

# BROCKPORT FIRE DISTRICT PUBLIC HEARING

September 6, 2011

A.D. Oliver Middle School Auditorium

# AGENDA

- ▶ Purpose of public hearing
- ▶ Presentation
- ▶ Intermission (15 minutes)  
*collect cards with written questions*
- ▶ Public comments and questions
- ▶ Address written questions

# HISTORY OF THE BROCKPORT FIRE DEPARTMENT

- Mike Henry, Fire Chief

# PURPOSE FOR TONIGHT'S PUBLIC HEARING

# PURPOSE OF PUBLIC HEARING

- ▶ To establish a joint fire district, to be called the “Brockport Fire District”
- ▶ Boundaries of the proposed “Brockport Fire District” will encompass the entire Town of Sweden, including the Village of Brockport and the entire Town of Clarkson, with the exception of those properties within the bounds of the Walker and Hilton-Parma Fire Districts.

# DEFINITION OF FIRE PROTECTION DISTRICT

- ▶ Fire protection districts comprise a geographical area of a town which is provided fire protection pursuant to a contract.

# DEFINITION OF FIRE DISTRICT

- ▶ Fire districts should not be confused with fire companies, fire departments or fire protection districts.
- ▶ They are district corporations and political subdivisions of the State, distinct from the municipalities in which they are located.
- ▶ They are governed by an elected board of fire commissioners -- independent of a municipality.
- ▶ They levy taxes on real property and borrow in their own names.

## DEFINITION OF FIRE DISTRICT (CONTINUED)

- ▶ The fire company or companies within the district are usually volunteer fire companies incorporated under the provisions of the Not-for-Profit Corporation Law and constitute the fire department of the fire district which is headed by a chief.
- ▶ The fire district commissioners are authorized to adopt rules and regulations governing all fire companies and departments.

# IMPORTANT NOTES

- ▶ Villages are permitted by law to have a fire department; however, towns are not.
- ▶ State law does not allow towns to provide their residents with fire protection as a municipal function. Instead, fire protection is provided either by a *fire district* or through creation of a *fire protection district*.

## IMPORTANT NOTES (CONTINUED)

- ▶ Currently, the Towns of Sweden & Clarkson each have a Fire Protection District and contract with the Village for fire protection services through the Brockport Fire Dept.
- ▶ Funding of the Brockport Fire Department budget is based on assessments.
- ▶ Funding breakdown by municipality (for 2011):
  - 44% Sweden; 34% Clarkson; 22% Village

# CONTRACT PROCESS

- ▶ Clarkson's contract is for a period of five years. Sweden's is an annual contract with an automatic renewal (not to exceed five years.)
- ▶ Annually, the Village presents an itemized fire budget to the Towns. The Towns review the budget for overall reasonableness.

## CONTRACT PROCESS (CONTINUED)

- ▶ Multi-year or annual contracts for fire protection may be cancelled in any year by August 20<sup>th</sup> by the Towns or Village. The Village usually cancels in order to increase the fire budget, depending on economic climate.
- ▶ If the contract is not cancelled, the budget is the same as the previous year.

# HISTORY

*Recently, there has been a major difference of opinion regarding how the Village handles surpluses and deficits in the Fire Protection Service Contract.*

- ▶ There was a 30 year history that tax money collected for fire service be used for fire service.

# HISTORY

## **The issues between the Village of Brockport and the Towns of Sweden and Clarkson:**

- ▶ The Towns contracted with the Village for fire protection for several decades.
- ▶ The Fire Department presents a line-item budget to the Towns and that is the amount paid to the Village for the fire protection contract.
- ▶ In 2009, the Village's new Treasurer and the Mayor communicated with the Towns that there were surpluses from previous years.

## Issues (continued):

- ▶ The Village used budgeted Fire Department funds for general purposes.
- ▶ Municipalities had a long-term understanding that the budgets would be reconciled at year-end and rolled into the following year.

## Issues (continued)

- ▶ In September, 2009, the Village voted to make payments, over a 5-year period, of the \$175K surpluses that occurred from 2003-2009. The Towns requested that the payments be made into the fire truck replacement fund.
- ▶ There is a surplus in the fire contract for FY2010. The municipalities are disputing the formula for distribution of the surplus.

## Where we are now

- ▶ In August, 2011, after months of discussions, all parties agreed to establish a plan in forming a joint Fire District.
- ▶ The establishment of a Fire District ensures that budget surpluses will be used for fire district purposes only.

## Where we are now (continued)

- ▶ Registered voters of the proposed joint Fire District will have an opportunity to vote on a referendum to establish the joint “Brockport Fire District” hopefully, on Tuesday, November 8<sup>th</sup>. This is not confirmed.
- ▶ Our goal is to provide you with enough facts and information to make an educated decision when you vote “for” or “against” the joint Fire District.

# FIRE DISTRICT PROPOSAL

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- ▶ Brockport, Clarkson and Sweden agree that **forming a joint “Brockport Fire District”** is in the best interests of all residents.
- ▶ The municipalities have signed a **Memorandum of Understanding** outlining the contributions of each Town and the Village.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Management of the Joint Fire District

- Five (5) fire commissioners appointed (at first) by a majority vote of the members of the Town Boards. The fire district commissioners receive no compensation for their services (NY Town Law §174).
- Three (3) commissioners will be Village residents and one (1) each from Sweden and Clarkson.
- After the Fire District is established, the Commissioners and a Treasurer will be elected.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Acquisition of Real Property & Easements

- At the time of establishment of the joint Fire District, a resolution allowing the Board of Fire Commissioners to acquire real property or easements will be adopted by the Village and Town Boards.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Employment of Necessary Labor and Assistants

- Once the Brockport Fire District is established, they may employ necessary labor and assistants.
  - Janitor
  - Independent accountant

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ▶ Fire District Treasurer

- Appointed by the initially-appointed Board of Fire Commissioners. Thereafter, the Treasurer is elected to a 3-year term. (May be compensated.)

### ▶ Fire District Secretary

- Appointed by the initially-appointed Board of Fire Commissioners. Thereafter, the Secretary is appointed annually by the Commissioners. (May be compensated.)

## FIRE DISTRICT PROPOSAL (CONTINUED)

- ▶ **Fiscal Year** – January to December
- ▶ **Labor for the Fire District**
  - The Commissioners can accept the current volunteer Fire Department, “*Brockport Volunteer Firefighters Association, Inc.*”
  - If unable to provide fire protection by volunteers, the Commissioners may employ career firefighters.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Budget of the Joint Fire District

After the adoption of the annual budget of the Brockport Fire District, the fire district secretary delivers certified copies to the Town and Village Clerks. No one can make any changes to the adopted budget.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Conditions

The proposal to establish the Brockport Fire District is subject to the dissolution of the Clarkson and Sweden Fire Protection Districts and the “ceasing” of operation of the Village of Brockport Fire Department.

### ► Fire Protection

Until 12/31/2012, the Village Fire Department will continue to provide fire protection to the Village & the Town’s fire protection districts.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► Transfer of Firehouses, Land and Apparatus, Forgiveness and Waiver of Obligations

- The 3 Boards agree to formation of joint Fire District and agree to proceed in good faith and cooperate to achieve consent by OSC.
- The Towns agree to continue payments for fire protection per respective contracts.
- Contingent upon successful establishment of joint Fire District, the Towns will forgive the \$175K debt repayments per 9/14/2010 MOU with Village.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► **Transfer** (continued)

- The Towns will waive revenues exceeding expenditures for Dispatch in the 2011 calendar year, and such revenues will be utilized for fire-related services as determined by the current Fire Chiefs.
- The Towns agree to waive claims to 2010 budget surplus, contingent upon the successful establishment of the joint Fire District.

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► **Transfer** (continued)

- Towns agree to waive claims to the \$640,000 ambulance surpluses used by Village in its General Fund.\*
- Towns agree to waive claims to the 2010 & 2011 workers' compensation program refunds.\*

**\*With no admission by Brockport as to the accuracy or validity of any such claims.**

## FIRE DISTRICT PROPOSAL (CONTINUED)

### ► **Transfer** (continued)

- The Village will provide the Towns with a report of fire department expenses through 6/30/2011 within 60 days after execution of 8/3/2011 MOU.
- The Village will provide the Towns an estimate of the year-end budget on or before 10/1/2011. The budget will be reconciled in January 2012 and any surplus will be applied proportionately to the contract payments of the 3 parties.

## FIRE DISTRICT PROPOSAL (CONTINUED)

- ▶ **Contingent upon the successful establishment of the joint Fire District:**
  - ▶ Clarkson agrees to transfer the firehouse at 3653 Lake Road (including a portion of the plot of land the building is situated) to the joint Fire District for no consideration.
  - ▶ Sweden agrees to transfer a newly constructed building, including land (location to be determined), to the joint Fire District by December, 2013 for no consideration.

## FIRE DISTRICT PROPOSAL (CONTINUED)

- ▶ Contingent upon the successful establishment of the joint Fire District (continued):
  - ▶ The Village of Brockport agrees to turn over all assets of the Brockport Fire Department to the joint Fire District, including the transfer of the firehouses on West Avenue and Market Street (including the plots of land the buildings are situated), together with all fire apparatus and fire equipment. *(With the exception of the antique 1877 Silsby Steamer and 1845 Hand Pumper.)*

## FIRE DISTRICT PROPOSAL (CONTINUED)

- ▶ Contingent upon the successful establishment of the joint Fire District (continued):
  - ▶ The Village of Brockport agrees to use all existing or future funds in the truck replacement, fire communications equipment and fire chief vehicle reserve funds as a down payment on a piece of fire-fighting equipment, which equipment will be determined by the current Fire Chiefs.

# FREQUENTLY ASKED QUESTIONS

# FAQ

*Why can't the Village and Towns continue to manage the Fire Department budget through the contract process?*

- ▶ The Village has exclusive authority over the FD finances. Town officials are far removed from the management of the FD. As long as overall budget increases are minor, individual budget lines are seldom questioned. Issues arise when there are large surpluses.
- ▶ State Comptroller's Office limits what can be negotiated and included in the contract.

## *Why can't ... (continued)*

- ▶ Town taxpayers fund 78% of the FD budget, but cannot vote for the trustees who set the budget & make spending decisions once the budget is adopted.
- ▶ Town residents may not participate in referendums on capital projects. Village residents, who only provide 22% of the funding get to vote on capital projects.

# FAQ

*Is it true the budget would not be subject to voter approval?*

- ▶ Just like the current fire budget, the Fire District budget is not subject to voter approval.
- ▶ Just like municipal budgets, the Fire District budget **is subject to a Public Hearing\***. At such Hearings, any person may be heard in favor of or against the proposed budget or any item(s) in the budget.
- ▶ Any borrowing is subject to a mandatory referendum.
- ▶ The recently enacted 2% property tax cap also applies.

## **\*PUBLIC HEARINGS ON PROPOSED BUDGET — TOWN LAW SECTION 181**

- ▶ Fire districts must prepare a proposed budget and hold a public hearing to discuss its contents. The law specifies **the public hearing must be held on the 3<sup>rd</sup> Tuesday in October.**
- ▶ The hearing must be conducted and scheduled in a manner that maximizes public participation.

# ***RECENT LEGISLATION***

- ▶ Since 2007, several new laws were enacted to strengthen oversight of fire districts and fire companies in New York State. The laws focus on training, travel, financial audits, public budget hearings, elections, ethics and establishment of capital reserve funds.

## RECENT LEGISLATION (CONTINUED)

- ▶ Fire district commissioners elected or appointed on or after January 22, 2007 are required to complete an OSC-approved training course within 270 days of taking office. The training must cover legal, fiduciary, financial, procurement and ethical responsibilities, and such other topics as may be prescribed by the State Comptroller.

# FAQ

*Aren't fire district taxes tacked on to municipal tax bills, causing them to be nearly invisible to the taxpayer?*

- ▶ **No.** Town taxpayers currently see a separate line item on their Town and County tax bill.

(e.g. “SWEDEN FIRE PROT”)

- ▶ With the formation of the fire district, Town and Village taxpayers will see on their Town & County tax bill:

**“BROCKPORT FIRE DISTRICT”**

# TOWN & COUNTY TAX BILL (SAMPLE)

Levy Description	% of your County Budget Tax Payment	Total Tax Levy	% Chg Prior Year	Value/Usage	Rate	Amount
COUNTY BUDGET:						
STATE & FEDERAL MANADATES						
MEDICAID PROGRAM TAX	0.0			180,000.00	.000000	0.00
OTHER SOCIAL SERVICES MANDATES	26.7			180,000.00	2.457855	442.41
PUBLIC SAFETY MANDATES	35.4			180,000.00	3.258730	586.57
OTHER MANDATED SERVICES (E.G. PUBLIC HEALTH	12.3			180,000.00	1.132270	203.871
TOTAL - STATE & FEDERAL MANDATES	74.4					1,232.79
GENERAL COUNTY SERVICES (NON-MANDATED LOCAL CONTROL OF DOLLARS)	25.6			180,000.00	2.356596	424.19
TOTAL - COUNTY BUDGET	100.0					1,656.98
SALES TAX CREDIT - SWEDEN				-180,000.00	1.795697	-323.22
NET AMOUNT DUE FOR BUDGET		2,706,687	2.1	180,000.00	7.409754	1,33.76
COUNTY SERVICES LOCALITIES						
SWEDEN TOWN TAXES		328,524	8.7	180,000.00	0.899359	161.88
SPECIAL DISTRICTS		1,639,865	2.3	180,000.00	4.467687	804.18
<del>SWEDEN FIRE PROT</del> BROCKPORT FIRE DISTRICT		318,186		180,000.00	0.82481	148.47
P.W. 3 CAPITAL CRG				0.00		19.56
P.W. 3 O/M GAL				44.00	1.290000	56.76
SWEDEN LIGHT		16,920	-1.3	180,000.00	0.480386	86.47
SWEDEN CONSL SEWER		20,042	43.7	180,000.00	0.116361	20.94

# FAQ

*Won't voter apathy and lack of visibility create opportunity for governmental excess and abuse?*

- ▶ Voter apathy is a personal decision. We have been provided with the privilege to vote and it should always be exercised.
- ▶ Fire District Commissioners will be elected.
- ▶ Fire Districts are public entities and are governed by the Open Meetings Law. Information is always available.
- ▶ The district is being created to correct financial issues.

# FAQ

*Isn't the fire district an additional layer of government that will increase the cost of fire protection?*

- ▶ This aspect of 'government' will be transferred from the Village to the Fire District.
- ▶ For the Towns, this is not an additional layer of government.
- ▶ The Fire District will replace the Fire Protection Districts in the Towns.

# FAQ

*Don't fire protection services in fire districts cost substantially more than what we currently pay?*

- ▶ The current rate is low because 3 municipalities share the fire protection costs rather than one. This should not change if all 3 municipalities form a joint Fire District.
- ▶ The Fire District is subject to the recently enacted 2% property tax cap.

# FAQ

*Why is the Village turning over the fire department assets to Sweden & Clarkson?*

- ▶ The Village is transferring the assets **to the joint Fire District, not** to the Towns.
- ▶ Historically, there's a precedent of municipalities turning over fire department assets to the fire districts.
- ▶ Our neighbors have done it. The Villages of Hilton and Spencerport transferred fire department assets to their Fire Districts.

# FAQ

*Will the joint Fire District contract with Brockport Ambulance as the first responder?*

- ▶ That decision lies with the five (5) Fire District Commissioners.

# FAQ

*I read the Village/Towns are unlikely to reduce our taxes if they don't directly pay for fire protection. They will absorb our tax dollars and we'll pay fire district taxes on top of current Village/Town taxes. Is this true?*

- ▶ For the Towns, it has been a separate line on the Town/County tax bill and was not included in the Town tax rate as part of the Town budget. It will remain separate.
- ▶ The Village will make every effort to reduce the budget or reallocate the funds toward the existing Village deficit.

# FAQ

## *Will a fire district increase our insurance premiums?*

- ▶ This will make no difference. The only thing that is changing is the administration of the Fire Department. It's still the same firefighters, equipment, and geographic area.

*(If anything, the district should have a positive impact on insurance premiums.)*

# MANDATORY REFERENDUM

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- ▶ We anticipate the joint Fire District proposal will be put to a vote of all registered voters, hopefully, in the **General Election** to be held on **Tuesday, November 8<sup>th</sup>**. There is an “issue” in Clarkson that the Board of Elections is trying to work out.
- ▶ Also, because we changed from a permissive referendum to a mandatory referendum, there is a difference of opinion between the Department of State and the State Comptroller’s office as to whether or not this will be a cumulative vote or by each municipality. We anticipate a decision soon.

## ***What if the Fire District is voted down?***

- ▶ The Towns and Village will not go back to the way it was before.
- ▶ Clarkson and Sweden have the option of contracting with other Fire Districts or Fire Departments. There is no obligation to contract with the Village.
- ▶ The 2011 fire department budget request is for \$729,100. **78%** is paid by residents of Sweden and Clarkson.

## WHAT IF ... (CONTINUED)

- ▶ The Village would have to fund, manage and operate a fire department on its own, and if not feasible, would need to contract with an outside provider for fire protection.
  - ❖ ***Note:** Although the coverage area may be reduced in size to just the Village, a reduction in equipment is unlikely due to the college and businesses located within the village.*
  - ❖ *Any down-sizing of the current Fire Department **may** affect insurance premiums.*

# BENEFITS OF A JOINT FIRE DISTRICT

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- ▶ Fulfills a longtime goal of the Brockport Fire Department.
- ▶ Residents and property owners will receive the same fire protection service that has been in place for over 100 years.
- ▶ Firefighters will remain together, rather than possibly split into separate departments affecting the volunteer firefighter base.
- ▶ **EVERY tax dollar** collected for fire protection will be used for fire protection.

## Benefits (continued)

- ▶ **ALL residents** of the district will have the right to vote for those who create the fire budget and spend the fire tax dollars.
- ▶ Unexpected surpluses remain with the joint Fire District to offset future fire service expenses or reduce the tax rate.
- ▶ **ALL** registered voters of the joint Fire District may vote in referendums for capital expenses.
- ▶ The joint Fire District will serve the same residents who funded and were served by the Brockport Fire Department.

## Benefits (continued)

- ▶ Management will be transferred from the Village to the joint Fire District.
- ▶ Assets will belong to **all taxpayers** of the joint Fire District.
- ▶ This Fire District is subject to an independent audit by a Certified Public Accountant, annually.\*
- ▶ **All** Fire Districts are subject to audits by the Office of the State Comptroller (OSC).
- ▶ **All** Fire Districts must adhere to all government accounting principles and file annual financial reports with the OSC.

\*The budget is over \$500,000

## Benefits (continued)

- ▶ Transparency of the money – public budget with public hearing held.
- ▶ Every dime collected goes to fire protection.
- ▶ Reserve funds are set up for purchasing what the fire department needs.
- ▶ The Association of Fire Districts of NYS provides legal support to Fire Districts to assist with research of legal issues and advice.

## Benefits (continued)

- ▶ A Fire District provides an operational support system of the fire department:
  - “Administration” lies with the Fire District Commissioners.
  - Handles the insurance and workers’ compensation coverage.
  - Maintain training records, physicals, ensures policies & procedures are in place and current.
  - Fighting fires & extricating people from vehicles is the only concern of the Fire Chiefs.

# FINANCES

# FINANCES FOR THE FIRE DISTRICT

- We prepared a draft 2012 fire district budget that has spending dropping by \$45,250.
- The total 2012 fire district levy was estimated at \$683,850, compared to the 2011 levy of \$729,100.
- The draft was developed by using the actual 2009 and 2010 fire department expenditures, as well as projected 2011 spending.

## FINANCES (CONTINUED)

- This figure includes the cost of annual elections, a paid treasurer and other administrative items.
- It includes the same equipment reserve funding as the 2011 budget -- \$158,000.
- It does not include debt for the purchase of a new (or newer) ladder truck.

## FINANCES (CONTINUED)

- Since we cannot have the fire district in operation on January 1, 2012, the municipalities have agreed that the tax levy will remain the same as 2011.
- If we are able to begin operations on June 1, 2012, the municipalities will turn over the unexpended levy to the new district per our dissolution plans. That is our goal.

## FINANCES (CONTINUED)

- If we are not able to begin operations on June 1, 2012, the Village will continue to provide fire protection through December 31, 2012.
- In either case, the first Joint Fire District tax levy will occur on the Town and County tax bill in January 2013.

# PUBLIC COMMENTS & QUESTIONS

- ▶ State your name and address for the record.
- ▶ Limit your comments to 2 minutes OR you may write your question on the index card.
- ▶ Don't repeat something that has already been stated.
- ▶ Everyone will have a chance to speak once.

# Support the joint municipal BROCKPORT FIRE DISTRICT



We are better together than apart!