

February 23, 2023

6:00 PM

A joint workshop of the Monroe Township Supervisors and Monroe Fire Company was called to order by Chairman Kehoe. Workshops are for the purpose of discussion only; no action can be made.

Attendees:

Monroe Township – Phil Kehoe, Phil Paetzold, A. W. Castle, III, Karen Lowery and Holly Wood

Monroe Fire Company – Mike Zeigler, Dave Heckert, Keri Zeigler, Justin Eberly, Tyler Heckert, Randy Watts, Ron Bouch and Laura Watts

The purpose of the joint workshop is to discuss the request for financial assistance to the fire company for the replacement of air packs and radio upgrades.

Mr. Zeigler stated they have applied for air pack grants for the past 4 years and have been turned down each year. Mr. Watts added that 80% of the air packs are set to expire on July 31. Mr. Kehoe asked for clarification on how many units 80% equated to. Mr. Watts stated that they have 25 complete breathing apparatus units and 18 spare tanks for a total of 43 tanks. The breathing apparatus, which includes the cylinder, mask and regulator, is now 15 years old, which is at its max life. The fire company did get 2 quotes to update the air packs. The Scotts air packs are much simpler and have a 30-year life.

Mr. Kehoe asked what is the best way to fund the air pack replacement since the grant failed. Is there an option for you to obtain a low-cost loan from a bank? Mr. Watts said there is no financing options on the fire companies' part because they can't afford it. And low interest loans aren't available for smaller items like air packs, it's for larger items like apparatus and buildings. Mr. Kehoe asked about the low interest loans available from the State Fire Commissioners office? Mr. Watts stated that they are already using that to buy pagers.

Mr. Watts explained there is a risk assessment ISO rating for homeowner insurance purposes and they are currently at a 5Y, which is the best assessment for areas without fire hydrants and having an engine with a 2,000-gallon tank. In their own assessment this 5Y rating saves township homeowners \$2.4 million in premiums per year. Mr. Kehoe asked if that estimate is an extrapolation on home values? Mr. Watts said that is what he did.

Mr. Kehoe said the air pack request is for \$210,000 to \$244,000 by July and the maximum amount for the radios is \$226,000. Mr. Bouch said County is allotting \$64,000 toward 1 mobile in each engine, mini pumper and rescue along with 3 portables for each. The \$226,000 already accounts for the allotment from county. Mr. Kehoe said that is a total of \$436,000 to \$471,000 being requested with deadlines just months away. He asked if there has been any building of funds over the last 15 years for air packs or the next piece of equipment since the air packs have been a known expiration. Mr. Zeigler said there is no extra money. Mr. Watts said if the township wants them to accrue money raise the fire tax to .78 mills and they could put \$250,000 back. The fire company is already in the hole \$30,000 for 2023.

Mr. Kehoe asked if you can apply for a grant after the purchase is made. Mr. Eberly said you can't apply for a federal grant after the fact, but you can apply for a state grant.

Mr. Kehoe asked what can be liquidated. Mr. Watts said not having the tanker would increase insurance rates by 35%. Mr. Zeigler said the cost of everything is going up from apparatus to utilities and the bathroom need redone, but there is no money. Mr. Eberly added the revenue decreased by \$20,000 to \$30,000 with fundraising and donation revenue dropping off. Mr. Bouch added engine 1 just needed battery replacement and a new alternator at a cost of \$3,000 that was unexpected.

Mr. Kehoe said there needs to be a conversation to change the platform of the department based on what our township needs for the types and numbers of fire calls and if equipment can be scaled back or configured to meet that need. Mr. Heckert said the 2010 engine has been pushed back to a 20-year replacement schedule.

Mr. Watts said volunteer fire departments are near dead and some are discussing dissolving within the next 2-3 years. Looking ahead 5-10 years, volunteer fire departments staying open is a far reach. The volunteers wonder why should they do this when they aren't appreciated by the public, but then the public says the fire company needs to be funded. Mr. Kehoe asked Mr. Watts if he was implying that the township isn't funding the fire company and that they don't feel the need to be here. Mr. Watts said yes. Mr. Heckert, Mr. Zeigler and Mrs. Zeigler agreed.

Mr. Watts asked if the township has cash reserves. Mr. Kehoe reserved statement on this, because the answer is known and that the funds have allocations and the reserves are there because responsible management of township funds. Mr. Watts asked if any of that reserve money would be applicable to the fire company's needs. Mr. Kehoe said that would have to be looked at but we can't write a check for \$470,000.

Mr. Watts said the order deadline for air packs is April 1st to keep the current pricing. The radios would need to be ordered by April 28th and would be shipped in 2024 and not be live until 2025, however they will invoice when shipped. This would make the funding request over a 2-year period.

Mr. Kehoe said the annual fire tax is \$272,000 plus the other fund that the fire company receives. Mr. Zeigler said they tried to work on planning for years. Mrs. Zeigler said they did apply for grant for the past several years for a big-ticket item they know is coming. Mr. Watts said a joint grant was applied for, but they were denied since the radios aren't 30 years old.

Mr. Paetzold said he would reach out to Representative Thomas Kutz and Senator Greg Rothman to see if any emergency grants would be available for serious help.

Mr. Bouch said Hampden fire company took out a loan for the radios with a 7% interest rate. Mr. Kehoe asked what smaller areas like Mt. Holly, Gardeners and South Middleton Township are doing to fund the radios. Mr. Watts said Mt. Holly is funded by Dickinson Township, South Middleton Township and Mt. Holly Borough. Monroe's rural setting limits the revenues. He added that New Kingstown receives \$800,000 per year. Mr. Kehoe added that they also respond to 3 times the calls.

Mr. Watts said the resolution is to own this by funding these items or to subcontract out the services. Instead of having someone there 90% of the time we wait over 10 minutes 90% of the time and we see the premiums increase. They don't want that, but will swallow the pill and stand next to the township to explain this to the residents.

Mr. Kehoe asked if there are no other ideas other than the township writes a check within 60 days or somehow finance this project?

Mr. Watts said stakeholders in corporate America are looking for a return on their investment. The government is non-profit and here to serve the people and preserve the health, safety and welfare of the community. The fire company has investment returns that are non-financial, they are human returns it is different with for profit companies and local government.

Mr. Kehoe said don't misconstrue his statements of not wanting to support the fire company, but we need to validate why the fire company did not accrue ahead of the known expenses, what financing options there truly are and the need for so many air packs and radios when the fire company membership is so small. There needs to be hard numbers provided

because this is a huge amount of money and there is a real urgency. Everything has consequences and repercussions that need to be thought out and planned out.

Mr. Castle asked if we can cut down the amount of equipment we have. Mr. Heckert said the fire company has what they need and the township needs to have faith there is nothing extravagant. He added the 2018 engine was down for 3 weeks and if they didn't have a 2nd engine, they would have only had a glorified brush truck.

Mrs. Watts asked what the value of a human life is. There was an accident at Old Stonehouse and Trindle with a fuel leak. They saved a life, but maybe wouldn't have if help arrived 10 minutes later. Someone will die if there isn't local fire coverage. Mr. Kehoe understands, but people act irrational when put like that, but then respond totally different later when they get the tax bill.

Mr. Watts mentioned the DEP water audit with township staff the other day. Mr. Kehoe understand Mr. Watts was there too and appears he was taking a leadership role in that inspection. Mr. Watts said actually it revealed a lot about the leadership when they found out the UV light had been disconnected. Mr. Kehoe corrected him and said when the fire company disconnected the UV light that they purchased and installed. Mr. Watts said the UV failed and the township has been inspecting this system for a while now. Mr. Kehoe strongly suggested the fire company to check their records and get organized and we will have this conversation at another time.

Mr. Zeigler asked what happens when the growth comes to Monroe. Mr. Kehoe said that has been talked about for years since the plans for the Ashcombe Development came in.

Mr. Zeigler said if we let the fire company go, we won't get volunteers back so we will have to get fire protection elsewhere and it will be astronomical.

Mrs. Zeigler said Mechanicsburg just increased their fire tax and are building an \$8 million fire house.

Mr. Kehoe asked who they bank with. Mr. Zeigler said F&M Trust. Mr. Watts suggested the township issue a bond and then increase fire tax rates to pay off over a 20 to 30-year period. Mr. Kehoe questioned if the fire company can get a loan with the township as a co-signer, one equipment that has a shorter life span than the time of the loan. Mr. Heckert stated the Scott air packs have a 30-year life.

Mr. Paetzold will talk with representatives and suggests we reconvene shortly. Mr. Kehoe mentioned a financial executive session to discuss and contacting F&M for government loan rates.

Mr. Bouch understands a tax increase is a struggle, but if taxes are going to be raised to pay on a loan it may be a good idea to plan for other capital needs in the future. A certain amount could be earmarked for capital projects that the township would hold in the fire tax account for budgeting purposes.

Mr. Kehoe asked if an audit has ever been done to determine where savings could take place or where planning ahead has been looked at. Mr. Watts knows a consultant and recommends the township would hire someone like that to review the equipment and services. Someone who is impartial and could give recommendations. Mr. Kehoe asked for that consultant's name to be provided.

Mr. Kehoe asked if the air packs could be purchased in stages instead of all at once. Mr. Eberly said there could then be issues with compatibility with different types of tanks. They also said that fire companies buy all of the packs at one time.

Mrs. Wood asked if future fundraising could be put toward a capital fund project that could be explained to the residents in the letter sent out. Mr. Zeigler said they would love to do that but are playing catchup right now and the income received from fund drives always varies. Mr. Zeigler said the golf outing is coming up and they are working to sell the Dodge.

The Supervisors and fire company agreed to schedule another workshop on March 16th at 6 PM at the fire company.

The workshop was adjourned at 7:45 PM.

Respectfully submitted,

Karen M. Lowery, Secretary