

A workshop between the South Glens Falls Fire Company, the Village of South Glens Falls and the Town of Moreau was held on May 2, 2017 in the Town of Moreau Municipal Building, 351 Reynolds Road, Moreau, New York, for the purpose of hearing a presentation of the South Glens Falls Fire Company's request to become a Fire District.

Supervisor Congdon called the workshop to order at 7:00 p.m.

Town Board Members Present

Todd Kusnierz	Councilman
Gina LeClair	Councilwoman
Alan VanTassel	Councilman
Gardner Congdon	Supervisor

Town Board Members Absent

Bob Prendergast	Councilman
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Village Board Members Present

Bill Hayes	Trustee
Tony Girard	Trustee
Harry Gutheil	Mayor

Also present: Leeann McCabe, Town Clerk; Members of the South Glens Falls Fire Company: Wayne Palmer, Nick Quinn, Ron Quinn, Tom Tracy and others; Joyce Petkus and Bill Young, Association of Fire Districts; Kathleen Moore, Post Star Reporter; Reed Antis, Town Resident and Planning Board member; Village Residents: Brigid Martin, Pete Lemery

The Supervisor turned the meeting over to Nick Quinn who spoke on behalf of the Fire Company.

Mr. Quinn gave a history of the Fire Company and displayed photos for the two Boards. He stated that there have been big changes over time with equipment to fight fires. He also explained how the changes in materials used for construction and materials used within homes have changed the way fires burn. He explained the countless hours of training necessary to become a firefighter and the additional training necessary to become an officer. He explained how firefighters typically handled car accidents and structure fires in the beginning and now includes water rescues, lines down etc. He stated that the members are proud that they achieve what they do, with the resources they have. He explained the reason for wanting to become a Fire District is that it's the best way to move forward to minimize burn-out of the members.

Mr. Quinn presented a hand out to members of both the Town and Village Board members which outlined the proposal to become a Fire District and the steps necessary. He stated the reasons:

1. Long term financial planning for better fiscal management.
2. Commissioners required to obtain training and continuing education in fire district planning, management and finances.
3. Commissioners elected by the public.
4. More transparency.
5. Equal fire protection tax rate in the Village and the Town.
6. Public referendum required for large purchases.
7. More oversight of district finances, reducing the possibility of financial mismanagement.

Councilman Kusnierz thanked the active and previous members of the Fire Company for their service to the community and stated that communities across the State rely on their dedication. He stated it would cost billions of dollars if communities had to pay for fire protection. Councilman Kusnierz stated that he was singled out, earlier in the workshop, with a comment that quoted him as saying he wasn't a staunch proponent of having long term contracts. He stated that it has a benefit to the Fire Company too. If they find themselves in a fiscal distress at any point in time, the Boards at the next contract can be more reactive to that. Mr. Quinn apologized to the Councilman and stated that his statement wasn't intended to sound negative.

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Brigid Martin asked who pays for all the training they have to go through and it was replied that they take advantage as much as possible of the free training. He stated that they rarely have to pay.

Ms. Martin asked if they would continue to have a Board and if so, would the Board report to the Commissioners. Mr. Quinn replied "yes". He stated that the Chief reports to the Mayor and the Board of Directors report to the Town. He stated that under a Fire District scenario, the Chief and Board of Directors would report to the Fire Commissioners and the Commissioners report to the people.

Ms. Martin asked if the Boards would ever mix and Mr. Quinn replied "no", they would still have a Board of Directors and the not-for-profit would never go away. Wayne Palmer stated that by becoming a Fire District, it would take 95% of the current Board's responsibility away. He stated the Board would no longer be responsible for operational fire funding. He stated that all of that would be done by the Commissioners. He stated all financial, bonding, loans, would all be handled by the Commissioners.

Ms. Martin asked who normally sits as a Commissioner. Mr. Palmer listed the communities that had Fire Districts (Wilton, Gansevoort, Fort Edward and Corinth). Ms. Martin asked if the commissioners get paid and Mr. Palmer replied "no". He did say that the Secretary gets paid.

Ms. Martin asked if members on the Board can sit as a commissioner and Mr. Palmer replied "no".

Ms. Martin stated that within the Village the Fire Company has budgeted money and asked if they would be allowed to keep it. Mr. Palmer replied that it would be between the Village and the fire commissioners. He thought there might have to be some type of referendum to transfer the funds.

Mr. Young stated that in the creation of a joint fire district the Village would transfer the assets for or without consideration. He stated that they can sell it or transfer it. He stated, that with regard to cash, it's not something that is necessarily turned over.

Ms. Martin asked if the District would have to stay within the 2% tax cap and Mr. Palmer replied "yes".

Joyce Petkus stated that they're also subject to a statutory spending limitation. She stated it's as though they have two separate tax caps. She stated that the 2% tax cap is not necessarily 2%. Mr. Young stated that the cap is 0.76 now. Councilman Kusnierz stated that it's either 2% or the rate of inflation, whichever is less. He stated that for the last two years, it's been well below the 2%.

Reed Antis asked how often the commissioners meet. Mr. Young replied that they meet at least once per month and sometimes twice per month. He also stated that there's a tremendous amount of oversight with the State Comptroller's Office. He stated that Fire Districts are subject to the same rules as the Town and Village Boards. They would have to follow procurement policies for bidding under General Municipal Law. He also stated that every Commissioner, whether newly elected or re-elected, must go through a mandatory six hours of training. He stated that they would be subject to annual audits. If revenues are in excess of \$300,000.00, they would need to have an external audit, which would need to be filed with the jurisdiction of the Fire District and the Comptroller's office. He stated that in addition, the Treasurer of the Fire District would need to file an AUD annually.

Mr. Young stated, that in order to sit as a Commissioner, they would have to be a resident within the Fire District. He stated that a lot of them are firefighters but some who have never been a firefighter. They want to serve their community and it's without compensation. Mr. Young stated that they would be subject to the same rules as the Town & Village with regard to any reimbursements. The expenses would have to be proper and necessary. Mr. Young went on to say that the Fire Commissioners prepare the budgets, which have to be adopted 3 weeks prior to the public hearing, which is held on the 3rd Tuesday in October.

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Councilwoman LeClair asked how the budget process would work with a Fire District. Mr. Young stated that he's represented about 60 fire districts across the State. He stated that starting in July, the Commissioners meet with the Board to go over expenses and develop a budget. By the end of September they've developed their proposed budget. The next step is a budget hearing, to hear from the public.

Mr. Young touched on the election process for commissioners. He stated that initially five commissioners are appointed by the two Boards, with some input from the Fire Department. The first year, thereafter, those individuals would run for office. The commissioner with the most votes gets a five year term, the commissioner with the second highest amount gets a four year term, next highest a three year term and so on. Every year after that, at least one member will be up for re-election.

Mayor Gutheil stated that there aren't elections every year and asked who would bear the cost of the elections. Mr. Young stated that the election costs would be borne by the Fire District and they are held the 2nd Tuesday in December, minimally within the hours of 6pm to 9pm. Only resident electors who have resided within the Fire District for 30 days are eligible to vote.

Reed Antis asked about absentee ballots. Mr. Young stated that absentee ballots are allowed by authorization of the Fire District.

Councilman Kusnierz stated that the Town Board is responsible for putting together a budget for the Town, which includes the budget presented to them by the Fire Company. They take into consideration, not only the tax burden, but the impact the Fire tax has on the residents. He stated, what will happen if there's a changeover to a Fire District, that responsibility would be completely removed from the Town Board and it would be in the hands of the Fire Commissioners. He asked what the benefit to the tax payers would be if the role of setting the tax rates is taken away from the Town Board and put in the hands of the Fire Commissioners. He asked if they would see the same type of tax rate, will it go up or down. He stated, that he's seen in his regular day job, communities that have tried consolidation with Town and Village fire departments. He's seen the numbers that have come out of that and in one instance a tax rate had doubled. He asked what the impact in the tax rate would be if they form a fire district. Mr. Quinn answered by stating, from their perspective, they have no control over that. Their goal isn't to have more money. He stated that the long term plan is to reduce the financial burden on the tax payers and to keep the tax rate as low or flat as possible. Councilman Kusnierz stated that he hadn't heard any complaints of how the Fire Company operates. He asked what isn't working now. Wayne Palmer stated that they're trying to get the burden off the Board members relating to the financial operations. Mr. Palmer also stated, that by becoming a fire district, they would be eligible for bonding with lower interest rates, which are better than what they're paying now.

Mayor Gutheil asked what their debt is. Mr. Palmer replied that it was around \$2,000,000.00 with \$1,250,000.00 in fire trucks to buy next year.

Nick Quinn stated that the Town would lose the liability and it would be placed on the Fire Commissioners.

Trustee Hayes stated that it seems like it would be similar to a Library District.

Mayor Gutheil asked if anyone has projected what the budget would be. Wayne Palmer stated that they hadn't gotten that far yet. He stated that Mike Shaver was working on something that bases information on assessment figures. Mayor Gutheil asked if a fire district has the capability of overriding the tax cap and Mr. Palmer replied that they could but that it would take a majority of the Board to override. He stated that it would have to be done prior to the adoption of the budget. Councilman Kusnierz stated that there are consequences if that should happen. He stated that by staying under the cap, tax payers see the benefit of it. He asked, if the Fire District doesn't stay within the tax cap, how would the tax freeze credit work. Ms. Petkus stated that the tax freeze credit isn't in effect anymore for fire districts. She believed that it had expired last year.

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Councilwoman LeClair asked what happens if they go over the tax cap and the budget is voted down. Would they have to re-work the budget like the School has to do. Mr. Young stated that they can override the tax cap and if they don't, any money they collect in excess of what the tax cap is, has to be put into a special reserve fund, to be used the following year. Mr. Young stated that there are provisions for the Boards to override the tax cap. The schools are different, in that they have to have a certain percentage of the tax payers agreeable for the Board to override. Mr. Young believed that towns need a local law to override the tax cap. Mayor Gutheil stated that the Village has to have a local law to override.

Mayor Gutheil asked about the districts in the region and how often they have to override. Mr. Young stated that 50-80 percent do not override. Nick Quinn stated that he's a tax payer as well and he doesn't want to pay any more that he has to either. He stated that their goal is not to raise taxes.

Councilman VanTassel asked Mr. Quinn about his statement that the single largest challenge is burn out. He asked how forming a fire district would address that issue. Mr. Quinn stated it would decrease the amount of time for planning that officers have to do. Wayne Palmer explained how he and others are always at the fire house for one thing or another. Creating a fire district would help alleviate that and take the burden off. Councilman VanTassel asked how creating a fire district would address burn out for the younger firefighters. Mr. Quinn replied that by getting them out of meetings, they're back on the training ground instead. They also spend more time with their families.

Councilman VanTassel asked how far away from a budget and a plan they are. Mr. Palmer thought that they would have it in about 60 days.

Ms. Petkus stated that long term planning is essential in fire service. She stated that a fire district, with commissioners, has a better ability to plan out 20 years. Rather than bonding, if they started to save money in a reserve account, they could potentially pay cash, which would save tax payers money. She stated that the Greenfield Fire District has no debt. They have specific reserve funds to pay for the expenses.

Councilman Kusnierz stated that it's part of the contract, that the Fire Company puts money aside into a reserve fund. Mr. Palmer stated that it's not enough. They have only \$300,000.00 saved for a truck that will cost \$1,200,000.00. Mr. Palmer stated that they look at options that will keep the costs down, such as buying two trucks together at the same time. He also stated that trade in values are very low. Mr. Palmer stated that he believes that the Fire Company has done a good job budgeting considering the size.

Mayor Gutheil asked if they know of any fire company that has gone through the change. It was mentioned that Fort Edward did.

Trustee Girard asked if someone had the tax rate before and after the change. Mr. Palmer stated that he didn't have that information.

Mayor Gutheil asked if their entire Board is on board with the change. Mr. Palmer replied "100% on board". Mayor Gutheil asked what kind of a time line they were looking at. Mr. Palmer replied that they would be ready tonight if the Town & Village Boards agreed to the change. Mr. Palmer stated that they've been working on this for 8 years.

Reed Antis asked if their starting budget would be the total between what the Village and Town have budgeted. Mr. Palmer referred to the tax cap being no more than 1% of assessed values. Mr. Young stated that they have a spending limit as well. He explained that it's \$2,000.00 for the first \$1,000,000.00 in assessed valuation and \$1,000.00 for every million thereafter. Supervisor Congdon stated that would equate to a \$1,250,000.00 budget.

Mr. Antis asked who determines the rate of pay for the secretary to the Board of Commissioners. He also asked if it would be full-time job. Mr. Young stated that it would depend on the size of the budget of the district. Ms. Petkus stated that she started as part-time and it grew. She stated that it depends on how

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much time the fire commissioners are willing to put in as well. Mr. Antis stated that the Town has Planning and Zoning Boards, who are paid and they can't keep them. He asked who would be a fire commissioner for free. He answered his own question by stating fire department family members. Mr. Young stated that there are commissioners that spend 5 hours per day and some that are there all day. They're retired and they don't mind donating their time. Mr. Palmer stated that they've been approached by 8 members of the public who have interest in being a commissioner that aren't in the Fire Company. Mr. Quinn stated that fire service is different from a Planning or Zoning Board.

Supervisor Congdon asked how many hours they feel they spend on things that aren't necessary. Mr. Quinn replied that it's all necessary and explained how he felt about training. Supervisor Congdon stated that he wasn't talking about training. Mr. Quinn thought they could spend less time on the budget process. The Supervisor stated that they weren't here for more than 20 minutes last year. Mr. Palmer replied that it was about 45 minutes. He also answered the previous question by stating that he believes they spend about 75% of their time on things that are necessary and 25% of their time on things that are not.

Ms. Petkus stated that they want to be firefighters and do what firefighters do and the administrative portion needs to be handled by someone else. She stated, that work would be done by the board of fire commissioners. Mr. Palmer stated that they would no longer have to worry about getting bills paid or worrying where the money is coming from. He stated that all the financial responsibility would be dissolved from the Fire Company and the fire commissioners would take it on. The Supervisor stated that they would have to hire a secretary-treasurer and that would be an expense.

Mr. Quinn stated that long term planning will save money. Mr. Palmer stated that they're always leading back to money and they need to look at the bigger picture. He stated that they need to do this to save the volunteer fire status. Mr. Quinn stated that they would be able to concentrate on education and training.

Supervisor Congdon asked where they will find people with that expertise. Mr. Quinn stated that they have the Association that will help educate those who volunteer as commissioners.

Pete Lemery stated that he had been a member of the Fire Company for a long time and also sat on the Board. He stated that there was so much responsibility, he got burned out and had to leave. He stated that he agreed with all the comments made about burn out.

Brigid Martin asked the members of the Fire Company if the Village could find the money, would it help having a full-time clerk or would they rather wait 10 years for a new fire truck. The Supervisor asked the same question in a different manner. He asked if it's possible to have a paid comptroller/treasurer in their budget, with the way things are set up right now.

Mr. Quinn stated that fire districts are becoming the trend and that it's the only way to relieve the members of the liabilities and the burdens. He stated that a clerical person wouldn't take on the liability or the burden. The Supervisor asked again, if it's a possibility. Mr. Palmer didn't think it would help.

Reed Antis asked Mr. Young if tonight's workshop is a normal turnout of members from the public. Mr. Young stated that the next step would be a public hearing and in his experience, not many more people would show up.

Councilman VanTassel asked what the Fire Company is proposing as their next step. Mr. Quinn stated that they've been trying to get to this step for years but never had the time. He stated that they want the support of the Village and Town and would like to educate the public. He stated that they're looking for interest from the two Boards, that they want to move forward.

Councilman VanTassel stated that he isn't speaking on behalf of the other Board members, but what it would take for him is to see a plan and a budget. He wants to know what it will mean to the tax payers. He

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does see the need from what he's heard but will need to see the plan. Mr. Palmer stated that he didn't have numbers at this meeting because he thought it was a meeting to gauge the interest.

Councilwoman LeClair asked if they would continue to do fundraising should they become a fire district. Mr. Palmer stated that would never go away. They would continue their annual letter drive and fish fry. They have a craft fair once a year and do line dancing every Tuesday night. He stated that they have people involved and they enjoy doing what they do.

Ms. Martin asked if either Board had any money they could supply the Fire Company with for marketing to see if they can get more recruits. She suggested reaching out to the High School and colleges. Mr. Palmer stated that they already have a recruitment program and they hold open houses on a regular basis.

Councilman VanTassel stated that they've already given them money as a line item in the budget.

Mayor Gutheil asked Ms. Petkus what the per capita cost for fire service is. Ms. Petkus replied that she didn't know the cost. Mr. Young stated that Greenfield Fire District has 4 Fire Companies. Ms. Petkus stated they have 4 fire houses, 24 pieces of apparatus. She also stated that their budget is \$1,600,000.00. She stated that covers 82 square miles and 5 buildings.

Mr. Young stated that volunteer fire fighters save the tax payers of New York 4 to 5 billion dollars per year.

Councilman VanTassel asked what the next step is. Mr. Young stated that they would need to develop a budget. Councilman VanTassel stated that they can't make a decision without seeing the numbers. Mr. Young suggested that once the budget has been developed, they can come back to another joint meeting and present the budget. At this point, the two Boards will determine if there's interest and if so, will schedule a joint hearing. Mayor Gutheil stated that he would like to see the budget in advance of the meeting. Everyone was in agreement, that the budget and plan would be provided in advance of the next meeting.

Mr. Young stated that the plan should include the apparatus and reserve funds.

Supervisor Congdon thanked everyone for coming.

The workshop adjourned at 8:43 p.m.

Respectfully submitted,

Leeann McCabe
Town Clerk

The above minutes are not intended to be a complete transcript, only a summary. To hear the full audio of the meeting, please visit the Town's website at: www.townofmoreau.org