


**ACTION ITEM
BOARD OF SUPERVISORS**

DATE: February 6, 2007

TO: Board of Supervisors

FROM: J. Robert Brown, Jr. 
Fire and Rescue Chief

ISSUE: LOSAP Package for Stafford County Volunteer Fire and Rescue Personnel

RECOMMENDATION: Concept is recommended for discussion during the FY08 Budget process

BUDGET IMPACT: Approximately \$350,000 per year


ATTACHMENTS: (3)

[1] Background Report [] Reso/Ord/Proc #


[2] Task Force Creation Memo [] Reso/Ord/Proc #

[3] Power Point Presentation [] Reso/Ord/Proc #

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REVIEW: [X] County Administrator's Office 

[X] Legal 

[X] Budget 

[] Consent Agenda

[X] Discussion Item

[] New Business

[] Other Business

[X] Presentation

[] Public Hearing

[] Unfinished Business

PRESENTATION BY: Ronnie Martin, President of White Oak VFD

ELECTION DISTRICT: N/A

BACKGROUND REPORT

Background and Significance

Over the last few years, Stafford County has been researching ways to improve retention methods to support the volunteer fire and rescue personnel who serve in the County.

Nationwide, volunteerism in fire and rescue services continues to decline for many reasons. A few of the top reasons for the decline include family commitments, job or location change, the ever increasing time required for certifications as fire and EMS personnel, and the increasing call volume as once rural areas urbanize.

The demographics of Stafford County have changed significantly over the last five to six years. In a recent report by the Weldon Cooper Center for Public Service at the University of Virginia, the County logged population increases of just over 30 percent from the 2000 census to July of last year. This increase to our population has resulted in a corresponding increase in the number of emergency calls for service as well as quicker response times and increased expectations in level of service. To meet the demands for increased levels of service and to maintain required levels of training and certifications, the time commitment from the volunteer members is greater than it has ever been in the past. These demands not only put a strain on those volunteers who serve, it presents a significant challenge towards our ability to recruit and retain volunteer fire and rescue personnel.

Incentive programs for volunteer fire and rescue personnel are commonplace in many organizations. Length of Service Award Programs (LOSAP) are in widespread use throughout the country. Some states offer a state-wide volunteer retirement program in lieu of LOSAP. Although LOSAP is a widely-accepted recruitment and retention tool, it is not the only incentive offered. Studies have shown that LOSAP normally appeals more to volunteers who have considerable time vested in the system and is not normally an attractive recruiting tool with younger volunteers today.

As such, adoption of a LOSAP program should not eliminate currently offered incentives that offer immediate benefit. Currently, volunteer members of the Fire and Rescue Service in Stafford County receive the following benefits:

- Pursuant to Section 15-6 of the County Code, volunteer fire and rescue personnel receive a separate tax rate for one motor vehicle (a rate of \$0.00/ \$100 is currently set).
 - Pursuant to Section 15-7 of the County Code, auxiliary members are allowed to receive the same benefit as regular fire and rescue personnel.
 - Pursuant to Section 15-26 of the County Code, any resident who is an active member of the fire and rescue service in Stafford County, is exempt from paying the vehicle license fee (currently \$23.00).
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The value of the current benefits (calculated in terms of lost revenue to the County) was \$104,810 in 2004 and \$113,862 in 2005.

Current trends in offering volunteer incentive programs are focused on a “cafeteria” benefit plan that allows the volunteer to select from options that are most attractive to his needs.

In the summer of 2006, the County Fire Chief, Rob Brown, asked the Fire and Rescue Association membership to submit names to explore volunteer incentives. On September 26, 2006, Chief Brown created a task force (Attachment 2) of volunteers and an appointed Fire and Rescue Department staff liaison to investigate a “comprehensive” solution to the recruitment and retention problem identified by fire and rescue volunteer chiefs and presidents. The task force members included:

Co-Chair, Ronnie Martin (White Oak Fire)
Co-Chair, Kris Ptak (Aquia Harbour Rescue)
Member, Jimmy Thacker (Rockhill Fire)
Member, John Marsh (Falmouth Fire)
Member, Karen Jett (Falmouth Rescue)
Member, Sylvia Sullivan (Mountain View Rescue)
Member, Chris Schoon (Aquia Harbour Rescue)
Member, Ed Rodriguez (Stafford Volunteer Fire)
Division Chief Gerald Jaskulski (Department Liaison to the task force)

In an effort to attempt to meet Chief Brown’s requested deadline of December 1, 2006, the task force decided to tackle the issue of LOSAP first and begin looking at other incentives for volunteers once the LOSAP issue had been decided. Due to the volunteer nature of the task force and other pressing commitments by the members on the task force, the draft recommendations were approved unanimously by the Fire and Rescue Association on January 3, 2007 and the final report was forwarded to Chief Brown on January 25, 2007.

Evaluation Process

The task force completed a review of existing incentives and conducted a feasibility study and a cost-benefit analysis of the different LOSAP programs that are available. The task force identified the Length of Service Awards Program (LOSAP) provided by Volunteer Firemen’s Insurance Services, Inc. (VFIS) as a tool in this effort. LOSAP has been successfully implemented throughout the country to assist organizations retain, recruit and reward emergency service volunteers. The LOSAP program is an earned incentive program to effectively retain existing volunteers, increase their level of participation, and recruit new members.

Who Benefits from LOSAP?

1. Volunteer members of the Emergency Services Organization:
 - Protection for members’ families through the death and disability benefits
 - Supplemental retirement income provided upon entitlement age

2. The Emergency Service Organization:

- Retain current volunteers
- Effective recruiting tool
- Effective management tool (due to point system)
- Increases member participation

3. The Community:

- Rewards community involvement
- Sense of security by ensuring adequate protection for the community

The participant receives \$10.00 in guaranteed annuity for each year of approved service up to a maximum of 25 years. There are many variations of LOSAP plans. The Task Force discussed each of these plans in detail to select the plan that would work best for Stafford County to (1) assist our recruiting and retention efforts, (2) maintain fiscal responsibility, and (3) retain our present members.

To reward past volunteerism this plan incorporates a one year credit for each future year of service successfully completed by the volunteer up to a maximum of five years. The maximum annuity after 25 years of approved service for a participating volunteer member would be \$250.00 a month at age 65. If the member becomes vested after five years of service and then decides to resign, he will receive \$50.00 a month once he reaches age 65.

Recommendation

The County Fire Chief and the Volunteer Incentive Package Task Force endorse this concept as proposed and recommend discussion of it by the Board of Supervisors during the 2008 budget deliberation.

LOSAP Plan 1 that:

1. Rewards current, active members for past volunteerism up to five years. The member will have to earn this past time reward on a year-for-year basis up to a maximum of five years. This rewards past service and creates an incentive for retention of current members.
 2. Rewards volunteers for providing service. The fire and rescue volunteers would be required to maintain identified performance measurements in a predetermined point system to receive year after year credit. This element adds accountability to the LOSAP program. The County Fire Chief sets the point values and point total. The volunteer company Chief and President will be required to monitor the pre-established performance objectives and submit monthly reports to the County Fire Chief. Each year, the County Fire Chief must certify each company's member report prior to service credit being applied.
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3. Provides a retirement benefit to active members that have completed at least five years and not more than 25 years of active service that can be collected at age 65. The cash value of the monthly benefit depends on length of active service. In addition, once a volunteer is a member of the LOSAP program, this plan will provide security to the member and member's family through the insurance portion of this program.

The current annual cost of the proposed LOSAP plan in the County would be approximately \$350,000 per year based on 395 active volunteer members.

Rob Brown

From: Rob Brown
Sent: Tuesday, September 26, 2006 10:53 AM
To: Bob Zdzinicki; Darrell English; Dave Couch (dave137@adelphia.net); Dave Norris (joseph.norris@mwa.com); James Thacker (rvfdasstchief@aol.com); John Marsh (jmarsh@falmouthfire.com); Ron Wilson (joshua50@verizon.net); Ronald Thayer; Ronnie Martin (ronnie.martin@cox.net); Steve Brown (sbrown7575@aol.com); Sylvia Sullivan (revsibby@aol.com); Terry Edens (terryedens@hotmail.com); Chris Smith (csmith@falmouthfire.com); Doyle Madden (demadden@earthlink.net); George Langford (chief@brooke-vfd.org); Jean Helmandollar (jeanann8@aol.com); Jeff Lare; Jimmy Raines (beckypunz@aol.com); John Tolson (chief3@wwfd.org); Kevin Dickinson (Chief6HVFD@adelphia.net); Kevin Roberson (kevin.roberson@cox.net); Kris Ptak (penn_state21@yahoo.com); Rocco Schroeder (prkanimal@aol.com)
Cc: Stephanie C. Woodson; Roger O. Sutherland; Gerald Jaskulski
Subject: Volunteer Incentive Package Task Force
Importance: High

Thank you for your response for nominations regarding the formation of the Volunteer Incentive Package (VIP) Task Force. This Task Force is appointed to complete a review of existing incentives and the feasibility, costs and benefits of additional incentives. Current work on LOSAP will continue through this group. This Task Force will be lead by Division Chief Gerald Jaskulski and Co-Chaired by Kris Ptak (Rescue 9) and Ronnie Martin (Fire 7). This Task Force will work directly with the volunteer companies to ensure accurate, timely data and shall report back their findings and recommendations on or before Friday, December 1st.

The members of the Task Force are as follows:

Kris Ptak, Co-Chair	Rescue 9
Ronnie Martin, Co-Chair	Fire 7
Jimmy Thacker	Fire 8
John Marsh	Fire 1
Karen Jett	Rescue 11 (Fire 1)
Sylvia Sullivan	Rescue 4
Chris Schoon	Rescue 9
Ed Rodriquez	Fire 2
Gerald Jaskulski	Department Lead/Liaison

Stephanie Woodson will be contacting the Co-Chairs to arrange for an "organizational" meeting with me so that we can further set the goals, objectives and expectations of the Task Force. Additionally, she will notify each individual on the Task Force of their appointment and of the date, time and place of the organizational meeting.

Thank you for you cooperation in this effort. I am hopeful that we can bring a VIP to the BOS for action and inclusion in the FY08 budget.

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01/25/2007




Length of Service Awards Program

Plan Specifications and Benefit Summary

Plan – 1, Approved by the Task-Force Members




VFIS
A Division of Safeway Insurance Group



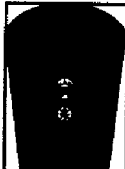
What is LOSAP?

The Length of Service Award Program (LOSAP) is a retirement program for qualified active volunteer members of the County's Volunteer Fire and Rescue companies.

Attracting and retaining quality volunteer emergency service personnel is one of the most critical problems facing the Fire/Rescue service. Maintaining an active volunteer force depends on our ability to recruit, train, and retain these personnel. LOSAP is one of the tools available for volunteer companies to aid in the recruitment and retention of volunteer members.



VFIS
A Division of Safeway Insurance Group

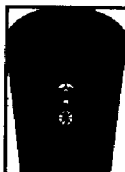


Eligibility under this Plan



A person who has served as a member of a Stafford County Volunteer Department (Fire or Rescue) is entitled to receive benefits under LOSAP if the person has satisfied the following requirements:

1. Persons who are at least 65 years old ;
2. Persons who have completed at least 5 years of active volunteer service with full compliance as a member of a county volunteer fire or rescue company;
3. The surviving spouse of a volunteer firefighter/rescue member who, at the time of death, was receiving benefits under LOSAP is entitled to receive a surviving spouse benefit.



BENEFITS OFFERED



Entitlement:

Lifetime monthly annuity with a minimum of 120 payments

Pre-Entitlement Disability:

Lump sum or annuity; Sponsor Choice

Pre-Entitlement Death:

Lump sum; minimum equal to face amount of life insurance.





Counties using LOSAP

Spotsylvania County:
Volunteers fully vested at ten years benefits at age 65 and a max number of years of service of 25



King George County:
VOLSAP administered through the state with 10 year vesting and member contribution

City Of Fredericksburg:
Program to be offered to Rescue squad members beginning this summer.



Volunteer Recruitment/Retention

Pre-Entitlement Death Benefit:
Participant ownership of Life Insurance policy with cash value intact upon termination or at entitlement age motivates the Volunteer to meet the service term requirements (5 years).
Benefits provides a meaningful death benefit in the event a participant does not live to receive his/her service award.



Recruitment/Retention



Participant's Beneficiary receives the greater of
1) the present value of their accrued benefit or
2) the Plan's insured death benefit.

Upon termination from the plan, prior to age
65 for any reason other than disability,

**Participants must meet service term
requirements to receive these benefits!! (5
years)**



Pre Entitlement Benefit Formula:



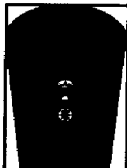
\$10.00 Per month Per Year of Past Service
(max five years)

\$10.00 Per month Per Year of Future Service
25 Maximum Years Of Service


\$250.00 Maximum Monthly Entitlement Benefit

For a participant with 10 years of service, 5 of
which is prior to plan effective date, the
participant will begin collecting \$100.00 a month
at the age of 65.






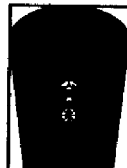
Vesting Schedule




Years of Service	1	2	3	4	5	6	7	8	9	10
Vested Percent	0	0	0	0	100	100	100	100	100	100

Plan participants will receive credit for five years of prior service to the county if they have been a member in good standing prior. For each year of service after plan has become effective, the participant will gain credit for one year of previous service—with a maximum credit of five years. So after 1 year the participant will gain credit for 1 previous year, after two years the participant will have gain a two year credit... and so on. If the volunteer participates in the plan for 5 years, they will gain credit for 5 years of previous service.





LOSAP Point System (Approved by Task Force)




In order for a Volunteer to receive credit for their year of service, they must have accumulated 80 points, verified by Volunteer Administration and County designated staff.

Points are awarded through service to their departments, below is the point schedule.

Requirements

1. Minimum Requirements, By - Laws Max. 10 Points
Each volunteer must meet all requirements stated in the Constitutional and By-Laws for the individual vol. company
2. Emergency, Calls, Duty Crews and/or Standby Max. 60 Points
Operational Activities
3. Meeting Attendance Max. 12 Points
One point for each Monthly meeting.




LOSAP Point System (Approved by Task Force Continued)

- | | | |
|----|---|----------------|
| 4. | Administrative Functions
Twenty points for an elected or appointed or committee chairperson of an individual company. | Max. 20 Points |
| 5. | Training and Drills
Two points for each 3-hour training class attended. One point for drills.
Four for each 3-hour certified unfunded training class taught as an instructor within Stafford County. | Max. 10 Points |
| 6. | Assigned Non-Emergency Activities
One point for each 3 hours of Public Education/ Standby for special events. One point for each 3 hours of performed work or maintenance detail to support our mission. | Max. 10 Points |

County Cost per Year 395 volunteer members

- | | |
|-------------------|-----------------------------|
| • Plan – 1 | 10 year amortization |
| • Admin Fee | \$3,465.00 |
| • Life Insurance | \$81,528.00 |
| • Investment Cost | \$90,362.00 |
| • Investment Dep. | \$165,179.00 |
|
 | |
| • Total | \$340,534.00 |

The price will fluctuate, up or down, depending on active volunteer membership.



Questions?