

Cuba Joint Fire District

APPARATUS SITUATION
October 3, 2019

11/14/2019

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PROBLEMS

- AGE OF APPARATUS - MOST BEYOND USEFUL LIFE
- CONDITION OF APPARATUS – REPAIR COST INCREASING
- COST OF REPLACEMENTS – DOUBLE TO TRIPLE ORIGINAL COST
 - REGULAR ANNUAL EXPENSES -
(INSURANCE, PPE, MAINTENANCE, TESTING, FIREFIGHTER PHYSICALS, TRAINING – APPROX. \$140,000/YEAR)
- FUNDS AVAILABLE – LIMITED BY STATE TAX LIMIT

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CURRENT FLEET

- CUBA 1 – 2008 – PUMPER W/1,000 GALLONS OF WATER
- CUBA 3 – 1992 – PUMPER W/1,000 GALLONS OF WATER–
(CURRENTLY OUT OF SERVICE AND FOR SALE)
- CUBA 6 – 2002 – RESCUE W/NO WATER
- CUBA 7 – 2017 – TANKER/PUMPER W/2000GALLONS OF WATER
- CUBA 9 – 1998 - AERIAL W/250 GALLONS OF WATER
- CUBA 601 – 2018 – MISC. PICKUP

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CURRENT FLEET

	AGE/USEFUL LIFE	ORIG. COST	REPLACEMENT COST
• CUBA 1 – 2008 –	11/20-26	\$240,000	\$ 400,000
• CUBA 3 – 1992 –	27/20-26	\$138,000	\$ 400,000
• CUBA 6 – 2002 –	17/15-16	\$	\$ 500,000
• CUBA 7 – 2017 –	2/20-26	\$310,000	\$ 350,000
• CUBA 9 – 1998 –	21/20	\$330,000	\$1,000,000+
• CUBA 601 – 2018 –	1/5/10	\$ 55,000	\$ 35,000*

*CHASSIS ONLY

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ACTUAL DISTRICT NEEDS

PER INSURANCE RATING AGENCIES (ISO, TRAVELERS)

- 2 PUMPERS
- MINIMUM 3,000 GALLONS OF WATER
- 1 AERIAL

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CURRENT ACTIVITY

- THE TRUCK COMMITTEE IS INVESTIGATING THE PURCHASE OF A PUMPER/RESCUE UNIT TO REPLACE CUBA 3 AND CUBA 6, WITH THE OPTION BEING CONSIDERED TO ALSO ELIMINATE CUBA 1
- SO FAR THE ESTIMATED COST OF THIS IS IN THE NEIGHBORHOOD OF \$500,000 +
- THIS IS BASED ON A CUSTOM CHASSIS AND BODY.
- IT APPEARS THAT A COMMERCIAL CHASSIS, WHICH IS ROUGHLY \$160,000 CHEAPER THAN A CUSTOM UNIT, WILL NOT WORK, THUS REQUIRING THE CUSTOM CHASSIS.

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OPTIONS

- REPLACE UNIT BY UNIT, CASH PURCHASE
- COMBINE AND REPLACE 2 UNITS BY 1 UNIT, CASH PURCHASE
- COMBINE, REDUCE FLEET SIZE, REPLACE 2 – BORROW
- COMBINE, REDUCE FLEET SIZE – REPLACE 2 – BOND
- COMBINE, REDUCE FLEET SIZE – REPLACE 2 - LEASE

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CASH PURCHASE

- DISTRICT HAS APPROXIMATELY \$100,000 PER YEAR AVAILABLE FOR APPARATUS REPLACEMENT.
- CURRENT APPARATUS RESERVE FUND IS \$323,845.
- THIS ALLOWS A PUMPER REPLACEMENT EVERY 5-6 YEARS AT CURRENT PRICES.
- THE AERIAL COULD NOT BE REPLACED THIS WAY, UNLESS A VERY USED UNIT IS PURSUED. GOOD USED UNITS ARE HARD TO COME BY.

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BORROW FROM BANK(S)

- POSSIBLY EXPENSIVE – INTEREST RATES, LENGTH OF LOAN AVAILABLE.
- THIS IS CURRENTLY BEING RESEARCHED THRU DISCUSSIONS WITH LOCAL BANKS.

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BOND

- NO COLLATERAL NEEDED
- UP TO \$3,976,397 AVAILABLE
- OUR BUDGET WOULD HANDLE ABOUT A \$1,250,000 BOND ISSUE
- LOW INTEREST RATE (2.5 to 5%)
- CAN SPAN 20 YEARS (USEFUL LIFE)
- WILL NEED DISTRICT ATTORNEY HELP
- WILL NEED BOND ATTORNEY HELP
- UP FRONT COSTS EXPENSIVE

5 Year Taxable Value Average

Year	Amount
2020	\$ 148,167,564
2019	\$ 147,654,696
2018	\$ 107,858,043
2017	\$ 109,641,455
2016	\$ 149,408,137
5 year avg.	\$ 132,545,979
3% =	\$ 3,976,379.37

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THE END FOR NOW

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