

# Town of Moriah-Village of Port Henry Fire Department Consolidation Case Study

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Town of Moriah-Village of Port Henry Fire Department Consolidation

**1. Municipal Characteristics**

<b>Indicators</b>	<b>Town of Moriah</b>	<b>Village of Port Henry</b>
2000 Population	4,879	1,152
Land Area (sq. mi.)	64.7	1.4
Assessed Value Fully Taxable	\$136,378,755	\$34,498,500
Full Valuation Taxable Real Property	\$136,378,755	\$34,498,500
Total Tax Levy	n/a	\$611,700
Total Debt Outstanding	\$4,231,969	\$1,201,600
Total State Aid Revenue	\$1,956,909	\$89,600
Total Revenue w/ State Aid	\$4,756,576	\$972,900
Debt Service	\$293,754	\$96,700
Total Expenditures w/ Debt Service	\$6,475,938	\$904,500
Expenditures:		
Fire	\$45,300	\$53,300

\* 2004 Financial Data for Towns/Villages - Office of the State Comptroller

## **2. Project Description & Impetus**

The Town of Moriah is located in the eastern part of Essex County, New York. The town has a population of around 5,000 people, spread out across four hamlets located between two and five miles apart - Moriah, Moriah Center, Mineville, and Witherbee – as well as the village of Port Henry. The town is served by three fire volunteer fire companies, Moriah, Mineville-Witherbee, and Port Henry. The Moriah and Mineville-Witherbee departments are supported by fire districts, governed by elected fire commissioners who set tax levies for the districts. The Port Henry Fire Department is operated by the village of Port Henry, which includes fire protection service in its municipal budget.

The town and village have worked hard to consolidate services since the early 1990s. They had been forced to look at sharing services after Republic Steel Corp., the community's largest employer and taxpayer, ceased local

operations in the late 1980s. At the time they closed the mines, which had been in operation since the 1820s, Republic Steel had paid nearly 70 percent of the town's taxes. The closing of the mines forced residential taxpayers to absorb most of those costs. In the past 15 years, the town and village have consolidated their police departments, assessor's office, justice court system, dog control officer, and wastewater treatment plant. "We've been ahead of the curve when it comes to sharing services because we had to be," Town Supervisor Tom Scozzafava noted.

Still, property taxes have continued to rise well above the rate of inflation, which prompted Mr. Scozzafava to look again at the issue of consolidating fire services. In the mid-1990s, a citizen-based taxpayer group had looked informally into the possible consolidation of fire districts, but it was determined at that time that while some of Moriah's communities would see some tax savings by the creation of a single town-wide fire district, others would see their taxes go up by the move.

With more than 16 percent of the town budget devoted to fire protection services, Mr. Scozzafava felt the time was ripe to readdress the issue. In January of 2006, he invited the mayor of the village of Port Henry, its village board of trustees, and officials of the three fire companies to participate in the study of consolidating fire services within the town. Originally, the consolidation study was to not only include the financial impacts of consolidation, but the delivery of fire services to residents. The town supervisor, noting the "political hot potato" with which he was dealing, tread very lightly in calling for the study; stating "This is in no way intended to diminish the services provided or the excellent services that each department currently provides.

## **3. Proposal(s) and Proposed Funding**

The proposal was to study the feasibility of consolidation of the Town and Village fire departments.

## **4. Legal Foundation and Legal Checklist**

Both fire districts are legal, free-standing organizations with elected representatives. The Town Board does not have the power to dissolve a fire district, nor does it have any budgetary authority. "We have no control over the levy for a fire district, with the exception of a contract that we have with each department for fire protection in areas outside their district boundaries. The village fire department budget is set by the Village Board."

## **5. Views on the Issue**

### Arguments pro:

### Arguments Con:

While all fire officials said they had an “open mind” about consolidation, some objections were raised at the public sessions, including the possible loss of volunteers who identified with a particular department, questions surrounding outstanding and future debt (the Port Henry FD is in need of a new station and pumper truck) and fears that the community would be less eligible for grants and other types of outside funding if it was served by one – and not three – departments.

The rank and file volunteers in the three fire companies were said to not be very enthused about the prospects of consolidation. These volunteer fire departments each have a long and storied history and its membership includes generations of the same families. All of the departments had also traditionally worked well together on an informal basis, despite what Moriah Fire Chief Ralph Jaquish described as a healthy rivalry between them.

Overall, there was a great deal of praise expressed about the current services provided by all three departments by both the public and town/village officials and concern expressed about how any changes might affect the quality of service provided.

### Local News Media Positions

The Plattsburgh Press Republican printed an editorial in January of 2006 entitled, “Honest Look at Consolidation.” In the editorial, the regional newspaper urged members of the three fire departments, as well as town and village officials, to make a serious, honest look at consolidation...”not necessarily that an eventual merger will take place but that the possibility will be examined with truly the best of intentions.”

“Naturally, there will be some resistance within each department, unless each one is populated by superhuman individuals,” the editorial noted. “Whenever authority is shared or taken away, some people’s egos are dented. That is probably the biggest obstacle in combining or sharing services on any governmental level. It is human nature to not want to concede any authority that is currently in place and taken for granted.”

The editorial added, “Moriah Town Supervisor Tom Scozzafava has called for a study into consolidation of effort. He is stressing, it needs to be emphasized, that he is not calling for a merger. He was very careful to say a merger of any kind might not be the best strategy for providing town-wide fire services. But the idea deserves at least an honest look.”

## **6. Results (adopted, amended, rejected etc)**

There were ultimately no resolutions passed by the Moriah Town Board, beyond the resolution made in January of 2006 to study the issue. Study was completed and showed very little tax savings. No shared services/equipment arrangement was looked at. The study led to no intergovernmental agreements and the issue of extending the boundaries of the current fire districts to increase fire department revenues has yet to be addressed by the departments. The town supervisor noted the difficulties involved for the town to address the issues.

The study of possible consolidation of the three fire districts was narrow in focus, concentrating solely on property tax impacts. When it was concluded that all residents would not see any substantial reduction in property taxes through consolidation, the idea of consolidation was quickly dropped. This conclusion was based on current fire department budgets but did not investigate the impacts of possible savings that might be realized by sharing equipment or consolidating functions.

### **7. Implementation**

The issues involved were particularly sensitive in light of two recent major fires, one that resulted in fatalities. With that tragedy as a backdrop, there was little sentiment to do anything that could be perceived as an attempt to reduce the level of service to any of the departments or to create any situation that would lengthen response times to fires. The town supervisor repeatedly went out of his way to assure all that the study would not investigate altering the level of service, but only look at if taxpayers could save money by putting fire protection services under one umbrella taxing jurisdiction.

The issue was discussed at several town board meetings and workshops. On April 6, 2006, the town and village boards met in joint session with representatives of the fire departments and the public to formally discuss the issue and its merits. Early in the meeting, however, the town supervisor stated that his analysis had concluded that consolidation was not a viable option for the town because it would raise taxes in some communities within the town. Assuming that current fire department budgets would not change, a town-wide fire tax district would have an estimated tax rate of \$1.38 per \$1,000 of assessed value. This is less than the current rates for Moriah and Port Henry, but higher than the current rates in the Mineville-Witherbee Fire District. In general, public comments noted that while the community was “taxed to death,” they would not be in favor of any measure that would do any harm to the departments or the current level of services provided. “At this point in time it doesn’t make sense to consolidate,” Mr. Scozzafava concluded. Port Henry Mayor Ruth McDonough noted, “Some meetings were held and it was decided not to go forward. It just never went beyond the conversation stage.” Chief Jaquish added, “It never really got off the ground. It was really talked about very little in the end.”

It was concluded that the best approach for raising fire department revenues might be to increase the departments’ fire district boundaries to include outlying areas within the town paying less for fire protection.

### **8. Expectations vs. Implementation**

N/A

### **9. Factors contributing to success/failure/Lessons Learned**

Several factors worked against any effort at consolidating the three fire companies and/or developing formal agreements to share services. First, in a small tightly-knit community like Moriah, agreements are made with handshakes and there is suspicion of formal contracts. It was suggested that requiring formal contracts actually had a chilling effect on cooperation efforts.

“The biggest detriment to sharing services,” the town supervisor noted, “was the NYS Comptroller’s Office. They make sharing difficult because if you go by what the State Comptroller says, you’re not supposed to send a truck without some contract...you’re not supposed to drop a plow blade on the road without a contract.”

The long history of each fire department, the fact that several generations of the same family had served in each company over the years and the rivalry between the fire departments – albeit friendly – all made any discussion of consolidation an emotional issue that nobody seemed ready to confront at this time.

The timing could not have been worse to investigate the possibility of consolidation. After dealing with severe flooding problems and two major fires, there was simply no political will to make major changes in the operations of the departments, especially if there was even the hint that the level of service provided by the departments would be reduced. All the departments were repeatedly lauded for their efforts during these emergency situations, which were still fresh in the minds of those public officials looking at the potential of consolidation. This overall community satisfaction with the services currently provided by each fire company hurt the chances for any meaningful changes. As noted in Public Safety: Options to Improve Delivery Service, “When residents are generally satisfied with the levels and costs of community services, the community is not a good candidate for a merger effort.”

Another factor which hurt the effort was that the study – and the determination that consolidation would not work in Moriah - too narrowly focused on property tax impacts. The town supervisor acknowledged that he did not investigate other opportunities for “functional consolidation,” which could have reduced overall budgets or provide a level of service that could not be achieved independently.

“If I had to do it over again, I would have called for a third party to do the study,” Mr. Scozzafava noted. “I didn’t want to start a civil war here because I knew there was a lot of parochialism between the departments because the membership goes back for generations.

#### **10. The 10 Step Program**

For the most part, Moriah failed to follow many of the guidelines outlined in the “Ten Step Program.” While the study did look at some of the financial impacts of consolidation, its narrow focus on tax impacts doomed the development on any real plan for consolidating the three fire departments. While there was some effort to collaborate with stakeholders (Steps 1,3,6) the issue was dropped almost before it got started, almost to the relief of all involved

#### **11. Technical Assistance**

Town Supervisor Scozzafava, who initiated the consolidation study, worked with the director of the Essex County Real Property Tax Office to collect data on the tax implications of creating a single, town-wide fire district. No other outside agency or individual provided technical assistance to the study.

Moriah’s town supervisor noted that outside technical assistance would have benefited the process. “This all took a lot of time and research and, quite frankly, I am certain that some areas should have been covered in more detail,” Mr. Scozzafava said. “A study like this takes time and you must have people involved that do not have an agenda. An outside agency is the best bet to conduct the study, and politics must be kept out of it.” An outside consultant could have, without bias, identified the strengths, weaknesses, short- and long-term needs of the department; developed a dialogue to identify areas of duplication and determine opportunities for sharing services. The issue of tax impacts could have been used as an opportunity to explore joint programs where operational, financial, or organizational

efficiencies may be achieved.

## **12. List of documents**

Newspaper Articles:

“Moriah fire department consolidation study proposed” – Times of Ti, Jan. 28, 2006

“Honest Look at Consolidation” – Editorial, Plattsburgh Press Republican, DATE?

“Moriah Fire Consolidation Nixed” – Plattsburgh Press Republican, April 10, 2006

Minutes from Joint Meeting, Town and Village Boards, April 6, 2006

## **13. Additional comments/suggestions/helpful hints**

Given the history and circumstances in Moriah, it makes sense that any further study of consolidation be conducted, or at least facilitated, by an outside agency or consultant. Town, village, and fire officials lack the time, experience and, perhaps, the will to give this a thorough investigation. Any study of consolidation needs to go beyond the ultimate tax implications. In this case, the assumption was made that all three fire department budgets would stay at their current levels. It did not investigate the potential of reducing these budgets through economies of scale and less duplication of effort. Demographic trends and future service demands were also not considered.

Although this is the type of community where everybody knows everyone else and where the leadership of the fire departments hasn't changed in about 50 years, it would make sense to develop a more formal platform for dialogue between the departments, or at least the chiefs. Currently, fire chiefs only get together occasionally, to critique a major fire.

While it is difficult to say whether the stakeholders in Moriah were ultimately willing to embrace change or to enter into more formal sharing arrangements, there could have been some benefit in investigating the potential of functional consolidation of the departments. Functional consolidation leaves each department whole, yet allows for the use of equipment, facilities and manpower interchangeably throughout all departments. For functional consolidation, governing bodies must agree to integrate manpower, apparatus and equipment through a series of intergovernmental agreements that will allow all the agencies to function as one. These agreements, when drafted and reviewed by attorneys and agreed upon by the governing bodies will outline the terms of a contract between two or more departments and enable them to legally commingle their physical resources in order to affect savings of economy and efficiency.

## **14. Contact Information**

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Town of Moriah-Village of Port Henry Fire Department Consolidation

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