

Village of Owego Board of Trustees Meeting

A Public Hearing was held on Monday, November 23, 2015 at 7:00 pm at 56 Main Street, in the Hubbard Auditorium, Owego, New York, 13827. The following people were in attendance:

Mayor:	Kevin Millar
Trustees:	Jenny Ceccherelli
	Earl Hartman
	Rob Manville
	Phoebe Morris
	Mike Phelps
Clerk-Treasurer:	Rod Marchewka
Village Attorney:	Robert McKertich
Owego Fire Chief:	Dan Gavin
Absent:	Trustee May

Town of Owego:

Town Supervisor:	Don Castellucci
Town Councilman:	Dean Morgan
	Craig Jochum
Town Attorney:	Irene Graven

Town of Tioga:

Town Supervisor:	Lewis Zorn
Town Councilman:	Robert Klossner
	Robert Strong
	Drew Griffin

Owego Fire Department Attorney Attorney Garwood

Sign in Sheet – Insert “A”.

Jim King read a letter he wrote out loud. Insert “B”.

Steven Riesbeck – 101 Woodlawn – I support this action – it is the best option for survival for the fire department.

Carl Jones – let the public make the decision – let the fire department control their own money.

Mark Warfle – will ask questions of Mr. King off line.

Rusty Fuller – life member of the fire department and property owner in the Village. I take exception to Mr. King’s statements – see me for real facts about the new fire district proposals.

Paul Cole – 21 year member – this district needs to be formed for the safety of village residents. The fire department building is in bad repair, roof leaks, doors rotting, and security problems. Make it a mandatory referendum. There were 2600 man hours logged in for training. Volunteers are working nights, holidays, and weekends.

VOOBM 11-23-2015

We clean our own station and train and take classes to be certified.

Polly Jane Jones – all of our volunteers are a unified fire department and EMS.

Bob Komar – 14 Ruth Street – Central Fire Station the village of Owego has spent \$50,000 on new roof and may be able to get some warranty work done. Only a couple years left on the sweet fund.

Robin Shaver – EMS – district would save the fire department and put people above politics. Mutual aid is caring for the public.

Don't split up EMS and fire department. The cross training benefits both departments.

After all those who wished to be heard had a chance to do so the public hearing adjourned at 7:48 pm

"A"

MEETING DATE: 11-23-15

INSERT: A

NAME	ADDRESS	PHONE #	COMPANY REPRESENTED
Chris Evans	29 George St	607-687-7396	OFD
Lester Ancking	447 E Front St	687-4374	Self
James King	467 E. Front St	687-4374	FDUO Inc
Daniel Cain	461 E Main	687-5911	Owego Fire
Robert Komper	4 Ruth Owen	687-3734	OFD
Kenneth Howard	11 Talcott St Owen	794-8986	OFD 3's
Dick Bond	114 Central Ave Owen	972-7736	OFD
Earl Hartman	4410 North Ave Owen	687-9526	OFD/Fire
Fran Durban	3764 Waverly Rd Owego	343-5200	OFD #4
John Lokras	141 Talcott St	—	Owego
RUSSELL STOLT	117 HALSTEAD AVE	687-2887	—
HEINZ HOFFMANN	7 ORCHARD AVE	687-1663	—
DIETER DAUBER	110 HALSTEAD AVE	687-2358	—
Kevin Cummins	36 William St. Owego	760-4430	OFD
Megan Horton	66 West Huron Ave	341-8200	SHD
STEPHEN RIESBECK	101 WOODLAWN AVE, OWEGO	687-1790	OFD
Vera Clark	2 Oakland Dr. Owego	—	OFD
Carl Jones	1278 STATE ROUTE 96 OWEGO	—	OFD
Glossie Jones	1278 STATE ROUTE 96 OWEGO	—	OFD
Carla Jones	1278 STATE ROUTE 96	348-4775	OFD
Polly Jane Jones	1278 State Route 96	223-4319	OFD
DP Curatolo	175 FAUNT ST Owego NY	222-9712	SELF
Judy Hartman	4410 North Ave Owego	687-9526	OFD # 3
Jamie Straley	72 West Ave Owego	687-7442	—
Justin Nugent	297 Ross H. 1 Rd	—	TCFD
Thomas A. Nytech	12 Beechwood Lane	687-0223	—
Lee Dunham	330 main st	—	TOFD
Mark Warfle	207 E. Temple St	687-1586	TAXPAYER
Mike Wilding	272 State Rd	972-4740	CANTON, NY
Robin Shower	215 Toppan Rd Newark Valley	687-211-3785	OFD
Stephanie Cole			OFD

"6"

Joint Public Hearing
RE: Fire District Formation

23 Nov 2015
J. G. King

My name is James King. With my wife, I own property and pay taxes in the Village of Owego. I am also a member and trustee of the Fire Department of the Village of Owego.

I speak in support of the proposed resolution for formation of a joint fire district, which is in essence a Village fire district, for five reasons:

1. The continued existence of a Village centered fire department is at risk.
2. The Owego Fire Department over the past two decades has been neglected (some would say abused) by the Village Board, which is likely to continue.
3. Emergency medical service (EMS) within the Village is best provided in association with the Village fire department.
4. A fire district, in the long run, will help minimize the taxes I pay on Village property.
5. The resolution for forming a fire district contains a provision for a mandatory referendum,

Village Centered Fire Department at Risk.

Consolidation Risk

There are a number of factors which put the existence of Owego Fire Department at risk. The temptation facing this and any future Village Board is to save money by consolidation of services. It is happening in the Public Works Department's offices. Forms of consolidation have been proposed for the Sewer Department and for the Police Department. In 2006 the Village Board applied for and received approval for a State Shared Municipal Services Incentive (SMSI) grant to study consolidation of the Owego Fire Department with the Town of Owego Fire District. At the time, the Town of Owego Fire District refused to participate in the study. Here is a quote from the refusal letter dated December 11, 2006:

The Town of Owego Fire District does not believe that the area can be served by one station, and one station would change for insurance purposes, residents outside of five miles from the station to Class "D"* Raising resident's insurance premiums.

...

* Insurance services organization class "D" rating "No Fire protection"

Circumstances have changed. Campville Fire Station 3 has been built. It is just north of the County's Public Service Building on Route 38. Consolidation with, or contracting with, the Town of Owego Fire District for fire and EMS protection of the Village is now feasible. And, we know from public statements of Walt Jones, Chairman of the Town of Owego Fire District, three things.

1. Despite the current Mayor's denial, Mr Millar has mentioned consolidation to Mr. Jones, and
2. If such a consolidation were to occur, the Town of Owego Fire District would not use any of the three fire stations within the Village. Mr. Jones considers them too big of a liability, and
3. Any consolidation overture, would have to come from the Village.

Money issues are likely to force some near term Village Board to again consider fire protection by consolidation or contracting. The evidence includes insufficient funds to maintain Fire Department buildings or contribute to an apparatus reserve fund or pay daytime EMS staff without the Sweet Trust.

Village Dissolution Risk

While recruiting potential candidates for commissioners of the proposed Village fire district, I spoke with a number of respected citizens not allied with the Owego Fire Department. Every one of them expressed a need for fire and EMS response to come from a station within the Village limits. This was no surprise. What was a surprise was that about 75% of them also expressed serious consideration of dissolving the Village. I knew this was not a new idea; what I did not know is that dissolution was under serious consideration by a number of leading citizens.

Here are some facts regarding dissolution of the Village and an example of how dissolution can happen without the consent of the Village Board.

On March 21, 2010, the "New N.Y. Government Reorganization and Citizen Empowerment Act" became effective. This new Article 17-A of General Municipal Law, Section 779 provides for a "petition for local government dissolution" by 10% the electors (i.e. voters) to initiate the process. Not less than 30 days after the petition is found to be valid, the governing body must enact a resolution calling for a referendum. Subsequently, the referendum must be held in not less than 60 nor more than 90 days.

Port Henry, NY is an old village located on Lake Champlain in the County of Essex, Town of Moriah, with a population of about 1200. On June 25, 2015, a "petition for local government dissolution" with 112 signatures was submitted. It was found to be valid. On October 27, 2015 the required referendum for dissolution passed in a close vote (190 in favor, 171 opposed). The Village of Port Henry was effectively dissolved in less than five months. With the dissolution, the Village loses a 130 year old fire department. Fire and EMS coverage now will be provided by the Town of Moriah Fire District.

Since passage of the "New N.Y. Government Reorganization and Citizen Empowerment Act" twelve villages have voted to dissolve.

I am not predicting a petition for dissolution of the Village of Owego. However, based on my conversations with eleven respected, non-fire department, citizens I believe dissolution to be a real possibility in the near future. Moving the Fire Department into a Village fire district precludes dissolution of the Fire Department with dissolution of the Village.

Owego Fire Department Neglected

Trustee Morris has raised two valid objections to forming a Village fire district:

1. The Village Board loses control of the Fire Department's budget.
2. Removing the Fire Department's budget from the overall Village budget reduces the Village Board's flexibility to reprioritize and reallocate money. (In my words, with less money in the pot, robbing Peter to pay Paul is more difficult.)

Unfortunately, over the past decade, the Fire Department has suffered from lack of priority, reprioritization, and reallocation. This has occurred in two significant areas:

- Building maintenance
- Funding EMS daytime staff

In a recent joint meeting of the Boards, as part of the Fire Department's proposed fire district budget presentation, a line item for buildings maintenance was justified by showing many examples of serious building neglect at the three Village owned fire stations. The Village Board cannot claim ignorance of these needs; they are cited in the Board's fire commissioner's written reports over the past several years. What is the truth is that fire station maintenance needs were prioritized or reprioritized lower than other Village maintenance needs. One consequence of this neglect is that the repairs are going to be more costly than if dealt with in a timely manner. Another consequence of this neglect is demoralization of the volunteers and paid EMS staff.

In 1998 Florence Sweet, then a resident of Boston, MA, left \$1.3 million dollars for a hospital in Owego. Her will was contested by Boston General Hospital. The Fire Department's Emergency Squad funded litigation asserting that the bequest should come to Owego in support of EMS. In 1999 the Squad suit was successful. A testamentary trust was established for the benefit of the Squad. The Village Board was established as the Squad's guardian and liaison. It was understood that the interest and dividends of the Sweet Trust would be used to pay daytime EMS staffing. The proceeds of the Trust would have paid for

daytime staffing indefinitely. Instead, over both the Village Attorney's objection and the Squad's objection, in 2000 the Village Board invaded the corpus of the Trust. The Village Board gained a short term tax reduction at long term tax expense. By invading the corpus, the Village Board also forfeited the addition of \$2 million dollars to the Sweet Trust. Every year after 2000 the Village Board had continued to withdraw money from the corpus of the trust and thus reduce the interest and dividends.

The current mayor and several of his predecessors have stated that it is the Squad's problem, not the Village's. This statement is made while the Village Board makes the problem worse year by year. This statement ignores the fact that the Village Board took no action after the Squad proposed solutions to the Village Board in October, 2007; June, 2008; May, 2009; June, 2013; and February, 2014.

The Mayor has done two "turn-about's". He initially supported forming a Village fire district. Now he is opposed. He saw no need to fix the EMS daytime staff funding problem. Now, faced with the prospect of a Village fire district solving the "Squad's problem", he wishes to engage. He advertises that he wants to split EMS off from the Fire Department and create a separate Village Department for EMS. Who will run it? Who will staff it? At what cost? This model will not work. The Mayor knows it will not work. A proven model that does work within a fire district has been presented to the Mayor and the Village Board.

From year to year, the Village Board is fickle, and, with respect to commitments to the Fire Department, not trustworthy. As the Village Board membership turns over there is no allegiance to previous Board commitments. In a fire district; it would be different.

EMS Belongs with the Fire Department

There are reasons many cities, big and small; and most rural communities provided EMS from within the Fire Department. Housing and management are not duplicated. The personality profiles for staff and management are alike. There is a significant training overlap. There is a significant overlap in calls. In addition, for rural communities, it is the same volunteer pool.

Because daytime staffing is a serious financial issue, the Fire Department has continued to explore options that would permit EMS billing to partially offset the cost. I believe that under a fire district it will be easier to establish billing for EMS service.

The current model we are considering is for the Fire Department's corporation, to form a wholly-owned subsidiary-corporation for EMS service, which would in

turn obtain IRS 501(c)(3) status. This model has been successful in a number of New York State fire districts (and a few municipalities). This list includes:

- Canton Fire District
- Phelps EMS
- Fleming EMS/Ambulance
- St. Regis Falls Ambulance
- Russell Rescue Squad
- York EMS/Ambulance
- Allegany Ambulance
- Andover Vol Ambulance
- Big Moose Ambulance
- Indian River Ambulance
- Boonville Ambulance
- Cedarville Ambulance

I am familiar with Canton's success because Tim Gavin (Dan Gavin's brother), a Canton firefighter and former resident of Owego, has kept us informed. I also know that Mayor Millar has communicated with Canton's Fire Chief and is aware of this model's success. I have also talked with Phelps Fire and EMS and know how pleased they are with this model.

Among the benefits of this approach is the synergy of the same volunteers staffing both fire and EMS service. The continuing reduction in the volunteer pool makes it unwise to have two different organizations competing for the same resource. Our firsthand experience with volunteers crossing in both directions between EMS and fire has been beneficial. Both Canton FD and Phelps FD have had the same experience. They also point to the benefits of an integrated management and policy structure.

Long Term Tax Minimization

A Frugal Budget

With one notable exception, the fire districts in Tioga County have had stable tax rates for a number of years. There is no reason to believe that a Village fire district would also be an exception. To say otherwise is smoke.

The proposed budget for the Village fire district is based on actual Owego Fire Department expenses. It includes Village budget Fire Department line items and portions of the current Village budget non-Fire Department line items that are allocated or justified as Fire Department expenditures. Given that the Village Board is frugal; these items in the fire district budget should not be contested. Included here is \$30,000 year to begin work down of the neglected maintenance of the fire stations. Maintenance cannot be avoided any longer.

There is a suggested added item which must be approved by voters before they can be included in the final budget. It is the establishment of reserve funds which will allow future major purchases without incurring debt service.

In addition to existing expense items there are some recurring overhead expenses of the fire district. These include a part-time clerk bookkeeper, an annual CPA audit and legal fees. These items will be partially offset by taxes on "not wholly exempt" properties in the Village which do not pay Village taxes, but must pay fire district taxes. These are IDA properties and church manses or rectories.

What is not in the budget, but could be considered an upside, is EMS billing should it be able to offset the cost of daytime staffing.

Voter Control of Spending

There are more spending restrictions on a board of fire commissioners than on a village board of trustees. These restrictions, along with the fact that fire commissioners are Village residents elected by Village voters, will keep spending in check.

Fire commissioners serve without pay. It is proposed that there be five fire commissioners. One commissioner is elected each year. Thus, it will take no less than one nor more than three years to change the voting behavior of the board of fire commissioners. This compares to two or four years to change the voting behavior of the Village Board.

There are significant controls in law on fire commissioners. A fire district:

- Has a spending cap, which can be raised only by mandatory referendum
- Cannot create reserve funds without a mandatory referendum
- Purchase from a reserve fund is subject to permissive referendum
- Cannot borrow, bond, or otherwise incur debt without a mandatory referendum
- Is subject to the NYS 2% (or inflation) real property tax cap.

I am confident that in a fire district I will have best value for money and know exactly how my tax money is spent.

Voters Instead of Politicians Decide

A mandatory referendum, puts the decision on the voters and relieves the current Village trustees of responsibility. A referendum is democracy in its purest form. It is also especially appropriate because there are long term consequences, extending far beyond the foreseeable terms of the current Trustees. It just makes sense that formation of a fire district should be put to the voters. Putting it to the voters, means that the Village Board with the Town

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J. G. King

Boards must adopt the resolution to form a fire district. You, members of the Boards, must vote "yes".

In Conclusion

I believe the Village residents deserve timely, unified, fire and EMS protection which can only be achieved by response from within the Village limits from a single department. I also believe forming a fire district assures this response.

