary concerning the stipends paid to UJFD volunteers, which has averaged in the range of \$30-\$50 per week per volunteer over the last several years.

5.4 INTEGRATION BETWEEN THE TOWN OF JERICHO, ITS CITIZENS, AND THE UJFD

Although the UJFD provides emergency services the town, fulfilling a vital role, it is positioned outside of the town's departmental structure. UJFD often calls attention to its roots as an independent corporation, and the Town of Jericho often misses opportunities to treat the UJFD as an integral part of the town and its planning process. This results in no small amount of dysfunction, as is evident when looking at the relationship between the Planning Commission, the Development Review Board (DRB) and the UJFD. From UJFD's perspective, the DRB ignores their input. One of our own Task Force members personally observed an occasion which this appeared to be the case. The DRB is sometimes forced to disregard UJFD objections because the basis of their objections cannot be found in zoning and development rules. The Planning Commission seeks UJFD input, which often comes in the form of standardized letters rather than in-person appearances, because the UJFD believes their contributions are not valued when they are overruled at the DRB.

The dysfunction described here clearly does not serve the town well, and efforts must be made to tighten up the relationship between the Town of Jericho and the UJFD. The Task Force did observe greater levels of integration between municipal fire departments and their town governments, in part due to the alignment inherent in their structure, and in part due to the personalities involved. In one case, we saw that the Fire Chief interacted with the Town Administrator several times a week, and were working together to achieve shared objectives. Strong integration can thrive in the absence of a municipal department, but both the fire company and the town need to recognize that they have common goals, and focus on achieving those goals rather than emphasizing they are working from different sides of an imaginary fence.

There has been evident frustration on the part of the public with respect to the UJFD, although it has rarely had to do with the quality of service they provide. Rather, dissatisfaction arises due to apparent lack of understanding of the UJFD, the administration of their budget and their efforts to divest themselves of the Rivers Property entrusted to them several decades ago. We all want the best emergency service that we can afford, and the UJFD provides an excellent value for the town. Still, we are missing out on the best that is possible because of the lack of integration. Planning, water and finance can be optimized with Fire Department input. Fire readiness at home can be optimized with greater community involvement. The UJFD operations can benefit from some of the skills found in the community.

The Task Force laments the lack of coordination between the Town of Jericho and the UJFD, and envisions a future in which all parties work together on planning, education, and public outreach with a shared ambition and passion for public safety. Citizens should share in this, enhancing their fire preparedness at home, supporting efforts to integrate public safety into planning and zoning, making an effort to understand the UJFD fire protection strategy and supporting budgets suitable to executing the strategy.

5.5 MUNICIPAL DEPARTMENTS VS. INDEPENDENT 501c3 PUBLIC CHARITIES

From a pure cost perspective, municipal entities had a slight advantage over the 501c3 public charities, but such a statement is incomplete without highlighting the higher standard of preparedness offered by the UJFD. It is also worth mentioning that, to the extent that administrative duties are pushed up to the Town to be handled by paid Town employees, some costs may be hidden.

One key disadvantage to operating a 501c3 Public Charity with full-time employees is that the organization is not eligible to enroll the full-time staff in State-administered public retirement plans, or access premium health and death benefits. The Towns served by UJFD enjoy the stability and security inherent in having a quality fire service, and it is unfortunate that we do not offer the same to the individuals whose full-time occupation is integral to the provision of that service.

There is no short-term path to making a transition to a municipal department, based on UJFD's two-town service model. Forming a municipal entity which served only Jericho would eliminate the cost efficiencies inherent in serving two small populations with a single fire company, undermine the strategy of providing daytime service through the employment of two full-time resources, and split the volunteer workforce up, decreasing the coverage. Making the transition to a governmental department without making these sacrifices would require either an agreement where one town owned the fire department and contracted to the other town, a merger between the two towns, or the formation of a fire district.

In the short term, the Task Force believes it is best to work within the existing structure, while making adjustments to address the immediate issues at hand and their root cause.

5.6 CONTRACT

While short and uncomplicated, the existing contract inadvertently creates a barrier to renegotiation, which does not serve the town well. The second clause stipulates that the contract may not be renegotiated when the UJFD is holding a mortgage on any real property, which in this case includes the land and buildings specifically used in the prevention and suppression of fires. The intent of this clause

is not sinister. It exists to ensure that money lenders view the UJFD as being as safe a borrower as the town, so that we the taxpayers pay the lowest possible rates on the loans UJFD take out. The unintended consequence is that the opportunities to revisit the contract can be few and far between. 2017 is the first year since a mortgage was taken out in 2002 to pay for the fire station on Route 15. There are other ways to secure the low-cost financing that UJFD requires, and those should be explored by UJFD, Underhill and Jericho.

The Task Force believes the UJFD and the Town can achieve better integration with a better defined contract. The task force recommends a contract that is more comprehensive and clear. The elements of a more complete contract are outlined in Appendix B: Standard Contract Elements.

5.7 UJFD GOVERNANCE STRUCTURE

The Task Force perceives the UJFD's governance structure as central to the many of the issues it faces. As outlined in Section 4.1.3, the UJFD Board is composed of the UJFD Chiefs and the Treasurer, all of whom are elected into their operational positions by the volunteers serving the organization. While this may seem like a fair and just selection process to those who serve the UJFD as volunteers and staff, it fails to meet 501c3 good governance norms in a number of ways:

- The burden of guiding and promoting the organization falls on the shoulders of individuals who are already heavily occupied in running the organization.
- Line officers selected on the basis of their firefighting and leadership skills may need other members on the board to provide the full complement of skills required to form an exemplary, high-performing non-profit board.
- While the membership consists largely of citizens of the towns served, selecting board members exclusively from the pool of volunteers misses the opportunity to bridge potential gaps and avoid misunderstandings between the UJFD membership and the general public.

The UJFD became a 501c3 public charity in 1994 to align with evolving IRS regulations. As part of the transition, the UJFD was required to create bylaws and designate a process to select a Board of Directors. UJFD's mini-democracy model of governance aligns with the governance norms of the 1980's and 1990's, but with time it has been recognized that there are shortcomings with such a model.¹⁰ Many alternatives exist with respect to selecting board members, each with advantages and disadvantages, but the Task Force strongly believes the UJFD can take steps to improve upon the governance structure to improve upon transparency and engagement. This can pave the way to better relations with the towns, and a more rewarding experience for the hard working volunteers whose contributions to the community should not be overshadowed by distrust between the citizenry and the UJFD.

Forming a better non-profit governance structure is a rich topic, and many resources are available to guide such a transition. Common Good Vermont is a member organization of the National Council of Nonprofits, and offers guidance on several aspects of non-

¹⁰ <https://www.forakergroup.org/index.php/resources/presidents-letter/how-your-board-is-elected-can-matter/>

profit management, including Boards & Governance.¹¹ Step 1 is assessing the needs of the organization and the community, and drawing up position descriptions for the board members so that one can then identify how best to assemble a board with the skill set to deliver.

5.8 TOWN COMPARISON HIGHLIGHTS

The Task Force reviewed municipal fire companies and private fire companies. Each company had unique strengths, regardless of being municipal or private. The qualities of leadership, governance, and town support, drive each organization’s results. The relative success of each organization stems from the people involved and the decisions they make, rather than its municipal or private structure.

The Task Force noted the following strengths for individual organizations, during our interviews and analysis, and is pleased that UJFD features prominently in this list.

Strength	Organization	Comments
Relationship with town government	Hinesburg	Chief Barber works closely with the Town Manager. The Chief offloads some administrative activities to town staff via the Town Manager. The Chief and the department supported the transition from private to municipal department when it became clear the service would have to be funded through taxes, rather than fundraising.
Integration with town planning	Hinesburg	Due to continuous contact between the Chief and the Town Manager, the fire department can give input to guide Planning activities to consider fire safety. By being able to participate proactively, the fire department often avoids intervening too late to avert a detrimental ruling.
Contract	Charlotte	See Appendix B: Standard Contract Elements of this report. Charlotte developed the most comprehensive contract between the municipal government and its independent 501c3 emergency response organization.
Governance	Charlotte	Charlotte and its private fire company have worked hard to integrate. The fire company’s board is directly involved with community members and the Select Board. Both emergency responders and civilians serve on the board, with diverse skills and perspectives. Charlotte’s agreements prioritize openness, transparency and inclusion of the community – all principals of good governance. Charlotte’s board closely follows “501c3 best practice.” The board strikes a good balance between fire department autonomy and stakeholder representation, and uses the talents of residents.
EMS Cost	Hinesburg	Hinesburg intervenes as first responders ensuring rapid response.

¹¹ <http://commongoodvt.org/nonprofit-101/board-governance/>

Structure		Hinesburg contracts with St. Michael's for ambulance, which arrives after the Hinesburg crew has begun working with the patient. In 2016, UJFD began to alter their EMS approach to be more like the Hinesburg practice.
Budget Process	Hinesburg	Hinesburg publishes a Strategic Plan document periodically, including situation analysis, vision, and strategy for the fire department. This document forms a basis for citizens and local government to understand the environment in which the department operates and the basis for their chosen strategy. This solid foundation helps the community understand annual budgets and long-term capital plans, which are also published, shifting the focus from whether a line item "looks high" to whether the budget supports the agreed-to strategy.
Fire Suppression Preparedness	UJFD	<p>UJFD invested time and effort to improve their ISO rating, to ensure lower homeowner insurance rates for citizens and to strengthen their operational readiness. UJFD builds their budgets and structures capital spending to ensure they can meet their mission and maintain or improve the ISO rating.</p> <p>UJFD maintains a state of the art radio system, has mutual aid agreements with neighboring towns, and uses a thorough procedure to ensure the proper number of personnel and equipment arrive at incidents. The fleet of apparatus is well-maintained and tactically efficient. For example, the UJFD Tanker is one of the larger tankers in the area and provides a large quantity of water to a fire scene.</p> <p>UJFD also prioritizes fire prevention and education. UJFD teach fire safety and prevention to most children in Jericho & Underhill schools. Many adults are informed during community events and the UJFD's "open door policy." Visitors are welcome at the fire house, to learn more about the department and fire safety.</p>
Business Continuity	UJFD	UJFD is well-positioned to handle succession of the chief. UJFD limits terms for chiefs, assures ongoing participation of honorary chiefs, coordinates activities between the Chief and 1 st and 2 nd assistants, and retains a pool of committed and highly trained volunteers.
Volunteer Participation Rate	UJFD	The UJFD succeeds in maintaining a full roster, which is a sign of a strong and experienced organization. The UJFD membership averages 14 years of service. The three chief officers have a combined 70 years of service experience.

6 RECOMMENDATIONS

Structure-1: The Task Force recommends remaining with a 501c3 Public Charity structure at this time.

Contract-1: Implement a new more comprehensive contract between Jericho and the UJFD. (See Section 5.6 - Contract)

Contract-2: Find an alternate mechanism to guarantee the UJFD may finance their equipment at interest rates available to the town, eliminating the need for a clause precluding the renegotiation of the contract while the UJFD holds mortgages on real property.

Governance-1: Define the roles of future UJFD Board Members and agree to a board structure and selection process which aligns with 501c3 best practices with the following goals in mind:

- Improve community buy in and communication
- Offload much of the administrative work from the Chiefs, decoupling line and operations functions from governance and business functions, as appropriate
- Take advantage of some of the skills of the community

Integration-1: The Town of Jericho is ultimately responsible for the provision of fire protection services in the town and should take the steps necessary to elevate their level of understanding of fire protection match their understanding of roads and bridges.

Integration-2: Ensure the Selectboard is capable of presenting the UJFD strategy and capital plan annually, providing opportunity for public feedback.

Integration-3: Hold biweekly meetings between the Town Administrator and at least one UJFD day-time officer to maintain alignment on emerging issues.

Integration-4: Develop a mechanism to permit for more frequent interaction between the Planning Commission and the UJFD to ensure fire safety is integral to future code and regulations.

Integration-5: Explore ways in which the towns can facilitate securing State benefits for UJFD full time employees.

Engagement-1: Jointly announce information sessions on Town & UJFD websites, town email distribution, Front Porch Forum, citizens Facebook groups, other social media channels and with physical posters as appropriate.

Engagement-2: Establish an online library of UJFD documentation, including the documents sourced to perform this analysis so as to provide a one-stop shop for citizens wanting to learn more about their fire & rescue service.

Engagement-3: Concerned citizens should review the documentation and attend information sessions to assimilate all the necessary information, provide input and voice concerns outside of Town Meeting.

Appendix A: *Financial Assumptions and Calculations*

One of the first challenges considered when comparing the UJFD to other towns was choosing which portion of the UJFD to measure. One obtains three different measures when considering Jericho alone, Underhill alone and the full UJFD budget applied to all of Underhill and Jericho’s citizens, properties and grand list¹². The task force opted to focus on Jericho’s portion of the budget applied to Jericho’s geography. Similarly, Hinesburg serves both Hinesburg and St. George, but we focused strictly on Hinesburg. There was no such issue for Richmond or Charlotte.

The cost structures for each town are different:

- The majority of UJFD’s budget is driven by the fire and rescue service, with a little under 10% going to EMS coverage, supplemented by Jericho’s subscription to services from Essex Rescue & Richmond Rescue.
- Charlotte provides 100% of their own EMS service
- Richmond subscribes 100% of ambulance service from Richmond Rescue, which is a separate entity from the town fire department
- Hinesburg spends a portion of their budget on medical supplies and deploying first responders to EMS calls, but the medical transportation service (ambulance) is supplied by St. Michael’s Rescue.

In some cases, the capital budget varies dramatically from year to year, while UJFD and Charlotte work with a predefined stable amount, using reserve funds to smooth out differences from year to year. To produce a fair comparison, the Task Force studied the fleet strategy and capital plans to establish an equivalent stable figure to represent their capital plans.

The specific adjustments applied to each company are outlined below:

Jericho (Underhill-Jericho Fire Department)

Relatively few adjustments are required for the UJFD budget. Because the capital plan is based on a fixed escalating amount, no adjustments were made to the capital items. UJFD estimates that \$37,990 is spent on EMS support, and 40% of the overall budget is supported by the Town of Underhill. Jericho spends an additional \$21,000 on third-party EMS providers. The resulting budgets for Jericho’s emergency services are \$303,905 for Fire & Rescue, and \$43,794 for EMS.

Note	Amount	Fire & Rescue	EMS & Third Party	Total
UJFD Budget	\$544,498	\$544,498	-	\$544,498
EMS Support Line Item (row 13)	\$37,990	\$506,508	\$37,990	\$544,498
Less Underhill Contribution	-\$217,799	\$303,905	\$22,794	\$326,699
Third Party EMS (Richmond)	\$8,000	\$303,905	\$30,794	\$334,699
Third Party EMS (Essex)	\$13,000	\$303,905	\$43,794	\$347,699

¹² Because the proportions of town populations, number of parcels and grand list values for Jericho and Underhill are not precisely 60/40, there are minor differences between the metrics for Jericho and Underhill, and the totals for the entire UJFD lie between the metrics for Jericho and Underhill.

Unit costs were produced using a town population of 5,009 living in 2,034 parcels with a total Grand List value of \$5,777,593.

Richmond (Richmond Fire Department)

The 2017 Richmond Fire Department budget of \$260,949 includes a pass-through payment to Richmond Rescue, a new line-item (“Fire Protection”) of approximately \$15,000 to cover turn-out gear and capital vehicle / reserve payments totaling \$97,840. Absent is any amount for insurance, which is buried in a general insurance line item for the town. After adding an estimated \$24,000 in insurance, increasing the vehicle capital plan to \$100,000 and adding a safety factor of \$10,000, the estimated Fire & Rescue budget for Richmond is \$228,820 and the EMS budget is \$68,289.

Note	Amount	Fire & Rescue	EMS & Third Party	Total
RFD Budget	\$260,949	\$260,949	-	\$260,949
EMS Supplied by Richmond Rescue	\$68,289	\$192,660	\$68,289	\$260,949
Estimated Insurance Costs¹³	\$24,000	\$216,660	\$68,289	\$284,949
Remove Actual Capital Vehicles 2017	-\$97,840			
Estimated Capital Plan	\$100,000	\$218,820	\$68,289	\$287,109
Safety Factor¹⁴	\$10,000	\$228,820	\$68,289	\$297,109

The six-year capital plan for RFD totals \$542,145, or approximately \$90,000 per year. The fleet consists of three engines with an average replacement cost of \$395,000 and a heavy rescue vehicle with a replacement cost around \$315,000, for a total of \$1,500,000. The apparatus are programmed for a 20-year replacement cycle, at an average present value cost of \$75,000 per year. RFD replaces three SCBA units annually at an estimated cost of \$9,000 per year. RFD also has a brush truck valued at \$55,000 programmed for a 20 year cycle at an average present value cost of \$2,750 per year. At present, there are no budgeted station improvements, and turnout gear is being replaced on a rotating basis under a separate budget line item. Between major apparatus, the brush truck and replacement SCBA units, the annual cost is projected to be \$87,750. The Task Force is using an estimated Capital Plan of \$100,000, leaving space for interest payments and also allowing for a margin of error.

Richmond’s unit costs were produced using a town population of 4,081 living on 1,670 parcels with a total Grand List value of \$4,495,587.

Hinesburg (Hinesburg Fire Department)

The 2017 Hinesburg Fire Department budget of \$314,623 includes service to the Town of St. George, for which Hinesburg is reimbursed \$28,000. The budget also includes personal protective equipment (PPE) and medical supplies specifically purchased to provide EMS service. HFD estimates that \$10,000 is paid in stipends for EMS calls, representing just under 25% of the volunteer call reimbursements. St. Michael’s Rescue provides ambulance service to Hinesburg, but does not charge Hinesburg for the

¹³ RFD insurance is included in the Town’s \$121,800 General Insurance (Item 10-7-10-3-48.00 in the FY 2017 Budget Worksheet), outside of the declared Fire Department budget. The task force estimated \$24,000 for insurance.

¹⁴ Because of uncertainty around the insurance estimate and the capital plan, the Task Force has increased the estimate of Richmond’s budget by \$10,000.

service because HFD is performing the initial response and contributing medical supplies. Capital expense has varied from \$36,000 to \$121,848 in the last three years, and the Task Force estimates the Capital Plan at \$102,000. Applying these adjustments, the estimated Fire & Rescue budget for Hinesburg is \$227,775 and the EMS budget is \$39,000.

Note	Amount	Fire & Rescue	EMS & Third Party	Total
HFD Budget	\$314,623	\$314,623	-	\$314,623
Less St. George Contribution	-\$28,000	\$286,623	-	\$286,623
EMS Supplies and Personal Protective Equipment (PPE)	\$14,000	\$272,623	\$14,000	\$286,623
EMS Call Stipend	\$10,000	\$262,623	\$24,000	\$286,623
Less Capital Transfer 2017	-\$121,848			
Estimated Capital Plan	\$102,000	\$227,775	\$39,000	\$266,775

The five-year capital plan for HFD totals \$606,680, or approximately \$121,000 per year. The current fleet includes a blend of relatively inexpensive engines and water trucks, complemented by a higher cost combination Rescue/Pumper. Anticipating the need for a ladder truck, HFD may replace one of its engines with a “Quint” combination Engine / Ladder truck at a cost of \$500,000 to \$800,000¹⁵. The replacement costs range from \$200,000 to almost \$900,000 between fiscal years 2023 and 2036, with a combined present value of \$1.54 million. Programmed for a 20 year replacement cycle, this amounts to \$77,000 per year. HFD’s Med-1 vehicle is used for EMS calls and was purchased in 2008 for \$189,000. HFD estimates the vehicle will operate for 15 to 20 years. The present value of the replacement vehicle is estimated at \$247,000, and assuming an 18 year life will cost just under \$14,000 per year. The Task Force is using an estimated Capital Plan of \$102,000 (\$87,000 Fire, \$15,000 EMS), allowing for interest payments and other equipment purchases. By assuming the Quint will be purchased at the top range of the cost estimate, the Task Force has included a margin of error.

Hinesburg’s unit costs were produced using a town population of 4,396 living in 1,957 parcels with a total Grand List value of \$5,224,028.

Charlotte (Charlotte Fire and Rescue Services, Inc.)

The 2017 Charlotte Fire and Rescue Service budget of \$676,261 is supported in part by patient & intercept billing, income from a trust and a radio tower, and a limited amount of fundraising totaling almost \$119,000. The budget does not, however, include the capital plan present on the town’s budget. The Task Force estimates the capital plan at \$181,346 distributed between Fire and Rescue in a 75/25 split. After adjustments, the estimated Fire & Rescue cost for Charlotte is \$353,229 and the EMS budget is \$385,460.

¹⁵ For the purpose of this analysis, the Task Force is assuming the HFD will purchase the Quint in Fiscal Year 2024 at the top estimated cost of \$800,000.

Note	Amount	Fire & Rescue	EMS & Third Party	Total
CFRS Budget¹⁶	\$676,261	\$221,729	\$454,533	\$676,261
Self-funded offsets and patient/intercept Billing	-\$118,919	\$217,219	\$340,123	\$557,342
Estimated Capital Plan	\$181,346	\$353,229	\$385,460	\$738,688

The CFRS capital plan is tied to grand list values, and CFRS is using \$181,346 (2% of estimated \$9,067,282 grand list¹⁷) as their annual capital allocation. Based on a review of the planned spends on Ambulances and Fire Apparatus, the Task Force estimates that 75% of the capital plan is attributable to the fire service.

Charlotte’s unit costs were produced using a town population of 3,754 living in 1,740 parcels with a total Grand List value of \$9,580,734.

Differences in Cost Structure

In varying degrees, every fire company is subject to circumstances making their situation unique. While this does not make it impossible to make a comparison, it is important to understand how these differences influence the cost structures.

The town of Jericho benefits from an enhanced capability at a lower cost. UJFD serves two towns with populations in the three and five thousand range. In the context of Charlotte, Hinesburg and Richmond, that translates to one above-average and one below-average size town. This means that many fixed expenses are shared. This is a cost advantage, in that they are able to do so without hiring, equipping and training twice the number of fire-fighters, maintaining two full fire stations, purchasing and maintaining twice as many vehicles, and so on. Instead, UJFD has the same or slightly more volunteers, two full-time staff, one main station and a much less expensive satellite station, it acquires vehicles at the same rate as a single town, and maintain one and a half times as many vehicles, keeping six major apparatus in service while single towns tend to keep that number down to four. Responding to calls in two towns drives up the call response rate, so the volunteers may collect more pay than in other towns, but not twice as much as they only have to be trained once. As a result of sharing expenses and capabilities with Underhill UJFD can deliver higher performance a similar cost.

At the same time, UJFD is carrying a mortgage cost in the neighborhood of \$42,000 per year for the construction of their Route 15 station as part of their capital plan. Hinesburg, Richmond and Colchester occupy older buildings which, while in need of repair from time to time, do not drive a persistent cost such as this. 2017 marks the final year of payments on the Route 15 facility, so some relief is anticipated from that cost.

Hinesburg derives a small revenue stream from serving the town of St. George. The amount paid per year varies, but is around \$30,000. Like the UJFD, Hinesburg is able to absorb much of the cost of serving the extra territory into the cost structure of a single fire company, with perhaps a slightly higher

¹⁶ CFRS classifies its budget items as Fire, Rescue and Corporate. In their case, ‘Rescue’ means ‘EMS’, and for simplicity the Task Force has split corporate line items 50-50 between Fire and Rescue.

¹⁷ CFRS is anticipating a 5% reduction in grand list in the current re-assessment, hence the difference between this figure and the 2014 grand list used as a normalizing factor.

call volume and volunteer pay than if they served only one town. Hinesburg also benefits from not carrying the cost of a new station. At one point their capital plan had \$1.5 million earmarked for the construction of a new station, but they opted instead to alter their fleet strategy, reducing the number and size of vehicles they require. As a result, they are starting to spend more per vehicle, as reflected the Task Force's estimate of their capital plan, but overall this helps them maintain their cost advantage.

Richmond's budget, unfortunately, benefits from carrying a small membership. Although a few dollars are saved, having too few members increases the chances that RFD will not be able to respond to a call, and each member is subjected to greater stress as they have more calls to which to respond. Like Hinesburg, Richmond's building is paid in full. Like UJFD, Richmond uses relatively inexpensive trucks as their main apparatus.

The Charlotte program is relatively expensive, mainly because of its capital spend. Charlotte invests about as much capital per year for their fire operation as UJFD does for the towns of Underhill and Jericho combined, and only about \$25,000 of that amount is for the building itself. They are spending considerably more on their apparatus than UJFD does for Jericho, which drives the cost up, resulting in a spend which could be completely unacceptable in Jericho. However, Charlotte enjoys a unique revenue situation in which they collect roughly one dollar in rent on Thompson's point for every two dollars of property tax revenue. As such, the costs for Charlotte in the preceding section and charts may be overstated by as much as 33%, which may explain why Charlotte citizens are prepared to accept costs as high as they are.

Appendix B: *Standard Contract Elements*

Of the contracts between towns and independent 501c3 fire companies, the Charlotte contract was the most comprehensive. Below is a term by term description of components of the contract that may be helpful in writing a new contract between UJFD and the town of Jericho.

Introduction:

This section clearly states parties, when, and the goals. It also clearly defines the existing relationship or lack thereof. It sets the groundwork clearly for the purpose of this contact.

Contract Clauses:

1. Agreement Review – The goal of this is laudable but the mechanism is not. This encourages review of this agreement but does not provide and consequences for not reviewing it. We would hope to find a more effective way to bring both parties to the table periodically.
2. Budget Appropriation – This section clarifies the budget process and the flow of funds. UJFD has already made significant improvements in the budget process. The task force already indicated that Town of Jericho needs to own this budget with the community. The value of this section to the contract is to clarify the process and to evolve the flow of funds. The key components that should be considered here are:
 - a. Budget Process Definition: Here there is a robust description of the budget process. There is also an attempt to align the process with the Town Departments, thereby improving the alignment with town processes.
 - b. Capital Accumulation: The fire department needs some flexibility in decision making and financing spending. There is a gap between the amounts budgeted and the amounts paid by the town to UJFD. To be clear the Task Force finds **nothing inappropriate** in the use of these funds. In fact, because priorities change during the course of a year, UJFD has demonstrated good judgment in the use of these funds to minimize overall costs through significant down payments. The Task Force only suggests that there be limits put on the total amount of accumulation of these funds. The Charlotte contract allows that some accumulation of excess funds in a given year is reasonable and beneficial, it does put reasonable limits to this. The language in (3) could be helpful in defining this.
3. Level of Service – This section gives not just the definition of service to be provided but the process for change.
 - a. Scope definition – UJFD described how broad the expectation of the town is of their services. While providing good Samaritan exposure to the UJFD, work beyond scope can be time consuming and expensive. The Task Force makes no attempt to define what is or is not in scope here, only to point out that this section provides a clear vehicle for the Town of Jericho and the UJFD to agree on what it should be.

- b. Change Management – The language here provides clear a method and timing for changes to the level of service.
 - c. Control – The language clearly puts control of the service in the Fire Departments hands.
- 4. Capital Expenditures; Financial Management – This area is where UJFD has been making a lot of progress. This section will only prove to define what is really happening now.
 - a. Limits – This section describes purchasing limits without town approval.
 - b. Inventory – Asset inventory process described
 - c. Audit – Audit process described
- 5. Communications – This section describes board composure and documents to be shared with the town. The Task Force encourages enhancement of the board, though with some clear differences with Charlotte.
 - a. Content - This is not much different from what UJFD already makes public. Board minutes and financials are the principal running content.
 - b. Board Configuration – Charlotte has attempted to bridge the divide with the FD through the introduction of a Select Board representative on the FD Board. This section should be used to clarify what representation, if any, the community will have on the FD board.
- 6. Indemnification; Insurance - This is standard required content. It should be in our agreement.
- 7. Compliance with the Law - This is standard required content. It should be in our agreement.
- 8. Necessary Actions - This is standard required content. It should be in our agreement.
- 9. Termination – This is a more comprehensive Terminal Clause than the one that Jericho and UJFD currently have. This is a good description of Termination Scenarios.
- 10. Effects of Termination – This section would be a significant change from our current understanding of termination. The Charlotte contract assumes that the town has paid for the property and therefor owns it. The UJFD contract assumes that the property would move to an entity that will provide the service. It is not clear who this would be and who makes that determination.
- 11. Amendment - This is standard required content. It should be in our agreement.
- 12. Notice - This is standard required content. It should be in our agreement.
- 13. Governing Law; Severability - This is standard required content. It should be in our agreement.
- 14. Entire Agreement - This is standard required content. It should be in our agreement.
- 15. Assignment; Binding Agreement - This is standard required content. It should be in our agreement.
- 16. No Waiver - This is standard required content. It should be in our agreement.
- 17. Captions - This is standard required content. It should be in our agreement.

Appendix C: *Qualitative Town Comparison*

The major characteristics of each company are summarized alongside the UJFD in the table below.

Topic	UJFD	Charlotte	Colchester	Hinesburg	Richmond
Short Name	UJFD: Underhill-Jericho Fire Department	CVFR: Charlotte Volunteer Fire & Rescue	CCVFC: Colchester Center Volunteer Firefighters' Association	HFD: Hinesburg Fire Department	RFD: Richmond Fire Department
Corporate Structure	501(c)(3)	501(c)(3)	501(c)(3)	Town Department	Town Department
Services	Fire & Rescue EMS Support	Fire & Rescue Full EMS Water Rescue	Fire & Rescue	Fire & Rescue EMS Support	Fire & Rescue
Service Territory	Two towns Two stations 8,025 residents 3,339 parcels \$9.6M grand list Territory includes portions of Underhill State Park & Ethan Allen Range	One town One station 3,754 residents 1,740 parcels \$9.6M grand list Territory includes a portion of Lake Champlain	Part of one town Three stations Residents, parcels, grand list unknown ¹⁸ Territory includes a section of I-89	Two towns One station 5,070 residents 2,293 parcels \$5.9M grand list	One town One station 4,081 residents 1,670 parcels \$4.5M grand list Territory includes a section of I-89
Staffing	31 volunteer firefighters 2 full time 4 fire police 11 auxiliary	Fire/Rescue: 31 volunteer, 1 full time EMS: 5 volunteer, 1 full time, 18 per-diem for round- the-clock coverage	25 volunteers	35 volunteers, of which 7 are specifically qualified for EMS roles Some administrative support from town	19 volunteers Some administrative support from town

¹⁸ Because Colchester Volunteer Fire Department splits Colchester's service territory with Malletts Bay Fire Department, we are unable to determine what portion of Colchester's 17,000 citizens are served by this company.

Topic	UJFD	Charlotte	Colchester	Hinesburg	Richmond
ISO Rating	4/6/10 4: within 1000' of pressurized hydrant 6: within 5 miles of either station 10: beyond 5 miles from station (parts of Underhill deemed not protected)	9 9: all properties	3 3: all properties (at risk of being downgraded to 4 due to demographics outpacing growth of department resources)	6/9 6: within 1000' of pressurized hydrant 9: all other properties	9 9: all properties
Asset Ownership	UJFD owns all assets	Town owns capital assets ¹⁹ Charlotte owns donated assets of land and an endowment	CCVFC and St. Michael's Fire & Rescue own all assets	Town owns all assets	Town owns all assets
Fire/Rescue Apparatus	4 engines 1 water supply 1 heavy rescue Minor vehicles 30-year life target for major apparatus, relegated to backup roles after 20 years	3 engines 1 heavy rescue Minor vehicles 20-year target for major apparatus	5 engines 1 tanker 1 tower (ladder) Minor vehicles 25-year target for major apparatus	1 engine 1 tanker 1 backup tanker ²⁰ 1 rescue pumper Minor vehicles 20-year target for major apparatus	3 pumpers 1 heavy rescue Minor vehicles 20-year target for major apparatus
EMS Apparatus	Minor vehicles only	2 ambulances	n/a	Med-equipped F550; not for transport	n/a

¹⁹ Exception: Fire Station, which was purchased with town bond but mistakenly purchased in the name of the Fire Department

²⁰ 1990 tanker used mainly for parades

Topic	UJFD	Charlotte	Colchester	Hinesburg	Richmond
Firefighting Approach Highlights	<p>Large emphasis on water delivery capacity; ISO ratings based on 'Alternate Water Supply', meaning UJFD has the capacity to deliver 250 gallons per minute indefinitely based on shuttling water from credible supply sources; UJFD keeps older engines on hand to act as water shuttles beyond the typical 20 year expected life of engines; UJFD uses relatively inexpensive apparatus</p>	<p>Making transition to Compressed Air Foam (CAF) – equipped vehicles; CAF reduces the volume of water and number of responders required to fight fires; Part of CVFR's fleet are relatively expensive custom apparatus which fit in smaller buildings and have tighter turning radii than UJFD's apparatus</p>	<p>Majority of CCVCS has fire hydrant coverage decreasing the requirement for water carrying capacity; Larger buildings in service territory necessitate a tower (ladder) truck; CCVCS uses relatively high cost custom fire apparatus which fit in smaller buildings and have tighter turning radii than UJFD's apparatus</p>	<p>All HFD apparatus equipped with Compressed Air Foam (CAF), reducing volume of water required; HFD focuses on reducing the number of vehicles required to cover all scenarios through the use of some higher-cost apparatus, merging multiple functions into a single vehicle; HFD has used this strategy to avoid having to expand their fire station at substantial cost</p>	<p>Richmond uses relatively low-cost apparatus similar to the UJFD, but does not have the water-carrying capacity nor the workforce to qualify for 'Alternate Water Supply';</p>

Topic	UJFD	Charlotte	Colchester	Hinesburg	Richmond
Funding Sources	<p>Jericho and Underhill tax base in 60/40 split</p> <p>Modest rental and gravel pit revenue (intermittent) to offset tax burden.</p> <p>Small amount of fundraising</p>	<p>77% from town – approx. 2/3 from tax base and remainder is rental income from Thompson’s Point</p> <p>15% from EMS billing</p> <p>Approximately 4% each from trust revenue and land rented for a radio tower.</p> <p>Less than 1% from other sources</p>	<p>96% from town</p> <p>3% from sale of equipment</p> <p>Less than 1% from other sources</p>	<p>100% from town</p>	<p>100% from town</p>
Governance Highlights	<p>Board of Directors populated on basis of positions within operational organization structure; all operational positions (including chief and officers) selected by UJFD members</p>	<p>10-member Board of Directors for Fire/Rescue & EMS; 5 to 7 members are from within CVFR; 7 members are elected by CVFR membership, of which two (Secretary and Treasurer) may come from the community at large; 3 members are appointed by the town</p>	<p>3 trustees & 9 board members – President of board reports to both the town and to the Water District</p>	<p>Fire Chief reports to the Selectboard, and interacts frequently with the town manager who acts as the Selectboard’s agent; Chief sets fire department strategy and budget within constraints set by Selectboard; Chief selects assistant chiefs and officers</p>	<p>Chief appointed by Selectboard and reports to town manager; One Selectboard member designated to specialize in fire department issues</p>