
FIRE PROTECTION OPTIONS

TOWNSHIP STATE CALLED MEETING

SEPTEMBER 21, 2016



IC 36-8-13

Section 2 – A majority of the land owners living within the township but outside the boundaries of a municipality may petition the Township to provide fire protection services for their property. Trustee and Township Board is required to honor the petition and seek fire protection services immediately.

IC 36-8-13 (continued)

Section 3 – Lists the authorized methods in which the Trustee, with the approval of the Township Board, may provide fire protection services.

- 1. Purchase equipment; provide housing and maintenance; and employ full-time or part-time personnel.
- 2. Contract with a municipality within the Township or contiguous to the Township for the municipality to provide both equipment and personnel. Contract should be in accordance with IC 36-1-7.
- 3. Cooperate with a municipality within the Township or contiguous to the Township to purchase and operate equipment in accordance with IC 36-1-7.
- 4. Contract with a volunteer fire department for the use and operation of firefighting apparatus and equipment that has been purchased by the township.
- 5. Contract with a volunteer fire department that maintains adequate firefighting service in accordance with IC 36-8-12.

IC 36-8-12

Section 3 – A Township may enter into an agreement with one or more volunteer fire departments that maintain adequate firefighting service.

Section 4 – The contract between the Township and a volunteer fire department must provide that the unit pay any amount of money that is negotiated between them. The amount of the contract must include the required insurance premiums, clothing, automobile, and any other allowances.

Clothing Allowance must be at least \$100 per year.

Automobile Allowance must be at least \$100 per year.

Contract may include fees for membership in a regularly organized volunteer firefighters' association.

Each Township shall procure insurance on behalf of the volunteer firefighters. Contracts can stipulate that VFD will procure insurance, but the Township must pay the cost. If a Township fails to procure insurance, then the Township is liable for the actual expense for a loss event to a firefighter.

Types of Insurance required

IC 36-8-12-7 – accidental injury or smoke inhalation caused during performance of duties; cardiac disease event caused within 48 hours of the performance of duties

IC 36-8-12-8 – death benefits of not less than \$150,000 for loss of life during the performance of duties or becoming permanently disable for 260 weeks continuous or more. Each Township shall be covered for at least \$300,000 for the liability of all firefighters for bodily injury or property damage caused by firefighters acting in the scope of their duties.

Fire Protection Contracts

Common Provisions:

- Definition of service area/territory
- Scope of service - What services provided; Days and hours of service; Adequately trained personnel
- Term - Beginning and end dates; Contracts beyond a year?
- Who maintains control of information (for example, number of runs; financial statements; etc.)
- Dollar amount
- E-1 Reporting requirements to SBOA
- Vehicle and clothing allowance - For volunteer fire departments, the township pays unless the contract says otherwise; Contract payment includes all allowances and fees set forth in Ind. Code § 36-8-12-5.
- Specific insurance provisions - For volunteer fire departments, the township shall pay out of the general fund \$X premium for medical, accidental injury, smoke inhalation, cardiac disease, disability, and death coverage pursuant to Ind. Code §§ 36-8-12-6, 7, and 8. Such premium payment includes all of the unit's liability for volunteer firefighters' medical treatment, accident, injury, or death.
- When Things go Wrong: - Liability; Early termination clause; Indemnity

Sample Contract and Examples can be found in the 2014 State Called Meeting presentation in the "Meeting Materials" section of SBOA website.

How to fund fire protection

IC 36-8-13-4

- Township shall annually establish a township fire fund, which is the exclusive fund for costs attributable to providing fire protection under options listed in IC 36-8-13-3. Funds may be paid out with the consent of the Township Board.
- The township levy shall be sufficient to cover all costs attributable to providing fire protection not covered by other available revenues.
- Along with the tax levy, the Trustee may accept donations and place them in the Fire fund. People may also donate money for payments or partial payments for equipment.
- Finally, the Township Board may set a fee to charge for a false alarm where fire personnel and equipment were dispatched. All revenue received from the fee must be receipted into the Fire fund.

How to fund fire protection (continued)

Township Bulletin Article September 2016

- IC 36-1-8-5.1 states in part: “A political subdivision may establish a rainy day fund by the adoption of: ... (2) a resolution...(b)...a resolution adopted under this section must specify the following: (1) purposes of the rainy day fund...”
- It is our position that the Rainy Day fund can be used for any appropriate and legal expenditures of the Township as long as the disbursements follow the purposes of the fund as set out in the resolution that set up the Rainy Day fund.
- Rainy Day fund also requires sufficient appropriations prior to cash in the fund balance being disbursed.

IC 36-8-14-2

- The Township Board can establish a Cumulative Fire fund to pay for the following expenses: purchase, construction, renovation, or addition to buildings; purchase of land used by the fire department serving the unit; the purchase of firefighting equipment for use of the fire department, including making the required payments under a lease rental with option to purchase agreement made to acquire the equipment.

How to fund fire protection (continued)

IC 36-8-13-5

- For purchases of firefighting apparatus and equipment, including housing, the Trustee may enter into an installment conditional sale or mortgage contract running for a period not exceeding 6 years; or 15 years for a Township with an AV over \$60 million and is using state or federal money

IC 36-8-13-6

- For purchases of firefighting apparatus and equipment, including housing, the Trustee may borrow funds from a financial institution payable by equal installments due January 1 and July 1 for a period not to exceed 6 years.
- If money is borrowed, then a group of 10 or more taxpayers have the ability to file a petition objecting to the decision to borrow funds. They have 30 days after the Board's determination to file the petition with the County Auditor.

How to fund fire protection (continued)

IC 36-6-6-14

- At a special meeting, the Township Board can authorize the Trustee to borrow a specified amount to meet the funding emergency. However, they can only go through the process 3 out of 5 years.
- Subsection (d) includes the factors in which the Township Board should consider in determining the whether a emergency exists.
 - (1) The current and projected certified and noncertified public safety payroll needs of the township.
 - (2) The current and projected need for fire and emergency services within the jurisdiction served by the township.
 - (3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.
 - (4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.
 - (5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.
 - (6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter.
 - (7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.
 - (8) Other factors directly related to the provision of public safety within the jurisdiction served by the township

Fire protection expenses

IC 36-8-13-7

- All purchases of firefighting apparatus and equipment shall be made in the manner provided by statute for the purchase of township supplies. (IC 5-22)

IC 5-22

- Less than \$50,000 – local policy
- \$50,000-\$150,000 – 3 quotes
- More than \$150,000 – public bid process

IC 5-22-10

- Special Purchasing Methods

Fire Protection District

IC 36-8-11-4

- A County legislative body may establish a fire protection district.
- The district may consist of a township and parts of, or another entire, township; or all the townships in a county.

IC 36-8-11-5

- A certain amount of freeholders owning land may petition to establish a fire protection district.

IC 36-8-11-6 to IC 36-8-11-10 contains the process for filing the petition.

IC 36-8-11-11

- Within 30 days after the ordinances or resolutions are final, the county legislative body should appoint the board of fire trustees. Trustees must have knowledge and experience in matters pertaining to fire protection and related activities in the district. Trustees should consist of one member that represents each township and municipality in the district. If that creates an even number, then they should appoint another member. A minimum number of 3 Trustees should be appointed.

Fire Protection District (continued)

IC 36-8-11-13

- At a minimum, the Board shall meet at least one time in January, April, July, and October.
- A special meeting may be called with written notice by the chairman or 2 trustees. The secretary of the board is required to give notice to members at least 3 days prior to the meeting.

IC 36-8-11-14

- Each trustee may receive not more than twenty dollars (\$20) a day for each day devoted to the work of the district. In addition, each trustee may be reimbursed for actual expenses, including traveling expense at a rate equivalent to that provided by statute for state employees. Claims for expense reimbursement must be accompanied by an itemized written statement and approved by a recorded motion of the board.
- At the time the county legislative body initially appoints the board, it shall order where the board will maintain its offices. The offices may not be changed without approval of the legislative body. The board shall arrange for office space and keep a record of all transactions and minutes of all meetings in the office. All records and minutes shall be kept available for public inspection.

IC 36-8-11-15

- Provides the powers and duties of the Board.

Fire Protection District (continued)

IC 36-8-11-18

- The board shall annually budget the necessary money to meet the expenses of operation and maintenance of the district. After estimating expenses and receipts of money, the board shall establish the tax levy required to fund the estimated budget.
- The budget must be approved by the fiscal body of the county, the county board of tax adjustment, and the department of local government finance.

IC 36-8-11-24

- Proceedings to dissolve a fire protection district may be instituted by the filing of a petition with the county legislative body that formed the district
- The petition must be signed: by at least twenty percent (20%), with a minimum of five hundred (500), of the freeholders owning land within the district; or (2) by a majority of those freeholders owning land within the district; whichever is less.
- A dissolution takes effect three (3) months after the later of the adoption of the ordinance under subsection (g) or the payment of the district's debts and liabilities, including its liabilities under IC 34-13-2 and IC 34-13-3. The property owned by the district after payment of debts and liabilities shall be disposed of in the manner chosen by the county legislative body. Dissolution of a district does not affect the validity of any contract to which the district is a party.

Fire Protection Territory

IC 36-8-19-5

- the legislative bodies of at least two (2) contiguous units may establish a fire protection territory for any of the following purposes: (1) Fire protection; Fire prevention; and Other purposes or functions related to fire protection and fire prevention.
- Not more than one (1) unit within the proposed territory may be designated as the provider unit for the territory.

IC 36-8-19-6

- To establish a fire protection territory, the legislative bodies of each unit desiring to become a part of the proposed territory must adopt an ordinance or a resolution.
- Before the legislative body of a unit may adopt an ordinance or a resolution under this section to form a territory, the legislative body must do the following: (1) Hold a public hearing, at least thirty (30) days before adopting the ordinance or resolution at which the legislative body makes available to the public various required information.; (2) Hold at least one (1) additional public hearing before adopting an ordinance or a resolution to form a territory, to receive public comment on the proposed ordinance or resolution.
- An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.

Fire Protection Territory (continued)

IC 36-8-19-8

- The designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory and money in the fund may not be used for any other expenses.
- The provider unit, with the assistance of each of the other participating units, shall annually budget the necessary money to meet the expenses of operation and maintenance of the fire protection services within the territory. The provider unit may maintain a reasonable balance, not to exceed one hundred twenty percent (120%) of the budgeted expenses.

IC 36-8-19-8.5

- Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory.
- If a fund is established, the participating units may agree to: (1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment; (2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or (3) transfer an amount from the fire protection territory fund to the fire equipment replacement fund not to exceed five percent (5%) of the levy for the fire protection territory fund for that year.

IC 36-8-19-8.6

- A participating unit may adopt an ordinance or a resolution to transfer any money belonging to the participating unit to: (1) the fire protection territory fund; (2) the fire protection territory equipment replacement fund; or (3) both funds.

Fire Protection Territory (continued)

IC 36-8-19-13

- If a unit elects to withdraw from a fire protection territory established under this chapter, the unit must after January 1 but before April 1, adopt an ordinance or a resolution providing for the withdrawal.
- An ordinance or resolution adopted under this section takes effect July 1 of the year that the ordinance or resolution is adopted

IC 36-8-19-15

- A fire protection territory is dissolved if all participating units withdraw from the fire protection territory.
- When a fire protection territory dissolves, title to any real property transferred to the provider unit reverts to the participating unit that transferred the real property to the provider unit.