Providing Fire Protection in Your Community

Tug Hill Commission Training
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Presented by

Dan Acquilano, Manager of Local Training, Division of Local Government and School Accountability, OSC

Katie Hodgdon, NYAOT Association Counsel

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Topics to Discuss

- General overview
- Fire protection – cities and villages
- Fire protection – towns
- Fire districts
- Fire district budgets
- Fire district reporting requirements
- Fire protection districts
- Benefits afforded to volunteers
- Legislative update
- Any other questions!

General Overview - Fire

General Overview

- Firefighting in your locality is either provided by paid firefights, volunteer firefighters or a combination thereof
  - Depends on the locality!
- Different types of fire protecting entities:
  - Fire districts (towns)
  - Joint fire districts (towns/villages jointly)
  - Fire protection districts (towns)
  - Fire departments (cities, villages) (towns?)
  - Fire companies (cities, villages) (towns?)





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Fire Protection – Cities & Villages

Cities & Villages - Fire

- Generally speaking, fire protection provided by the city or village fire department
  - Paid or volunteer
  - Cities: *typically* paid
  - Villages: *typically* volunteer (don't forget LOSAP!)
- Fire department may provide fire protection to other municipalities outside of their jurisdiction
  - Contract (e.g., with town fire protection district)
  - Mutual aid
- Generally a part of the locality's budget (not its own taxing district)
- Cities are <u>not</u> required to provide fire protection

Cities - Fire

- City fire departments are established by the city's charter
- Organizational structure will depend upon the charter – will vary depending upon the city
- Typically comprised of paid, career firefighters
- General fund funds city fire departments, including salaries, personnel charges, equipment

Villages - Fire

- Village fire departments – generally established by Article 10 of Village Law
- Villages are not required to provide fire protection
- Structure can vary – appointed board of commissioners or council of fire department with village board of trustees
  - Village should know organizational structure of its fire department(s)
- Typically volunteer
- Funded through village general fund
- Can contract with other localities to provide fire protection





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Fire Protection - Towns

Towns - Fire

- Unlike cities and villages, towns are required to provide fire protection within its boundaries
  - No authority to establish fire departments or fire companies
- Generally speaking – three mechanisms to provide this required fire protection in towns
  1. Fire districts;
  2. Fire protection districts (not the same thing!); and
  3. Joint fire districts (town-village)





Fire Districts

Towns – Fire Districts

- Fire districts are established pursuant to Article 11 of Town Law
  - Either by 1) Motion of town board or 2) petition of residents within potential district
  - Public hearing – determination that formation is in the public interest
  - If located within Adirondack Park and comprised of more than 30% state lands (aka tax exempt), state comptroller consent is required
- Fire districts cannot include a village *unless* the village was incorporated after the fire district was formed (but see joint districts)

Towns – Fire Districts

- Fire districts are their own political subdivision with its own elected officers (fire commissioners) that serve as the governing board
- Fire districts develop and implement a budget
- Not included in the town's tax cap
- May contract with other fire protection entities to provide fire protection outside of the fire district
- Fire districts are mostly comprised of volunteer firefighters
- Can also provide emergency response services

Towns – Fire Districts

- ***Joint*** fire districts may be created by a town and village and encompasses town and village property
- Can involve the dissolution of a town fire district and establishment of new joint district
  - Usually after a study to determine if it is in the best interest of the public
- Public hearing is required and establishment is subject to permissive referendum
  - If a petition is filed by residents within certain timeframe, establishment must be approved by voters

Towns – Fire Districts

- Board of fire commissioners: elected governing body of fire district / joint fire district
  - Required to attend training within 270 days of taking office
  - Designate depository for district moneys (General Municipal Law section 10)
  - May invest moneys pursuant to investment policy (General Municipal Law section 11)
  - Oversee fire district property (real and personal [e.g., apparatus])
  - Responsible for general oversight of district

Fire District Budgets

Towns – Fire Districts

- Fire district - budget edition!
- Commissioners in fire districts must compile a budget that is assessed, levied and collected at the same time and in the same manner as town taxes (January in most towns outside of special tax act counties)
- Subject to tax cap (override by supermajority)
- Commissioners must develop and adopt proposed budget on or before 21 days before public hearing and file with fire district secretary
- Public hearing –during the third week in October

Towns – Fire Districts

- Fire district secretary must provide notice of public hearing to town clerk and to any other entity the fire district contracts with
- Notice of public hearing on proposed budget must be published in official paper at least **five** days before the date of the hearing
- Notice must include date, time and location of public hearing, as well as the purpose (proposed budget) and that a copy is available at town clerk's office (or fire district secretary) where it can be inspected during office hours
- If the fire district has a website, the notice must also include that the proposed budget is available on the website
- Notice must also be posted on the town clerk's signboard and on the fire district website

Towns – Fire Districts

- Public hearing – any person may speak regarding the proposed budget
- Public hearing occurs during third week of October
- After public hearing, commissioners may make changes prior to November 4
  - Cannot add or increase an appropriation to a capital reserve fund
- Must adopt final budget by November 4
- Fire district budget must be filed with town clerk by November 7

Towns – Fire Districts

- The town **cannot** alter the fire district budget once adopted and delivered
- Town clerk must "affix" two certified copies of the fire district budget to the adopted town budget and deliver same to the town supervisor within five days
- Within ten days from that point, town supervisor must provide the budget to the county for the county to assess and levy upon the taxable real property in the town
- **Fire district cannot **collect** taxes- town collecting officer collects taxes on behalf of the fire district and immediately pays fire district moneys to town supervisor, who remits funds to fire district "immediately"

Fire District – Budget Issues

- Towns are required to make fire districts whole first – before the town or county
- Common question - where does it say I have to make the fire district whole first? Town Law § 181
  - "When such taxes are collected, the amount thereof shall be paid to the supervisor of the town and by him **immediately paid to the treasurer of the respective fire districts**"

Fire Districts – Budget Issues

- Technically speaking, taxes should be paid to credit of supervisor and immediately transmitted from supervisor to fire district
- Does this always happen?
- As long as fire district is made whole first, in compliance with intention of the law
- Does the town board have to approve and audit the transfer to the fire district? NO!!
  - Just because the town receives the money does not mean it is the town's money to be accounted for

Fire Districts – Reporting Requirements

- Annual Financial Report – required to file (formerly AUD, now AFR)
- Foreign fire insurance report
  - 2% tax moneys
- Independent audit – if fire district revenues exceed more than 400k, annual audit is required!

Fire Protection Districts

Fire Protection Districts

- Towns also have the ability to establish fire ***protection*** districts, which are dramatically different from fire districts (which also provide fire protection – just not in the district name!)
- Not confusing at all!
- Geographic area of the town that is created (improvement district) to provide fire protection to residents in the fire protection district
  - Via contract with a city fire department, village fire department, fire district or fire company

Fire Protection Districts

- NOT a separate political subdivision – it is created by the town board or by petition of residents
- Once created, the town board is the governing body responsible for executing fire protection contracts
- Fire protection district costs / contract is a part of the town budget and is included in the town's tax cap calculation

Fire Protection Districts

- Once fire protection district exist, town is required to contract on behalf of taxpayers served to provide fire protection
- Contract must have a sum certain for all services rendered
- Contract cannot exceed five years
  - Prohibited from binding future boards
  - Must conduct a public hearing before approving contract – notice published at least ten days in advance
- Contract can also be on a year to year basis – renewed on a yearly basis without public hearing (cannot exceed five years)
  - K can provide that town clerk notify fire company in July of pending renewal and that parties may terminate renewal in writing before August 20 for following year

Fire Protection Districts

- Contract may also provide for provision of emergency services (outside of fire)
- Payments to company can be made in one lump sum or in installments – contract governs
- Consult your municipal attorney before authorizing!

Financial Transparency

- New-ish requirement (2017)– required to provide financial information to towns / contracting entity
- Before negotiating with incorporated fire company on behalf of fire districts, fire company is required to provide:
  - A statement itemizing the estimated costs of the incorporated fire company attributable to the provision of services under the prospective contract which shall include, at a minimum, those, if any, for:
    - Supplies; materials; operation, maintenance and repair of equipment and apparatus; insurance; training; protective clothing, gear and other personnel costs; building rental, maintenance and operation; and a specified proportionate share of capital costs.

Financial Transparency

- New-ish requirement (2017)– required to provide financial information to towns / contracting entity
  - Additionally, if the fire company is required to prepare any of the following documents, copies **shall** be included with the statement:
    - (1) the fire company's most recent annual report of directors pursuant to section five hundred nineteen of the not-for-profit corporation law;
    - (2) the fire company's most recent verified certificate pursuant to subdivision (f) of section fourteen hundred two of the not-for-profit corporation law;
    - (3) the fire company's most recent internal revenue service form 990; and
    - (4) the fire company's most recent annual report pursuant to section thirty-a of the general municipal law.
- Upon good cause shown, the town board may, by resolution, waive in whole or in part the requirement that the fire company file the statement, and copies of documents mentioned above

Benefits Afforded to Volunteers

Benefits to Volunteers

- Length of Service Award Programs - LOSAP
- Provides "pension-like" benefit to volunteer firefighters
- General Municipal Law Article 11-A: volunteer firefighters
- Funded by local government (sponsor)
- Adoption of plan requires 60% of governing board approval and approval at a **mandatory referendum**
  - Defined contribution or defined benefit program
- Once established, annual audit by CPA or independent public accountant required – must be completed within 270 days of close of fiscal year

Benefits to Volunteers

- Sponsoring entity creates a point system that establishes how LOSAP credit is earned by volunteers
  - Responding to incidents
  - Training courses
  - Elected or appointed position
  - Drills
  - Meetings, etc
- 50 service award points annually = one year of firefighting service (LOSAP service credit)
- Fire company must provide certified list to sponsor that identifies all volunteers that received at least 50 points during the preceding year
- Five years of service required before benefit kicks in

Real Property Tax Exemption

Expansion of Emergency Services Responder Exemption

- 2022: State enacted legislation that authorized local governments to adopt a local law or resolution offering residential real property tax exemption of **up to 10%** to volunteer firefighters and ambulance workers (RPTL 466-a)
  - Minimum service requirement of 2-5 years
- Many questions arose, including eligibility of emergency service responders that volunteer in a neighboring jurisdiction
- Effective September 20, 2024- locality can amend (or enact) legislation to extend exemption to any resident volunteer firefighter or ambulance worker that provides their volunteer services to a neighboring city, village, town, county or school district
- Note that each jurisdiction has to opt in for the exemption to apply to that tax base (town, county, school, village)

Real Property Tax Exemption

Emergency Services Responder Exemption

- If your locality provided this exemption prior to 2022 (via special legislation), new local law opting in required by December 9, 2025
- Volunteer cannot receive **both** real property tax exemption AND personal income tax credit ($800/1600) – individual must decide which tax benefit works best for their personal situation

Personal Income Tax Credit for First Responders

- On October 16, 2026, Governor Hochul signed A.6790-A/S.6233-A, raising the state personal income tax credit for eligible volunteer firefighters and ambulance workers from $200 to $800 for individuals and from $400 to $1,600 for married couples
- The expanded credit takes effect for tax year **2027**, so volunteers will first claim it on returns filed in 2028
- Volunteers may still claim either the state credit or a qualifying local volunteer property tax exemption, not both

Legislative Update

Optional 100% Tax Exemption for 100% Disabled Veterans

- New York now authorizes counties, cities, towns, villages, fire districts, school districts and other taxing jurisdictions **opt in** by local law to fully exempt a qualifying veteran's primary residence from real property taxes
- The exemption covers the general levy plus improvement district charges, assessments, and special ad valorem levies
- It amends the Alternative Veterans Exemption (RPTL § 458-a); it does not extend to the Cold War Veterans Exemption (§ 458-b)
- The only local decision is whether to opt in; a locality may offer the 100% exemption without offering the broader alternative veterans exemption

Optional 100% Tax Exemption for 100% Disabled Veterans

Who Qualifies:

- The state sets all of the eligibility rules; a veteran qualifies when all three of these are met:
- Discharge status, meaning one of the following:
  - Discharged or released under honorable conditions
  - A qualifying condition under Veterans' Services Law § 1, with a discharge other than bad conduct or dishonorable
  - A discharged LGBT veteran under Veterans' Services Law § 1, with a discharge other than bad conduct or dishonorable
- A 100% permanent and total disability rating from the U.S. Department of Veterans Affairs, **documented by a VA letter**
- Wartime-era service (combat service is not required); for example, anyone on active duty from August 2, 1990 to the present is a Gulf War Era veteran
- Localities cannot add requirements: no income limit (such as the Enhanced STAR threshold) and no other local criteria

Optional 100% Tax Exemption for 100% Disabled Veterans

Who is a "Qualified Owner:"

- The qualified owner may be the veteran, the veteran's spouse, or the veteran's unremarried surviving spouse
- The deed can be in the spouse's name alone, as long as the property is the veteran's primary residence
- A surviving spouse keeps the exemption unless and until they remarry, even if the veteran died before the exemption was enacted
- If one co-owner is the qualifying veteran and the home is the veteran's primary residence, the entire property is exempt, not just the veteran's share, regardless of the co-owners' marital status
- Absence from the home for medical reasons or institutionalization, such as a nursing home stay, does not end primary residence status

What is Covered and Who Must Opt in

When a town opts in, the exemption covers:

- The town levy
- All town-run special districts, including lighting, water, fire protection, and ambulance districts
- A town cannot limit the exemption to the town-wide levy

These must opt in on their own:

- Fire districts, villages, school districts, and counties are separate taxing jurisdictions; a town's opt-in does not carry over to them

Not covered:

Usage-based utility charges, such as metered water or per-unit sewer use, are service fees, not ad valorem levies, so the veteran still pays these

Key Deadlines and Next Steps

Before the March 1, 2027 taxable status date (most towns):

- ✓ The local law must be adopted and in effect
- ✓ The veteran must have filed Form RP-458-a with the assessor

When the exemption first appears:

- 2027–28 school tax bills (if the school district opts in)
- 2028 town and county tax bills

After adoption:

- File the local law with the Department of State
- Notify the NYS Department of Veterans' Services within 30 days; missing this notice does not invalidate the exemption, but towns should still comply
- Coordinate with your assessor so eligible veterans know about the exemption and file on time
- A board may later rescind its opt-in by local law; consult your municipal attorney if this comes up





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Questions?

dacquilano@osc.ny.gov

khodgdon@nytowns.org