

Alternative Municipal Funding Methods for Communities with Tax Exempt Properties

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Certification Statement

I hereby certify that this paper constitutes my own work product, that where the language of others is set forth, quotation marks so indicate, and that appropriate credit is given where I have used the language, ideas, expressions or writings of another.

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Abstract

Due to a national economic recession, the Fairfield Fire Department is experiencing increased demand for service by tax exempt universities without complimentary increases in the department's budget causing financial stress and operational problems. The purpose of the research was to identify alternative methods to recover costs of providing services to the university community while simultaneously reducing the risks to the residents of the Town of Fairfield. Descriptive research was used to identify (a) the legal basis for colleges to be classified tax exempt, (b) the costs to the taxpayer for providing fire protection to tax exempt colleges in Fairfield, (c) traditional and alternative cost recovery programs used by municipalities to recover costs, and (d) the operational impacts on overall fire protection in the community due to increased system demand. An analysis was performed on department response and financial records to determine compliance with national standards. Surveys and interviews were conducted with elected leaders and a fire department focus group was used. As a result of the research, the Town of Fairfield should organize a local government taskforce to (a) work with state political leaders to improve state funding and reimbursement programs, (b) establish partnerships with tax exempt institutions to encourage voluntary payments for services, and (c) to develop and implement a user/impact fee system to recover costs of protecting universities.

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Introduction

Federal, state and local governments are struggling to balance their respective budgets. According to the Central Intelligence Agency [CIA] (2010):

The global economic downturn, the sub-prime mortgage crisis, investment bank failures, falling home prices, and tight credit pushed the United States into a recession by mid-2008. GDP contracted until the third quarter of 2009, making this the deepest and longest downturn since the Great Depression.

As a result of the depressed economy in the United States, many communities struggle to balance the needs of the community with their ability to pay. Traditionally, funding for federal, state and municipal programs and services are provided through the collection of tax revenues from the public. However, many organizations like schools, churches, and charitable organizations are exempt from paying local property taxes to the municipalities that they are located in due to federal and state mandated tax breaks. According to the Connecticut Advisory Commission on Intergovernmental Relations [CT ACIR], “state property tax exemptions are the second largest state mandate” that impact municipal budgets (as cited in Connecticut Conference of Municipalities, 2006, p. 10).

Prior to the September 11, 2001 terrorist attacks, fire protection funding levels were considered a local issue. Public fire protection levels were authorized and funded locally through the collection of property tax revenues. Through the budget process, communities determine the levels of acceptable risk that they are willing to take. As a general rule, property taxes are based on the size and value of personal property and real estate. During a meeting with former Connecticut Congressman Christopher Shays in Fairfield, Connecticut (personal communication,

2000) requesting his support for the first proposed FIRE ACT grant program, he stated that the capabilities of a fire department were the responsibility of the local community to fund.

However, following the 9/11 attacks, Congressman Shays and the rest of the nation recognized that the fire service was the country's first line of defense against natural and manmade disaster.

This paradigm shift opened up federal grants and funding streams to help first responders prepare for what the public perceived as an expanded homeland security mission however these did not help alleviate the existing problems of underfunded and understaffed fire departments. Of particular concern is the increasing number of properties that are classified as tax exempt but continue to draw upon the municipality for service and support.

The Fairfield Fire Department is experiencing increased demand for services due to the expansion of higher education institutions located in the Town of Fairfield. Properties owned and operated by private colleges and universities are tax exempt and do not pay for services normally funded through taxpayer dollars. Due to increased system demand from these institutions and reduced fire department funding levels, the availability of fire department personnel, apparatus and resources to the general public is often compromised.

The purpose of the research is to identify methods to recover costs of providing critical services to the university community while simultaneously reducing the risks to the residents of the Town of Fairfield resulting from increased system demand. Descriptive research will be used to answer the research questions.

The research questions to be answered are: (a) What are the federal, state and local laws that govern tax exempt institutions and their relationship to municipalities; (b) How do other municipalities meet the demands of providing services to both tax exempt educational institutions and the taxpaying public; (c) What are the costs of providing fire protection, EMS

and fire prevention services in the Town of Fairfield to all tax exempt institutions and properties; (d) What is the impact of the university's demand for service on the Fairfield taxpayer as it pertains to budget, call volume, resource demands and district coverage; (e) How can public protection levels be improved in the Town of Fairfield despite limited financial resources and increasing demands for service by colleges; and (f) What alternative cost recovery methods are available to the Fairfield Fire Department to adequately fund the protective services being provided to tax exempt institutions?

Background and Significance

Author John S. Coleman (as cited in Famous Quotes, 2010) stated, "The point to remember is that what the government gives it must first take away." In order for a town to provide fire protection services to a community, it must purchase and maintain the required facilities and equipment and have enough trained people to operate them both safely and efficiently. All of these things cost money and, as Coleman states, the money must come from the people in the form of taxes so the government can provide these services to the community. With career fire departments primarily funded through tax dollars and many volunteer fire departments funded through a mixture of taxes, grants and donations, the public is paying for fire protection to be available.

Both the federal and state governments have authorized through laws and statutes that specific organizations are exempt from having to pay taxes in exchange for government services. The types of taxes commonly exempted include but are not limited to sales taxes, property taxes, and income taxes. The problem is that not all tax exempt organizations are created equal. In the case of college and universities with large campuses and student populations, the actual system demand on municipal fire, police or other town services is much greater than that of a charitable

organization, national park or a church. The loss of tax revenues from these organizations can be quite significant to a community and can directly impact its ability to provide services to the tax paying public.

The Fairfield Fire Department is an all career fire department with 98 sworn members, five administrative staff and two mechanics covering five fire stations and a regional fire training facility. The 98 sworn personnel are deployed as follows: (a) 92 members are assigned to four rotating shifts of 23 members each; (b) three are assigned to the fire prevention and code enforcement division; (c) one is assigned to training; and (d) the remaining two positions represent the Chief and Deputy Chief. A New England community, Fairfield is located on the shoreline of Connecticut along the primary mass transportation routes between Boston and New York City. The Fairfield Fire Department provides fire, non-transporting emergency medical services [EMS], hazardous materials [HAZMAT] and technical rescue services to the community. The Fairfield Fire Department provides protection to critical infrastructure both in the town and in the region. According to the U.S. Census (2000), Fairfield has a population of 57,340 people. According to the Town of Fairfield 2010-2011 budget summary (Town of Fairfield, 2010), the municipal budget for fire protection is \$12,187,192 .00 and includes capital, operating and supplemental expenditures for the fiscal year ending in June 2011.

According to Fairfield Fire Department records (2010), call volume in the Fairfield Fire Department has risen dramatically from 1,171 calls in 1964 to 8,804 calls in 2009. During this same 46-year period of time, the department has only added two additional firefighter positions per shift and one additional fire inspector.

The Fairfield Fire Department provides primary fire and life safety services to two large college campuses located in the Town of Fairfield. Fairfield University and Sacred Heart

University are both accredited degree issuing institutions with large student populations residing both in on campus dormitories and off campus housing. Fairfield University is set on 200 plus acres of land and has 50 buildings on the campus with over 2,000,000 square feet of building space (Fairfield University, 2010). The university has many active construction projects including expanding student residency with additional high rise residential halls. The current student enrollment at Fairfield University is 5,074 graduate and undergraduate students (ies National Center for Education Statistics, 2010). Sacred Heart University is also expanding both its student housing and classroom buildings. Following an increase in enrollment, Sacred Heart converted from a commuter only college in 2000 to an on campus dormitory style of housing. The 2010 enrollment figures for Sacred Heart University are 6,023 combined graduate and undergraduate students (ies National Center for Education Statistics, 2010).

The presence of these two mini communities in town has had a significant impact on the operations of the Fairfield Fire Department. Both college campuses have large expansion programs that in addition to increasing the number of buildings are also increasing the size of the student populations and the number of employees on site. Both universities are purchasing off campus properties and are utilizing them for various activities including student housing, professor rentals and business offices.

The first impact on the Town of Fairfield is during the planning stages of new construction. Like most communities, proposed construction projects require special permits, local commission approvals, design and plan review, and ongoing field inspections by multiple town departments to ensure compliance with all regulations. The Fairfield Fire Marshal is required to review all new and existing construction plans except for one and two family dwellings and manufacturing facilities. As the authority having jurisdiction, the fire marshal must approve all

plans prior to construction to ensure compliance with the Connecticut Life Safety Code. The fire prevention bureau in Fairfield consists of only three sworn personnel and has a significant work load with annual code compliance inspections, fire investigations and commercial development projects. Further complicating matters is the compressed time frames that the universities operate under to minimize impact to student population. In addition to major building projects, almost every building is constantly being renovated requiring plan review and inspection. The additional work load has cost the fire department thousands of dollars in overtime compensation to meet the needs of the universities. Additionally, overflow plan review work has been outsourced to private engineering companies and has resulted in additional expenditures to the department.

The second impact is operational in nature. As the size of the two universities continues to grow, so does the number of responses to them. Fairfield University is geographically located in the center of the town. However Sacred Heart University is located on the extreme north east corner of town at the furthest point from the first due fire station. Based on the distribution of personnel and fire companies in Fairfield, the five unit response required for an alarm of fire in an occupied dormitory leaves two or three fire districts without first due fire protection for the duration of the call. Conversely, concurrent emergency calls occurring in the fire districts can cause a delayed response for on campus emergencies due to longer response routes from second due companies. In either case, due to call volume on campuses when schools are in session, closest fire units are often unavailable to provide protection to the taxpaying public.

Finally, due to the potential hazards to life and property on college campuses, significant department efforts are required to adequately conduct pre-emergency planning onsite. According to Fairfield Fire Department preplans (2010), Fairfield University has over 50 buildings on campus and Sacred Heart has 13 buildings, including two high rise dormitories, which require

annual pre-emergency planning by fire companies. Preplanning is not just limited to fire emergencies. In 2002 a Fairfield University graduate student entered a classroom filled with students and threatened to detonate an explosive device. The former student was eventually arrested after releasing the hostages and the device was found to be non-explosive. Due to the diversity of campus populations and the types of research and studies that can be associated with the schools, college universities are considered potential terrorist targets and place additional demands on the department as well as other town agencies.

These increased demands on both the department and the town do not come without a cost. Reduced fire apparatus availability, increased wear and tear on apparatus, increased time spent on university specific training, planning and inspections all drain tax payer resources without adequate compensation. In an interview with the Town of Fairfield Fiscal Officer P. Hiller (personal communication, July 22, 2010), the State of Connecticut does provide a percentage of 70% assessed value of the tax exempt property to the Town as a payment in lieu of taxes [PILOT]. Unfortunately, due to losses in state aid to municipalities, state PILOT payments to the town for colleges have dropped over \$400,000 from 2009 to 2010 and are projected to drop again by over \$142,000 over the next fiscal years (State of Connecticut, 2010).

The Fairfield Fire Department does not have a false alarm ordinance and does not recover the costs for false alarms responses. The Fairfield Fire Department does have a billing system based on a set schedule for providing fire watch staffing for large public events or hazardous activities that involve pyrotechnics. The Fairfield Fire Department also uses a third party billing service to invoice for the costs of consumables used at motor vehicle accidents through insurance company billing. According to fire department administrative staff (J. Morgan, personal communication, May 2010), five insurance companies no longer reimburse the fire department

for this service at accident scenes. There are no other fees or other compensation provided to the town in exchange for protection services.

The impact of university growth was first reported to the Town of Fairfield following the 1996 Insurance Services Organization [ISO] review of the town's fire department, communications system and water supply network. Due to the number and distribution of highrise buildings located in part on the college campuses, ISO penalized the town for inadequate ladder company coverage and recommended an additional ladder company be placed in service to improve fire service delivery (Insurance Services Office, 1997). In light of this report and in preparation for the 2010 re-evaluation by ISO, the Fairfield Fire Department placed a second ladder truck in service in January 2009. Working through the municipal budget process, the Town of Fairfield had approved an additional firefighter position be added to all shifts starting in January 2009. Unfortunately, the added position was not incorporated into the department's minimum staffing levels prior to implementation and therefore the program was cancelled by the Town of Fairfield First Selectman due to budget cuts on February 14, 2009. The new ladder company was removed from service just one month after being implemented despite the benefits to the community in lower insurance premiums and improved levels of service.

The impact of tax exempt organizations on the community is directly related to the lessons presented in the Executive Analysis of Community Risk Reduction program. Through analysis of the current situation in Fairfield as it relates to budget and risk assessment, this research looks for ways to reduce overall community risk levels and the financial impact to the taxpaying public by transferring responsibility back to the user. This problem is not just a local issue. All municipalities are facing reduced budgets and increased demand for service which are requiring them to investigate non-traditional methods of funding.

In addition to the department challenges outlined above, taxpayers are demonstrating significant displeasure with the rising costs of providing services in the community. The current recession has forced many communities to re-prioritize the service levels they are willing to fund. Unfortunately, the burden for providing services to tax exempt properties is paid for solely by the tax payers, both locally in Fairfield and by the state. Blatantly absent from the list of payers however are the colleges or universities that charge high tuition rates to students but do not pay for municipal services that they rely upon.

The purpose of this research is to support the United States Fire Administration's strategic goals identified in the *Strategic Plan for Fiscal Years 2010 through 2014*. Specifically, goals 1, 2, and 3 are addressing recommendations for (a) reducing risk to the community, (b) improving response and recovery, and (c) improving the department's ability to respond to all hazards (United States Fire Administration, n.d.).

Literature Review

In order to adequately understand the problems presented in this research paper, one must first understand the theory behind why certain organizations are given tax exempt status. According to research by the nonprofit group New Jersey Public Perspective (Krueckeberg, 2004), there are three basic premises for government declaring properties exempt from paying taxes (a) tax base theory, (b) sovereignty theory, and (c) benefit theory. Krueckeberg describes tax base theory as being tied to the wealth and ability of an organization to pay for the services they need while not charging organizations that do not have the ability to pay. Sovereignty theory is based on the premise that certain groups such as churches and government are exempt because they are the taxing authorities. Finally, Krueckcberg describes benefit theory as "quid pro quo or subsidy" based on the public benefit a town receives from the organization. Based

upon these theories, various levels of government authorize specific exemptions from paying taxes including the federal tax code, state statutes and local ordinances.

According to the Internal Revenue Service [IRS] (Internal Revenue Service, 2010), colleges and universities make up one of the largest tax exempt segments of all nonprofit organizations combined based on revenue and assets. In 2008, the IRS conducted a compliance study to evaluate how colleges classified many of their activities and business practices. According to an IRS interim report released on May 7, 2010, this study focused on a representative random sample of schools ($N=400$) and evaluated their 2006: (a) demographics; (b) activities; (c) endowment funds; (d) compensation of officers; and (e) governance of large (>15,000 students), medium (5,000 to 14,999 students) and small (<4,999 students) institutions. According to the IRS (Internal Revenue Service, 2010), “Public and private colleges and universities are subject to tax under sections 511-514 of the Code on their unrelated business income (UBI),” such as charging for business services outside of supporting students needs, recreation, facility rentals and advertising (p. 22).

The challenges faced by Fairfield have been identified by elected officials in other states as problematic. In Pennsylvania, State Senator John Pippy chaired a special meeting of The Legislative Budget and Finance Committee to explore the impact of tax exempt properties on municipalities and to develop a more balanced approach of evaluating the costs to the community against the potential benefits (Senate of Pennsylvania, 2010). State PILOT payments to municipalities in Massachusetts were identified as problematic when the Office of State Auditor found that 285 municipalities lost out on over \$56.7 million dollars in state reimbursement over a six year period due to underfunding of the PILOT program (Massachusetts Office of the State Auditor, 2010). In Maine, the *Commission to Study the Growth of Tax Exempt*

Property in Maine's Towns, Cities, Counties, and Regions was established in 1995 and proposed legislative changes to allow municipalities to assess a service fee to specific tax exempt organizations for direct benefit services received by the organizations and to establish a tax exemption price cap for such properties (State of Maine, 2010).

The negative financial impacts of tax exempt organizations on state and local government is not a new problem. In 2003, the Florida Legislative Committee on Intergovernmental Relations issued a report investigating municipal reimbursements for tax exempt properties (Florida Legislative Committee on Intergovernmental Relations, 2003). The report identified the two main losses to communities including the loss of tax base and the impact burden of providing services (p. i.). Florida identified some of the potential benefits a community might receive depending on the type of tax exempt entity including the creation of more local jobs, expanded recreation and business opportunities and possible new businesses that would generate taxes (p. ii-iii). Florida also identified that other states have policies allowing for reimbursement of fire protection and storm water services and concluded that establishing a state level policy would standardize assessments and benefit the state (p. 102)

In 2009, Providence City Councilman Terrence M. Hassett of Rhode Island stated that he supported proposed legislation [H6214 (Slater, Costantino, Almeida and Diaz) and S946 (Goodwin)] that would impose impact fees on large tax exempt organizations exceeding \$20 million dollars in real estate holdings capped at 25% of the amount paid if organization was not tax exempt. Hassett stated that:

Tax-exempt institutions create many benefits for their communities, but communities also provide tax-exempts with a great number of services, which residents and businesses pay for with tax dollars. Years of growth and expansion have resulted in large tax-exempts

increasing their demand for public services, while a decreasing number of taxpayers are left to pick up their bill (Hassett, 2009).

According to a report by the Connecticut Conference of Municipalities [CCM], a municipal advocacy group of 144 cities and towns in Connecticut that conducts municipal research and evaluates risk, Connecticut General Statutes 12-20a and 12-20b authorize payments in lieu of taxes [PILOT] to be made to each municipality that has an exempt private college or university in the amount of 77% of assessed property value that would be due if the property were not classified as tax exempt (Connecticut Conference of Municipalities, 2010b). Three types of property are allowed to be taxed by a municipality in Connecticut: (a) real estate, (b) motor vehicle, and (c) personal property (Browne & Gorzelany Jr., 2010). Brown and Gorzelany Jr. further define the assessed value of property as being based upon 70% of the actual value of a property for a given fiscal year. PILOT checks [77% of the 70% assessed valued] are authorized to be made to each municipality by September 30th of each year by the Connecticut State Treasurer. The funding source of these payments is the state's general fund (Connecticut Conference of Municipalities, 2010b).

Authorized funding levels for PILOT funds are directly tied to the state budget and may be less than what is authorized by statute (State of Connecticut, 2010). Actual funding levels are recommended by the governor and must pass through the state budget approval process. The State of Connecticut has a formula for determining how much financial aid is given to each municipality. PILOT grant percentages are dependent upon the type of institution and who owns it. State own institutions such as the state university system are reimbursed at a higher percentage rate than private schools. Towns hosting state correctional facilities receive the 100% of the tax revenues lost in the form of PILOT while churches and schools receive lower percentages.

According to P.J. LaBella (personal communication, July 27, 2010) of the State of Connecticut Office of Policy and Management [OPM], none of the colleges or universities in Connecticut pays any fees to the State of Connecticut to supplement the state's financial obligation to the cities and towns. City of Newark's report on payments in lieu of taxes to municipalities (as cited in Krueckcberg, 2004) described the precedent setting agreement between Harvard University and the City of Cambridge in 1928 to make voluntary payments in lieu of taxes for all new properties purchased by the school regardless of use despite being tax exempt. Following the lead of Harvard, the City of Newark further reported:

By the 1960s, many colleges including the University of North Carolina, Pennsylvania State University, Iowa State University, Brown University, Cornell University, Purdue University and the University of Toledo were making payments for firefighting equipment, sewerage treatment plants, city police for special events, street lighting and street improvements (§ 23).

Some municipalities charge fees to users of fire department services regardless of tax status following a response (Oster & Callahan, 1999). The premise described by Oster and Callahan is that tax dollars pay for a department's ability to respond however it is usage fees that actually pay for the cost of the response (p. 3). The three types of municipal fees described in the report include (a) direct usage of service fees, (b) special assessment/impact fees and, (c) regulatory charges and licensing fees that a community charges for permits or for false alarms. With Yale University and two large hospitals, approximately 50% of City of New Haven is tax exempt. In addition to voluntary negotiated payments for fire and town services, the City is implementing a new storm water authority system to transfer costs back onto the users regardless of tax status (R. Bombero, personal communication, July 20, 2010).

The exact costs of providing fire department services are difficult to determine but can be estimated (Weiner, 2001). Research conducted in the United Kingdom describes three cost estimate categories based on previously used cost of crime in the United Kingdom research models. The three categories are (a) costs in anticipation, (b) costs as a consequence, and (c) costs in response (p. 7). Despite the categories included, Weiner identified limitations of his estimates based on specific activities that he could not quantify including, environmental costs, cultural costs, fire prevention education training, and cleanup costs (p. 8). Another cost Weiner struggled to calculate is the cost of fire casualties. Casualty costs go beyond actual healthcare billing but also include lost output [ability to work, produce and support economy] and emotional suffering (p.15-16). In a similar study conducted by the National Fire Protection Association [NFPA] about the cost of fire in the United States, Hall (2010, Abstract, ¶ 1) described the costs as “a combination of the losses caused by fire and the money spent on fire prevention, protection and mitigation to prevent worse losses, by preventing them, containing them, detecting them quickly, and suppressing them effectively.” Collected data from 1980 through 2007 was analyzed by the NFPA and their analysis determined that fire service costs continued to rise each year based in part on increases in career fire department staffing levels, mission expansion into emergency medical services, increased employee health care and retirement plan costs, and overtime costs due to application of the *Fair Labor Standards Act* [FLSA] to municipalities (p. 11).

Charging fees does not come without risks to a fire department. The public’s image of a fire department may be adversely impacted due to the practice of charging fees for services that the public believes they are already paying for in the form of taxes (Bradner, 2006, p. 26). Ontario, Canada’s Office of State Fire Marshal (as cited in Mitrano, S., III, 2003) stated that a

major concern for fire departments that implement user fees was the hesitancy of the public to call for assistance during an emergency due to the cost and resulting in fires growing much larger due to this delay (p. 12). Worcester (as cited in Mitrano, S., III, 2003) further describes the hazards of charging fees stating that the businesses may not find a community to be “business friendly” when choosing a corporate location and may actually reduce the very tax base that the department is trying to supplement (p.12).

College fire safety became a national concern following the January 2000, Seton Hall University fire in Boland Hall where three students died in a nonsprinklered dormitory (State of Connecticut, 2000, p. 3). Following this tragic event, the State of Connecticut passed Public Act Number 00-187 which required both the State Fire Marshal and the Commissioner of Higher Education to jointly review all college campus’ fire safety plans and installed fixed protection systems and to recommend future enhancements to the Connecticut Life Safety Code to address gaps (p. 2). Following their statutory charge, the Commissioners made the following recommendation:

Every public and private institution of higher education responsible for the housing of its students shall develop and implement a plan for the installation of an automatic extinguishing system in those residential facilities. Not later than October 1, 2003 each institution shall submit to the Commissioner of Higher Education and the State Fire Marshal such plan for their approval. The Commissioner of Higher Education and the State Fire Marshal will review them based on each institution’s schedule for the overall campus plan of development, including alterations, additions, renovations, and modernization of the facilities. Upon approval, each institution’s plan becomes the

requirement for compliance with the Connecticut State Fire Safety Code for that facility (p.4).

The *Higher Education Act* [HEA] Title IV (as cited in Fairfield University, 2009) requires that all colleges with on campus housing annually compile, report and distribute an annual fire safety report that includes the last three years of fire events on campus to all students, prospective students and employees. HEA also requires colleges to provide annual fire safety statistics to the United States Department of Education and to make these statistics available to the public (p.3). Other organizations have also raised awareness about fire safety on college campuses and the unique problems associated them. *The Great Escape on Campus* is a training program that has been developed by Campusfiresafety.com Fire and Life Safety Consulting and has been endorsed by the National Fire Protection Association [NFPA] to teach students about the need to be prepared to escape a dormitory or Greek housing fire (Campusfiresafety.com, 2010).

From the perspective of public protection, the NFPA has developed criteria for performance standards for fire departments based on their personnel being career or volunteer. NFPA standard 1710 *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments* [NFPA 1710] (as cited in International Association of Fire Fighters, 2010) is a voluntary consensus standard that identifies minimum recommended response time benchmarks, company staffing levels and requirements for structural firefighting as well as other department operations. NFPA 1710 sets the performance level for the arrival of the first arriving engine company to a fire at four minutes, 90% of the time and the entire first alarm assignment at eight minutes, 90% of the time. The Insurance Services Office [ISO] also sets criteria for fire

departments in regards to property protection (Insurance Services Office, 2010a). *Public protection classifications* [PPC] are assigned by ISO based on the *Fire Suppression Rating Schedule* that reviews of a town's fire department, communications and available water supply. Fire company distribution is also considered and ISO has developed both distance and response time performance levels for engine and ladder companies. According to ISO:

In evaluating a community's public fire protection, ISO considers the distribution of fire companies. Generally, ISO's criteria say that a built-upon area of a community should have a first-due engine company within 1.5 road miles of the protected properties and a ladder-service company within 2.5 road miles.

Those benchmark criteria produce an expected response time of 3.2 minutes for an engine company and 4.9 minutes for a ladder-service company, based on a formula developed by the RAND Corporation (Insurance Services Office, 2010b).

PPC's are used to aid many insurance companies in setting risk levels for fire loss in a community and can lower the cost of insurance to taxpayers based on the department's performance.

The sources referenced in this literature review provided significant background and foundation for the problem statement and many of the research questions. Most of the reference material found addressed a portion of the research topics in regards to funding or department performance standards but very few actually put together alternative funding methods to be specifically used in the case of colleges. Executive Fire Officer [EFO] research followed a similar path and there were no papers located in the National Fire Academies Learning Resource Center that addressed the specifics of college growth and alternative funding for fire

departments. The information found in the literature review did assist with the development of the survey instruments and interview questions as well as in determining the legality and challenges faced by other departments when implementing various types of fee structures.

Procedures

Research

The scope of the problem and research questions posed required that multiple research methodologies be employed to logically investigate the problem. The online card catalog of Learning Resource Center [LRC] located in Emmitsburg, MD was utilized during the early stages of research and brain storming to identify fire service related documents. Electronic card catalog searches for books, periodicals and published Executive Fire Officer [EFO] applied research papers using keywords “alternative funding,” “college,” “tax exempt,” “budget,” and “PILOT” were conducted and the search results were saved for future reference. Reports and journal articles maintained at the LRC that were available to review online were used exclusively. Additional research was conducted using internet search engines including but not limited to Google, Google Scholar, Yahoo and Bing to expand the search criteria. In addition to the many literature references made previously, many other books, journal articles and government web sites were reviewed to develop a holistic approach to the research problem.

During the literature review process, information was separated and organized into general categories as related to the six identified research questions. The research questions approached the problem from the broad legal perspective of federal, state and local authority to tax organizations and narrowed in the focus on what alternative funding methods were available to the Fairfield Fire Department.

Due to the economic downturn in 2010 and informal department notification of decreasing hours of operation for one of the local universities medical departments, various members of the Fairfield Fire Department began to discuss this research topic. Operating as a modified focus group [Focus Group 1] on April 27, 2010, the officers began an open dialog about the anticipated impact to the department in a time when both the department budget and staffing levels have been reduced. The members of this group included Assistant Chief Scott Bisson, Assistant Chief Christopher Tracy, Lieutenant Erik Kalapir, Lieutenant Phil Higgins, Lieutenant Schuyler Sherwood, Firefighter Philip Plante, and Firefighter Robert Smith.

After reviewing the information sources located in the literature review and comparing them to the research questions, a four-pronged research approach was identified to address the research questions. This approach utilized a combination of survey instruments, interviews, personal communications and the analysis of Fairfield Fire Department budget and response statistics. By design, a combination of research methodologies and approaches were used to obtain data to answer each of the research questions.

Research Question 1- Federal, state and local laws that govern tax exempt institutions

Research question 1 looks at the federal, state and local laws and regulations that enable each level of the government to tax or declare an organization tax exempt. This research question is answered through both historical and descriptive methodologies and is based on the current laws and regulations, surveys of municipal leaders and through personal communications with both state and town officials. Defining the enabling legislation for federal, state and local tax codes is the logical starting point for determining why some organizations are exempt from paying taxes and what options a community has to recover costs. Research was conducted using the internet to identify the authority for each level of government to tax its residents. Additional

research was performed to identify the specific criteria for organizations to be declared tax exempt both federally and by the State of Connecticut. Richard Saxl, the Town Attorney for Town of Fairfield was consulted in April 2010 for guidance and he directed all questions related to state PILOT grants to State of Connecticut Office of Policy and Management [OPM]. Questions were sent to Paul J. LaBella of OPM on July 26, 2010. OPM is responsible for the administration of state PILOT programs for “Private colleges and general and free standing chronic disease hospitals” in Connecticut (State of Connecticut, 2010). The list of questions is provided in Appendix A. Finally, through a joint interview of Fairfield town officials including Tax Assessor Thomas Browne and Chief Fiscal Officer Paul Hiller on July 22, 2010, local ordinances and regulations were investigated to determine what types of fees were currently being charged and if any legal obstacles prevented specific fee programs from being implemented. The list of questions is provided in Appendix B. Data obtained through this interview also applied to research questions 3, 4 and 6. A summary of the collected answers to the interview questions is provided in Appendix C. The interview was not recorded however notes were taken during the interview and were transcribed immediately following the meeting.

Research Question 2- How other municipalities meet demands

Procedures for research question 2 investigated how other municipalities meet the needs of providing services to tax exempt organizations within their communities and any methods utilized to recover costs. The research methodology for question 2 was descriptive and involved the creation of a survey instrument. The purpose of the survey was to identify alternative funding methods used by municipalities to cover financial shortfalls for providing public service to tax exempt organizations, specifically to colleges and universities. The survey instrument titled, *Providing municipal services to tax exempt organizations*, comprised of 10 questions and

evaluated (a) the number and types of tax exempt organizations in the sample community, (b) what types of services were provided to the tax exempt organization, and (c) what types of alternative funding mechanisms, if any, were in place. The list of questions used in this survey is in Appendix D.

The target population for this survey was identified as municipal leaders of all cities and towns in Connecticut or their financial/planning officers. The selection of this group was based on the premise that cities and towns in Connecticut are subject to the same federal and state laws and have similar practices for implementing local ordinances. Since Connecticut does not have a county form of government, this eliminated the possibility of research conflicts or regulations imposed in other states that would not apply in Connecticut. Other criterion considered in group selection was the ability to send each municipal leader a survey link through email and similar political and economic knowledge base. Selection of the group was based on total population with email contact and not selected randomly. Limitations due to the selected population group included a possibility that alternative methods working in other states would not be discovered and bias in the results due to New England culture.

The Connecticut Conference of Municipalities [CCM], an association of municipal leaders organized to represent and support the needs of municipalities, was contacted on June 29, 2010 for assistance in distributing the survey to all municipal leaders in Connecticut and was provided a list of the survey questions for review. Additionally, information pertaining to PILOT programs and research performed by CCM was requested for review. The CCM has a membership roster of 144 towns out of a total of 169 ($N=169$) municipalities in Connecticut and frequently conducts research and surveys of municipal leaders (Connecticut Conference of Municipalities, 2010a). The Town of Fairfield is a member of CCM and senior officers of the

fire department are authorized to utilize CCM's resources and request assistance. On June 30, 2010, a response was received from Tony Boccamazzo, a member services analyst, that CCM would conduct research and provide their findings within 2 weeks. On July 7, 2010, CCM forwarded various supporting documents from the State of Connecticut OPM and a research report prepared by CCM titled *PILOTS: What are they? And why do municipalities need them?*(T. Boccamazzo, *Personal Correspondence, July 6, 2010*). The survey was not sent out to municipal leaders by CCM and an alternative method of contact was needed.

Utilizing CCM's public access website at <http://www.ccm-ct.org/>, each municipality's web site and email contact information is provided in a scroll over popup window. The email addresses were collected for each member town's chief elected official for the 144 (S initial=144) member municipalities listed on the site on July 9, 2010. The addresses were grouped together and saved for a group email request.

The survey was created utilizing an online survey creation and analysis tool available from SurveyMonkey™ on the internet at www.surveymonkey.com. As noted in research question 1, the list the of survey questions is provided in Appendix B. Responses to the survey were anonymous and did not collect any demographic information about the respondent in order to reduce concerns about negative political feedback. The survey was 10 questions in length and was forced response in order to ensure that all questions were answered. Alpha testing of the survey was conducted by selected members of the fire department for syntax, organization and content. Following the initial review and a recommended content change, a beta test was conducted by the same group of fire department personnel.

On July 12, 2010 an introductory email including an electronic survey link to the *Providing Municipal Services to Tax Exempt Organizations Survey* was sent to all 144 municipal leaders

via the email addresses obtained through CCM. After the email was sent, 13 bounce back notices were received indicating invalid email addresses on file. No attempt was made to resend the survey to the 13 municipalities and the sample size was reduced ($S_{\text{actual}} = 131$). Similarly, the survey was not sent out to the 25 municipalities not listed on CCM's website due to lack of contact information. The survey collection period lasted from July 12, 2010 through July 26, 2010. A second courtesy email reminder was sent out on July 18, 2010 with a survey link to all 133 active email addresses. Of the 131 survey requests successfully delivered, 37 (28.2 %) completed electronic responses were recorded by SurveyMonkey and one (<1%) completed written response was received by mail. The survey results received in the mail were manually entered into the electronic survey tool for inclusion in the results bringing total responses to 38 (29 %). Three emails were received during the survey collection period from respondents requesting a copy of the results of the survey be forwarded to them when complete and one (<1%) respondent provided information beyond the scope of the survey about their specific situation. The response rate for the survey was well below the recommended 95% confidence level for statistical analysis, however it did provide a sense of the respondents in regards to the survey questions.

Research Questions 3 and 4 - Costs of providing fire protection, EMS and fire prevention services in the Town of Fairfield and the impact of the university's demand for service on the Fairfield taxpayer

Procedures for research question 3 evaluated the costs of providing emergency and non-emergency services to the community as a whole and to determine the impact and lost revenues of providing services to tax exempt organizations. Research question 4 compared data obtained in research question 3 and further analyzed the impact of the university's demand for service on

the Fairfield taxpayer. This research methodology required analysis of multiple data sources and interviews of town officials to answer the research questions.

Analysis of data

Based on approved budget figures (Town of Fairfield, 2009) and response statistics for 2009 (Fairfield Fire Department, 2010), an analysis was performed on the data to determine the 2009 average cost per incident [average cost per incident = total budget / total incidents] and the average cost per unit response [average cost per unit response = total budget / total unit response] for all calls in the Town of Fairfield. The information was further broken down to calculate the average cost for specific types of incidents given the different resource demands required for each call and the average per unit cost per response. Table 1 below shows the breakdown of Fairfield Fire Department incident response types and the number of units normally dispatched. No adjustments were made for different staffing levels between apparatus or type of apparatus.

Table 1. Number of units dispatched by call type

Type of Response	# of FFD Units Dispatched
Emergency Medical [EMS]	1
Vehicle and other Rescue	4
Fire – Building/Structure	6
Fire - MVA	3
Fire - Brush	1
Service	1
Other	3

Historical tax data maintained by the Town of Fairfield Geographical Information System [TOFGIS] and the Fairfield Fire Department Management Information System [FFDMIS] were compared to determine the total number of responses to properties listed as tax exempt. Cyril Clancy of the Town of Fairfield Information Technology Department provided a list of all property addresses that were listed as tax exempt properties. The list provided 238 tax exempt

addresses of record and specifically excluded all Town of Fairfield owned schools, buildings and properties. These addresses were compared to previous incident response addresses in the FFDMIS and were analyzed by type. Three research queries were requested as follows: (a) What was the total number of responses broken down by type to each tax exempt university in Fairfield for the past 3 years?; (b) What was the total number of responses broken down by type to tax exempt properties in Fairfield [excluding town owned properties] for the past 3 years?; and (c) What was the number of times that concurrent calls occurred in the same response district of a school where one of the calls was to the tax exempt university? Firefighter Tom Pond, the Fairfield Fire Department Assistant Records Officer, researched the requested information using the SQL query function in Firehouse Software to obtain the data for each query. Due to data compatibility limitations, the list of tax exempt properties could not be electronically imported into the FFDMIS for comparison. As a result, query 2 was not successful in developing data for this report.

Interviews

As previously referenced, Appendix B lists the questions discussed with Browne and Hiller during a joint interview on July 22, 2010. The interview questions covered the breakdown of taxable versus non taxable properties in Fairfield and the total lost revenue from all tax exempt organizations to the town. Information and data provided during the interview was also analyzed to determine the specific impact and differences of universities as a tax exempt grouping and the estimated response costs for each university based on types of calls and service usage.

Appendix E includes a summary of 2010 fees charged by the Fairfield Fire Marshal's Office for permits, inspections and plan reviews. Information on total fire prevention activities

including inspections and plan reviews provided to colleges and universities were calculated using the FFDNIS and personal communications with office staff.

Research Question 5 and 6 - How can public protection levels be improved in the Town of Fairfield and what alternative cost recovery methods are available?

Research question 5 reviewed current fire protection levels in the Town of Fairfield and looked for areas of improvement based on the demands placed by tax exempt organizations. Research question 6 similarly looked at alternative funding methods for fire suppression and prevention services that could reduce the public burden for rising costs. The research methodology for research questions 5 and 6 was descriptive in nature and involved (a) modified focus group discussions within the Fairfield Fire Department (b) comparison of previous ISO recommendations for the Town of Fairfield to current data, (c) comparison of the Fairfield Fire Department to ICMA national survey data in regards to staffing and per capital costs (d) an analysis of public risk based on *NFPA 1710 Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments* response time performance criteria, and (e) the creation of a survey instrument.

Focus Group

The members of Focus Group 1 conducted informal discussions and exchanged email correspondence in regards to ways to approach the problem of enhancing public fire protection. In June 2010, the members discussed a number of possible options for improving public protection levels in Fairfield (personal communications, 2010). One of the main concerns of focus group 1 was the increasing demands placed on the department due to budget cuts at the two schools that reduced availability of on campus services and the potential for increasing

department demands to replace those services. The group discussed a number of possible options for the department to evaluate and the need for a statistical analysis of current data and standards. These discussions aided the development of the criteria used in these procedures.

1997 ISO evaluation

In 1996, ISO evaluated the Town of Fairfield in accordance with the *Fire Suppression Rating Schedule* and issued their final report on April 7, 1997. The Town of Fairfield Public Protection Classification [PPC] awarded in 1997 was class 3 (Insurance Services Office, 1997, p. A). The report included a number of improvement statements and recommendations for the town to utilize as a framework for (a) improving service delivery, (b) improving the department's classification rating, and (c) potentially reducing property insurance rates in Fairfield. On May 9, 2010, ISO contacted the Fairfield Fire Department to schedule an evaluation to update the PPC for the Town of Fairfield. The final report of findings and recommendations from the 2010 ISO evaluation was not completed prior to the submission of this applied research project.

An analysis of Fairfield Fire Department records was completed to determine the state of the department at the time of the 1996 ISO evaluation and compare it to the 2010 data. Data was compiled in regards to call volume, staffing levels, apparatus type and deployment, station locations, training, water supply and communications. Demographic and budget information was also obtained from Town of Fairfield records. Per capita fire protection costs for the 2009/2010 budget year [per capita cost = total budget for fire protection/total population] and average firefighters per 1000 population in 2009 [average firefighter per resident = total staffing / (population/1000)] was calculated and used in comparison to ICMA's national survey data (International City/County Management Association, 2010) to determine where the department

stood in relation to other departments. The comparison of statistical data and recommendations matrix is provided in Appendix F.

NFPA 1710 response time analysis

The Fairfield Fire Department is an all career fire department and has not formally adopted *NFPA 1710* or performed a response time analysis to determine compliance with the standards recommendations. Based on *NFPA 1710*, reports were generated using collected incident response data for the period between July 1, 2009 and June 30, 2010 from the FFD MIS. Firehouse software provides a number of standard report generation tools and queries for analyzing incident data. An existing Firehouse software report that calculated the initial arriving unit's response time for all incidents was utilized. Attempts to filter response data through query parameters that restricted the data output to only calls that were emergency or life threatening in nature were unsuccessful and resulted in response time analysis for all calls including non-emergency. A total of 9,043 calls between July 1, 2009 and June 30, 2010 were included in the analysis and compared to the *NFPA 1710* standard's performance requirements for first arriving unit to emergencies. Due to technical reporting limitations, the report only provided the average response time data of the first due unit to emergencies and not the time for the total initial response to arrive.

Survey Design

The purpose of the survey was to identify alternative funding methods (other than PILOT funds) used by Fire Departments to help recover costs for providing public services to tax exempt colleges and universities. The survey instrument titled *Survey of Fire Departments with Colleges/Universities*, comprised of 10 questions and evaluated : (a) the types of fire department related services provided to colleges and universities by municipal fire departments, (b) types of

fees and/or alternative funding methods used to by fire departments to recover costs, (c) any special code requirements or local ordinances pertaining specifically to tax exempt colleges, and (d) whether the college or university had civilian or sworn staff to provide fire department services on campus. The respondent was required to answer all 10 questions of the survey. Alpha testing of the survey was conducted by the same selected members of the fire department focus group used to review the *Providing Municipal Services to Tax Exempt Organizations Survey* for syntax, organization and content. Following the alpha review, a beta test was conducted with the same group of fire department personnel and was cleared for distribution without change. The questions used in the *Survey of Fire Departments with Colleges/Universities* are listed in Appendix G.

The target population for this survey was identified as fire department chief officers in communities that had a college or university within the municipal boundaries. Only fire chief's of Connecticut fire departments were selected for this survey and included career, combination and volunteer fire departments. The list of Connecticut towns that are home to the state's 52 colleges and universities was obtained from the State of Connecticut Department of Higher Education [DHE] website (2010) and included (a) all four-year public, (b) four-year independent, (c) two-year independent, and (d) community colleges and universities and the towns that they were located in. The reason that Connecticut fire departments were selected for this survey was similar to the municipal leader survey referenced in research question 2. The survey was designed to obtain responses from departments with comparable legal and municipal structures as the Fairfield Fire Department. Similar federal and state laws, the lack of a county form of government, and the ability to contact each department electronically through email were other contributing factors considered. Limitations due to the selected population group included

a possibility that alternative methods working in fire departments in other states would not be discovered.

Previous research conducted at the National Fire Academy required the development of a group email distribution list for fire departments and their chief officers. The National Fire Department Census Database (as cited in Bisson, 2009) does not update email addresses on a regular basis and therefore has a high error rate due to changes in rank, promotions and retirements. Also contacted in 2009, the Connecticut Fire Academy does not release email contact information for use in group mailings but will forward requests for assistance through the states list serve system to the entire population of subscribed users (personal communication, 2009). This was undesirable due to the specific parameters of the research. Based on the information obtained from the DHE on July 1, 2010, a list of 52 towns was developed and shortened to 30 due to one town hosting multiple schools. Utilizing the list of 30 towns, an email distribution list was generated by going to each town's municipal web page listed on the CCM website and locating the official link to the fire department of record. In the case of multiple fire departments protecting one municipality as in the case of some volunteer departments, the email of each fire chief was recorded. A list of 27 fire chief email addresses was compiled for the 30 municipalities. Eight (26.6%) of the 30 municipalities did not have an email address posted on their website or available externally. Four of the eight departments were sent survey invitations through a "contact us" link on the web site but it was undetermined if the fire chief received the information. The survey period was started on July 14, 2010 and an email invitation including a survey link was sent to all 27 ($S=27$) email addresses on file. An email reminder was sent to all 27 email addresses on July 22, 2010 and included the link to the survey. The closing date for the survey was July 26, 2010. Of the 27 email messages sent out, 3 (11.1%) email addresses were

rejected by mail servers. There were 7 (25.9%) responses received during the survey period from fire departments. Two departments followed up with an email that described special circumstances in their communities. Due to challenges in obtaining current email addresses for all fire departments in the survey area, a lower number of surveys were initially distributed than desired. The intention of the survey design was to contact the entire population for input. Despite the low response rate and distribution challenges, a sense of the departments that did participate in the survey can be obtained from the responses.

Limitations and Assumptions

In addition to the limitations noted above, other challenges were encountered during the research process. Email has become a common tool used by government to conduct business and exchange information. Unfortunately, many email addresses have been compromised, hacked, or misused to spread viruses or obtain private information. In attempts to protect privacy and security of data, many federal, state and local organizations have strict anti-virus and SPAM blocking programs that block emails from users outside of internal systems or from unrecognized email addresses. Some municipalities are reluctant to accept email for official business and require the public to call and speak to employees directly. This created challenges during the survey process as many emails were blocked, rejected or just not made available. Additionally, there is no master list of current fire department chief officer email addresses available for researchers. As previously mentioned, *The National Fire Department Census Database* does attempt to correct this problem but unfortunately records do not keep pace with changes in each department.

Due to problems with automatic time stamping and data sharing between the 911 computer aided dispatch system, town computer network and the FFDNIS, there is a known

issue with some times being imported into the fire department system used for this analysis.

When times are missing from the records system at time of NFIRS incident report completion by officers, officers are trained to estimate the time for the specific field and make a note in the narrative of the report to review radio recordings if corrected times are needed. It was not possible to calculate an error rate for this problem and the department continues to work towards improvement.

Definitions

Dispatch time - the time when a fire company is alerted by dispatch to respond to an emergency.

First Alarm Assignment – All units dispatched and assigned to respond to an emergency.

First Due Engine Company – A fire department vehicle that is staffed with personnel, equipment, water, pump and hose that should arrive at an emergency first based on dispatch and proximity to emergency.

Query – a method of defining variables to filter data in a large database for analysis or reports.

Response time – the time starting when the apparatus leaves the fire station to respond to an emergency and ending when it arrives at the emergency or assignment.

Results

Research Question 1- Federal, state and local laws that govern tax exempt institutions

Research question 1 explored the enabling legislation that authorized federal, state and local taxes to be taken from its citizens. Historically speaking, the collection of taxes can be traced back to ancient civilizations (Government of India, Ministry of Finance, Department of Revenue, n.d.). This research focuses on the current laws and regulations in effect in the United States. This research was completed in three steps through (a) legal research of statutes, (b) an interview with Town of Fairfield officials, and (c) a questionnaire sent to the State of

Connecticut OPM to evaluate college exemption regulations. A matrix of the data collected is included in Appendix H.

Statutes and laws

The federal government is authorized to collect taxes from its citizens by the authority granted in the *U.S. Constitution* (U.S. Const. art. I, § 9, 1787). This authority was revised by Congress's passage of the sixteenth amendment in 1913 and states, "The Congress shall have power to lay and collect taxes on incomes" (U.S. Const. amend. XVI, 1913). The collection of authorized taxes on behalf of Congress is handled through the Department of the Treasury (Internal Revenue Code, 26 U.S.C. § 7801, 2010) and authorizes the Internal Revenue Service [IRS] to administer the tax code (Internal Revenue Code, 26 U.S.C., 2010).

The *Constitution of the State of Connecticut* was enacted in 1818, established the Legislative, Executive and Judicial branches of state government in Connecticut and authorized the state legislature to pass laws governing its citizens (Constitution of the State of Connecticut, 2009). Both the State Treasurer and Comptroller [also called Controller in earlier documents] positions are authorized by the state's Constitution as well as the authority to administer the state's financial matters. In 1991, the State of Connecticut implemented a state income tax through public act (P.A. 91-3, 1991) and the Connecticut General Statutes (Income Tax, Chapter 229 C.G.S. § 12-700--§ 12-746, 2010).

According to state statute, local municipalities in Connecticut do not have the authority to tax citizens unless specifically authorized by the state legislature (145 C. 375, 2010). Chapter 204 of the Connecticut General Statutes addresses the local tax collections for personal property, motor vehicles, fire districts, sewer assessments and school districts among others through *Property Tax Assessments* (Chapter 203 C.G.S., 2010) and the *Local Levy and Collection of*

Taxes (Chapter 204 C.G.S., 2010). The state has also authorized some municipalities like the City of Stamford (134 C. 65, 2010) to collect special town taxes for specific purposes. The Town of Fairfield does collect personal property, real estate and motor vehicle taxes from citizens and businesses in accordance with the state tax code. In addition, the Town charges a separate sewer assessment fee to all users of the town system as authorized by town code (Town of Fairfield Code, § 40-1, 2010)

Both the federal and state tax codes have provisions for issuing tax exempt status for specific organizations, persons or properties. For colleges and universities, the Internal Revenue Code, 26 U.S.C. §501(c)(3) addresses tax exempt of institutions and properties used for the purposes of high education (Internal Revenue Code, 26 U.S.C. §501.(c)(3), 2010). At the state and local level, Chapter 203 C.G.S. §12-81 specifically addresses college and university tax exempt status. In addition to Chapter 203, Town of Fairfield Code - Property Acquired by Tax-Exempt Organizations, § 95-24 — § 95-26 addresses the procedures for tax exempt institutions to follow to apply to the town for exempt status.

Interview with Town of Fairfield officials

On July 22, 2010, a joint interview was conducted at in the Fairfield Tax Assessor's office with Thomas Browne and Paul Hiller present. The complete list of questions and answers as taken from personal notes and transcribed by Bisson are provided in Appendix C. The questions asked during the interview provided supporting information for research questions 1, 3, 5 and 6. Brown and Hiller worked collectively to answer all questions during the interview unless an answer is specifically attributed to one or the other.

Question one asked for a breakdown of taxable versus non taxable property in Fairfield. Browne stated that 91% of Fairfield is taxed and 9% is tax exempt. The entire grand list for the Town of Fairfield based on the 2005 re-evaluation and assessment is \$13,235,736,953.00.

Questions 2 and 3 explored lost revenues to the town based on potential taxes that would have been collected if the organizations were not designated tax exempt. Based on a value of \$1,179,223,810.00 representing 70% of the assessed value for all tax exempt properties in Fairfield using the 2010 mill rate, the town is losing \$22,723,642.00 in tax revenues. When only colleges and universities are considered, the total lost tax revenues is \$5,804,794.00. Both noted that if 1 of the 2 currently tax exempt schools was not exempt, they would be the largest tax payer in Fairfield based on property, real estate and vehicles assessed values.

Questions 4, 5 and 6 evaluated the process for the town to determine a properties taxable status. Tax exempt status of institutions is based on a blanket exemption granted by state statute. The statute requires that the organization must demonstrate that they are charitable and not making a profit. Colleges and universities are required to submit a quadrennial tax exemption form to the Town which includes federal IRS 501 (c)(3) documentation. Based on the submitted information, the town tax assessor has the authority to make declaration. The process is exactly the same for a property owner to request a tax exemption status following a change in ownership or organization. The process for returning a property to taxable roles is based on receipt of a complaint or a filing for a change of occupancy. Upon report of a change of occupancy to a non conforming organization, the tax assessor can investigate and return a property to the town tax roles.

Questions 7 and 8 address the formula for calculating PILOT and the town's right to appeal. The formula for state PILOT is determined by state statute and reviewed by OPM.

Generally, the authorized value is 70% of the 70% assessed value based on the grand list valuation. The appropriated amount actually granted to each town is historically less than authorized and is at a average rate between 57% and 63% of the 70% assessed value. Fairfield has seen a reduction in PILOT payments and is projected to lose even more in the next fiscal year (State of Connecticut, 2010). In the event that PILOT payments do not seem fair or are too low, the Town does have the right to request a review by OPM. OPM has legislative authority to adjust PILOT values.

Questions 9 and 10 reviewed local ordinances and memorandums of understanding [MOU] in Fairfield. There are two special ordinances in the Town of Fairfield Code that allow collection of fees regardless of taxable status. The sewer user fee system (Town of Fairfield Code, § 40-1, 2010) allows the town to collect user fees for all users of the system. A second ordinance known as the “Clam Jam” rule allows the town to recover costs associated for expenses needed during large public gatherings that require town services to maintain order and safety. Costs are billed back to organization and are based on the historically high costs following the annual college party known as the “Clam Jam” which resulted in high town losses in the 1990’s. There are no MOU’s in place in Fairfield that require any tax exempt properties to voluntarily pay any lost tax revenues or services to the town.

The remaining questions [11 through 16] addressed alternative fee structures, college student fees and recovery mechanisms. Other than the sewer user fee system, there are no other user, impact or access fees charged for town services. According to Browne and Hiller, there are no current plans to expand into new fee areas to raise revenues. In regards to colleges and universities, no voluntary payments are being made to the town from the schools. No opinion was offered in regards to question 14 when asked about the plausibility of establishing a student

fee for fire department service however, it was noted that any type of fee would require a local ordinance or passage by the town's Representative Town Meeting. Additionally, a state statute or public act might be required to implement this type of fee due to state authority over municipal taxes.

Questionnaire sent to the State of Connecticut OPM

On July 26, 2010, a list of questions was sent to Paul LaBella of the State of Connecticut OPM. The list of questions and answers provided are included in Appendix I. Private colleges are considered tax exempt under Connecticut General Statute (CGS), §12-81(8) for property taxes. In order for a college to be considered tax exempt, they must obtain a license from the State of Connecticut's Department of Higher Education and be designated as a institute of higher education. The criteria for determining value is based on §12-63 of the C.G.S. and requires property values to be their fair market value as per §12-20 or 70% assessed of the grand list. Municipalities have the right to appeal the fair market value to OPM under the same section above and may request a hearing or they can appeal to superior court as a third step if not satisfied with the results of the OPM hearing. Colleges and universities do not make any payments to the state or OPM to reimburse for PILOT grants and there are no other cost recovery programs in place in Connecticut to offset the costs of colleges to municipalities. When asked if there were any laws that prohibit a town from charging a use, impact or other assessment, Mr LaBella could not answer. Additionally, OPM is unaware of any municipality that refused or reduced service levels to a college or university due to costs.

Research Question 2- How do other municipalities meet the demands

Research question 2 asked, "How do other municipalities meet the demands of providing services to both tax exempt educational institutions and the taxpaying public?" The answer to

research question 2 is based on the survey results received from mayors, selectman and town managers to the *Providing Municipal Services to Tax Exempt Organizations* [PMSTEO] survey.

The results of the survey are included in Appendix J.

The PMSTEO survey was sent to 144 ($S=144$, 85%) elected leaders out of 169 ($N=169$) total organized municipalities in Connecticut. The sampling method was selected based on availability of email contact information for each municipality through membership of the Connecticut Conference of Municipalities. Of the 144 ($S=144$) email links sent out, 37 (25%) electronic and one (.6%) written response was received during the 14-day survey period yielding 38 total responses and a 26% response rate. While all questions were required to be answered by the survey program, some of the respondents did not complete the entire survey. The number of persons skipping questions will be included in the detail reporting below.

Survey question 1 asked, "Does your municipality receive Federal, State or other sources of PILOT (Payment In Lieu of Taxes) funds for tax exempt properties located in your community?" Of the 38 responses, three (8%) reported receiving federal PILOT funds, 33 (87%) receive state PILOT grants and six (16%) receive other sources of PILOT.

Survey question 2 asked respondents if their municipality provides services (fire, police, health, etc) to a public, private or state technical college or university that has tax exempt properties located in their community. Of the 38 respondents, 17 (44.7%) responded "yes" and 21 (55.3%) respond "no."

Survey question 3 explored supplemental compensation for the services provided to tax exempt educational institutions other than federal or state PILOT grants. Three (7.8%) of the initial 38 respondents skipped the question. Of the 35 respondents to the question, one (2.9%)

indicated that they received supplemental funding and 34 (97.1%) reported no additional funding was received by the town.

Survey question 4 asked, “Other than federal or state PILOT funds, please indicate what type(s) of supplemental funding your municipality receives specifically related to educational institutions from the choices below.” Respondents were instructed to check all answers that apply or to check “No other funding received” if applicable. The results to question 4 are listed in Table 2.

Table 2. Types of alternative funding used by municipalities

Other than federal or state PILOT funds, please indicate what type(s) of supplemental funding your municipality receives specifically related to educational institutions from the choices below. Please check ALL that apply. If your municipality does not receive additional funding, please check "No other funding received."		
Answer Options	Response Percent	Response Count
Special University fee	0.0%	0
Student fee	2.9%	1
Donations	0.0%	0
Barter services	2.9%	1
Training	0.0%	0
Scholarships for employees	0.0%	0
Reduced tuition	2.9%	1
Impact fee	0.0%	0
Usage fee	2.9%	1
Response charge	0.0%	0
Billing for service	0.0%	0
Insurance company	0.0%	0
Special PILOT funding level or exemption (ex. Corrections, Specific facility)	2.9%	1
Other	8.6%	3
No other funding received	80.0%	28
	<i>answered question</i>	35
	<i>skipped question</i>	3

Survey question 5 asked, “OTHER than colleges, universities and properties owned by your city or town, does your municipality provide public services (fire, police, health, etc) to any other federal, state or other tax exempt properties/organizations located in your community?”

Three (7.8%) of the initial 38 respondents skipped this question. Of the 35 respondents, 25 (78.1%) responded “yes” and 7 (21.9%) responded “no.”

Survey question 6 asked, “Other than federal or state PILOT funds, does your municipality receive any type of supplemental compensation for services provided to federal, state or other non-educational tax exempt institutions?” Six (15.7%) of the initial 38 respondents skipped this question while six (18.8%) respondent towns did receive supplemental funds while 26 (81.3%) of the towns did not.

Survey question 7 asked each mayor to estimate how many different types of properties types are located in their municipality. This question was designed to give perspective to answers in regards to the number of tax exempt properties in the sample communities. The responses are in Table 3 below.

Table 3. Property types in surveyed municipalities

Please ESTIMATE how many of each of the following properties types are located in your municipality. Please respond to all 3 types listed.						
Answer Options	None	1 to 5	5 to 10	10 to 20	20 or more	Response Count
Federal properties	25	6	0	1	0	32
State properties	3	21	5	1	2	32
Other (church, hospital, etc)	0	15	8	5	4	32
				<i>answered question</i>		32
				<i>skipped question</i>		6

Survey question 8 asked each elected leader to identify the municipal department and the type of supplemental compensation that they received. Six (15.7%) of the initial 38 respondents skipped this question. The responses for this question are listed in Table 4.

Survey question 9 asked, “Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt

organizations?” Seven (18.4%) of the respondents skipped this question. Of the 31 respondents, only one (3.2%) responded “yes” and 30 (98.6%) responded “no.”

Table 4. Fee types charged by department

Please identify the municipal department and type of supplemental compensation currently received (ex. Health - fees for service). Please respond for each department listed.									
Answer Options	Permit fee	Application fee	Impact fee	Usage fee	Usage fee	Violation fee	Other	None	Response Count
Building	21	13	1	0	0	4	2	9	32
Fire	7	3	1	1	2	2	3	21	32
Health	15	11	0	3	0	5	0	16	32
Parks	7	3	0	11	4	0	1	19	32
Police	4	2	0	4	2	6	3	22	32
Public Works	7	5	0	2	1	0	0	24	32
Other	2	2	0	0	0	0	3	27	32
<i>answered question</i>									32
<i>skipped question</i>									6

Survey question 10 asked elected leaders for their opinion about current PILOT funding levels in relation to the non financial benefits that their community has for hosting religious, educational, health and other types of organizations. Question 10 asked, “Do you feel that the current PILOT funds your municipality receives for tax exempt organizations is fair compensation for the demands placed on your community?” Seven (18.4%) of the initial 38 respondents skipped this question. Seven (22.6%) of 31 respondents answering question 10 did believe that their community received adequate compensation for servicing these types of properties and while 24 (77.4%) did not.

Research Question 3- Costs of providing fire protection, EMS and fire prevention services in the Town of Fairfield

Research question 3 required an analysis of department response and budget data in order to quantify the costs of a fire department response. Costs were calculated by using total budget figures as opposed to very detailed individual criteria as initially considered in order to include

many of the supporting costs for responses such as insurance, training, legal, preventative maintenance, and depreciation of equipment. In 2009, the average cost per incident [average cost per incident = total budget / total incidents] was \$1384.28 based on a \$12,187,192.00 annual fire department budget and 8,804 incident responses (Fairfield Fire Department, 2010). In 2009, there were 14,920 individual unit responses made to the 8,804 incident responses as the number of units that respond is dynamically related to the type of call. The average cost per individual unit response regardless of call type [average cost per unit response = total budget / total unit response] was approximately \$816.84.

Using the per incident costs calculations, the number of total incidents for 2009 was broken down by incident type using the FFDNIS. Using the per incident cost calculation and the total number of responses by type of call, the total service costs were determined by type of incident and are listed in Table 5.

Table 5. Total costs by incidents

Type	# Units	Total cost per call	# calls	Total service cost
EMS	1	\$1,384.28	4719	\$6,532,412.43
Rescue	4	\$1,363.02	452	\$616,083.60
Fire	6	\$1,384.28	163	\$225,637.47
Fire - MVA	3	\$1,384.28	24	\$33,222.70
Fire - Brush	2	\$1,384.28	35	\$48,449.76
Service	1	\$1,384.28	1463	\$2,025,200.12
Other	3	\$1,384.28	1948	\$2,696,575.42
Total costs by incident type			8804	\$12,177,581.51

Using the per unit response costs calculation, the number of total incidents for 2009 was broken down by incident type and the total number of units dispatched based on Fairfield Fire Department standard operating guidelines (Fairfield Fire Department, 2009) and the FFDNIS data. Using the per unit response costs calculation and the total number of responses by type of call, the total service costs were determined for each type of incident and are listed in Table 6.

Table 6. Total costs by call type and units

Type	# Units	Total cost per call	# calls	Total service cost
EMS	1	\$816.84	4719	\$3,854,648.73
Rescue	4	\$3,267.34	452	\$1,476,839.35
Fire	6	\$4,901.02	163	\$798,865.53
Fire - MVA	3	\$2,450.51	24	\$58,812.19
Fire - Brush	1	\$816.84	35	\$28,589.26
Service	1	\$816.84	1463	\$1,195,030.96
Other	3	\$2,450.51	1948	\$4,773,589.15
Total costs by incident type			8804	\$12,186,375.16

Appendix E includes a summary of 2010 fees charged by the Fairfield Fire Marshal's office for permits, inspections and plan reviews. According to Shelia Tesei, Administrative Assistant to the Fairfield Fire Chief, the total amount of fees collected in 2009 for fire watch reimbursement from the entire town was \$37,734.00. This included all fire prevention standbys by for the two colleges as well as any private business or organization. College specific fire watch details include concerts, banquets, dances and sporting events held on campus by either the university or student organization. Fairfield Fire Department fees for inspections and permits netted \$17,800.00. Both fire department fees and fire watch reimbursements are deposited to the town's general fund and not the department's accounts. The Fire Chief's office estimates that the town broke even on reimbursements for the fire watch details based on fluctuations in personnel pay rates due to rank and seniority and equipment needs. On average, there are approximately 35-40 fire watch details at each of the two colleges for a total of 70 to 80 combined fire watches (personal communications, 2010). In regards to total time spent on inspections, plan review and other fire prevention activities, the Fire Marshal's office does not track this information in a format that can be easily searched or summarized. According to William Kessler, the Fairfield Fire Marshal, the office is extremely busy with plan reviews and construction inspections town wide and they have brought personnel in on an overtime basis to help reduce the backlog. Both

colleges have multiple ongoing construction projects and require the resources of the Fire Marshal's office on a regular basis. The permit fees are not adequate to cover the expenses for plan review and required inspections for the universities and some plan reviews have been outsourced to engineering firms to meet time constraints but at greater cost (personal communications, 2010).

Research Question 4- Impact of the university's demand for service on the Fairfield taxpayer

Research question 4 evaluated the two universities impact on the department's ability to provide simultaneous protection. Reports developed from FFDMIS data for the period between July 1, 2009 and June 30, 2010 show that the Fairfield Fire Department responded to 9,043 total incidents. Of these incidents, a total of 131 (33.5%) calls for assistance were provided to Sacred Heart University and 260 (66.5%) were provided to Fairfield University for a total of 391 (4.3%) total incident responses to the colleges.

For Sacred Heart University, the numbers of calls broken down by type are: (a) Rescue and emergency medical – 91(69.5%), (b) Hazardous condition – 1 (.76%), (c) Service call – 20 (15.26%), (d) Good intent call – 6(4.58%), and (e) False alarms – 13 (9.92%). For Fairfield University, the numbers of calls broken down by type are: (a) Fire – 8 (3.07%), (b) Overpressure, Rupture, Explosion – 1 (.38%), (c) Rescue and emergency medical – 170 (65.38%), (d) Hazardous condition – 6 (2.3%), (e) Service call – 5 (1.92%), (f) Good intent call – 16(6.15%) and (g) False alarms – 54 (20.76%).

Three years of response data to both universities was collected from the FFDMIS starting in fiscal year 2007/2008. The three year response summary by type is included in Appendix K. The summary showed a downward trend of calls for Sacred Heart University from 161 in 2007/2008 to 131 calls in 2009/2010. Fairfield University summarized data showed a drop from

252 calls in 2007/2008 to 197 in 2008/2009. In 2009/2010 the total calls to Fairfield University spiked to the highest over the three year period to 260 total calls for service. According to the data, Fairfield University had a significant drop in medical type calls in 2008/2009 from 171 calls to 136 calls in 2008/2009 however, both medical calls (170) and actual fires (8) rose in 2009/2010. Figure 1 is a stacked bar chart showing the three year trends of both universities.

An attempt was made to obtain response data for all tax exempt properties in Fairfield for comparison. TOFGIS data was obtained and the resulting list of all tax exempt properties was evaluated for import into the FFDNIS system. Due to incompatible data types and different recording fields between applications, it was not possible during the research period to merge the data in order to obtain a comparison of responses to all tax exempt properties.

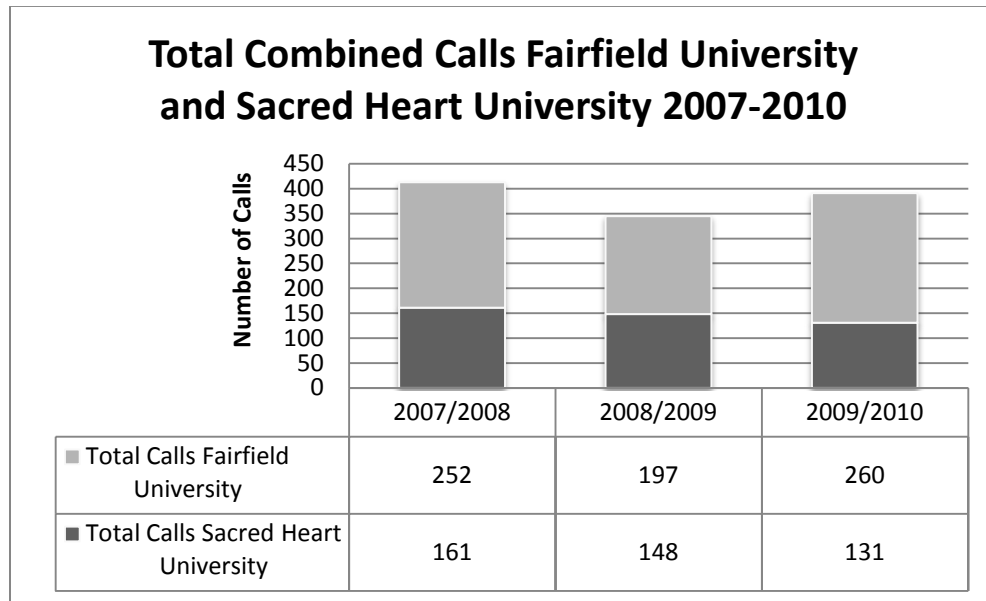


Figure 1. Total combined responses to colleges 2007-2010

Using the average incident costs and average per unit response costs developed in research question 3, total estimated costs were developed for all university responses between July 1, 2009 and June 30, 2010. Table 7 shows the total estimated cost for actual university responses

based on an average cost per incident regardless of type. The total estimated cost is \$541,253.07 or 4.4% of the fire departments budget for the same period.

Table 7. Total combined response costs 2009-2010

Type	# Units	Total cost per call	# calls	Total service cost
Fire	6	\$1,384.28	8	\$11,074.23
Rupture	5	\$1,384.28	1	\$1,384.28
Rescue/EMS	2	\$1,384.28	261	\$361,296.81
Hazard	1	\$1,384.28	7	\$9,689.95
Service	1	\$1,384.28	25	\$34,606.97
Good Intent	3	\$1,384.28	22	\$30,454.14
FALSE	5	\$1,384.28	67	\$92,746.69
Total costs by incident type			391	\$541,253.07

Table 8 estimates the total cost of calls at the universities when the number of responding units is factored into the analysis. This analysis shows that the total average costs by the different response types and calculates the total impact on the department using historical response data. The total estimated cost is \$823,370.61 or 6.7% of the department's budget.

Table 8. Total combined costs of deployed units by call type

Type	# Units	Total cost per call	# calls	Total service cost
Fire	6	\$4,901.02	8	\$39,208.12
Rupture	5	\$4,084.18	1	\$4,084.18
Rescue/EMS	2	\$1,633.67	261	\$426,388.35
Hazard	1	\$816.84	7	\$5,717.85
Service	1	\$816.84	25	\$20,420.90
Good Intent	3	\$2,450.51	22	\$53,911.17
FALSE	5	\$4,084.18	67	\$273,640.03
Total costs by incident type			391	\$823,370.61

Simultaneous incidents are incidents that have overlapping deployment times and require a different fire department unit than the closest one normally assigned to respond. Depending on the location of the two concurrent calls, a unit from a distant fire station is required to respond in

lieu of the normal assigned unit thereby increasing the travel distance, response time and often delaying care and/or fire extinguishment.

Between July 1, 2009 and June 30, 2010 simultaneous emergency calls occurred 144 times in fire district two [with Fairfield University] or district three [with Sacred Heart University] with one of the two calls being on a college campus. The data did not distinguish if the call on campus occurred first or second. Breaking down the data further, 87 (60.4%) of the 144 calls involved Fairfield University and a second emergency in fire district two and 57 (39.5%) involved Sacred Heart University and a second emergency in fire district three.

Research Question 5- How can public protection levels be improved in the Town of Fairfield?

Research question 5 looked at fire protection levels in Fairfield in comparison to national standards to determine how to minimize the impact of the universities on public protection. Focus group 1 discussed a number of possible system improvements based on historical data, commonly known standards and economic information. Table 9 lists a number of the focus group's possible solutions for improving public protection levels.

Table 9. Focus group 1 recommendations for improved public protection levels

1. Require sprinklers/retrofit in all buildings (exceeds fire code)
2. Assign a Fire Department unit to school campuses during high volume times for EMS calls
3. Assign a Fire Department unit to school campuses when school is in session
4. Require fire department/EMS standbys at more on campus events to reduce system demand for responses
5. Outsource plan review and charge back full costs to school

6. Hire back crew on campus during school in session periods
7. Partnerships with university and student groups to predict call volume and staff appropriately
8. Reduce response assignments for coverage
9. Increase manpower to reduce units
10. Charge a impact fee for service calls due to school cutbacks
11. Purchase additional apparatus and equipment for department
12. Develop a fire department access fee charged directly to students on a per semester basis

In 1997, ISO classified the Town of Fairfield as a class three community for insurance rating purposes. This was based on a population of 52,900 residents (Insurance Services Office, 1997) and the annual Fairfield Fire Department call volume of 5,019 calls in 1996 (Fairfield Fire Department, 2010). ISO issued a number of improvement statements to the Town of Fairfield identifying deficiencies in the department. The areas addressed include: (a) adding telecommunicators to the dispatch center based on call volume; (b) electronically monitoring the alarm dispatch circuit; (c) add specific equipment to be carried on all engine and ladder companies; (e) Add an additional ladder company and a reserve ladder company; (f) Increase department shift staffing; (g) increase the hours of training at the fire department training center; (h) conduct pre-fire planning inspections twice a year for all commercial type buildings; and (i) make improvements to water supply and testing.

Using ISO documentation developed for the re-evaluation, the population of Fairfield increased by 6.8% to 56,544 residents in 2009. Total fire department incident responses in 2009 were 8,804 calls for service and represented a 75.4% increase from 1996 responses. Changes

made to the department addressing ISO Improvement statements include: (a) added electronic monitoring to alarm circuits; (b) added equipment to all apparatus to meet ISO equipment requirements; (c) reorganizing the department to add a second in service ladder company; (d) increased department staffing levels by two positions per shift and one inspector in the fire prevention division; (e) increased training hours for all personnel; (f) deployed an electronic preplan management system; and (g) improved the hydrant based water supply in a large portion of town. The result of the 2010 re-evaluation is pending and was not available during the research period.

According to ICMA, the national average per capita cost of fire protection per resident is \$164.34 and reflects an average number of “uniformed sworn personnel” of 1.6 firefighters per 1000 residents (International City/County Management Association, 2010). An analysis of Fairfield Fire Department data results in an average expenditure of \$215.53 [department budget 2009 / town population] per resident or 31% more than the national average for fire departments. In regards to per capita staffing per 1000 residents, the Fairfield Fire Department has 1.62 FF's per thousand residents calculated by dividing the number of sworn personnel (92) by the town's population divided by 1000 (56.5). The population of the two colleges is not included in the town population statistic. When added in, the total town population increases 19.6% to 67,641 residents and is based on the adding the 5,074 students at Fairfield University and 6,023 students at Sacred Heart University to the total 56,544 town population for 2009 (ies National Center for Education Statistics, 2010). It is important to note that this number does not take into account the number of workers on campus or the schedules of the students and is solely based on total published enrollment figures. Based on the additional student population figures, the number of “uniformed sworn personnel” in Fairfield drops from an average of 1.62 to 1.36 firefighters per

1,000 residents. This represents a drop of .26 firefighters or 19.11% per 1000 residents or a drop of 17.6% below the ICMA published average of 1.6 firefighters per 1000.

According to *NFPA 1710*, the performance level for the arrival of the first arriving engine company at a fire is under four minutes 90% of the time, and the entire first alarm assignment within eight minutes 90% of the time (as cited in International Association of Fire Fighters, 2010). Using data collected from the FFDNIS from July 1, 2009 to June 30, 2010, the Fairfield Fire Department performance level for the first unit to arrive under the four minute response time was 26% (2,348 calls). This number reflects all emergency and non emergency type calls traveling rules of the road which is outside of the *NFPA 1710* standards scope of performance. Based on the same data, the Fairfield Fire Department responded to calls in less than nine minutes 82% of the time based on 7,409 responses less than nine minutes out of 9,043 total responses between July 1, 2009 to June 30, 2010. Data for entire first alarm assignment arrival time could not be filtered for the time period and analyzed. The results of this analysis do not accurately compare the *NFPA 1710* response criteria to actual Fairfield Fire Department data and will require future study.

Research Question 6- Alternative cost recovery methods

Research question 6 asked, “What alternative cost recovery methods are available to the Fairfield Fire Department to adequately fund the protective services being provided to tax exempt institutions?” The answer to research question 6 is based in part on the results received from mayors, selectman and town managers in the PMSTEO survey discussed in Research Question 2 and the results of the *Survey of Fire Departments with Colleges / Universities* [SFDCU]. The purpose of the SFDCU survey was to identify alternative funding methods (other than PILOT funds) used by Fire Departments to help recover costs for providing public services

to tax exempt colleges and universities. The results of the SFDCU survey are included in Appendix L.

The SFDCU survey was sent to 27 fire chiefs out of 30 ($N=30$) total Connecticut towns that have colleges located within the town boundaries. The sampling method was selected based on availability of email contact information for each fire department. Of the 27 ($S=27$) email links sent out, seven electronic responses were received during the 12-day survey period yielding a 25.9% response rate. One (3.7%) of the seven respondents only answered the first two questions of the survey and skipped the last eight. The first two answers are included in these results.

Survey question 1 asked respondents to identify what agency was the primary provider of services to the college or university located in their town. The results of this are visually displayed in Table 10.

Table 10. Service provider by type to the college or university

Answer Options	Fire Department	EMS Service	College/University Department	Student Vol. Organization	Other Service / contractor
Fire Suppression/Alarms	7	0	0	0	0
Fire Drills	2	0	5	0	0
EMS/first responder	5	2	0	0	0
Ambulance Transport	1	6	0	0	0
Public Service (lockouts, etc)	5	0	2	0	0
HAZMAT	7	0	0	0	0
Fire Code Enforcement	5	0	2	0	0
Inspections	4	0	2	0	1
Plan Review for new construction	4	0	2	0	1

Survey question 2 asked, “Does your municipality receive federal or state PILOT (Payment In Lieu of Taxes) funds for municipal services provided to tax exempt universities or colleges located in your community?” Four (57.1%) of the seven respondents indicated that their municipality received PILOT funding while three (42.9%) did not receive PILOT funds.

Survey question 3 explored other types of supplemental funding provided to the Fire Departments from tax exempt educational institutions. Of the seven respondents, one (14.3%) reported that they receive barter services (facility usage, programs, access to special services), one (14.3%) reported they receive reduced tuition for employees, and one (14.3%) reported that they bill for services provided. Four (57.1%) reported not receiving any other compensation for services. None (0%) of the respondent departments received compensation in the form of: (a) special university fee, (b) special student fee or assessment, (c) donations, (d) training (other than college level classes for credit/towards a degree), (e) scholarships for employees, (f) department impact fee, (g) usage fee, (h) response charge/stipend, (i) insurance company, (j) special trust fund or endowment, (k) special PILOT funding level or exemption (ex. Specific facility, UCONN), (l) SILT or SILOT - Services In Lieu of Taxes, or (m) other types of reimbursement.

Survey question 4 investigated fire department billing practices for university services. Six fire chiefs responded to questions 4 through 10. Of the respondent fire chief's, two (33.3%) bill for EMS, two (33.3%) for fire suppression, one (16.7%) bills for false alarms, two (33.3%) bill for fire inspections, and three (50%) bill for plan review on new construction. None of the respondents charge for HAZMAT or chemical emergencies on campus.

Survey question 5 asked fire chiefs, "Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt organizations?" All (100%) of the respondents indicated that they do not have an ordinance authorizing fees from colleges or universities.

Survey question 6 investigated if department's have any special requirements specific to universities or colleges that transfer the burden for fire safety back onto the school. All (100%) of the respondents reported that they do not have any special requirements for colleges.

Survey questions 7 and 8 were demographic in nature and asked respondents to identify the types of schools and whether they had student housing on campus. Four (66.7%) reported having public institutions such as the State of Connecticut University system and Four (66.7%) reported having either two or four year private institutions in their towns. Respondents could select both answers if applicable and all of the respondents had a school fitting at least one of the two classifications. Five (83.3%) of respondents reported the colleges had student housing on campus while one (16.7%) reported no student housing on campus.

Survey question 9 asked if a private fire department or fire brigade was present on the college campus. All (100%) of the respondents reported that there were no fire brigades on college campuses in their towns.

Survey question 10 asked, "Does the university or college have fire safety personnel on campus that are responsible for fire safety inspections, code enforcement or maintaining fixed fire protection systems that are not employees of the fire department?" Of the six respondents, four (66.7%) reported they do have fire safety personnel on campus while two (33.3%) reported they do not have any.

Discussion/Implications

Both the federal and state governments have long recognized the need to support local municipalities that provide services to tax exempt institutions. Federal and state governments define who pays taxes through tax codes and policy, however it is the local towns that must provide for the daily needs through municipal services. PILOT funds are the main mechanism

that government has to reimburse municipalities although the amounts and methods differ by state.

Due to the economic recession in 2010, payments have been reduced to municipalities and caused all levels of government to re-evaluate their programs and policies. In Connecticut, legislatively authorized PILOT amounts are different than what is actually distributed to each community. The actual amount of PILOT grants are based on a statewide formula to redistribute the available tax dollars back to municipalities up to the amount authorized by the type of institution. In Fairfield, the state authorized PILOT level is 70% of the 70% assessed value however the amounts received are actually between 57% to 63% of the assessed value.

Other states have reported similar problems in PILOT programs and have resulted in municipalities losing out on millions of dollars in tax reimbursements (Massachusetts Office of the State Auditor, 2010). A search on the internet has shown that many elected officials are evaluating programs and trying to get more funds into local tax coffers. It is actually the towns that suffer when federal and state reimbursement programs are reduced since the towns must still provide services regardless of who is or is not paying for them. Tax exempt institutions actually become "unfunded mandates" on the local economy.

The dual dichotomy of rewarding certain institutions for their potential benefits to the community through tax breaks while compensating local government for their expenses through increased taxes can be viewed as government paying twice the price for the cost of tax exempt benefits. As Senator John Pippy (Senate of Pennsylvania, 2010) stated, "we begin the process of developing an approach that strikes a better balance between the benefits of making certain community properties tax-exempt with the costs of such designations." Not all tax exempt

properties are created equal and each provides a different potential risk and benefit to the community. The question for elected leaders becomes, “is it worth the costs?”

Alternative funding methods do exist for fire departments to recover the costs of protection provided to tax exempt institutions. In 2003, the State of Florida recommended that a number of legislative changes be made to expand reimbursement levels that would benefit the local communities (Florida Legislative Committee on Intergovernmental Relations, 2003). In Connecticut, the state authorizes the towns to collect property, motor vehicle, and real estate taxes but retains control over the town’s ability to tax unless specifically authorized by statute (145 C. 375, 2010). Some towns have worked with state leaders to pass state legislation that established specific fire taxing districts while others managed the problem locally through impact fees, user assessments, and negotiated services. Laws do not prohibit towns from negotiating with tax exempt organizations to develop voluntary financial agreements in recognition of the high demands placed on the community. Larger colleges like Harvard (Krueckeberg, 2004) and Yale University (R. Bombero, personal communication, July 20, 2010) have entered into voluntary agreements with the local towns to reimburse the municipalities despite being granted tax exempt status. These agreements are generally much less than the tax revenues that would have been paid if not tax exempt, but are still very beneficial to the local economy.

Costs of Protection and Impacts

The costs of providing protection to a property are not based on whether an organization is tax exempt or for profit. The costs of providing fire protection are based on certain fixed costs such as capital, operational expenses, and on intangible costs that are difficult to measure such as access to care, low response times to emergencies and special services available to the community. Providing fire and emergency protection is a local issue and costs are addressed in

the municipal budget. In researching the cost impact of providing fire protection to colleges and universities, a holistic approach was used based on the department's budget. This view considers not only the traditional costs of fuel, tires, personnel and equipment but also considers the costs of training, insurance, workers compensation, planning and administrative support required for a fire department to operate. As a result, the figures used in this research were based on an average per incident and average per unit response basis. The premise of this research was the increased burden of fire protection costs on the town due to the demands of large educational institutions. These costs are difficult to calculate as the average costs per call and individual unit response actually increase as total annual call volume decreases when calls at college campuses are removed from the total response numbers. The average cost of a fire department incident response was \$1,384.28 in 2009 based on total incidents regardless of type. When consideration is given to the different response types, values can be assigned based on the number of responding units required for a particular incident and more accurately describes the costs of response. This value ranges from \$816.84 for a single unit response to a \$4,901.02 for a structure fire response. The latter method is preferred as it more accurately reflects the increased operational costs of doing business based on call type.

Not included in these cost figures is the 391 times at least one fire department unit was not available to respond to the taxpaying public due to calls on college campuses in 2009/2010. Additionally, fire department records show that simultaneous calls occurred 144 times during the same time period off campus. As a result, 38% of the time the fire department responds to a college campus, a second call is received off campus that receives a delayed response for service. This figure assumes only a single unit response and does not consider multiple unit responses that leave a larger area of Fairfield unprotected based on apparatus distribution and deployment.

Just as the potential benefits to the community extend off campus, so does the number of college students involved in off campus accidents, rental properties and medical emergencies. Incidents occurring off campus involving college students are not tracked or recoverable from existing MIS data collection methods and are not included in the above percentages.

Other costs of service that are not directly calculable but are realized by the department include the time demands of personnel taken away from planning and inspections of other town businesses while engaged in servicing tax exempt entities with high system demand. Students living in college dormitories and Greek housing are considered a significant to high risk population and require extensive support as a transient population. The construction of buildings on both campuses has added demands on the department for high rise firefighting capabilities and the need for additional ladder trucks.

The impact of the transient college population to the town was calculated based on ICMA's national survey of towns. The 56,544 Town of Fairfield population surges by approximately 11,000 people during the college semester, a increase of 19.6% (ies National Center for Education Statistics, 2010). The addition of this population to the town represents a drop of .26 firefighters or 19.11% per 1,000 residents when school is in session. This is a drop of 17.6% below the ICMA published average of 1.6 firefighters per 1000 (International City/County Management Association, 2010).

The Town of Fairfield has received PILOT payments from the State of Connecticut for the two colleges in town. These grants go directly into the town's general fund and are equally distributed to all departments as revenues. The public safety budget in the Town of Fairfield for 2009 was 12.19% of the total town budget and the fire department portion of the town budget is 4.4%. Using this percentage as a basis for PILOT reimbursement to the fire department for

services, the department indirectly received only \$110,403.88 (4.4%) through the town budget. Estimated costs to the department based on the average per unit cost to the two universities was \$823,370.61 making the reimbursement rate only 13.4% of the total expenditures.

Improving Service through Funding

As Oster and Callahan stated, tax dollars pay for a department's ability to respond however it is usage fees that actually pay for the cost of the response (Oster & Callahan, 1999). Based on the research findings, planning, prevention and response activities clearly draw upon the department's resources and reduce per capita staffing below national averages. Other activities draw upon the department's limited resource pool and often require management to prioritize what activities take precedence. While the limited analysis of the department's response times indicate non-compliance with the arrival of the first due engine within 4 minutes 90% of the time as required by *NFPA 1710*, it is not the solely the demands of the colleges that cause this deficiency. Prior station distribution, deployment of personnel, and the geography of roads and response routes all create system strain that will require separate research to adequately address. In addition, to keep pace with community growth and service demands, additional funding will be required to meet the standards.

Discussions held by the focus group considered many different aspects of the department and possible solutions to address future needs. The focus group looked at solutions from the perspective of reducing demand, reducing severity, increasing size, reorganization of current personnel, and alternative fee structures. One solution involved requiring the installation of automatic sprinkler protection in all buildings on campus in excess of the fire code to try to reduce the severity of fires and protect lives. In 2010, a multistory non-residential occupancy was constructed on one of the college campuses and while the estimates of the costs for hardwood

trim in the building exceeded a million dollars, a sprinkler system was not installed since it was not required by the fire code. Past attempts by municipalities to exceed state fire code requirements have cost municipalities millions of dollars in reimbursements to builders after they successfully challenged the conditions. Reducing demand for services can be beneficial to the town through a combination of approaches. The Town of Fairfield is required by the State of Connecticut to respond to all medical emergencies that occur in the town. The staffing and deployment of a medical response unit on the college campuses during school semesters could potentially reduce the number of times that fire apparatus are sent to the campuses for medical emergencies and still meet the department's mandate to respond to these emergencies. Public safety personnel employed by each university currently respond in addition to the fire department to the medical emergencies but do not fulfill the department's response requirement. This service could be direct billed to the university in a similar fashion as is currently done for fire watch details. Other ways to address the problem would entail hiring back personnel on overtime basis during peak call volume times or changing the personnel deployment model in town to send fewer units to calls while maintaining minimum staffing levels for each call type.

As the colleges continue to grow in size and population, so do their service demands and costs to the community. Alternative fee structures and voluntary payments to municipalities are needed to help departments keep pace with this growth. The focus group looked at two possible fee structures for implementation in Fairfield: impact fees to the university and student fees. The impact fee would be assessed to the university to reimburse the town for access and use of fire protection services supplied to the university. This fee would offset the costs of actual service usage by the schools and could be based on a percentage of value, call volume or annual flat rate fee. The student fee would be a fire department access charge and could be charged directly to

the student at the start of the college semester through the school's billing. This fee would not be a tax on the school but tied to the student population and would increase as population and demand do.

Voluntary payments to the town for new construction or the purchase of special apparatus are other options that could be beneficial to the town. Voluntary payments would be more beneficial to the town as any monies received would go directly into the general fund for redistribution through the budget process. Through negotiations however, the fire department should be able to secure a percentage of funding based on expenditures and direct reimbursement for services in recognition of the increase demands to daily staffing and responses. The purchase of fire apparatus to serve both the community and student populations would directly benefit the department by reducing capital outlays and help transfer some of the costs back onto the schools.

In order to learn about other communities and alternative funding methods, surveys of mayors and fire chief's were conducted. These surveys had a relatively low response rates and did not meet statistical standards for 95% confidence. The data obtained however does provide insight into what is happening in other Connecticut communities and was very beneficial to the research process. According to the PMSTEO survey, the majority (97.1%) of municipalities that responded do not receive supplemental funding beyond PILOT funds. The one municipality that does receive funding cited it receives student fees, usage fees, barter services and reduced tuition for employees. Mayors were asked to identify the types of fees collected by each department in the municipality. With the exception of the building department's permit fees charged in 65.6% of the respondent towns, the majority of town departments do not receive any fees or compensation including: (a) fire (65.6%), (b) health (50%), (c) parks (59.4%), (d) police (68.8%), (e) public works (75%), and (f) other departments (84.4%). Most municipalities

(96.8%) reported that they do not have any local ordinances to authorize funding or the collection of fees. This appears to be standard practice in Connecticut as the concept of alternative funding is not as prevalent as in other states. Connecticut's state legislature has specifically restricted the municipalities' rights to tax organizations unless authorized by a special state act (145 C. 375, 2010). Respondent mayors also expressed their concern that existing state PILOT funding levels were inadequate to cover the services provided. According to the PMSTEO, 77.4% of mayors did not believe that their communities received fair compensation in exchange for services provided to tax exempt organizations.

Fire chiefs in towns with college campuses located within the boundaries responded to the SFDCU survey that 100% of their departments provided fire suppression services directly to the college. Additionally, 71.4% of respondent departments provide medical response, public service response and fire code enforcement to the campuses while 57.1% of respondents conduct inspections and plan review activities on the campuses. Only 57.1% of the fire chief's reported that their municipalities receive PILOT funds. Based on the Connecticut policies and regulations authorizing the states PILOT program for colleges, this number is suspect as it either suggests that towns are not applying for PILOT funds or are not being approved by OPM. While 100% of the fire chief's reported that they do not have an ordinance that authorizes fees to be collected from tax exempt organizations, a number of chief's indicated that they did bill for some services. The highest billable service (50%) was for plan review in new construction. Other billable services by fire departments included Fire and EMS responses (33.3%), fire marshal inspections (33.3%) and one (16.7%) department that charged for false alarms. Fire service billing for responses other than medical type calls is a growing trend in Connecticut. Many fire chiefs in Connecticut have been hesitant to charge citizens for what has been commonly accepted as a

taxpayer provided service. Like most fire departments surveyed, Fairfield does not have an ordinance for the collection of fees for multiple false alarms at a property despite the Fairfield Police Department's ordinance authorizing charges for three false calls in a six month period. Fairfield started billing insurance companies for hazardous materials, motor vehicle accidents and some fires through a third party billing service approximately three years ago. Additionally Appendix E shows the current schedule of fees for fire prevention services such as inspections, and permit fees.

The very limited results of the SFDCU survey did compliment the PMSTEO survey results that alternative funding methods have not been widely considered by municipalities in Connecticut. While the Connecticut legislature restricts the municipality's ability to tax the residents and businesses locally, restrictions to charging impact or user fees were not found during this research either in state statute or during the interviews of various public officials. The state does not prohibit a municipality from conducting voluntarily financial negotiations between a tax exempt organization and a municipality. Tax exempt entities that do in fact make voluntary payments to local municipalities demonstrate the very principal of why they are considered tax exempt, by providing a benefit to their neighbors and community as a whole.

The results of this research have clear implications for the future of the Fairfield Fire Department. Similar to other states, the growth of colleges and universities in Fairfield sets them apart from other tax exempt entities by the number of services and staff hours they require. The impact of the student populations on town services as a whole increase during the college semester and reduce per capita staffing levels below national averages based on population. While many departments in Connecticut do not charge alternative fees or receive supplemental funding beyond PILOT, other states have successfully implemented such systems of cost

recovery from colleges and universities. The Fairfield Fire Department needs to keep pace with community growth and service demands.

Recommendations

As a result of this research, the Fairfield Fire Department needs to develop a strategy for funding expanded department services. The two colleges located in Fairfield have grown considerably and place significant demands on the department that can and cannot be measured in terms of dollars. The first step in addressing the problem is to distribute the results of this research to senior department staff and elected officials within the Town of Fairfield. Throughout the research process, various town officials have become aware of the research project's scope and have requested a copy of the report for future use.

The Fairfield Fire Department has strong relationships with the political delegation representing Fairfield in state government. Building on these relationships, meetings between town officials and state representatives should occur and explore the future of PILOT funding. At a minimum, representatives need to work on the restoration of town PILOT funding to previously authorized levels.

The Town of Fairfield should create a local government taskforce to explore alternative reimbursement options for town. The membership of the town task force should include: (a) First Selectman's office, (b) members of the Representative Town Meeting, (c) Fire Department, (d) Police Department, (e) Planning Department, (f) the Health Department, and (g) the Town Attorney. The purpose of this task force would be to: (a) investigate local voluntary payments / programs based on value and capped , (b) investigate the establishment of a vehicle replacement account or the direct purchase of specialized fire apparatus such as aerial devices to be funded

through colleges in recognition of special impacts, and (c) investigate the creation of direct student fees or impact fee structures to be implemented to supplement PILOT funds.

In support of the town task force, the Fire Department should establish an internal planning group. The purpose of this planning group would be to: (a) define the standard of coverage and response goals for the organization, (b) develop an automated tracking system to accurately track time spent on fire prevention inspections and plan review activities by all certified fire marshal personnel and project future needs, (c) conduct a *NFPA 1710* response and deployment study and establish a time table for implementation and (d) conduct a cost analysis of supplemental staffing models at the universities and the projected costs to improve town coverage during college semesters and during high call volume times. In support of these recommendations, additional reporting capabilities including a *NFPA 1710* response time analysis will need to be developed by the Fire Department Records Officer to accurately present the state of the department. As a corollary to this research, the department needs to develop a long term growth plan to adequately address the future needs of the Town including future station locations, the effect of regionalization, deployment of personnel and town growth.

This research looked at the Fairfield Fire Department, the funding challenges created by tax exempt institutions and the impact on the town as whole. This research does have wide application to other communities facing similar economic challenges due to the recession in 2010. The dual scope of this research project was larger than originally anticipated. The impacts of *NFPA 1710* to a fire department have been researched by other executive fire officer [EFO] students and this topic alone warrants additional study. This research does not represent a comprehensive analysis of the Standard but recognizes it as a tool for fire department measurement among other standards and national averages. As Bisson stated in his EFO paper

on strategic planning, a national database of electronic contact information for fire departments needs to be created and updated regularly (Bisson, 2009). In order to enhance the science and professionalism of the fire service, a research branch should be established at the national level for EFO students to utilize to make it easier to conduct scientific research. This will benefit the entire fire service by improving the validity and confidence of future research and giving students a better method for selecting appropriate sample populations.

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Appendix A

List of questions submitted to Paul LaBella of State of CT OPM on July 26, 2010

Dear Mr. LaBella,

My name is Scott Bisson and I am an Assistant Fire Chief in the Town of Fairfield, CT. I am currently enrolled in the Executive Fire Officer Program at the National Fire Academy in Emmitsburg, Maryland. I am conducting research on alternative funding methods currently in use by municipalities in Connecticut that provide services to tax exempt properties/organizations. Specifically, I am looking into colleges and universities

During the course of my research, I have sent out surveys to many CT municipalities and fire departments and have met with the Town of Fairfield Tax Assessor and Fiscal Manager. I have also reviewed many documents on the OPM website and have contacted CCM.

I would like to request your assistance with this research. Below is a short list of questions pertaining to PILOT and colleges. I appreciate any assistance you can provide me.

Questions:

1. Why are private colleges considered tax exempt in the State of Connecticut?
2. What is the criteria for being classified as a tax exempt higher education institution?
3. What is the criteria for determining the value of a property (college campus) once the municipality submits its value?
4. When submitting the estimated taxable value of a tax exempt property to OPM for review, is there an appeals process by the municipality for OPM approved property values that are deemed to low ?
5. Do colleges and universities pay any fees, PILOT or other funds to the State of CT to offset PILOT payments made to towns?

6. Other than PILOT , are there any other municipal grant programs, services or funding streams designed to compensate towns that have colleges or universities located in their jurisdiction?
7. Are there any laws in CT that prohibit a town or municipality from charging a use, impact or other assessment or fee to tax exempt educational institution?
8. If a municipality cannot provide public services to both the taxpayers and a private college or university, have any towns refused or reduced service levels to schools based on inadequate funding?

Thank you in advance for any assistance you can provide me. If you have any questions or need additional information, please do not hesitate to contact me.

Assistant Chief Scott R. Bisson; DFM

Shift Commander "B" Platoon and Special Operations

Fairfield Fire Department

Appendix B

Questions prepared for July 22, 2010 interview of Town of Fairfield Tax Assessor Thomas Browne and Fiscal Officer Paul Hiller.

1. What is the percentage of taxable vs. non-taxable properties in Fairfield?
2. What is the estimated lost tax revenue due to **ALL tax exempt** properties?
3. What is the estimated lost tax revenue due to **ONLY tax exempt schools** (Colleges and Universities) to the Town of Fairfield? This does NOT include the public schools owned by the Town of Fairfield.
4. What is the process for declaring a property tax exempt or taxable in the Town of Fairfield?
5. What are the requirements for a property owner in Fairfield to request conversion from taxable to tax exempt status.
6. Does the town have a procedure for returning tax exempt properties back to the taxable roles?
7. What is the formula for calculating PILOT values? What is it based on?
8. Is there an appeals process for state or federal PILOT reimbursements that are deemed too low?
9. Are there any special ordinances in the Town to help recover the costs?
10. Other than state or federal PILOT, are there any special MOU's or agreements that provide payments to the Town in lieu of services provided to tax exempt properties?
11. Have any fee structures (impact, use, access, etc) been created to transfer the costs for town services to the user regardless of taxable status versus the taxpayers? If yes, please explain.
12. Are there any future plans to raise revenue from other sources not currently used?

13. Specifically in regards to local colleges and universities, are there any alternative funds received by the Town in addition to PILOT funds for service, use, impact or access by transient student populations?
14. Do you think a student fee, fire department access fee or other type assessment would be plausible in the Town of Fairfield to help recover costs? If so, what would the process be to implement (referendum, ordinance, RTM)?
15. Is there an appeals process for state or federal PILOT reimbursements that are deemed too low by the town?
16. Are there any mechanisms currently in use by the Town of Fairfield that recover service based expenses from tax exempt entities beyond those provided by pilot funds?

Appendix C

Summarized answers to interview question transcribed by Scott Bisson from Browne and Hiller interview on July 22, 2010.

- 1) What is the percentage of taxable vs. non-taxable properties in Fairfield?
 - a) *91% of the Town of Fairfield is taxable, 9% is tax exempt; Based on the gross grand list from the 2005 re-evaluation (70%), the grand list for Fairfield is \$13,235,736,953.00*
- 2) What is the estimated lost tax revenue due to **ALL tax exempt** properties?
 - a) *\$22,723,642.00 loss, based on \$1,179,223,810.00 @ 70% considering 2010 mill rate. Due to difference in organization, two nursing homes in town have different tax status, one is taxed and the other based on having a religious charter is not taxed. No state PILOT funds received for religious properties.*
- 3) What is the estimated lost tax revenue due to **ONLY tax exempt schools** (Colleges and Universities) to the Town of Fairfield? This does NOT include the public schools owned by the Town of Fairfield.
 - a) *The grand list for the two colleges in town is \$301,234,780.00 based on mill rate of 19.27. The lost revenue based on this figure is \$5,804,794.00. One of the 2 exempt schools would be the largest tax payer if not granted exemption.*
- 4) What is the process for declaring a property tax exempt or taxable in the Town of Fairfield?
 - a) *Blanket exemption based on state statute, must demonstrate that they are charitable and not making a profit. Colleges and universities are required to submit a quadrennial tax exemption form which includes IRS 501 (c)(3) documentation. Tax assessor has authority to declare organization tax exempt.*
- 5) What are the requirements for a property owner in Fairfield to request conversion from taxable to tax exempt status.
 - a) *Same as in question 4*
- 6) Does the town have a procedure for returning tax exempt properties back to the taxable roles?

- a) *Based on filing or by complaint. Only done twice in Fairfield. First situation involved church rented house where the church pastor lived (tax exempt) and was subsequently rented to a non-church official after the pastor left changing it back to taxable status. Status is grant based on use, not ownership. Second situation involved a post office. A postal facility moved from a Post office owned (tax exempt) to a leased building making it taxable.*
- 7) What is the formula for calculating PILOT values? What is it based on?
- a) *The formula for calculating PILOT is determined by OPM. PILOT for schools is generally 70% of the 70% assessed value of the property depending on statute. While 70% may be authorized, appropriation amount is different. Fairfield has received a 57% to 63% reimbursement rate through state grants to municipalities. The state of CT publishes the grant amounts and Fairfield has seen a reduction in PILOT payments as referenced in (State of Connecticut, 2010)*
- 8) Is there an appeals process for state or federal PILOT reimbursements that are deemed too low?
- a) *State OPM has legislative authority to review and lower assessed values for tax exempt properties. This is tightly watched to ensure assessments are accurate. Town can apply for review based on property and buildings at location.*
- 9) Are there any special ordinances in the Town to help recover the costs?
- a) *Two – Sewer assessments are addressed by Town code and the “Clam Jam” ordinance which allows for reimbursement of costs for Fire, Police and other expenses for large public gatherings that have substantial municipal impact. [named after large college party on beach which resulted in thousands of dollars in police overtime costs due to public hazard in 1990’s]*
- 10) Other than state or federal PILOT, are there any special MOU's or agreements that provide payments to the Town in lieu of services provided to tax exempt properties?
- a) *NO*
- 11) Have any fee structures (impact, use, access, etc) been created to transfer the costs for town services to the user regardless of taxable status versus the taxpayers? If yes, please explain.
- a) *Sewer usage fees applies to all users regardless of tax status*

12) Are there any future plans to raise revenue from other sources not currently used?

a) *NO*

13) Specifically in regards to local colleges and universities, are there any alternative funds received by the Town in addition to PILOT funds for service, use, impact or access by transient student populations?

a) *NO*

14) Do you think a student fee, fire department access fee or other type assessment would be plausible in the Town of Fairfield to help recover costs? If so, what would the process be to implement (referendum, ordinance, RTM)?

15) Is there an appeals process for state or federal PILOT reimbursements that are deemed too low by the town?

a) *YES*

16) Are there any mechanisms currently in use by the Town of Fairfield that recover service based expenses from tax exempt entities beyond those provided by pilot funds?

a) *Passage of town ordinance, state statute or public act through legislative action.*

END SRB 7/23/2010

Appendix D

List of questions included in Providing municipal services to tax exempt organizations survey

Providing municipal services to tax exempt organizations		
1. Survey for Municipalities		
Thank you for your assistance in collecting data on alternative municipal funding sources.		
Tax exempt institutions come in a variety of types including federal parks, post offices, state buildings, churches and educational institutions. The federal government tax code determines what organizations are required to pay federal income tax while State government determines who pays municipal property taxes as well as sales tax and motor vehicle tax. Many tax exempt organizations draw upon municipal services despite not paying for service delivery. Educational institutions have higher demands on municipalities due to high student populations, campus expansion and emergency medical calls.		
The purpose of this survey is to identify alternative funding methods used by municipalities to cover shortfalls for providing public service to tax exempt organizations, specifically to colleges and universities. This survey has only 10 questions and will take less than 5 minutes to complete. Your specific answers to survey questions will be summarized and NOT identified by your town or local school name.		
* 1. Does your municipality receive Federal, State or other sources of PILOT (Payment In Lieu of Taxes) funds for tax exempt properties located in your community? Please respond to all 3 choices.		
	Yes	No
Federal	<input type="radio"/>	<input type="radio"/>
State	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>
* 2. Does your municipality provide services (fire, police, health, etc) to a public, private or state technical College or University that has tax exempt properties located in your community?		
<input type="radio"/> Yes		
<input type="radio"/> No		
2. Supplemental compensation from colleges and universities		
* 3. Other than federal or state PILOT funds, does your municipality receive any type of supplemental compensation for services provided to tax exempt educational (Colleges or Universities) institutions?		
<input type="radio"/> Yes		
<input type="radio"/> No		

Providing municipal services to tax exempt organizations

6. Other than federal or state PILOT funds, does your municipality receive any type of supplemental compensation for services provided to federal, state or other non-educational tax exempt institutions?

- Yes
- No

*** 7. Please ESTIMATE how many of each of the following properties types are located in your municipality. Please respond to all 3 types listed.**

	None	1 to 5	5 to 10	10 to 20	20 or more
Federal properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
State properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (church, hospital, etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*** 8. Please identify the municipal department and type of supplemental compensation currently received (ex. Health - fees for service). Please respond for each department listed.**

	Permit fee	Application fee	Impact fee	Usage fee	Usage fee	Violation fee	Other	None
Building	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Police	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Works	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Questions pertaining to all tax exempt organizations

*** 9. Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt organizations?**

- Yes
- No

Providing municipal services to tax exempt organizations

*** 4. Other than federal or state PILOT funds, please indicate what type(s) of supplemental funding your municipality receives specifically related to educational institutions from the choices below.**

Please check ALL that apply. If your municipality does not receive additional funding, please check "No other funding recieved."

- Special University fee
- Student fee
- Donations
- Barter services
- Training
- Scholarships for employees
- Reduced tuition
- Impact fee
- Usage fee
- Response charge
- Billing for service
- Insurance company
- Special PILOT funding level or exemption (ex. Corrections, Specific facility)
- Other
- No other funding received

3. Supplemental municipal funding from all tax exempt organizations EXCEPT edu...

These questions pertain to funds, fees, or other sources of compensation for municipal services received from tax exempt organizations other than colleges and universities.

*** 5. OTHER than colleges, universities and properties owned by your city or town, does your municipality provide public services (fire, police, health, etc) to any other federal, state or other tax exempt properties/organizations located in your community?**

- Yes
- No

Providing municipal services to tax exempt organizations

*** 10. The government established the practice of declaring certain properties tax exempt in recognition of the benefits the community receives for having religious, educational, health and other types of organizations. Do you feel that the current PILOT funds your municipality receives for tax exempt organizations is fair compensation for the demands placed on your community?**

Yes

No

5. Thank you!

Thank you for your assistance in researching supplemental funding sources for municipalities. If you are interested in receiving a copy of the survey results, please email me at sbisson@town.fairfield.ct.us and I will send you the information after the survey is closed.

Assistant Chief Scott Bisson
Fairfield Fire Department

Appendix E

2010 fee schedule for the Fairfield Fire Department – Fire Prevention Division

Fee Schedule

Effective October 1, 2007

PERMIT APPLICATION

Blasting	\$30.
Fireworks	\$20.
Removal/Abandonment of Underground Storage Tanks >1,200 gal	\$20. per Tank
Circus	\$100.
Tents/Air Supported Structures	\$25. (+\$5. ea. addl. 1,000 sq. ft. >10,000)
LP Gas – Temp. use at Events	\$20.

INSPECTIONS

Vehicles Used for Transportation of Flam/Combust Liqs or Haz Mats	\$25. per vehicle
Liquor License	\$50.
Healthcare	\$100.
Motion Picture Theatres	\$25. per screen
Day Care/Nursery School	\$25.
Specialty Schools, Summer Camps, etc.	\$25.
Group Homes/Residences	\$50.
LP or LN Gas Bulk Plants	\$100.

<u>PLAN REVIEWS</u> – Construction/Renovation	\$25. (+\$10. ea. addl. 1,000 sq. ft. > 2,000)
Sprinkler Systems	\$25. (+\$5. per ea add'l 10 heads > 20)
All Other – such as: Fire Alarm Systems; Other Agent Extinguishing Systems; Restaurant Hood/ Duct; Compressed Gases Use/Storage; Underground Storage Tanks; etc.	\$25.

NOTE: *Plan Review Fee includes all normal progress and Certificate of Occupancy inspections. Return Follow-up Inspections for Certificate of Occupancy beyond one additional will incur a fee of \$50. per inspection.*

DOCUMENT COPYING FEES

\$.50 per page

Payable by check or money order made out to “Town of Fairfield” prior to receipt of signed documents.

Appendix F

Comparison of Fairfield Fire Department Organization and Growth between 1996 and 2010

	1996/1997	2009/2010	change
Population	52,900 (ISO)	56,544 (2009 TOF)	Increase 3,644 or (6.9%)
FD Budget	\$8,870,553	\$12,187,192	Increase \$3,316,639 or (37.3%)
Town Budget	133,700,000	\$245,498,879	Increase \$111,798,879 or (84%)
Fire Call Volume	5019 incidents	8804 incidents Down from >10,000 in 2008 due to cutbacks	Increase 3,785 or (75%)
On duty strength	21	22	Increase 1or (4.7%)
Officers	5	6	Increase 1 or (20%)
Firefighters	16	17	No change (0%)
Staff Officers	5	6	Increase 1 or (20%)
Total FF's and non sworn support staff	91	98	Increase 7 or (7.6%)
Apparatus	5 engines, 1 rescue, 1 ladder, 1 shift commander	5 engines, 1 rescue, 1 ladder, 1 shift commander	No change (0%)
Stations	5	5	No change (0%)
ICMA analysis - Average FF's per 1K	1.68 Student data not available for 1996	1.6 (1.36 with college students)	Decrease -0.08 (5.1%) Decrease 0.32 (23.7%)
ICMA analysis – Cost per population	\$167.69	\$215.53	Increase \$47.84 or (28.5%)

Other improvements include installation of new fire hydrants in Greenfield Hill area, improved communications and radios for personnel, expansion of training center and increased frequency of usage, improved pre-emergency planning of buildings.

Sources: FFDNIS, (Fairfield Fire Department, 2010), Town of Fairfield, (Town of Fairfield, 2009), personal communications.

Appendix G

List of questions for the Survey of Fire Departments with Colleges/Universities

Survey of Fire Departments with Colleges/Universities

1. Fire department services and compensation

The purpose of this survey is to identify alternative funding methods (other than PILOT funds) used by Fire Departments to help recover costs for providing public services to tax exempt colleges and universities. You are receiving this survey because your town is listed by the State Department of Education as hosting a college or university . Your responses will be helpful in identifying alternative cost recovery methods in use by Connecticut fire departments across the state.

Your specific answers to survey questions will be summarized and NOT identified by your department or local school name. This survey has only 10 questions and will take less than 5 minutes to complete.

*** 1. Please identify which of the following organizations is the primary provider of the following services to the colleges or universities in your community by selecting the circle in the proper column (Select only the primary agency) If your community has multiple schools, please answer this question based on the school that uses the most public services.**

	Fire Department	EMS Service	College/University Department	Student Vol. Organization	Other Service / contractor
Fire Suppression/Alarms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fire Drills	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
EMS/first responder	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ambulance Transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Service (lockouts, etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HAZMAT	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fire Code Enforcement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inspections	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Plan Review for new construction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*** 2. Does your municipality receive federal or state PILOT (Payment In Lieu of Taxes) funds for municipal services provided to tax exempt Universities or Colleges located in your community?**

Yes

No

2. Fire department services and compensation (con't)

Survey of Fire Departments with Colleges/Universities

*** 3. OTHER than federal or state PILOT funds, please indicate if the fire department receives ANY OTHER TYPE OF SUPPLEMENTAL COMPENSATION for the services provided to a tax exempt educational institutions? Please check ALL that apply. If you do NOT receive any supplemental funds, please check "NONE Received."**

- Special University fee
- Special Student fee or assessment
- Donations
- Barter services (facility usage, programs, access to special services)
- Training (other than college level classes for credit/towards a degree)
- Scholarships for employees
- Reduced tuition for employees
- Department Impact fee
- Usage fee
- Response charge/stipend
- Billing for service
- Insurance company
- Special Trust fund or Endowment
- Special PILOT funding level or exemption (ex. Specific facility, UCONN)
- SILT or SILOT - Services In Lieu of Taxes
- Other
- NONE Received

3. Fire department services and compensation (con't)

Survey of Fire Departments with Colleges/Universities

*** 4. Does your fire department bill for any of the following services provided to a college or university (check ALL that apply)?**

- EMS response, treatment or transport provided by fire department
- Fire Responses
- False alarms
- Chemical /HAZMAT calls
- Fire marshal inspections
- Plan review for code compliance on new construction

5. Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt organizations?

- Yes
- No

6. In an attempt to transfer the responsibility for college fire safety back onto tax exempt universities and colleges, some fire departments have passed local ordinances that place additional requirements/restrictions on college campuses such as requiring sprinklers in all buildings or purchasing special fire apparatus/equipment.

Does your department have any special requirements specific to the University or College in your community that attempts to transfer the burden for fire safety back onto the school?

- Yes
- No

4. Type of University or College

*** 7. What types of Universities or Colleges are located in your town?**

- Public (State of CT University system, UCONN, etc)
- Private (2 year or 4 year, Graduate, Community)
- None or Not Applicable

Survey of Fire Departments with Colleges/Universities

*** 8. Does the University or College in your community have student housing on campus?**

Yes

No

*** 9. Does the University or College in your jurisdiction have a private fire department or fire brigade on campus that responds to fire and/or medical emergencies?**

Yes

No

10. Does the University or College have fire safety personnel on campus that are responsible for fire safety inspections, code enforcement or maintaining fixed fire protection systems that are not employees of the fire department?

Yes

No

5. Thank You!

Thank you for your assistance with this research project on supplemental funding for fire departments.

Assistant Chief Scott Bisson
Fairfield Fire Department

Appendix H

*Matrix of authorizing legislation for federal, state and local income taxes and exemptions***Tax authorizing legislation**

Level of Government	Type of Tax	Authorized by
Federal	Income Tax	U.S. Const. Art. 1, § 9 (1787). U.S. Const. amend. XVI (1913). Internal Revenue Code, 26 U.S.C. (n.d.) Dept. of Treasury: Internal Revenue Service - Internal Revenue Code, 26 U.S.C. §7801
State (CT)	Income Tax	State and Local Revenue Services. Department Of Revenue Services, Chapter 201 C.G.S. (2010). Income Tax, Chapter 229 C.G.S. §12-700--12-746 (2010). June Sp. Sess. P.A. 91-3, S. 51, effective August 22, 1991, and applicable to taxable years of taxpayers commencing on or after January 1, 1991 Numerous special public acts
Local (authorized by State of CT)	Personal Property (business), Real estate and Motor Vehicle Tax	Municipalities have no powers of taxation except those expressly given to them by the legislature. 145 C. 375. Property Tax Assessment Chapter 203 C.G.S. (2010). Local Levy and Collection of Taxes Chapter 204 C.G.S. (2010).
	Sewer assessment tax	Town of Fairfield Code, § 40-1. (Town of Fairfield, 2008)

Tax exemption legislation

Level of Government	Type of Tax	Authorized by
Federal	Income Tax	Internal Revenue Code, 26 U.S.C. §501
State (CT)	Income Tax	Chapter 203 C.G.S. § 12-81 -§ 12-81bb
	Use and Sales Tax	1997 Conn. Pub. Acts 316, §3
Local (Authorized by State)	Personal Property (business), Real estate and Motor Vehicle Tax	Chapter 203 C.G.S. § 12-81 -§ 12-81bb Town of Fairfield Code - Property Acquired by Tax-Exempt Organizations, § 95-1-- § 95-26 (Town of Fairfield, 2008)
	Sewer	Not Exempt

College and University specific tax exemption legislation

Level of Government	Type of Tax	Authorized by
Federal	Income Tax	Internal Revenue Code, 26 U.S.C. §501(c)(3)
State (CT)	Income Tax	Chapter 203 C.G.S. §12-81
	PILOT authorized to municipalities	C.G.S. §12-20a and §12-20b.
Local	Personal Property (business), Real estate and Motor Vehicle Tax	Chapter 203 C.G.S. §12-81 Town of Fairfield Code - Property Acquired by Tax-Exempt Organizations, § 95-24 — § 95-26
	Sewer	Not Exempt

Appendix I

Answers to questions from Paul LaBella, State of CT, OPM regarding PILOT in CT

From: LaBella, Paul J. [<mailto:Paul.LaBella@ct.gov>]

Sent: Tue 7/27/2010 10:26 AM

To: Bisson, Scott

Subject: RE: tax exempt educational institutions and PILOT

- 1) Why are private colleges considered tax exempt in the State of Connecticut?
 - a) *Connecticut General Statute (CGS), section 12-81(8) exempts private colleges from the property tax.*
- 2) What is the criteria for being classified as a tax exempt higher education institution?
 - a) *Must have a license from the State of Connecticut's Department of Higher Education (www.ctdhe.org) as an institute of higher education.*
- 3) What is the criteria for determining the value of a property (college campus) once the municipality submits its value?
 - a) *Section 12-63 of the CGS requires property values to be their fair market value. Municipalities claim the assessed value (section 12-20 of the CGS) which reflects seventy percent of fair market value for the PILOT grant.*
- 4) When submitting the estimated taxable value of a tax exempt property to OPM for review, is there an appeals process by the municipality for OPM approved property values that are deemed to low ?
 - a) *Pursuant to CGS, section 12-20 OPM has the power to modify any property assessment and there is an appeal process available to municipalities. They may request a hearing*

(which may or may not be granted) and municipalities may appeal to the superior court if they are dissatisfied with the result of a hearing.

5) Do colleges and universities pay any fees, PILOT or other funds to the State of CT to offset PILOT payments made to Towns?

a) Colleges and universities do not pay a fee to OPM or any state agency.

6) Other than PILOT, are there any other municipal grant programs, services or funding streams designed to compensate towns that have colleges or universities located in their jurisdiction?

a) No additional programs

7) Are there any laws in CT that prohibit a town or municipality from charging a use, impact or other assessment or fee to tax exempt educational institution?

a) Do not know the answer regarding prohibitions.

8) If a municipality can not provide public services to both the taxpayers and a private college or university, have any towns refused or reduced service levels to schools based on inadequate funding?

a) Unaware of any towns refusing or reducing the level of service.

Appendix J

Results of Providing municipal services to tax exempt organizations [PMSTEO] survey

1. Does your municipality receive Federal, State or other sources of PILOT (Payment In Lieu of Taxes) funds for tax exempt properties located in your community? Please respond to all 3 choices.

Answer Options	Yes	No	Response Count
Federal	3	35	38
State	33	5	38
Other	6	32	38
<i>answered question</i>			38
<i>skipped question</i>			0

2. Does your municipality provide services (fire, police, health, etc) to a public, private or state technical College or University that has tax exempt properties located in your community?

Answer Options	Response Percent	Response Count
Yes	44.7%	17
No	55.3%	21
<i>answered question</i>		38
<i>skipped question</i>		0

3. Other than federal or state PILOT funds, does your municipality receive any type of supplemental compensation for services provided to tax exempt educational (Colleges or Universities) institutions?

Answer Options	Response Percent	Response Count
Yes	2.9%	1
No	97.1%	34
<i>answered question</i>		35
<i>skipped question</i>		3

4. Other than federal or state PILOT funds, please indicate what type(s) of supplemental funding your municipality receives specifically related to educational institutions from the choices below. Please check ALL that apply. If your municipality does not receive additional funding, please check "No other funding recieved."

Answer Options	Response Percent	Response Count
Special University fee	0.0%	0
Student fee	2.9%	1
Donations	0.0%	0
Barter services	2.9%	1
Training	0.0%	0
Scholarships for employees	0.0%	0
Reduced tuition	2.9%	1
Impact fee	0.0%	0
Usage fee	2.9%	1
Response charge	0.0%	0
Billing for service	0.0%	0
Insurance company	0.0%	0
Special PILOT funding level or exemption (ex. Corrections, Specific facility)	2.9%	1
Other	8.6%	3
No other funding received	80.0%	28
<i>answered question</i>		35
<i>skipped question</i>		3

5. OTHER than colleges, universities and properties owned by your city or town, does your municipality provide public services (fire, police, health, etc) to any other federal, state or other tax exempt properties/organizations located in your community?

Answer Options	Response Percent	Response Count
Yes	78.1%	25
No	21.9%	7
<i>answered question</i>		32
<i>skipped question</i>		6

6. Other than federal or state PILOT funds, does your municipality receive any type of supplemental compensation for services provided to federal, state or other non-educational tax exempt institutions?

Answer Options	Response Percent	Response Count
Yes	18.8%	6
No	81.3%	26
<i>answered question</i>		32
<i>skipped question</i>		6

7. Please ESTIMATE how many of each of the following properties types are located in your municipality. Please respond to all 3 types listed.

Answer Options	None	1 to 5	5 to 10	10 to 20	20 or more	Response Count
Federal properties	25	6	0	1	0	32
State properties	3	21	5	1	2	32
Other (church, hospital, etc)	0	15	8	5	4	32
<i>answered question</i>						32
<i>skipped question</i>						6

8. Please identify the municipal department and type of supplemental compensation currently received (ex. Health - fees for service). Please respond for each department listed.

Answer Options	Permit fee	Application fee	Impact fee	Usage fee	Usage fee	Violation fee	Other	None	Resp Cnt
Building	21	13	1	0	0	4	2	9	32
Fire	7	3	1	1	2	2	3	21	32
Health	15	11	0	3	0	5	0	16	32
Parks	7	3	0	11	4	0	1	19	32
Police	4	2	0	4	2	6	3	22	32
Public Works	7	5	0	2	1	0	0	24	32
Other	2	2	0	0	0	0	3	27	32
<i>answered question</i>									32
<i>skipped question</i>									6

9. Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt organizations?

Answer Options	Response Percent	Response Count
Yes	3.2%	1
No	96.8%	30
<i>answered question</i>		31
<i>skipped question</i>		7

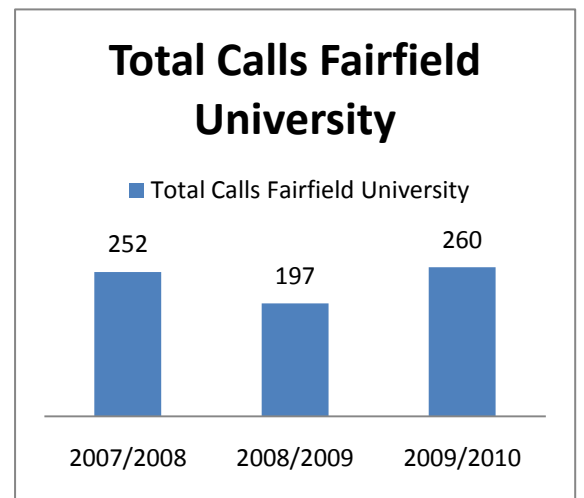
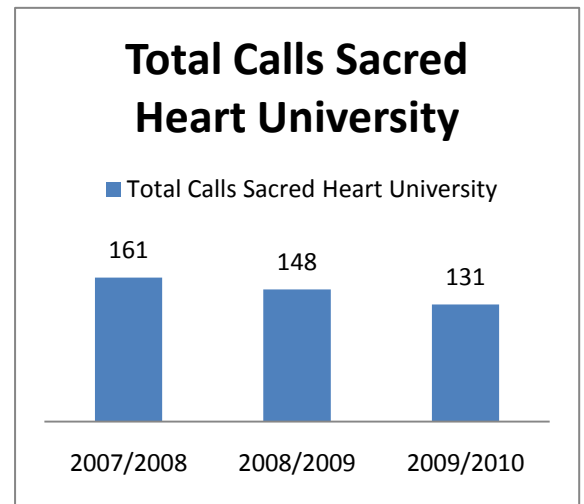
10. The government established the practice of declaring certain properties tax exempt in recognition of the benefits the community receives for having religious, educational, health and other types of organizations. Do you feel that the current PILOT funds your municipality receives for tax exempt organizations is fair compensation for the demands placed on your community?

Answer Options	Response Percent	Response Count
Yes	22.6%	7
No	77.4%	24
<i>answered question</i>		31
<i>skipped question</i>		7

Appendix K

College Incidents by Type 2007-2010

College Incidents by Type 2007-2010			
Sacred Heart University			
Type of call	2007/2008	2008/2009	2009/2010
Fire	2	0	0
Rupture	1	2	0
Rescue/EMS	106	94	91
Hazard	3	0	1
Service	21	29	20
Good Intent	10	9	6
FALSE	18	14	13
Total Calls Sacred Heart University	161	148	131
Fairfield University			
Type of call	2007/2008	2008/2009	2009/2010
Fire	3	3	8
Rupture	1	1	1
Rescue/EMS	171	136	170
Hazard	7	4	6
Service	3	8	5
Good Intent	12	15	16
FALSE	55	30	54
Total Calls Fairfield University	252	197	260
Combined Total	413	345	391



Source: FFDNIS Data 2010

Appendix L

Results of the Survey of Fire Departments with Colleges / Universities [SFDCU]

1. Please identify which of the following organizations is the primary provider of the following services to the colleges or universities in your community by selecting the circle in the proper column (Select only the primary agency) If your community has multiple schools, please answer this question based on the school that uses the most public services.

Answer Options	Fire Dept.	EMS Service	College Dept.	Student Vol. Org.	Other Service / contractor	Response Count
Fire Suppression/Alarms	7	0	0	0	0	7
Fire Drills	2	0	5	0	0	7
EMS/first responder	5	2	0	0	0	7
Ambulance Transport	1	6	0	0	0	7
Public Service (lockouts, etc)	5	0	2	0	0	7
HAZMAT	7	0	0	0	0	7
Fire Code Enforcement	5	0	2	0	0	7
Inspections	4	0	2	0	1	7
Plan Review for new construction	4	0	2	0	1	7
<i>answered question</i>						7
<i>skipped question</i>						0

2. Does your municipality receive federal or state PILOT (Payment In Lieu of Taxes) funds for municipal services provided to tax exempt Universities or Colleges located in your community?

Answer Options	Response Percent	Response Count
Yes	57.1%	4
No	42.9%	3
<i>answered question</i>		7
<i>skipped question</i>		0

3. OTHER than federal or state PILOT funds, please indicate if the fire department receives ANY OTHER TYPE OF SUPPLEMENTAL COMPENSATION for the services provided to a tax exempt educational institutions?

Please check ALL that apply. If you do NOT receive any supplemental funds, please check "NONE Received."

Answer Options	Response Percent	Response Count
Special University fee	0.0%	0
Special Student fee or assessment	0.0%	0
Donations	0.0%	0
Barter services (facility usage, programs, access to special services)	14.3%	1
Training (other than college level classes for credit/towards a degree)	0.0%	0
Scholarships for employees	0.0%	0
Reduced tuition for employees	14.3%	1
Department Impact fee	0.0%	0
Usage fee	14.3%	1
Response charge/stipend	0.0%	0
Billing for service	14.3%	1
Insurance company	0.0%	0
Special Trust fund or Endowment	0.0%	0
Special PILOT funding level or exemption (ex. Specific facility, UCONN)	0.0%	0
SILT or SILOT - Services In Lieu of Taxes	0.0%	0
Other	0.0%	0
NONE Received	57.1%	4
<i>answered question</i>		7
<i>skipped question</i>		0

4. Does your fire department bill for any of the following services provided to a college or university (check ALL that apply)?

Answer Options	Response Percent	Response Count
EMS response, treatment or transport provided by fire department	33.3%	2
Fire Responses	33.3%	2
False alarms	16.7%	1
Chemical /HAZMAT calls	0.0%	0
Fire marshal inspections	33.3%	2
Plan review for code compliance on new construction	50.0%	3
<i>answered question</i>		6
<i>skipped question</i>		1

5. Does your town have a specific act or ordinance that authorizes the municipality to collect non-tax based fees or reimbursements from tax exempt organizations?

Answer Options	Response Percent	Response Count
Yes	0.0%	0
No	100.0%	6
<i>answered question</i>		6
<i>skipped question</i>		1

6. In an attempt to transfer the responsibility for college fire safety back onto tax exempt universities and colleges, some fire departments have passed local ordinances that place additional requirements/restrictions on college campuses such as requiring sprinklers in all buildings or purchasing special fire apparatus/equipment. Does your department have any special requirements specific to the University or College in your community that attempts to transfer the burden for fire safety back onto the school?

Answer Options	Response Percent	Response Count
Yes	0.0%	0
No	100.0%	6
<i>answered question</i>		6
<i>skipped question</i>		1

7. What types of Universities or Colleges are located in your town?

Answer Options	Response Percent	Response Count
Public (State of CT University system, UCONN, etc)	66.7%	4
Private (2 year or 4 year, Graduate, Community)	66.7%	4
None or Not Applicable	0.0%	0
<i>answered question</i>		6
<i>skipped question</i>		1

8. Does the University or College in your community have student housing on campus?

Answer Options	Response Percent	Response Count
Yes	83.3%	5
No	16.7%	1
<i>answered question</i>		6
<i>skipped question</i>		1

9. Does the University or College in your jurisdiction have a private fire department or fire brigade on campus that responds to fire and/or medical emergencies?

Answer Options	Response Percent	Response Count
Yes	0.0%	0
No	100.0%	6
<i>answered question</i>		6
<i>skipped question</i>		1

10. Does the University or College have fire safety personnel on campus that are responsible for fire safety inspections, code enforcement or maintaining fixed fire protection systems that are not employees of the fire department?

Answer Options	Response Percent	Response Count
Yes	66.7%	4
No	33.3%	2
<i>answered question</i>		6
<i>skipped question</i>		1