

The Future of Fire Service in the Fire Tax District

October 2011

Current Context

Wake County's Fire Tax District provides funding for fire protection in the unincorporated areas of Wake County and in the Town of Wendell through 14 contracts with not-for-profit corporations and 6 contracts with municipal fire departments.

The total Fiscal Year 2012 Budget for the Fire Tax District is \$20,253,000.

While municipal boundaries have expanded, the service area for the Fire Tax District has declined. In the year 2000, there were 615 square miles in the unincorporated areas; in 2010, there were 558 square miles. Several not-for-profit fire department insurance districts have been steadily declining in size over the years.

Over the same time period, the population of Wake County increased by 43.5%; although the population increase in the unincorporated area was only 9.5% (in the Town of Wendell population increased 37.%.)

The cost of fire protection, for a number of reasons, is outpacing population growth and does not reflect a decline in service area. In fiscal year 2000, the Fire Tax District budget was \$7,485,421. The cost of fire protection has increased 170% since 2000.

During the same time period, municipal fire departments have constructed new stations in Wake County as they have expanded municipal boundaries and the municipal fire departments are often the first responding stations to many of the areas served by not-for-profit fire departments.

Recent and Forthcoming Changes

- The County expects that Falls and Wake Forest will merge and the district will be divided between Bayleaf, Stony Hill and Wake Forest.
- Bayleaf Station #3 will be owned by the County for an EMS Station; Wake County will lease to Bayleaf--for a yet-to-be-determined period of time--space for volunteers to assemble and to house some apparatus.
- Members of The Eastern Wake Fire Board will be appointed by the Board of Commissioners.

Expectations and Assumptions

1. The assessed value growth in the Fire Tax district is expected to be flat to very little growth over the next several years.
2. Staffing costs for firefighters will continue to put upward pressure on the fire department budgets.
3. The County believes that savings will be achieved through the consolidation of not-for-profit fire departments.
4. The County believes that financial accountability will be enhanced through the consolidation of not-for-profit fire departments.
5. There are areas of the County that are never intended to be included in municipal boundaries (Falls Lake watershed, Swift Creek watershed, Little River watershed, Jordan Lake watershed, Research Triangle Park). These areas will be served by not-for-profit fire departments or municipal fire departments.

Conclusions and Next Steps

1. The County Manager will not recommend an increase in the Fire Tax District tax rate until the consolidation of fire departments occurs.
2. Identify the areas of the County for consolidations (Falls Lake, Swift Creek, Little River/Eastern Wake County)
3. Northern Area: Generally the land west of Falls of Neuse Road, north of 540, and east of Wake/Durham county line comprises the Wake County portion of the Falls Lake watershed. In time, this area should be served by one fire department.
4. Swift Creek Area:
5. Little River Area/Eastern Wake County:

"Don't know what the solution is"
"But will work with anyone with ideas"