

TECHNICAL AMENDMENTS TO
2006 LEGISLATION RELATIVE TO
FISCAL MANAGEMENT AND ADOPTION OF
BUDGETS OF FIRE DISTRICTS

During the 2006 legislative year the New York State Legislature passed a number of bills providing for greater Transparency, Accountability and Governance within the 867 Fire Districts of New York State. In the implementation of those bills, a number of concerns were raised relative to the timing by which Fire Districts needed to have their final budgets to the towns in which they were located. Several counties, because of an anomaly in prior legislation, also raised concerns about the amendments to the budget process.

Assembly Bill 8727-A and Senate Bill 5704-B addresses those concerns. As of the date of this article those bills were delivered to Governor Elliot Spitzer on 8/3/07 but not, as of yet, signed into law.

The amendments in the new legislation would require that:

1. Board of Fire Commissioners of each Fire District shall submit the Fire District budget on or before the 7th day of November to the Budget Officer of the town.
- § The Fire District budget shall be in the form described in Section 107 of the Town Law and shall be adopted in the manner provided in Section 181 of the Town Law.
- § On or before the 21st day prior to the budget hearing (the budget hearing is held on the 3rd Tuesday in October, this year October 16th) the Board of Fire Commissioners must adopt the proposed budget, file a copy with the fire district's secretary and post the budget on the fire district's website, if they maintain one. This year all of those activities must occur on or before September 25th.
- § No sooner than the 20th day prior to the budget hearing (this year between September 26 and October 1st) the fire district must post a notice of the budget hearing on the fire districts website and sign board, provide a copy of the notice of the budget hearing to the town clerk of the towns in which the fire district is located and in which the fire district contracts, a copy of the proposed budget. This notice shall remain for 15 days on the various web sites and sign board.

§ On or before 5 days prior to the budget hearing (this year October 11th) the fire district must publish a notice of the budget hearing in its official newspaper, post a published notice on the fire district's website, if they maintain one, and provide a copy of the proposed budget for public inspection to the town clerk of the towns in which the fire district is located. Each town must post a copy of the notice on the town's website and on the town's sign board.

§ On the 3rd Tuesday in October (this year October 16th) the board must hold a budget hearing.

§ The Board of Fire Commissioners of each fire district shall hold the public hearing to discuss the contents of the proposed budget.

§ The hearing shall be conducted and scheduled in a manner that maximizes participation. At such hearing, any person may be heard in favor of or against the proposed budget as compiled, or for or against any item or items therein contained.

§ After the public hearing the Board of Fire Commissioners may adopt changes, alterations, and revisions to the proposed budget, except that the Board of Fire Commissioners shall not add or increase an appropriation to a capital reserve fund not contained in the proposed budget.

§ On or before November 4th the board shall adopt a fire district annual budget.

§ On or before November 7th the fire district's secretary shall deliver two (2) certified copies of the fire district's annual budget to the town clerk of the towns in which the fire district is located.

§ The Town Law was also amended by adding a new Section 181-A which reads as follows:

[Budgetary Controls.

1. The fire district treasurer shall maintain a separate account for each appropriation made in the annual budget of the fire district. Each such account shall show the amount appropriated, the several amounts expended from the account, and the unexpended balance of the appropriation.

2. No expenditures shall be made, nor shall any contract which in any manner involves the expenditures of money or the incurring of any pecuniary liability be entered into, unless an amount has been appropriated for the particular purpose and is available for that purpose or has been authorized to be borrowed pursuant to the Local Finance Law. Nothing in this subdivision shall prevent the making of a contract of lease for a

term exceeding one year when authorized by law nor shall anything in the subdivision require a fire district which has entered into a contract or lease for a term exceeding one year to pay during the current fiscal year any amounts larger than those which become due and owing during that year under the terms of such lease or contract.

3. Whenever during a fiscal year it shall appear probably to the fire district treasurer that the moneys available for such year will be insufficient to meet the amounts appropriated, he or she shall forthwith notify the Board of Fire Commissioners of such fact, stating the probable amount of such deficiency. The treasurer may include his or her recommendations as to the action which should be taken. The Board of Fire Commissioners may reduce any appropriation or appropriations so as to prevent the making of expenditures in excess of moneys available. Any appropriation shall be reduced below the minimum amount required by the law to be appropriated, nor shall an appropriation be reduced by more than the balance therein less outstanding and unpaid claims chargeable to such appropriation.

4. The Board of Fire Commissioners, during a fiscal year, may make additional appropriations or increase existing appropriations. Moneys therefor may be provided by transfer from the unexpended balance of an appropriation, for unappropriated unreserved fund balance, or unanticipated revenues, or by borrowing pursuant to the Local Finance Law. For the purposes of this subdivision, unappropriated unreserved fund balance or unanticipated revenues shall be available for transfer only to the extent that the total of all revenues recognized in the current fiscal year, including unappropriated unreserved fund balance, exceeds the total of all revenues as estimated in the budget, including appropriated fund balance.

5. Notwithstanding the provisions of subdivision four of this section, grants in aid from the State and Federal Governments, other gifts which are required to be expended for particular objects or purposes, and insurance proceeds for the loss, theft, damage or destruction of real or personal property, when proposed to be used or applied to repair or replace such property, may be appropriated by the Board of Fire Commissioners at any time for such objects and purposes.]

Section 176-e, which called for training requirements of fire district commissioners, was also amended to add the following language:

“When approved by the Board of Fire Commissioners in advance of a Commissioner attending such training course, the actual and necessary expenses incurred by a Commissioner in successfully completing the training required by this Section shall be a charge against the Fire District.”

This last amendment now clarifies the fact that the cost of fire district training for fire district commissioners is an authorized expense when approved by the Board of Fire Commissioners in advance of the incurring of the aforementioned expense. This would include the actual and necessary expenses incurred in traveling to and from and

attendance at the course.

These amendments will be further discussed at the teleconference to be conducted on September 6th, 2008.

We encourage all member districts to attend that teleconference.