

A Joint meeting of the Town Board of the Town of Northampton, Town Board of the Town of Benson and the Village Board of Trustees of the Village of Northville was held with the Northville Fire Department and was opened at 7:00 p.m. on Thursday, December 12, 2019 in the Northville Fire Department Building at 182 S. Main St., Northville, NY.

PRESENT:

Town of Northampton

Supervisor James Groff

Councilmen: Art Simmons, Darryl Roosa, William Gritsavage

Councilwomen: Molly Zullo

Town Clerk: Elaine Mihalik-Recording Secretary

Town of Benson

Supervisor John Stortecky – excused

Councilmen: Douglas Gregor, Charles Biche, David Rogers, and

Deputy Supervisor/ Councilman: David Pincombe

Town Clerk: Jeanne Cox

Village of Northville

Mayor: John Spaeth

Trustees: Sue Sedon, John Markiewicz, Steve Collins and Sue Eckert

Village Clerk: Wendy Reu- excused

ALSO PRESENT:

Terence S. Hannigan-Attorney & Counselor at Law from the Hannigan Law Firm PLLC.

Jack Farquhar, Jon VanAlstyne, Holly Downing, James Lewek, Owen Jensen, Colan Johnson, Lawrence Serfis, Callyn Groff, Tom Groff, Michael Warner, Pete Robinson, Bob Ellsworth, Diana Downing and Greg Bedell

Attorney Hannigan asked the prospective boards present to call this meeting to order.

The Village of Northville Mayor John Spaeth has called the meeting to order for the Village of Northville;

The Town of Benson Deputy Supervisor/Councilman David Pincombe has called the meeting to order for the Town of Benson; and

The Town of Northampton Supervisor James K. Groff has called the meeting to order for the Town of Northampton.

The respective Clerks can take the minutes of this meeting that they can share stated Attorney Hannigan.

Tom Groff introduced Attorney Terence S. Hannigan to everyone present saying that he has represented Fire Company's, other towns, villages and cities in New York in becoming or consolidating as a Fire District in their area.

Attorney Hannigan explained the differences of a Fire Protection District, a Fire Department, Fire Companies and Not-For Profit Fire Corporation.

Attorney Hannigan explained that he was approached by the Northville Fire Association on them wanting to become a Joint Fire District and it is very precise in the law.

When you have a village and it forms with a town, a Fire District that by definition is a “Joint Fire District”. No matter what you do, if the village does anything with these two towns it is going to be called a “Joint Fire District”, that is what the law says stated Attorney Hannigan. There is a specific provision in the town law that governs the formation of a Joint Fire District. A Joint Fire District means there is a village involved. That entity is similar to a School District. It doesn’t have to follow town lines or village lines. It can be part of the town or all of the town, part of the village or all of the village.

It is governed by a group of typically elected commissioners stated Attorney Hannigan. They are elected by the people within that district. If I understand this, if you were to form a Joint Fire District it would be the entirety of the Village of Northville, it would be the entirety of the Town of Benson and a portion of the Town of Northampton.

Supervisor Groff responded, correct.

Like a School District it can be bits and pieces of other constituent political entities. What makes a Joint Fire District or a Fire District special it is deemed to be a governmental entity. It has two distinct powers; it can levy taxes and it can bond. Basically, pledge the full faith and credit of tax payers to bond to borrow money for the future or to go forward. In order to do that, it does have to go to a mandatory referendum or a vote to the public to bond. Right now, we have a Village Fire Department that exist because of the Board in the Village of Northville. That is why it is the Village Fire Department. The Fire Department basically contract with areas outside of the Village, that pay money to the Village and it works its way to the Fire Company to provide Fire Protection. If a Joint Fire District is formed those lines of the area of the Town of Northampton, the area of the Town of Benson and those are essentially erased from the math. Now it’s a larger entity called maybe the “Northampton, Northville, Benson Fire District” or something similar to that. This entity would be governed by the Board of Fire Commissioners. There can be as few as three (3) or as many as seven (7) Fire Commissioners. Mr. Hannigan’s recommendation if you form a Joint Fire District is to have five (5) Fire Commissioners. There are two ways that you can go if you form a Joint Fire District. If the Town and Village decide to appoint the Commissioners they are appointed thereafter in concession. Mr. Hannigan does not recommend that. He recommends that you make a decision early on when this Joint Fire District is formed that the first Commissioners are appointed but then thereafter, they are elected.

Reasons: 1. It gives you folks out of Fire business for ever. It lets the Fire District handle fire protection. If the local government is removed from the administration of the fire service or the select of the Commissioners it is basically the democracy of what you have at the school district. The first five (5) Commissioners are usually appointed by agreement between the Town and the Village for the first year. They would usually get five (5) names that they agree upon. Thereafter, it would be an election for all five and anyone else whom would like to run for the position that is a resident of the district that is over 18 can run. It would be a 5-year term for the first; a 4-year term for the second and so on. Then they would have an election after that and it would be then be for a five (5) year term. That is how it works. There is a pretty good body of

law that is in the Town Law on protecting the Fire District that how to set the Fire Districts except for the appoints of the commissioners.

The Board of Fire Commissioners would then become responsible and are only concerned with the provisions of fire protection and protection services. There will be no more respective contracts with all of you (Towns and Village). The Board of Fire Commissioners will set the Tax Levy for the district. These are five (5) Fire Commissioners, people who all who would have run in the elections, that all reside in this area, and who all will have taken the oath of office just like all of you have. They are going to have to do a good job because they are public officials just like you are. You may not agree with them all the time but they take the oath just like the constituents do. I think that is important of the Board of Fire Commissioners. They represent the public and are obligated to give the fire service and everything it needs but not necessarily everything it wants and they have an obligation to the taxpayers as well. New Fire Commissioners are obligated by Law to go to Commissioners training. The training is offered at the NYS Comptroller's Office as an approved free program from the state. Within 270 days within appointment of these Commissioners will have to undergo training approximately 6 to 8 hours. My experience is, that they should undergo this training immediately after their appointment because they usually don't know the first thing about running a Fire District because you can't wait the 270 days. They would become what the law calls "authority having jurisdiction" AHJ over this Fire Department. Right now, the Village is the AHJ and is legally responsible for the Northville Fire Department which happens to be in the Village. The Fire District will become the AHJ the legally liable and responsible. Liable if anything bad were to happen. Responsible for making certain they are in compliance with OSHA requirements, things that the fire departments have to have. The annual training that they have to do such as the harassment training, their physicals they have to have, and the training that they have to have every year. The Board of Fire Commissioners would also set their policies and procedures such as the municipalities have set. There is a whole set of policies and procedures that they have to set because the government says they have to. Such as an investment policy, a credit card policy if they have a credit card, work place violence policy, those are the things that the Board of Fire Commissioners are responsible for. The Village is technically responsible right now for the statutory mandated things but they probably defer the Fire Company to keep their house in order. That's great, except if there is a problem for example with OSHA, it's with the Fire Company it's with the Village because the Fire Company is not a governmental agency. I don't want to suggest to you that as is a big motivation to do it. That is the perk that you get. You are out of the Fire business from the liability stand point if you go with a Joint Fire District.

The Joint Fire District concept is very prevalent at this stage. There used to be 965, thanks to the Governor there is now more than that. As a lot of things do with the State Government come with consequences. There were a lot of Fire Departments that were contracted with Towns and with Villages and when the 2% cap got created. That burden was placed upon the Villages and Towns. If they need a new fire truck at \$600,000.00 that would eat up whatever that 2% was. A Joint Fire District is subject to the 2% tax cap but it is subject to its own 2% tax cap. It is now liberated from the Village. You would no longer have to include the cost of Fire protection

within your 2% cap. My understanding is that the Town is paying by contract and it is not a protective district. You two would be free from paying.

The money that you would be levying will be consumed in the levy that is within the Fire District. If one district levy is \$1, the other is \$2 or the other is \$3, the taxpayer is not going to get a break because that money is still needed to pay for the Fire District. It is going to cost a little more to form a Fire District because you are creating an administrative and it is not going to cost a lot more. There are going to be initial administrative along with the five commissioners who have to have a secretary and a treasurer. The secretary/treasurer can be the same person but it is very difficult to find somebody who likes to do both. Those two positions (secretary and treasurer) are typically compensated. Particularly forming a new Fire District in the 20th Century there is a lot of work the new treasurer has to do to set up new accounts, to buy a new computer, set up the quick book accounts and to set up the various accounts in conjunction with what the State Comptroller requires. The new secretary will have a lot of work to do because you have five commissioners who have never been subject to a Fire District. I (Hannigan) prepare a calendar every year, of this is what is coming up and here is what you have to do, for my district because there are obligations for the Fire District.

Fire Districts if they have revenues in excess of \$300,000.00 a year are required to have an audit. If they do not have revenues in excess of \$300,000, they can still have an audit. An Audit can run \$6,000 to \$7,000 up to \$10,000 on the high end. There after they run approximately \$3,000 to \$4,000 a year. In addition, they have to file by the end of February an annual update document with the Comptroller Office which gives the financial snapshot of the district. A District will set up Capital Reserve Accounts.

The elections are always the second Tuesday in December. Attorney Hannigan explained the process of an election. There will never be a year where there is not an election for the candidate. You have already set up Capital Reserve Accounts that has to go up for a Referendum for a Fire District, the establishment of a Reserve for Capital Improvements, for Equipment, for Apparatus, and Repairs. The second year will be the election of a candidate. There will never be a year when there will not be a candidate election. A five-year term that will expire every year from the second year of the district until perpetuity. The board will have an organization meeting they would technically have an over site of what the Fire Company wanted. The Chief reports to the board. The Fire Company will now be preparing budgets, submitted proposals for apparatus, doing long term planning. They will still be responsible on taking on new members but instead of coming to the Village board and saying they have a new member; it will go to the Board of Commissioners who will have the administrative over site. The biggest benefit in forming a Fire District is on the association side is that they get their time back. Now the five Commissioners will do the budgeting, the planning, the procurement and the long-range planning. Those decisions become the Board of Commissioners decisions. The Commissioners and the Chief are the Fire Company. The budget cycle for a Fire District is a calendar year. The Board of Commissioners will have to propose budget rates by the end of September. It is 21 days before the third Tuesday in October. There will be a budget hearing on the budget. It is the Joint Fire District to prepare their proposed budget and submit it to the Town Clerk. Have Budget Hearing and pass a final budget and give that to the Town Clerk. The Town Supervisor now has the ominous task, who is the Chief Financial Officer of the Town. The Town

Supervisor has to take the Fire District budget and staple it to his or her budget. The County will collect the money come January. They will send a check to the Town and under the law the Town is to immediately have to turn that money over to the Board of Fire Commissioners with that revenues.

We have two Supervisors here. Are they joint Chief Financial Officer's asked Benson Councilman?

Response: The Chief Financial Officer for the District is their Treasurer. The Commissioner cannot be the Treasurer. There will always be a sixth person with the Commissioners which is the Treasurer.

The Commissioner can be the secretary. There will be dual signatures on checks and one will always be the Treasurer signature and however they want to do it whether they have one Commissioner or three Commissioners sign. A good Treasurer will not only tell you how much money you have and how much money you are going to need. They do an abstract of bills and have the Commissioner's physically approve the bills. A good Treasurer will do on a multi-bases here is where we are with the budget, have the bank statements for the board review and approval so it coincides with the monthly bank statement.

Attorney Hannigan opened for questions

For a Treasurer for this size district that you are proposing what would the typical salary be?

Response: The answer is not "a typical" it is probably the range of a couple hundred dollars a month to a thousand dollars a month. The Treasurer is going to be working their butt off in the first six months getting everything ready. If you do everything right with the coding the Comptroller's Office uses in the AUD and the Treasurer needs to be able to use the computer. You need to use Quick Book. If you set it up right it with a good Treasurer working with an accountant and setting yourself up right and using the guide the State has it will save hours' worth of headaches.

Are there typically benefits associated with pay for that person or just a straight pay?

Response: No, it is just a stipend. There are three positions that are enumerated in the law. I call them statutory positions. The IRS has different definition. Secretary, Treasurer and Director of purchasing is probably something that you would not see here. Those positions are created they would have to be workman's comp for them which is a throw in of the insurance policy. Some places if they have a full time Secretary Administrators there would have to be disability payments which becomes a W2 employee. Most districts pay just a stipend and there would be a 1099. But there wouldn't be a W2 employee because there is a specific section of the Town law that creates that job.

For your information the current billing the Treasurer has allocated part of his time with the Fire budget responded Mayor Spaeth. Through your contract you are already paying someone for Treasurer.

How are the physical assets of the current Fire Department, the Fire Trucks and so forth be allocated to the district and would it be a pro rad type of thing where the Village and the Fire Department that is currently constituted are going to be contributing to the district that. But the Town won't be contributing anything?

Response: There is a provision in Town Law, §189a, §189b. The Village can convey with or without consideration the assets to the Fire District.

That transfer is done with the government. Assets that the Village owns can be transferred. In theory taxpayers have already paid once for those assets. That means certain citizens are paying twice for the same fire truck. The Capital Reserve Account, in other places where there is a dedicated account for "apparatus" we done a municipal cooperation agreement that have transferred those from Village Reserve or Town Reserve "A" into Fire District Reserve "A" and you would have to have a Capital Reserve set up. From the financial aspect you have we will have to follow up on. It never has been an impediment. The reason is government to government. If money was ear marked and collected specifically for Capital Reserve apparatus. That is really where it should go in the Fire District. That was the stated purpose of it. We had an issue with that it court. Attorney Hannigan gave detail of what happened in court. There was a municipal agreement and that the money was ear marked and this amount went into a Capital Reserve Account. It doesn't get disbursed for anything that it wasn't originally collected for.

Mayor Spaeth stated he was very interested in that. He talked with the NY Conference of Mayors lawyers and the Comptroller's Office and they have not yet been able to tell me like that. As far as I am concerned that is a serious key item here. If we have money set aside for a brand-new fire truck and with the conditions of the current fire house. If all of a sudden if that money cannot get transferred. We have to start all over again with \$600,000 in Reserves. That is something that shouldn't have to be incurred.

Attorney Hannigan responded that Municipal Cooperation Agreement is a wonderful thing. I am very specific about Capital Reserve. As a Village you can dissolve it is no longer needed that is if that is what you wanted to do. If it is for apparatus you want it for apparatus.

Originally, we had a contract with the Village of Northville and Town of Northampton. I was the Mayor at the time stated Supervisor Groff. When everybody went to 100% assessment the Town of Northampton was paying approximately .03 cents per thousand for Fire Protection and the Village of Northville was paying approximately .30 cents per thousand. We were having trouble getting the Town to pay their fair share. So, we went to the Town and explained to them what was going on and we said "every penny that comes in to the Fire District through the contracts is going to stay in the Fire Department budget" which it always has. But by law when you pay the Village of Northville, say, \$40,000 for Fire Protection you can take that money and put it in the streets. But because we had that original agreement that monies cannot be taken anywhere. That is why there is a fund balance stated Supervisor Groff. We continued that from day one. Everything that you pay for Fire Protection stays in Fire Protection and it doesn't go

anywhere else. Technically, that Reserve Account money was paid by all of us and it would not look right if you had to start all over again. It comes down to whether you are politically correct or you're going to do what is morally right.

I am speaking for myself and not the whole board stated Mayor Spaeth. I am all for transferring Reserve Funds and equipment to a newly formed district if you decide to do that. I just need to make sure it is done legally. If I can find a legal vehicle which it sounds like you can help with finding a legal vehicle. The equipment is something we know that we can do. All we have to do is show the Village taxpayers which is, if we didn't give it to the district then the Village taxes are going to go up because we have to find where to put it. Capital Reserves is the only one that is the only one left that we have to try and make sure we do the right deal.

Part of the vehicle is that you already paid for that vehicles responded Tom Groff. A lot of the investments that we made over the years has been to cover the towns because in the Village you can accomplish a lot with what is left. A lot of investments have been made to cover this. We have operated in this district a long time.

What is the average initial expense to do this legally asked Councilman Gregor? Each Town would have to go at this individually, I presume?

Attorney Hannigan responded, yes and no. The expense of the formation is there will be incidentals. The way I do it is I generally prepare everything for everybody. The resolutions and that is with the prospective lawyers (Town and Village). The process for this is you have to have a joint meeting for this which is what you are doing. At this joint meeting if you decide that you want to explore the prospect of have this Joint Fire District then three boards have to pass a joint resolution and everyone here has to sign off on it. You have not committed to anything other than exploring the formation of the Joint Fire District. However, if, at the joint meeting, it is decided by majority vote of each board to propose a joint fire district, the town and village boards must within thirty (30) days after the joint board meeting hold a joint public hearing. Typically, the Public Hearing there is a power point presentation for the public and to explain to them that the Fire Department is not going to change. The same people are going to be there. It is the government that is changing. Explain how it affects their taxes and explain to them the organizations structure of the district. You have already equalized the assessments which helps. What comes next in this process is to set a date-time-place for the Public Hearing. The Public Hearing is to explain not just to you three boards but to all the remaining questions that the public may have. In that 30 period what we will do is work out numbers with the Assessors. What you are paying for fire protection is based upon the same equalized assessment as the Village residents and the Towns.

Town of Benson Councilman mentioned that we are not assessed at 100%.

Supervisor Groff responded that we have the same formula as the school has. You are already being taxed at the same level now and everyone will be paying the same forward responded Attorney Hannigan. They are just going to be paying a different entity.

Benson Councilman asked, who oversees the elections? The Board of Elections of the County oversees the elections?

There is a provision in the Town Law §175 that says, that the Fire District oversees the elections responded Attorney Hannigan. The Board of Commissioners would appoint a Board of Elections of its own. It has to be at least (3) people and they would get a book of the Town of Northampton, a book of the Town of Benson and a book of the Village of Northville. The information that you get from the County Board of Elections they would say wherever the line is in your town. Those books might not be set up. It would be of the people who reside within that district.

So, the Board of Elections under the Fire District oversees it?

Response: Yes

So, there is no scandal. There has to be somebody who is watching what is going on responded Town of Benson.

Any financial issues anyone wanting to borrow money is one of the biggest issues. Propositions have to be posted approximately 30 days before. Notice of elections will be Published in a newspaper having a general circulation within the town and village, on the town's websites and on the towns bulletin board. The districts will post on their website.

All legal filings from here on out are required to be done with the Towns.

Town of Benson asked, can a Town elect rather than have the tax levy attached to its County taxes? Can a Town still elect to pay a lump sum annually from the town rather than a tax levy?

You can do that if you are not part of the Fire District responded Attorney Hannigan. If you decide to have the Town of Northampton and the Village of Northville have a Fire District and the Town of Benson decides to retract. You will do it by contract but then you have no say. You will still be subject to the 2% tax cap.

This question is for the Town of Northampton and the Village of Northville stated Mr. Pincombe. I thought that the Town of Hope was on this as well.

We have a contract with the Town of Hope they have not contacted stated Mayor Spaeth.

Response: They are here tonight.

So, the answer to my question, that is not possible or legal if we accounted for any expenditures or any additional equipment.

If we are going to get a tax levy based on long term, short term planning and whatever equipment is needed, it is going to be whatever it is going to be? It is going to be a number. It is going to be given to each individual citizen of the Town, right?

Response: Correct.

So, what if that number was just all added and you handed a bill to the town and it was paid? Is that illegal to do that?

Response: You can contract with us and it will basically be the same.

I am trying to get away from that being attached to the tax bill stated Mr. Gregor. I don't have a problem with the amount or the equipment or whatever the budget comes up to. I would not want to see this attached to a tax to the people of Benson. I would rather have it all get totaled up and the Town of Benson just gives you a check.

It's a line item on the taxes and you would know what you are paying for Fire Protection stated Supervisor Groff.

I don't know how impressive it is going to be for some people in our town stated Mr. Gregor. There are some underlining reasons I am asking this question. The Town participates in the Fire District and the way we pay it is one lump sum rather than having it on the tax bill.

Tom Groff: Either we are going to have to explain the amount or you are going to have to pay the contract.

We are going to have to change some internal things if we have to change the taxes explained Mr. Gregor.

Many of our people are elderly and are on fixed incomes stated Mr. Pincombe.

Mr. Pincombe asked, on an average of a home that is assessed at \$100,000 how much to you see across the board raising taxes?

Response: right now, you are paying \$34.00.

Discussion ensued on how everyone is paying at the same level.

There is going to be some administrative costs.

Tom Groff asked, does it seem like a lot to you, to pay \$34.00 per thousand and you get Fire protection 24/7?

Attorney Hannigan stated the salaries, the administrative costs which includes a computer and those types of things to run a business. Conservatively approximately \$10,000. You're probably looking at \$10,000 and \$25,000 increase for salaries for startup and everything that goes along with it. They would have to pay someone for legal services once they get going. For the first year that is going to be \$4,000 or \$5,000.

If we the Village and the Town go with the Fire District and say we have to raise it \$.07 cents a thousand we would contract you for that amount explained Supervisor Groff. The same as we are whether we go with the District or not. Years ago, they take out of the Fire Contract money from the Sales Tax money. So, nobody in the Town of Northampton was paying for any of the Fire Protection. I feel it is a benefit to me to place it on a line item on the budget so people know what they are paying for fire protection. Discuss ensued on the pluses for having it as a line item.

If there was a need for equipment or do something to the fire house, we the Village makes all the decisions on that stated Mayor Spaeth and you have no say in it. If we wanted a new fire house and we wanted to bond that and if we make that decision then you are going to be taxed with it. We would like to have a say in it stated Mr. Gregor. I am just exploring the possibilities.

It was indicated earlier that it was better to have elected Commissioners. How does that ensure that each Town would have representation?

Attorney Hannigan responded it doesn't. Like the School District if they live on the same street on the school board but they are responsible for the entire area. This is not where the Village and the Towns send delegates. Sometime it is like that and you get a political theme in the district and it is not healthy for the provision of Fire Protection. Let the District govern itself at large. You could have five people from the same Town, five people from the same street, you could have five people from the same house. But the Commissioners obligation is to represent the taxpayers of the entire district. If there are three Commissioners are there to represent their constituency. While they think they are there to represent their constituency, the board is dysfunctional. They have an obligation to the entire district. That is probably the biggest educational piece with the Commissioners is you are appointed the first time, they owe no allegiance to the Town, the Village. The owe allegiance to the district and make sure adequate

Councilwoman Zullo asked, if we go ahead and explore the idea of a Fire District. Is that when the actual numbers on how much things will be presented and found out?

Attorney Hannigan responded, if the boards pass the resolution tonight or if you have another joint meeting in the future. Within 30 days you would have a public hearing. In that 30 days what we try and do is with the help of your assessor and your government Boards. How would it affect the typical property owner? Because you have already equalized the creation of the district it is not going to have any effect on the way you are currently taxing. Except that it is going to cost you a little bit more. It is not going to be doubled but it will cost more to cover the administrative aspect of starting the district.

What made you want to look into this and explore it asked Councilwoman Zullo?

Tom Groff responded; we have had a budget in this concept for twenty plus years explained Tom Groff. Everything was going along good but the costs just keep going up and we had plans in the Village with the Capital Reserves to buy some equipment because the firemen own the building. The Firemen's Association is going to contribute to the whole project also. The Fire Department is not owned by the Village it is owned by the men here in the Association. We also have some monetary contributions that can be made toward the Capital improvements on the station. Tom Groff mentioned as far as the operating budget it is there. We have an approximate \$25,000 Repair budget and I think that we have gone thru all of that. We had some old trucks that have some repair issues. Insurance cost is going up. We have to insure everybody for cancer and also

the equipment costs that are going up every year. One thing is we have the building but downstairs is becoming very tight and all of the trucks are in there. Everything is packed in all of those rooms underneath us. A lot of the safety and apparatus should be separate from the gear so to prevent cancer. The gear shouldn't be stored behind the trucks like ours are and a separate laundry facility for the well-being of the firefighters and for the safety of the firefighters. We really have to comply with that. If we go to a district it will give the district the ability to bond and finance different projects that this truck or an addition to this building and renovations that we do to the building. We tried to finance this and we can't raise enough money for this building on a bake sale. The money is not there and we need to get out there and bond. The bank will not give a loan to a bunch of guys. We know that the truck is within \$400,000. That is a lot of money. We are very fortunate that the Village has kept the money in the Fire budget, it has saved that money and we have \$600,000. The truck right now is not the issue. But going forward we have to keep putting money away because the trucks are not getting any cheaper. We would have to finance it or bond it. Pretty soon we would have to go to a referendum. You would have a say in yes you guys will have to bond it.

You guys would have to pay whatever we say. Now having a say that yes we want you to build the building and it would allow the increase to happen and we are going to have to pay our fair share. By showing people we are paying \$40 this year and we are paying another \$20. That's not a lot in your taxes when you think about it.

If you go to the Town of Johnstown or anybody else in Fulton County we are at forty cents and the closest is Mayfield at seventy eight cents. The next ones go up over a dollar. Some are two dollars a thousand. On a \$100,000 house it doesn't matter \$250 you are paying in a fire tax. We're at forty cents. We need to move. It has got to go up. We are trying to keep a float and we need to keep these guys safe and to provide the best protection that we can.

So, the Fire Department will have more clout as far as floating a bond or getting a bank loan stated Mr. Gregor.

Mayor Spaeth responded saying that our problem why the facility it needs help. Part of the problem is because the Fire Association owns the facility. We as a Village cannot take out a loan and bond to repair or build private, which basically what it is. The Village is making all the decisions. To form a district now everybody gets to be part of that decision making.

Supervisor Groff noted that another thing is all these years we had this building we never paid anyone to fix it. All of our labor with the Fire Department all that we do is free. It is free labor that you would have to pay somebody else to do it. Right now, we are having trouble getting volunteers. I think we need to move ahead and do something different.

The bottom line is that this could possibly help get new firemen.

There was discussion on the Firemen's Association purchasing the property next to the Fire house where Stewart's Shop once was. They had money saved to do work on the firehouse and when that property became available, we got right on it.

Councilman Simmons has received from the Association of Towns literature on the process of Establishing a New Fire District According to Statue and has provided a copy for each board to review.

In your opinion how soon will this organization have to go to paid firefighters or partially paid firefighters? That is the trend.

Response: I don't know that, that is the future.

Are we going to be asked to do this tonight because I have not had the opportunity to read the material that Councilman Simmons has given us on the process of Establishing a New Fire District According to Statue asked Councilman Gritsavage?

This is just something I just received from the Associations of Towns.

Attorney Hannigan mentioned that if you were to vote tonight it would be to "this is an idea that we would like to explore". We would then need to set a date-time-place for the Public Hearing. We have to speak with the Assessors and the hardest part of all this is who is going to be paying more and who is going to pay less. Everybody is going to be the same because of the asset valuation.

I want everyone to know that they may go up more than we do explained Mayor Spaeth.

Do the Board of Commissioners make themselves available? Do they have a monthly meeting where the public can come in and ask questions? Do they accept public input.?

Attorney Hannigan: Yes, they are a public body they are subject to the public meetings law. They cannot be compensated.

What you are saying is to take over the administrative work of the firemen.

Attorney Hannigan, right now the Village has the jurisdiction and you contract with the Village.

It protects the Town of Benson and the Town of Northampton and now all the money goes to the Fire Department stated Supervisor Groff. You could have a different board down the road who doesn't want to honor that agreement. When the agreement was done, we took their word at it. Only because we took their word on that, that we will not do that stated Mayor Spaeth. The Village has been very good at it stated Supervisor Groff.

Discussion ensued on the District of New Paltz and the Village of New Paltz.

Attorney Hannigan stated that the Village now pays for the workers compensation vs the fire department. That would become the Districts responsibility. There is what they call "transfer of function" what happens and the Comptroller's office isn't going to let you levy it at the same levels when Fire is no longer your responsibility. The Comptroller's office is going to adjust your budgets to whatever the cost was, whatever your budgetary expense was. It will be on what

ever year the Fire District first levy's you will be adjusted downward to reflect the reduction in your tax levy.

Trustee Collins stated that right now, both Towns and the Village on the 2% cap includes the money that you guys pays the Village and we budget. The Fire Department line items are a piece of the 2%. Does that 2% lower that amount.

Response: Unless the Fire Service is grossly underfunded. There shouldn't be a precipitous increase because this is the cost to run it. I have had some districts that remained the same and some where it generally speaking it went up only a small amount because of the initial administrative startup.

We will be looking at a Capital Project at some point stated Tom Groff to build a fire house. We are operating at .37 cents a thousand. We obviously need to cover the cost of the Administration and we probably have to up that a little bit.

You're talking about going up approximately \$20 or .20 cents a thousand. You're talking about putting some of that money away?

Response: Yes.

If you are going to do a Capital Project you are going to have to bond it to make that payment stated Tom Groff. You are not going to do it in 2020 when you state it. You would do it in 2022. You are going to have to vote to put the extra \$20 in.

The board of Commissioners then will have the capability to override the 2%?

Response: Correct

They do that by resolution?

Response: Yes

Back in 1988-1989 when we started it we were at .30 cents then explained Supervisor Groff. That's 30 years ago. So, we have been very conservative and worked very hard to try not to get it up to much. We have fallen behind.

I think that you have done a great job stated Councilman Gregor. What do you expect for Capital Project cost on a new building? What do you estimate that at?

Response: To renovate this building it was \$1.5M and that was conservative.

If you were to bond \$2.5M over 25 years that is going to be approximately \$115,000 a year that is just in your payment. If we were to put \$20 to \$25 in addition to what we have.

To build a brand-new state of the art Fire house it is going to cost you approximately \$6.5M stated Attorney Hannigan. To add a few bays you are talking approximately \$2.5M. There are new storm codes. Most buildings are being built with metal as opposed to brick and mortar. There was talk of possible types of buildings to keep the cost down.

Our operating budget is between \$160,000 and \$170,000 that is including the Capital Reserve explained Tom Groff.

Does the lending institution to float a bond I'm assuming it is a municipal type of bond with a Fire District being brand new or only a year old. Does that have any impact on being able to do that?

Response: A couple of banks love Fire Districts because the investment is taxpayers subsidized. They will look at what your tax base is and what you are looking at to borrow. There are some banks that specialize in Fire Districts.

If we were to get this going and we get the extra \$20 or \$25 we could start a Capital Reserve earmarked right away for Capital Building Project. When you talk about credit, then we will be able to put money aside to have a decent nest egg to say that we have saved xx amount of dollars to put toward the down payment of the project explained Tom Groff.

You would also have the availability to have that much money available stated Mayor Spaeth. Say maybe down the road if we have to raise it a little bit, maybe not you can stay within that range but it wouldn't be as big a bite. It's going to be two to five years down the road before we build it, stated Tom Groff.

Is there a time frame within the year where you need to get a Fire District up and running? If you get it up and running, under the law if the Commissioners are appointed before October 1st they have to run in an election in December. If they are appointed after October 1st they get to serve the balance of that year until the following year and they get to run that following year explained Attorney Hannigan.

Every Fire District I have ever set up we appoint our Commissioners on October 2nd. Only because you invest a lot of time with them and then they are up for election within two months. You could lose them. We would start the district before that. We would get everything in place to create the district.

If we were to start the timeline right now, we would have all the paperwork to start the district effective January 1, 2021. But we would say that we are going to appoint Commissioners October 2nd, 2020. Even before that time we would know who our Commissioners are. We would have them put together with some assistance the budget that has to be done by the end of September. They can't do it officially but they can do it unofficially. You know who the Commissioners are and they would be sworn in on October 2nd they would submit the budgets then to the Town before the budget hearing on the third Tuesday and they would right be in the site. They would were working unofficially but they will be progressing. So you have the funding in before January. They are going to need some working capital for working within that period of time. You would need to put something in a banking account. Funding typically comes from one or more municipalities or from the Fire Company. The law allows the new district expenses for the formation to become a district. After that first tax levy that money goes back to the constituent who provides it.

What would be the time line if the Commissioners were appointed and remained appointed?

They would remain appointed, the same time line and the new appointment would take place. You would appoint a five year, a four year, a three year, a two year, and a one year responded Attorney Hannigan. You would have to decide how the future appointments would go. You probably would divide five by three at that point. You would have to figure out a system in which you did it. You wouldn't want a sixth person. The Chairman is basically the one who runs the meeting. Basically, it is the Board of Commissioner who decides who the Chairman is. Some are nominated during the Organizational meeting.

Councilman Gregor noted, I'm assuming you are looking at getting this up and running by January 1st, 2021? That seems that is the goal, correct? What would the Towns have to have their business wrapped up and their resolution? When does that have to be done by the town? An approval in order to get this kicked off?

Attorney Hannigan explained the process of Establishing a New Fire District According to Statute

Statutory requirement contained in Article 11A, §189a, 189b & 189c of Town Law.

The Town Board and the Village Board of Trustees may establish a Joint Fire District when it appears to be in the public's best interest, provided that all of the territory in the Joint Fire District is contiguous.

Steps to be taken per Town Law;

1. Board the Town and Village Boards shall hold a joint meeting within the territory of the proposed joint fire district for the purpose of proposing the establishment of the joint district.
2. If, at the joint meeting, it is decided by majority vote of each board to propose a joint fire district, the town and village boards must with thirty (30) days after the joint board meeting hold a joint public hearing.
3. Notice of the hearing must be;
 - a. Published at least once in a newspaper having a general circulation within the town and village.
 - b. Posted in five (5) conspicuous places within the area of the town outside of the village (posting on the district's website would qualify for one of the postings) and;
 - c. Post in five public conspicuous places in the village and;
 - d. Mail notices to members of the town and village boards
4. The notice and posting must be accomplished at least ten (10) days before the joint public hearing.
 - a. The notice must contain a brief description of the boundaries of the proposed district and of the objects and purposes for which the district is proposed to be established and must specify the date, time and place of the hearing.
5. After the public hearing, if the town and village boards determine that the establishment of a joint fire district is in the best interest (subject to a permissive referendum 30-day notice and waiting period) then, by resolution adopted by a majority of each board, the joint fire district will be established.

Councilman Gregor stated, I am assuming that you (Attorney Hannigan) would help us, the Town, with all of what needs to be done?

Yes, responded Attorney Hannigan.

Mayor Spaeth noted with all the information that we have from our lawyers is that the Village to have participation in this we have got to get an approval from the New York State Legislator. I have spoken with NYMIR and the State Comptroller's Office and they both said the same thing that we have to get the approval of the NYS Legislation.

Attorney Hannigan stated that there are two ways you have a Fire District. 1. Is to form a Fire District; 2. Is that you get a home rule approval by Legislator to absolve the Village of the need to have a fire department. There are approximately 18 villages that have done that. You can do that and that would basically take you out of the formation process. Under Town Law §189a it contemplates you having a seat at the table forming the Joint Fire District. After that you go away in terms of having anything reporting responsibilities. Attorney Hannigan gave an example and discussion ensued.

What would happen with the town when it 96% owned by the State?

So, you are in the Adirondack Park stated Attorney Hannigan.

Response: We all are in the Adirondack Park.

There is a provision in the Town Law that says when you form a Joint Fire District. §170 of Town Law.. the part I didn't read to you was the very part of that sentence.

This is for establishment or extension of Fire, Fire Alarm and Fire Protection District. Those are three different things. That Adirondack Park says. If a Fire Alarm or Fire Protection District is proposed. It specifically does not apply to Fire Districts. I don't know if they meant that or not but they left out the Fire Districts. It is not in the section of Joint Fire District Law. The word Adirondack does not appear in that. This section does not apply to Fire Districts.

Councilman Pincombe noted that his big concern is not knowing what that you do, is would the State be able to say that they were not going to put up with another local government passing them?

Are they already being taxed?

Response: they are being taxed.

It is basically a transfer of services responded Attorney Hannigan. My question is, if the Legislation wanted Fire Districts to have to get Comptroller approval they could have inserted the words 'Fire Districts' in there. Then I would say, you know what, you have to get Comptroller approval. This doesn't say that. It says Fire Protection District and Fire Alarm is something altogether different. The words aren't there. It is not in the statute. I don't make the laws I just follow them.

Do you know of any precedent for a similar situation?

Response: If you are a town and you want to form a Fire Protection District. This is probably one of the reasons why you don't have a Fire Protection District. This is telling the town that

you are going to have a line item on the budget and still be under the town under Fire Protection and you need Comptroller approval.

Are you sure we are not going to have a problem?

The book does not say "Fire District". That section does not apply.

Is there any precedent for a town in the Adirondack Park, where the State owns 90% of the land becoming a Fire District will have no problem what so ever?

Response: I cannot answer your question because I am not familiar with any for or against. This is a transfer of funds so it is not that you are creating something out of nothing. This is a transfer of service. Discussion ensued. The Law does say you have to notify the Office of Comptroller.

Discussion ensued regarding the 2% tax cap.

What kind of liability insurance does the Fire District carry, if a lawsuit or something happens? The Fire District would provide the Worker's Comp. The Fire District would buy a package policy for liability. There are a couple of insurances that are focused on Fire insurance. There was discussion on NYMIR insurance.

Councilman Gregor asked if this is mandated, that this district has to definitely have insurance?

Response: Yes

Typically during our meetings, we generally open the meeting at this point to allow the public to speak stated Councilman Gregor. Is that ok?

What is the cost of all this?

Attorney Hannigan responded that the cost is approximately between \$5,000 to \$7,000. Depending on how smooth it goes that is my estimate for the cost of putting this together. If we have to do multiple public hearings or if they approve, and one board sits on the fence and it takes longer and it gets protracted to another public hearing then there would be incidental expenses.

Would that be per municipality?

Response: No.

That would be posted in the documents with everybody. That would be if everyone agreed and putting on a publication. Then once it is established then we help get the District off the ground, if they want me or I can give you five or six other names that can do it. However you want to do it.

Once if you decide to have a public hearing the town and village boards must with thirty (30) days after the joint board meeting hold a joint public hearing.

Notice of the hearing must be mailed to each and every town and village board member of the date-time-place of the Public Hearing. Each Clerk has to post it in (5) conspicuous places within their municipality, which means 5 conspicuous places in the Village of Northville, and 5

conspicuous places in the Town of Northampton and 5 conspicuous places in the Town of Benson. And they have to have an affidavit where it was posted.

Mr. Ellsworth asked, has the Town of Hope considered getting into to this too?

Suppose the Village has done a great job and it has a ton of money in a reserve for the Fire Department and then the other entity not has a few dollars in their reserve. When they come together is there a way to equalize that so that the folks that did put money away for the fire department...

The equal amount has been put in by all the entities involved explained Mayor Spaeth.

Assuming that three boards want to go ahead you could decide tonight. You could schedule another join meeting and if the Town of Hope is going to join in then I would say jump in on it now. If they don't that means you have to go back and restart over again when they join.

It's easier for a Fire District to expand into a Town than it is to with a Village explained Attorney Hannigan.

So, timing wise now if they want join soon is after the Fire District is up and running?

Response: It could be expanded. What they would do is instead of contract with you now they would ask the Board of Fire Commissioners.

Instead of contracting with the Village of Northville they would contract with the Board of Fire Commissioners stated Attorney Hannigan.

That is why I asked the question realizing that the Town of Hope wasn't sitting here, stated Councilman Pincombe.

Tom Groff stated that he had approached the Town of Hope and asked them to come with us. They decided they had other things going on so they just decided to wait at this point.

We have a good relationship with the two fire departments next to us stated Supervisor Groff.

We work very well with Hope and we work very well with Edinburg. They are both doing alright right now and we need to move ahead.

Shouldn't we follow the time line with the Fire District to form January 1st, 2021? During 2020 will the district hire a full time Treasurer or a Treasurer to some degree?

Attorney Hannigan stated that with a 2021 start date we would have formed the Fire District October 2nd 2020. We would know who the Commissioners were before that and we would have budget work done before that and everyone would get sworn in. Everyone would have worked on the budget and they would have to have it submitted on a time line for the budget hearing. They would have to have their budget to the towns no later to be passed by November 7th.

As a paid employee and they came on prior to October 1st. They would have to be hired by an entity.

If we have a candidate for a Treasurer and a Secretary you would have to identify the source of the funding, we need to do this stuff but we can't hire you October 2nd but this is the stuff that we need you to do starting October 3rd.

Tom Groff stated that we do have someone who is working with us now and we will continue to fund her and she is willing to help us with the budget process to get us to October 1st. A lot of the costs that are incurred by us getting us ready to become a Fire District will be passed on to the district. We will reimburse any payments that were made.

Attorney Hannigan mentioned that there is one formality that the Village owns and that is in respect to 2020 funding. In theory the taxpayers are going to have to pay taxes in June. It is going to take them until the end of May. They will get taxed again in January that is money that has to come back to the Village for that five month period. The district cannot write checks to the residents nor can you. That will be for 5/12th of the tax year by your people paying it twice. That is a problem that is unique to you. However, it is done county wise you get 5/12ths for your fiscal 2021.

Mayor Spaeth asked, how do you pay for the startup costs before the district is formally in place? If we paid you through the fire budget to pay for the operations of the department and that doesn't end until January 1st.

Attorney Hannigan stated that your (Village) budget runs into May technically. That is a good resource for money. It would work fine.

Councilman Simmons motioned that the Town of Northampton proceed with the process and move forward

It has to be done in a joint resolution stated Attorney Hannigan. If you were to go forward then you need to pick a date-time-place for the public hearing. You are not committed to do anything but move forward. The law states that when and if you choose to move forward you must hold a public hearing within 30 days from that resolution.

What is the verbiage of the resolution?

Response: That you would adopt a Joint Resolution of the Town Board of the Town of Northampton, Town Board of the Town of Benson and the Village Board of Trustees of the Village of Northville to Conduct a Joint Public Hearing. This is basically to consider the establishment of a Joint Fire District.

Councilman Pincombe stated what we are committed to if we are to do this. We are committed to get together with this in 30 days for a public hearing.

The Town of Northampton, Village of Northville, and Town of Benson Board members unanimously agreed to break to allow each board to discuss this among themselves at 8:20 p.m. The three Boards reconvened the meeting at 8:45 p.m.

Resolution Joint Resolution of the Town Board of the Town of Northampton, Town Board of the Town of Benson and the Village Board of Trustees of the Village of Northville to Conduct a Joint Public Hearing.

For the Town Board of the Town of Northampton,

Motion by Councilperson Art Simmons

Seconded by Councilperson Molly Zullo, and the Town Board voted as follows:

Supervisor James K. Groff Aye

Councilman Art Simmons Aye

Councilwoman Molly Zullo Aye

Councilman William Gritsavage Aye

Councilman Darryl Roosa Aye

The RESOLUTION Passed

For the Town Board of the Town of Benson,

Motion by Councilperson David Pincombe

Seconded by Councilperson Charles Biche, and the Town Board voted as follows:

Supervisor John Stortecky Absent

Councilman David Pincombe Aye

Councilman David Rogers Aye

Councilman Douglas Gregor Aye

The RESOLUTION Passed

For the Board of Trustees of the Village of Northville,

Motion by Trustee John Markiewicz

Seconded by Trustee Sue Sedon, and the Village Board of Trustees voted as follows:

Mayor John Spaeth Aye

Trustee Sue Sedon Aye

Trustee Sue Eckert Aye

Trustee Steve Collins Aye

The RESOLUTION Passed

The Town Board of the Town of Northampton, the Town Board of the Town of Benson and Board of Trustees of the Village of Northville hereby determine, by a majority vote of each board, to jointly consider the establishment of a joint fire district and further, that said boards shall meet jointly on the 7th day of January, 2020, 7 p.m. at the Northville Central School at 131 South Third Street, Northville, N.Y. 12134.

Councilman David Pincombe motioned to adjourn the meeting at 8:54 p.m. Supervisor James K. Groff seconded the motion. All present unanimously approved.

Respectfully submitted,

Elaine Mihalik, Town Clerk
Town of Northampton