FIGHTING FOR FUNDING
Companies spend lions’ share of time raising revenue but falling short

It used to be that chicken barbecues, donations and the annual family carnival could pay the bills of a fire company. Now, even those departments supported by local taxes are barely scraping by.

Between a struggling economy and state budget cuts, fire companies are feeling the heat.

"If we didn't have a fire tax, we'd be out of business," said Centre Hall Fire Chief Chad Packer. "Fundraisers were better back in the day, but now the price of equipment is three times what it was. To keep up with today's technology in the fire service, you need to have an income besides fundraisers."

All of Pennsylvania’s volunteer companies are seeing their main sources of money dwindle. State funding is down 8 percent, donations are harder to come by, and no one wants to raise taxes.

To deal with it, even the larger companies, such as Alpha Fire Company in the Centre Region and Bellefonte's Logan and Undine companies, are making changes, scrutinizing each purchase and working to make their equipment last longer.

"I wouldn't say that we're to the crisis level," said Walter Schneider, who coordinates Logan's finances. "We're going to tighten our belts and try to make this happen, and do more with less. At some point it is going to come to a breaking point."

Fundraising before training

At the Millheim Fire Company, things were getting so bad that the volunteers were spending 85 percent of their time on fundraisers at the fire hall.

"All we were doing was fundraising to make ends meet," said 16-year veteran firefighter Chief Floyd Etters. "And we weren't really doing what we were supposed to be
doing, which is training."

Even so, the company couldn't raise enough money to buy the new equipment it needed. It was barely breaking even.

"We had to finally break down and put on a fire tax," Etters said. "We went to the municipalities and talked to them about it."

A 1-mill fire tax was put in place in 2008. And, to Etters' surprise, "The only negative thing we've heard is, 'What took you guys so long?' If we knew they felt like that, we would have done this years ago."

The tax now brings in about $41,000 a year -- but that's money strictly reserved for buying apparatus.

The company's $53,000 operating budget comes solely from state funding, donations and fundraisers like the company's annual carnival, which raises about $15,000 toward insuring its trucks.

"We're feeling a big pinch, yeah," Etters said. "We basically rely on donations, and if Tom or Harry is taking a cut in pay, that's less money they're going to give us. We're feeling it, and so is every fire company in the state."

In the town of Madera, in Clearfield County, the economy isn't the only difficulty facing the fire company.

Madera Fire Company had to sell a 2004 rescue truck, bought with grant money, when a former officer was charged with stealing company funds.

"We were feeling a real big budget crunch," said President Dwayne DeLattre, who was chief for 20 years.

Then, Graymont, based in Pleasant Gap, donated $50,000, allowing the fire company to buy a used rescue vehicle from a town near Philadelphia.

"Without their support we'd never be able to get this right now and get coverage in the area that the people deserve," he said.

Volunteers feel pinched

Alpha Fire Company officials consider themselves relatively lucky.

This year, the fundraising letters sent out by the company had an 11 percent return rate.

"For us, that's a sizable amount," said spokesman Steve Bair.

Alpha generates about $25,000 through donations, and relies on state funding and support from the municipalities it serves for the rest of its $1.5 million annual budget.

But budget constraints have caused Alpha to cut its spending 12.5 percent, mostly by re-evaluating certain policies and reviewing purchases.

"Taxes are essentially flat," Bair said. "We have had to absorb the cost rise in fuel, health care, electricity."

Logan Fire Company, like Alpha, is pushing off maintenance and squeezing every last penny out of its budget. Money raised during the annual carnival has dropped significantly in the past 10 years.

A big part of the problem, says Schneider, is that volunteers are having to spend more and more time raising money.

"That's a part we don't really calculate," Schneider said. "We know we have a given amount of money we need to keep the doors open and the lights on, but it is taking more
effort to get those dollars, and that leads to burnout, which leads to volunteers leaving."

It's not always a clear-cut equation, Schneider says.

The average volunteer firefighter gives 15 to 20 hours a week to the company. That's a part-time job -- without any pay. So in a bad economy, even some of the most dedicated firefighters simply cannot afford to donate so much time.

"People are working additional jobs or longer hours to make ends meet," Schneider said.

In the Centre Region, Bair thinks that will eventually mean a big change.

"Ultimately you got to think about how you're going to solve this problem," Bair said. "Unless there is a significant change in society with more people volunteering, or an economic uptick, short to near term, but the long term, is not good for a volunteer system."

Instead, he foresees switching to a pay-per-call program -- where firefighters are paid for each call they respond to -- within five years.

Decreasing state funds

Adding to the financial strain is an 8 percent reduction this year in funding from the state Volunteer Firefighters' Relief Association Act, known as fireman's relief.

For fire companies in smaller, older and less affluent towns, that is a huge hit, because fireman's relief is a fee that comes from fire insurance on property. So areas with small or decreasing populations and lower property values get less money.

In the village of Pine Glen, for example, where there are about 400 residents, the fire company gets only $2,441 in fireman's relief, and about $16,300 from local taxes.

"They're doing a great job for a small municipality with a small tax base," said Burnside Township secretary Wanda Guenot.

The price of fire apparatus has risen twice as fast as inflation. The maximum life span of a fire engine is 20 years, and the average price is about $500,000.

"That's a lot of chicken barbecue," Bair said.

And it wears on the volunteers.

"We lose them when it comes time to set up the fundraisers and work the fundraisers," said Beau Martin, chief of the Snow Shoe Fire Company. "We only have about 20 active members, so it's the same people doing the work every time. The guys and the girls get burnt out pretty quickly."

Of Martin's $55,000 budget, $25,000 comes from a local tax collected by both Snow Shoe borough and township. Another $15,000 comes in from fireman's relief. The rest comes from the fire company's dinners and carnival, and any state grants the company can get.

Funding down, costs up

Having two fire companies in Philipsburg -- Hope and Reliance -- is part of the borough's history.

But it also means there's some duplication of costs.

"It may make sense to look at consolidating them, down the road," said borough Manager Jan McDonald.

A state study recommended the companies consolidate to save money about five
years ago, but Harry Wood, the Borough Council liaison to the fire companies, says they considered the pros and cons and decided against it. He wouldn't elaborate on the reasons, but pointed to the Logan and Undine fire companies in Bellefonte.

"We've got Bellefonte over there, they've got two companies," he said.

Rush Township, Boggs and Decatur townships in Clearfield County, and Philipsburg pay taxes to the two companies. The tax was raised slightly in 2009 as the costs of maintaining the companies increased and donations and profit from bingo nights decreased.

Philipsburg is one of many small Pennsylvania boroughs that are gradually losing population while the costs of maintaining a firefighting force are rising.

"Nationally, there's a direct correlation between poverty and the number of fires and the number of more serious fires," Bair said. "They get more calls, and the fires are worse, and you have less money to put into the system. The smaller, older, poorer communities actually need more money but get less."

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