TOWN OF MANLIUS

Fire/EMS District Formation

Answering the Committee's Priority Questions

August 17, 2026 @ 9:30a.m.

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The Committee's Priority Questions

Today's presentation answers each of the specific questions raised for the next meeting.

1 Assets & Charging

May any entity charge the District for equipment, infrastructure, or real estate — or are assets conveyed without payment?

2 Debt

How is each entity's existing debt handled, and what happens during the transition?

3 Unexpended Funds

Must remaining tax revenue transfer to the District, and how are the overlapping fiscal years reconciled?

4 Real Estate & Facilities

How are the stations handled, and what would intermunicipal leases and transfer agreements look like?

5 Formation & Timeline

Can the District be formed as a legal entity in October and reach operational go-live around March?

6 Grants

How do we pursue the NYS DOS consolidation grant and a SAFER staffing grant for the District?

Where We Are — and the Threshold Question

Substantial information gathered; the Committee is moving from feasibility toward implementation.

PROGRESS TO DATE

- Operations study and multi-year response analysis completed
- Legal roadmap endorsed (Art. 11-A / Art. 17-A / § 209-b)
- Asset, debt & facility inventories underway across entities
- Grant specialist engaged re: NYS DOS consolidation funding

STILL TO COMPLETE

- Remaining transition inventories from participating entities
- Confirm ownership / title history — including Minoa Station 2
- Draft asset-transfer, lease and occupancy agreements
- Each entity's formal decision to consolidate and dissolve

THE THRESHOLD QUESTION FOR EACH ENTITY

Does your municipality or fire district intend to consolidate and dissolve its existing fire and EMS service into the new joint District? Every step that follows is designed to let each entity answer that question with a complete understanding of the legal requirements and practical consequences.

Recap — The Legal Path in Brief

Three coordinated statutory tracks, run in parallel, produce one operating district.

1

FORM

Town Law Art. 11-A

Establish the joint fire district under Town Law Article 11-A (§§ 189-a to 189-i); participating village fire departments dissolve on establishment.

2

ABSORB

GML Art. 17-A

Consolidate the existing Kirkville Fire District into the new district under GML Article 17-A. No public referendum required.

3

OPERATE

GML § 209-b · PHL § 3005

Provide EMS directly through the district under GML § 209-b; secure the district's own NYSDOH operating certificate under PHL § 3005.

END STATE: one town-wide, independent joint fire district providing both fire protection and EMS under a single Board of Fire Commissioners.

Authority: N.Y. Town Law Art. 11-A §§ 189-a–189-i; N.Y. Village Law § 22-2210; N.Y. Gen. Mun. Law Art. 17-A §§ 750–793; N.Y. Gen. Mun. Law § 209-b; N.Y. Pub. Health Law §§ 3005, 3008.

QUESTION 1

Assets

May an entity charge the District, or are assets conveyed?

May an Entity Charge the District for Its Assets?

Town Law § 189-b is permissive — there is no single answer for every entity.

Town Law § 189-b: a village board may convey the firehouse, land, apparatus, and equipment to a joint fire district ***"with or without consideration."***

Three available paths — selected asset-by-asset:

1. CONVEY WITHOUT PAYMENT

Assets transfer for no consideration — appropriate where they were funded by the same taxpayers who will be inside the District. The cleanest and most common approach.

2. CONVEY WITH CONSIDERATION

The District pays or credits value — used where an asset carries outstanding debt, a distinct funding source, or benefits taxpayers who will not be in the District.

3. RETAIN & LEASE / LICENSE

The entity keeps title and the District occupies under an intermunicipal lease or license — useful where fire space shares a village-owned building.

Authority: N.Y. Town Law § 189-b; N.Y. Gen. Mun. Law § 790; 1990 Op. St. Comp. No. 90-27.

Assets — Recommended Approach

A default rule that honors the “same taxpayers” principle, with carve-outs handled individually.

DEFAULT RULE: convey taxpayer-funded assets to the District without additional payment, memorialized in the § 189-b transfer resolutions and the Article 17-A consolidation plan.

Carve-outs to evaluate case-by-case:

Encumbered assets

Apparatus or property that secures an outstanding lease, bond anticipation note, or bond.

Grant / donor restrictions

Federally funded or donor-restricted equipment that may carry clawback or reversion terms.

Distinct funding source

Assets funded by taxpayers who will not sit inside the District's boundaries warrant credit.

Separately-held company assets

Property titled to a volunteer company or affiliated not-for-profit, not the municipality.

Authority: N.Y. Town Law §§ 189-b, 176; N.Y. Gen. Mun. Law § 790; N.Y. Local Finance Law; N.Y. Not-for-Profit Corporation Law Art. 14.

How the Asset Transition Works — Step by Step

The specific sequence each entity follows to move assets into the new District.

1 Inventory & Verify

Each entity lists real property, apparatus, equipment, reserves & debt; confirm titles, liens & funding sources.

2 Choose Treatment

Per asset, elect transfer without payment, transfer with consideration, or retain-and-lease.

3 Board Authorization

Village boards adopt § 189-b transfer resolutions; Kirkville acts through the Art. 17-A plan.

4 Document the Transfer

Prepare deeds, bills of sale, assignment of contracts, and lease/occupancy agreements as elected.

5 Address Encumbrances

Assume, pay off, or ring-fence debt tied to specific assets; clear grant/donor restrictions.

6 Close & Record

Execute on the effective date; update deeds and titles to the joint fire district as owner.

Authority: N.Y. Town Law §§ 189-a, 189-b, 176; N.Y. Gen. Mun. Law §§ 754, 790; N.Y. Civil Service Law § 45.

QUESTION 2

Debt & Obligations

How outstanding bonds, notes, and leases move — or stay — in the transition.

What Happens to Existing Debt?

Debt does not disappear on consolidation. Three treatments, chosen per obligation.

TRANSFER TO DISTRICT

Obligations move to the new district by operation of the Article 17-A consolidation plan.

GML § 790

RING-FENCE TO TERRITORY

The plan may confine legacy debt to the former territory so its taxpayers — not the whole District — continue to bear it.

Plan election

REMAIN WITH ORIGIN ENTITY

A village may retain and pay down its own indebtedness, especially where it secures an asset not being conveyed.

Town / Village Law

HOW WE APPROACH IT

As each entity's inventory is completed, every obligation is itemized, tied to its collateral, and slotted into one of the three treatments above — and any debt secured by a conveyed asset is addressed directly in that asset's transfer terms.

Authority: N.Y. Gen. Mun. Law § 790; N.Y. Town Law § 189-b; N.Y. Local Finance Law.

Borrowing, Bond Rating & Cost of Capital

How the District borrows on its own credit — priced off the strength of its tax base.

KEY PRINCIPLE: the District issues its own general-obligation bonds — a pledge of faith and credit repaid from taxes on district property — with voter approval at a district election.

NEW ENTITY, ESTABLISHED BASE

The District is new, but a rating agency looks to the combined full valuation of the Town, Villages and former Kirkville — a diversified suburban tax base that supports a strong rating.

WHAT DRIVES "WHAT THEY'D CHARGE"

The rate tracks the rating, the District's debt-limit headroom, the term (period of probable usefulness), and market conditions. A stronger rating means a lower rate.

CAPACITY & LIMITS

Borrowing is capped by the constitutional debt limit — a percentage of five-year-average full valuation — and the tax-levy limit; a debt statement documents the margin.

THE CONSOLIDATION ADVANTAGE: one larger district generally borrows with more capacity and at a lower cost than each small entity financing apparatus or facilities on its own.

Authority: N.Y. Local Finance Law §§ 11.00, 33.00, 38.00 & Title 10; N.Y. Town Law § 179; N.Y. Const. art. VIII; N.Y. State Comptroller, Constitutional Debt Limit guidance.

RAISED AT THE LAST MEETING

Tax Implications

How the District is funded — and whether residents would pay twice.

How a Joint Fire District Is Taxed

A property-tax levy on value — not a fee, and not a bill for any specific truck or building.

KEY PRINCIPLE: the Board of Fire Commissioners adopts an annual budget; the county then levies that amount on all taxable real property in the District, collected the same way as town taxes.

UNIFORM & VALUE-BASED

Every owner pays on the assessed value of their own property at one uniform district rate — not a charge for any particular piece of equipment.

APPORTIONED FAIRLY

Because the District spans village, town-outside-village and former Kirkville areas, the levy is apportioned by equalized full value so no area subsidizes another.

EXEMPTIONS PRESERVED

The tax reaches taxable property only; STAR, nonprofit and similar exemptions continue to apply just as they do today.

PHASE-IN OPTION: the District may use temporary tax "zones" to ease in any rate change so no area sees a sudden spike at go-live.

Authority: N.Y. Town Law §§ 181, 189-h, 176(27); N.Y. Real Property Tax Law § 806; Op. N.Y. St. Comp. 90-39.

Does Consolidation Mean Paying Twice?

A common — and fair — question. The short answer: it is a shift, not a second charge, if structured correctly.

1 · OPERATING TAX — A SHIFT

Fire cost moves off the village budget and onto a single District line. A resident should see it drop from one bill and reappear on another — provided each village and the Town reduce their levy accordingly.

2 · ASSETS ALREADY BOUGHT

Property tax is not a purchase price. If equipment and buildings are conveyed to the District without payment — our recommended § 189-b default — residents do not re-buy what they already funded.

3 · EXISTING DEBT — WATCH-ITEM

If an asset still carries a bond or note, that debt continues. Whether it is ring-fenced to the former area or shared District-wide is a fairness choice set in the plan.

TO MODEL EXACT PER-HOUSEHOLD NUMBERS, WE STILL NEED

Each entity's current fire cost · assessed and full values with equalization rates · outstanding debt per asset · any tax-zone decisions · exemption profiles · and short-year proration for the March go-live.

Authority: N.Y. Town Law §§ 181, 189-b, 189-h; N.Y. Real Property Tax Law § 806; N.Y. Gen. Mun. Law § 790; Op. N.Y. St. Comp. 90-39. Not tax advice to any individual entity or resident.

Potential Cost Savings & Benefits

Why consolidation is worth it — the affirmative case behind the tax question.

ONE DEPARTMENT, NOT SEVERAL

Eliminates duplicated overhead and administration, avoids redundant apparatus purchases, and unifies training, purchasing, and command.

BIGGER BUYING POWER & GRANTS

A single district qualifies for State consolidation / efficiency grants and can pursue SAFER staffing; a larger balance sheet also borrows at lower cost.

SERVICE & STAFFING DEPTH

Pooled career and volunteer staffing improves coverage and response depth and helps address dwindling volunteer ranks.

FAIRER, MORE PREDICTABLE TAX

One uniform, equalized rate spreads cost across a broader base; temporary zones can phase in any change so no area spikes.

REALITY CHECK

Savings are real but not automatic and may materialize over time. They materialize when villages and the Town reduce their levies, assets transfer without payment, and overhead is genuinely consolidated. Exact figures require each entity's budget and valuation data.

Sources: NYS Dept. of State Local Government Efficiency / consolidation program; N.Y. State Comptroller, Shared Services research brief; Parshall, The Consolidation of Fire Protection Services in New York State (2022).

QUESTION 3

Unexpended Funds

Remaining balances and the overlapping fiscal-year reconciliation.

Unexpended Funds — Two Different Rules

Whether remaining balances follow the service into the District depends on the entity type.

FIRE DISTRICT (E.G., KIRKVILLE)

- On consolidation under Article 17-A, district assets — including reserves — pass to the successor district under the plan.
- Reserve-for-replacement and similar funds generally follow the fire/EMS function into the new District.
- Remaining balances become start-up capital for the District serving the former territory.

VILLAGE FIRE DEPARTMENTS

- A village fire department is a village function; its reserves belong to the village, not a separate district.
- Transfer of village fire reserves to the District is elective — addressed in the § 189-b resolutions and negotiated in the transfer agreement.
- LOSAP and service-award obligations are coordinated with the plan sponsor, not simply swept.

Authority: N.Y. Gen. Mun. Law §§ 6-g, 790; N.Y. Town Law §§ 181, 189-b; N.Y. Gen. Mun. Law Art. 11-AAA (LOSAP).

Overlapping Fiscal Years — A March Transition

The Committee's scenario: a transition on/about March 1 with mismatched fiscal calendars. (This is just a proposal)

TOWN — January 1 to December 31 (calendar year)

~6 mo. Town-funded

VILLAGES — June 1 to May 31 (fiscal year)

~9 months into the village fiscal year at transition

Transition ≈ March 1

Six items reconciled in the transfer / consolidation agreement:

1. Prorate Town contract payments already made for post-transition months
2. Credit village taxes collected for service months now covered by the District
3. Reconcile prepaid vendor, insurance, fuel and similar operating costs
4. Address the villages' opening-year posture where the Town owes contract payment
5. Set an agreed cut-off date and closing-balance certification per entity
6. Direct remaining unrestricted balances toward District start-up per each rule

Authority: N.Y. Town Law § 181; N.Y. Gen. Mun. Law §§ 6-g, 790; N.Y. Local Finance Law; treatment set in the transfer / consolidation agreement.

QUESTION 4

Real Estate & Facilities

How each station is handled — with sample agreement structures.

Four Facilities — Four Different Postures

Each station is handled to fit its ownership and how it shares space with village offices.

Minoa

Lease

Fire station plus office, bunk/dormitory, training & meeting spaces. Candidate for a District lease of the fire-use areas; Station 2 ownership to be confirmed.

Fayetteville

Lease

Fire station and related spaces. Candidate for a long-term District lease / occupancy of the fire-use areas within the village facility.

Kirkville

Transfer

District-owned property intended to transfer to the new joint District by operation of the Article 17-A consolidation plan.

Village of Manlius

Transfer / Use

A separate, freestanding station within the Town, not attached to village offices — a cleaner candidate for outright transfer or a use agreement.

Authority: N.Y. Town Law § 189-b; N.Y. Gen. Mun. Law § 790; N.Y. Gen. Mun. Law Art. 5-G (intermunicipal agreements).

Three Vehicles — and the Draft Agreements We'll Prepare

Sample structures the Committee can adapt into agreements once each entity chooses its posture.

FEE-SIMPLE TRANSFER

Entity deeds the property to the District (with or without consideration).

Pro: Clean single owner; simplest long-term governance.

Watch: Requires clear title; irreversible.

LONG-TERM LEASE

Entity keeps title; District leases the station for a fixed multi-year term.

Pro: Preserves village ownership; predictable tenancy.

Watch: Rent, CAM & capital-repair terms must be set.

OCCUPANCY LICENSE

District occupies defined spaces in a shared municipal building.

Pro: Ideal where fire space shares a building with village offices.

Watch: Narrower rights; shared-use terms need care.

EACH DRAFT AGREEMENT WILL ADDRESS

Term & renewal · rent or nominal consideration · maintenance and capital repairs · utilities & insurance · shared-use and access · improvements · indemnification · default & termination · and end-of-term disposition.

Authority: N.Y. Gen. Mun. Law Art. 5-G (§ 119-o); N.Y. Town Law §§ 176, 189-b; N.Y. Gen. Mun. Law § 790.

QUESTION 5

Formation & Timeline

Legal entity in October — operational go-live around March.

(Proposed) Timeline — Legal Entity in October, Operations by March

Establish the District as a legal entity first, then complete the operational transition on/about March 1.

OCTOBER	OCT–NOV	NOV–DEC	DEC–JAN	JAN–FEB	MARCH
Form the Entity	**Register**	**Kirkville 17-A**	**DOH / EMS**	**Transfer Docs**	**Go-Live**
1	2	3	4	5	6
Town Board + Village Boards adopt establishment resolutions; the district exists as a legal entity.	Obtain federal EIN; open banking; begin Certificate of Need & CMS enrollment groundwork.	Adopt the consolidation plan; hold the public hearing; adopt the final plan.	File for the District's own ambulance operating certificate (Municipal CON).	Execute § 189-b transfers, deeds & leases; address CBAs and civil service.	Assets transferred; commissioners seated; unified operations begin.

Authority: N.Y. Town Law §§ 189-a–189-e; N.Y. Gen. Mun. Law Art. 17-A; N.Y. Pub. Health Law §§ 3005, 3008; timeline synthesizes statutory minimums with implementation experience.

Grant Strategy

Timing note: legal formation of the District may be a prerequisite for certain applications.

NYS DOS — Local Government Efficiency / Consolidation

Identified by the Committee's grant specialist as well-suited to this project. Our team can help identify the JFD-transition process, eligible expenses, anticipated costs, and required supporting documentation.

Priority

FEMA — SAFER (Staffing)

Supports additional firefighter staffing the preliminary analysis suggests the District may need. The District likely must exist as a legal entity to apply as the eligible applicant.

Staffing

FEMA — AFG (Assistance to Firefighters)

Apparatus and equipment funding; coordinate with any existing federally funded assets and their restrictions during the transition.

Equipment

Authority: NYS DOS Local Government Efficiency / Citizen Empowerment programs; FEMA SAFER & AFG program guidance; eligibility to be confirmed at application.

Decision Points & Next Steps

The threshold question for each entity: do you intend to consolidate and dissolve your fire/EMS service into the new District?

Town Board

Set the establishment path; authorize the § 189-b framework; order Minoa Station 2 title work; direct grant applications.

Village Boards

Decide participation; choose transfer vs. lease / license per station; act on reserves and LOSAP coordination.

Kirkville Fire District

Join the Article 17-A consolidation resolution with the Town; complete deed / title follow-up on real property.

Committee / Counsel

Collect the outstanding inventories; prepare draft transfer and lease agreements; assemble the comprehensive report.

RECOMMENDATION: complete the factual record on assets, debt, funds and facilities, then bring a full implementation framework and each entity's consolidation decision to the next meeting or two.