

## Resolution

**That the New London Budget Committee restore an amount of \$110,000 for the Fire Department for the purpose of hiring additional full-time employees**

**Impact if not funded:** Not funding positions may cost the New London taxpayers significantly more than any town budgetary savings through increased home and business insurance rates, decreased fire coverage, longer wait times for emergency and life saving equipment, and limited service to vulnerable populations, such as smoke alarm battery changes, courtesy calls to the elderly, etc.

### Discussion:

- The Board of Selectmen's (BOS) proposed budget for FY27 includes a \$115,000 recision from the New London Fire Department's (NLFD) requested budget
  - The BOS added \$25,000 for training
- The NLFD is required and expected to cover the entire Town of New London 24 hours a day, 7 days a week (24/7)
  - This expected coverage model has been possible with mostly volunteer force and a nucleus of full-time fire fighters
  - In the past, a sizable percentage of the New London volunteer fire fighters both worked and lived in New London
  - Model is no longer sustainable due to demographic changes
    - Fire fighting force is aging out, many near retirement age
    - Overwhelming majority of NLFD volunteers do not work or live in town
    - In 1987 there were 34 members of the NLFD
      - 34 lived in town
      - 30 worked in town
    - In 2026, there are 35 members of the NLFD
      - 17 live in town
      - 11 work in town
    - Only 2 out of 10 NLFD Officers live in town
    - Despite vigorous recruitment, there have been no additional volunteers

- New London Police (NLPD) has assisted NLFD by covering some calls
  - This assistance may not be always available due to mission requirements of NLPD
- Full-time fire fighters present additional benefits to the community.
  - Full-time firefighters are stationed at the firehouse
  - Ready to respond immediately
    - Volunteers/call members need to travel often long distances
    - Some volunteers are in multiple departments and may be busy
  - Reliability of staffing increases
  - Standardized, consistent training a given for full-time fire fighters
  - All full time fire fighters are EMT certified
    - Many volunteers do not have the time for full certification
  - Medical emergencies will be handled promptly
  - Technical rescues can be handled more timely
  - Inspection and maintenance of apparatus can be done promptly
  - Additional staff certifications and professional development
  - Vast improvement to the hybrid model
- Present staffing of NLFD using primarily volunteer labor is not sustainable
  - It is likely that the effectiveness of the Department will be affected by staffing shortfalls in volunteers and inability to staff full time employees
- Denial of full time employees and decrease in volunteers may have adverse financial results for residents
  - Communities are rated through algorithms in an ISO rating
  - The State of New Hampshire allows the use of community risk assessments in setting insurance rates
  - The Insurance Services Office, an independent organization, awards a score to communities where insurance companies do business

- ISO ratings are industry standard
- Score reflects how prepared a community and area are prepared for fires
  - **Fire Department staffing is a major concern in setting ISO rates**
  - Other factors are accounted for, i.e., water supply, emergency management compacts in the area, etc.
- ISO score affects the insurance premium of every homeowner
  - If community's score is bad enough, it may cause insurance companies to drastically increase premiums or deny insurance
- Overall health of fire department accounts for 50% of ISO scores
- Some of the largest insurance companies use ISO scores
  - USAA
  - Progressive
  - Farmers
  - Allstate
  - State Farm (partial use)
  - Many others use their own algorithms but often associated with ISO
- Even insurance companies that choose not to use ISO ratings also evaluate fire department health as a measure for rates
- ISO ratings range from 1 through 10, one being best
- New London currently enjoys a favorable ISO rating of 5, given number of homes away from town center, with no water access other than tanker trucks
  - Research shows one-step downgrade may equal up to a 15% rate increase in business and residential rates
  - For an average \$2,500 yearly policy, that means a rate increase of approximately \$320 yearly.

## **Conclusion**

- **Restoring the \$115,000 to the Fire Department Budget to allow the hiring of full-time fire fighters may raise the tax payment of a resident by \$5.00**

- **Causing a likely downgrade in the town risk rating may raise the average home owner insurance premium over \$200**