



**BOARD OF FIRE COMMISSIONERS
PROPOSED PLAN OF DISSOLUTION
OF THE
TOWN OF ONEONTA FIRE DISTRICT
IN THE TOWN OF ONEONTA
PURSUANT TO
GENERAL MUNICIPAL LAW ARTICLE 17-A**

Prepared by:
Town of Oneonta Fire District Commissioners
Town of Oneonta
ADOPTED August 14, 2018

INTRODUCTION

The Town of Oneonta Fire District ("TOFD") in the Town of Oneonta ("Town") was established by resolution of the Town Board of the Town to provide a means to collect tax revenue to provide for fire protection services to the persons and properties within the TOFD. The Board of Fire Commissioners (the "Board") has always been and continues to be the "governing-body" of the TOFD. The levy of taxes upon the taxable parcels in the TOFD has been the means utilized to provide tax-based funding for fire protection services within the boundaries of the TOFD. Fire protection services for all times relevant hereto have been provided to the TOFD by the City of Oneonta Fire Department ("City") by means of fire protection contracts negotiated between the City and the Board.

Contract negotiations for the past several years have been impeded by two factors. First, both the City and the Town acknowledge that the fire protection contract cost of \$1.1 million in 2018 includes the costs of providing ambulance services to the entire Town despite the existence of a separate contract between the City and the Town for such services at a cost of \$24,000 in 2018. The TOFD mandate is to contract only for fire protection. Including ambulance costs is inherently unfair to the businesses and residents of the TOFD, as residents of the West Oneonta Fire District (the "WOFD"), a material portion of the Town, receive emergency services at no cost. The City and the Town adamantly refuse to rectify this situation by separating the costs of the two services so as to create an equitable sharing of the costs involved. Second, upon the expiration in 2015 of the prior five-year contract, the City adopted a non-negotiable stance in regard to the cost to be charged the TOFD. It abandoned the formula-based methodology that had been used in most of the contracts over the past twenty-five years and simply put an excessive demand on the table.

The Board believes dissolution also resolves a longstanding, improper billing practice by the City. Pursuant to General Municipal Law §209-b (4), if fire district residents are taxed (i.e., the contract cost) for ambulance services, then they cannot be charged for using the service. This has repeatedly been brought to the attention of the City (and the Town) by the Board. Nevertheless, the City persists in billing all users and denies the illegality of doing so. There are no such restrictions, however, on towns (and fire protection districts they administer). Accordingly, dissolution will require the Town to fairly allocate the costs of fire protection and ambulance services to the respective recipients of those services and eliminates the billing practice issue.

The current Board took office effective January 1, 2018 and has diligently tried to change a practice that has prevailed for more than 25 years. For whatever reason, the City and Town refuse to negotiate two contracts that each embody fair charges for fire protection and emergency services. Therefore, the Board brings forth the Dissolution Plan to allow the Town to: a) establish a fire protection district, b) negotiate a single contract for fire protection and emergency services and c) effect a fair allocation of the costs of those services.

**PROPOSED BOARD INITIATED DISSOLUTION PLAN
PURSUANT TO
GENERAL MUNICIPAL LAW SECTION 774**

- (A) The name of entity to be dissolved is the Town of Oneonta Fire District, hereinafter referred to as the "TOFD".
- (B) The territorial boundaries of the TOFD exist as designated by the Town Board of the Town of Oneonta, including all properties included in the 2017 final tax roll for TOFD. The boundaries are generally described as follows:

The Town of Oneonta with the exception of the area that comprises the West Oneonta Fire District.

A map depicting the TOFD to be dissolved is available for inspection at the office of the Town Clerk. The boundaries of the TOFD and the parcels included therein are identical to the boundaries of, and parcels within, the Town of Oneonta that will be included in a new Fire Protection District to be formed by the Town Board of the Town of Oneonta. A fire protection district is described in Town Law §184.

- (C) If uncontested, the cost of the proposed dissolution is estimated to be less than \$10,000.00.
- (D) One part-time public employee will be affected by the dissolution.
- (E) The TOFD does not own any physical assets. The TOFD's cash assets will be transferred to the Town of Oneonta upon dissolution.
- (F) The TOFD has no actual or contingent liabilities or indebtedness as of the date of the proposed Dissolution Plan. The TOFD does not anticipate incurring any liabilities before dissolution apart from those costs reasonably and necessarily incurred in bringing about the dissolution, as noted above. The TOFD does not have any bonded indebtedness and does not intend to incur any obligations prior to dissolution.
- (G) Except as otherwise noted herein, the TOFD has not entered into any agreements with any other municipal entities.
- (H) The current contract between TOFD and City expires December 31, 2018. The residents and businesses of the area included within the TOFD will receive fire protection through December 31, 2018 pursuant to that contract. Thereafter, such residents and businesses will become part of a fire protection district administered by the Town. The Town can contract with the City or other parties of its choosing for services beginning January 1, 2019. It is likely that the Town will continue to contract with the City for fire protection and emergency services. The Town will be able to calculate an appropriate tax levy for the provision of fire services in the fire protection district and another appropriate tax levy for the provision of ambulance services to the entire Town.

- (I) The terms for disposition of assets and liabilities are as follows:
 - (1) The TOFD will transfer any cash remaining upon its dissolution to the Town of Oneonta
 - (2) There are no liabilities or indebtedness. It is expressly provided that there will be no further tax levy made by the Town for the TOFD after the 2018 TOFD tax levy. The Town will levy a tax on the subject parcels in 2019 to fund fire protection services.
- (J) No rule or regulation of the TOFD or Town is expected to be necessary or remain in effect after the dissolution occurs.
- (K) The effective date of the proposed dissolution is November 2, 2018.
- (L) The statutorily required Public Hearing on the proposed dissolution plan is: September 18, 2018 commencing at 7:00 PM at the Elm Park United Methodist Church, 401 Chestnut Street, Oneonta, NY 13820.
- (M) Miscellaneous Matters
 - (1) Both prior to and upon completion of the formal dissolution of the TOFD, the Board has undertaken all necessary actions as are reasonable and prudent to provide for the continued provision of fire protection to the area formerly known as the TOFD.
 - (2) The Secretary of the Town of Oneonta Fire District on behalf of the Fire Commissioners of the Town of Oneonta Fire District shall cause this proposed Plan of Dissolution to be published in accordance with General Municipal Law §775 and conduct a public hearing concerning the proposed dissolution pursuant to General Municipal Law §776.

DESCRIPTIVE SUMMARY OF PROPOSED PLAN OF DISSOLUTION

The Town of Oneonta Fire District (TOFD) Plan of Dissolution provides for the dissolution of the TOFD effective November 2, 2018. The provision of fire protection and emergency services will be unaffected due to the transfer of the TOFD's contract with the City of Oneonta to the Town Board of the Town of Oneonta and the subsequent establishment of a new Fire Protection District ("FPD") with the same boundaries as the TOFD. All tax revenue the TOFD collected by levy for the contracted services for the years prior to and including 2018 that have not been previously remitted to the City of Oneonta as payment for services by its fire department through December 31, 2018 will be transferred to the Town of Oneonta to be used as a partial reduction from, and offset to, the FPD tax levy for 2019 for parcels located within the former TOFD. The TOFD does not own any property, have any indebtedness or other liabilities. It does possess cash assets that will be turned over to the Town of Oneonta. The TOFD has one part-time employee. The Board of Fire Commissioners of TOFD is the authority having jurisdiction over the TOFD and will relinquish that authority to the Town of Oneonta Board, who will be legally obligated to provide for the provision of fire protection services to those properties within the TOFD that are now deemed to be included and incorporated within the boundaries of the FPD.