



COUNTY OF ONONDAGA

Office of the  
*County Comptroller*

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May 24, 2016

Mark Venesky, Supervisor Town of Cicero  
James Perrin Jr., Chairman Board of Fire Commissioners, Cicero Fire District

Re: Review of financial position and 5 year plan of the Cicero Fire District

Dear Gentleman,

At the request of the Town of Cicero Supervisor, the Onondaga County Office of the Comptroller's Audit Division performed a review of the 2011-2014 financial records and the 5 year plan of the Cicero Fire District. The attached report represents our observations regarding the fiscal stress the District is currently operating under and their future ability to continue operations under the current/anticipated funding levels.

In recent years the Cicero Fire District has depleted their funding reserves to avoid seeking a tax increase to the Cicero Fire District residents. They are currently operating under significant financial stress and have been negotiating each year with the Cicero Town Board for an increase in funding from the Cicero Fire Protection District. These two taxing entities (Cicero Fire District and Town of Cicero) need to work together to develop the best, most equitable taxing rates to alleviate the fiscal stress of the Fire District in the short term and work together to develop strategies for the future.

I commend the Cicero Fire District personnel for making themselves available to answer questions and for providing us with the information needed to perform this review.

Should you have any questions or concerns, please do not hesitate in contacting this office directly.

Sincerely,

  
Robert Antonacci II, CPA

The Office of the Onondaga County Comptroller's Audit Division has performed a preliminary review of the financial records of the Cicero Fire District.

The NYS Comptroller established a fiscal stress monitoring system to provide information to the public on certain local governments. The system was designed for assessing towns, villages and school district's fiscal stress level. Using the State Comptroller's system as a model, the fiscal stress monitoring system was applied to the Cicero Fire District and revealed an overall score of 74.2%. Based on the established criteria this places the Cicero Fire District in significant fiscal stress, as illustrated on page 5.

We also compared their revenues and expenditures for the four year period of 2011 through 2014. We noted minor fluctuations in their two main sources of revenue generated from Charges to Other Governments and Real Property Taxes and Assessments and a large influx of revenue in 2013 of \$225,000 from the Proceeds of Debt. We noted an increase in Public Safety expenditures of \$361,314 in 2013 and an increase in Debt Service of \$228,578 in 2014. These changes are discussed in more detail below. These increases in expenditures have resulted in a significant decrease in the General Fund Balance from \$324,359 to (\$44,092) from 2011 – 2014 respectively, resulting in an overall decrease of (\$368,451) or -124%. This is illustrated on page 6.

### **Explanation of Fluctuations:**

2013

1. The influx of revenue in 2013 of \$225,000 was from proceeds received from a Bond Anticipation Note (BAN).
2. A majority of the increase in Public Safety Expenditures of \$361,314 can be attributed to the purchase of property adjacent to Fire Station #1 for the future building of a new fire station for \$225,000, the purchase of a 2013 Chevy Tahoe for \$30,941, Turn Out gear for \$14,749, building upgrades of \$27,214, and the Installation Banquet of \$20,200.

2014

3. A majority of the increase of Debt Service Expenditures of \$228,578 is the result of the 2013 BAN repayment of \$225,000.

### **General Observations:**

Board meeting minutes for 2014 and 2015 were reviewed from the files obtained from the Fire District. The monthly Board meeting minute's packets contained an interim balance sheet, an interim P&L statement, and reports of bills paid and unpaid.

- A. We noted the monthly board meeting minutes indicate the approval of paid and unpaid bills in aggregate, but the minutes do not specifically document individual invoices were presented to the board for their review and approval.

Recommendation:

1. *We recommend the minutes of the board meetings include language attesting to the fact individual invoices were presented, reviewed and approved by the board. We also, suggest on an annual basis, the board adopt and approve a listing of routine monthly expenses, such as telephone and utilities, etc., whereby these invoices would not need to be presented at the meetings.*

**See Fire District Response page 18.**

- B. We noted in April 2015 the Board of Fire Commissioners approved payment of \$106,233.93 to the Cicero Fire Department. Subsequent Events Note # 6 from the 2014 audited financial statements state the funding is for the new fire station and once financing for the station is received the money will be returned to the District.

**NOTE 6. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through July 31, 2015 which is the date the financial statements were available to be issued. In April of 2015, the Board of Fire Commissioners voluntarily resolved to pay the Cicero Fire Department \$106,234 of the District's 2014 and 2015 Fire Protection contracts for the funding of the new fire station. Once financing for the station is received, the Fire Protection money will be returned to the District.

A partial copy of a resolution regarding this payment was attached to the April meeting minutes. The resolution (final resolution not reviewed at this time) stated the funds represented payment to the Fire Department for fire protection within the Town of Cicero outside the territory of the Fire District for the years 2014 and 2015.

Whereas, the Cicero Fire Department provides fire protection to territory outside of the Fire District;  
Whereas, The Cicero Fire District has long since promised to provide a portion of the funds received from the town of Cicero to the Cicero Fire Department;  
Whereas, the law permits the department to receive up to 35% of the funds;

NOW THEREFORE, it is hereby resolved as follows:

Be it resolved that the Cicero Fire District shall remit to the Cicero Fire Department the sum of \$ 53,116.96, representing 35% of the funds from the Town of Cicero for protecting the Fire Protection District for the year 2015; and the sum of \$ 53,116.97 for the year 2014.

These two items seem to contradict each other. It is unclear if a receivable or a liability exists on behalf of the fire district.

Recommendation:

2. *The Board of Commissioners and the Cicero Fire Department should arrive at a consensus to resolve the conflict that arises from these statements.*

**See Fire District Response page 19.**

- C. Contribution amounts made to the Length of Service Award program (LOSAP) for 2013, 2014 and 2015 by the Fire District have been lower than the contribution amounts recommended by the plan's manager.

Recommendation:

3. *Management should review the plan with the plan manager to ensure proper funding in order to avoid having to make an unplanned payment in the future. This issue should be discussed with the accounting firm preparing their Annual Update Document on the issue of recognizing a liability for the underfunding.*

**See Fire District Response page 20.**

- D. We noted a Tax Anticipation Note (TAN) was taken out for \$60,000 in December of 2014. This note was paid off in March of 2015. Another Tax Anticipation Note (TAN) for \$60,000 was taken out again in December 2015. The need for a TAN for the past 2 consecutive years indicates the District is not able to cover their annual operating costs with the current level of revenue received from Real Property Tax and Fire Protection Income from the Town of Cicero.

Recommendation:

4. *Management should review anticipated expenditures and debt payments to determine the optimum level of funding needed for operations.*

**See Fire District Response page 20.**

# Cicero Fire District Fiscal Stress Monitoring

Fiscal Year: 2014  
Stress Level: Significant Fiscal Stress

Indicator	Description	Year	Data	Points	Weight	Score		
1	General Fund Only Assigned and Unassigned Fund Balance 3 Points ≤ 3.33% Last Fiscal Year 2 Points > 3.33% But ≤ 6.67% Last Fiscal Year 1 Point > 6.67% But ≤ 10% Last Fiscal Year  Combined Funds Minus General Fund Calculation 1 Point = Combined Funds Calculation < General Fund Calculation	2014	Assigned Unassigned FB (Codes 917 General Fund)	(45,669)		3	50%	
			Total Expenditures (General Fund)	1,016,990				
			Assigned Unassigned FB / Gross Exp (General Fund)	-4.5%	3 pts			
2	General Fund Only Total Fund Balance 3 Points ≤ 10% Last Fiscal Year 2 Points > 10% But ≤ 15% Last Fiscal Year 1 Point > 15% But ≤ 20% Last Fiscal Year	2014	Account code: 8029 (General Fund)	(44,092)		3	37.5%	
			Total Expenditures (General Fund)	1,016,990				
			8029 / Gross Exp (General Fund)	-4.3%	3 pts			
3	General Fund Operating Deficit 3 Points = Deficits in 3/3 Last Fiscal Years or a Deficit in the Last Fiscal Year ≤ -10% 2 Points = Deficits in 2/3 Last Fiscal Years 1 Point = Deficit in 1/3 Last Fiscal Years	2012	Total Revenues (General Fund)	756,401		3	10%	
			Total Expenditures (General Fund)	756,512				
			Deficit (General Fund)	(111)	1 pts			
		2013	Total Revenues (General Fund)	767,999				1 pts
			Total Expenditures (General Fund)	911,276				
			Deficit (General Fund)	(143,277)	1 pts			
		2014	Total Revenues (General Fund)	791,927				1 pts
			Total Expenditures (General Fund)	1,016,990				
			Deficit (General Fund)	(225,063)	1 pts			
			Deficit / Gross Expenditures (Combined Funds)	-22.1%	3 pts			
4	General Fund Cash Ratio 3 Points ≤ 50% Last Fiscal Year 2 Points > 50% But ≤ 75% Last Fiscal Year 1 Point > 75% But ≤ 100% Last Fiscal Year	2014	Cash and Investment Account Codes 200-201, 230	38,433		3	20%	
			Net Current Liability Account Codes 600-626 & 631-668 Less Codes 280, 290, 295	84,102				
			Cash Investment / Current Liability	45.7%	3 pts			
5	General Fund Cash as a % of Monthly Expenditures 3 Points ≤ 33.3% Last Fiscal Year 2 Points > 33.3% But ≤ 66.7% Last Fiscal Year 1 Point > 66.7% But ≤ 100% Last Fiscal Year	2014	Account codes: 200, 201, 450, 451	35,024		2	16.7%	
			Average Monthly Gross Expenditures (Total Gross/12)	84,749				
			Cash / Avg Monthly Exp	41.3%	2 pts			
6	General Fund Short Term Debt Issuance 3 Points > 15% Last Fiscal Year 2 Points > 5% But ≤ 15% Last Fiscal Year 1 Point > 0% But ≤ 5% Last Fiscal Year	2014	Short Term Debt Issued	60,000		2	5.0%	
			Total Revenues (General Fund)	791,927				
			Debt / Total Revenues (General Fund)	7.6%	2 pts			
7	General Fund Short Term Debt Issuance Trend 3 Points = Issuance In Each of Last Three Fiscal Years or Issued a Budget Note In Last Fiscal Year 2 Points = Issuance In Each of Last Two Fiscal Years 1 Point = Issuance In Last Fiscal Year	2012	Short Term Debt Issued	-	0 pts	1	10%	
		2013	Short Term Debt Issued	-	0 pts			
		2014	Short Term Debt Issued	60,000	1 pt			
		2014	Budget Note Issued	No	0 pts			
8	General Fund Personal Services and Employee Benefits as a % of Revenues 3 Points = Last Three Fiscal Year Average ≥ 75% 2 Points = Last Three Fiscal Year Average ≥ 70% But < 75% 1 Point = Last Three Fiscal Year Average ≥ 65% But < 70%	2012	Personal Services and Employee Benefits	170,655		0	10%	
			Total Revenues (General Fund)	756,401				
			Pers Svc & Benefits / Revenues	22.6%				
		2013	Personal Services and Employee Benefits	189,105				24.6%
			Total Revenues (General Fund)	767,999				
			Pers Svc & Benefits / Revenues	24.6%				
		2014	Personal Services and Employee Benefits	198,586				24.1%
			Total Revenues (General Fund)	791,927				
			Pers Svc & Benefits / Revenues	25.1%				
			Average Pers Svc & Benefits / Revenues	24.1%	0 pts			
9	General funds Debt Service as a % Revenues 3 Points = Last Three Fiscal Year Average ≥ 20% 2 Points = Last Three Fiscal Year Average ≥ 15% But < 20% 1 Point = Last Three Fiscal Year Average ≥ 10% But < 15%	2012	Debt Service - Principal & Interest payments	130,000		3	5.0%	
			Total Revenues (General Fund)	756,401				
			Debt Service / Revenues	17.2%				
		2013	Debt Service - Principal & Interest payments	130,000				16.9%
			Total Revenues (General Fund)	767,999				
			Debt Service / Revenues	16.9%				
		2014	Debt Service - Principal & Interest payments	358,578				45.3%
			Total Revenues (General Fund)	791,927				
			Debt Service / Revenues	45.3%				
			Average Net Debt Service / Revenues	26.5%	3 pts			
<b>TOTAL</b>				<b>20</b>		<b>74.2%</b>		

NOTE: Item 9 above was changed from Current refunding to Principal & Interest payments for this presentation.

General Fund  
A

Total Revenues = Detailed Revenues and Other Sources

Total Expenditures = Detailed Expenditures and Other Uses

Percent Range  
(out of 29 max pts)

Significant Fiscal Stress	65 - 100%
Moderate Fiscal Stress	55 - 64.9%
Susceptible Fiscal Stress	45 - 54.9%
No Designation	0 - 44.9%

Presented below is the four year general fund comparison.

<b>Cicero Fire District Four Year Comparison</b>							
	<u>General Fund</u>				<u>Percentage Change</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>14 vs. 13</u>	<u>13 vs. 12</u>	<u>12 vs. 11</u>
<b>Revenues and Proceeds of Debt</b>							
<b>CHARGES TO OTHER GOVERNMENTS</b>	438,989	422,105	416,002	413,780	4%	1%	1%
<b>OTHER LOCAL REVENUES</b>	2,867	4,395	5,780	6,718	-35%	-24%	-14%
<b>PROCEEDS OF DEBT</b>	-	225,000	-	-	-100%	100%	0%
<b>REAL PROPERTY TAXES AND ASSESSMENTS</b>	333,216	333,217	334,015	324,315	0%	0%	3%
<b>USE AND SALE OF PROPERTY</b>	16,855	8,282	604	46,594	104%	1271%	-99%
<b>Total</b>	<b>791,927</b>	<b>992,999</b>	<b>756,401</b>	<b>791,407</b>	-20%	31%	-4%
<b>Expenditures</b>							
<b>DEBT SERVICE</b>	358,578	130,000	130,000	124,345	176%	0%	5%
<b>EMPLOYEE BENEFITS</b>	198,586	189,105	170,655	169,263	5%	11%	1%
<b>PUBLIC SAFETY</b>	459,826	817,171	455,857	505,276	-44%	79%	-10%
<b>Total</b>	<b>1,016,990</b>	<b>1,136,276</b>	<b>756,512</b>	<b>798,884</b>	-10%	50%	-5%
<b>Net Deficit</b>	<b>(225,063)</b>	<b>(143,277)</b>	<b>(111)</b>	<b>(7,477)</b>			
<b>Beginning Fund Balance</b>	180,971	324,248	324,359	331,836			
<b>Ending Fund Balance</b>	<b>(44,092)</b>	180,971	324,248	324,359	-124%	-44%	0%
Source: NYS Comptroller's Open Book & Annual Update Document							

## Review of 5 Year Plan 2017 ~ 2021:

The Cicero Fire District provided the Onondaga County Comptroller's office with their 5 year (2017 ~ 2021) plan which also contained the annual budget for 2016. Each year there is a budget of annual expenses **without** building a new fire station and a budget of annual expenses **with** building a new fire station.

We have prepared three illustrations to assist us in our review of these budgets and to provide assistance in understanding our comments below. The 2016 budgeted information is not included in the illustrations discussed in this report.

We took a 3 year average (2013 – 2015) of the costs from the district provided profit and loss report and omitted apparent one-time expenses as noted on each respective illustration. We then aligned the 3 year average actual expenses to the Fire District's 5 year budgeted categories using professional judgment for both plans. We then prepared a summary of the 3 year average actual expenses to the district's budget categories. Since there were not significant fluctuations in the administrative and operating expenses between the two proposed budgets, we prepared this comparison to the 2017 budget **without** a new a fire station data. We omitted expenses classified as other sources and uses to focus on the overall effect of the budgeted income to costs deemed as operational in nature.

Comments are noted below:

### A. Budget including new fire station:

The budgeted revenue includes a 9% increase in Fire Protection Income from the Town of Cicero beginning with 2016 and a 6% increase in real property taxes, resulting in total budgeted revenue of \$842,575 for the next five years. The budget as presented and summarized on pages 10 and 11, fully utilizes the anticipated income for the annual loan repayments of the new fire station of \$232,750, \$227,750, \$222,750 and \$222,750 and \$250,000, for the years 2017 through 2021, respectively. It would seem the district would still be operating at a level of significant financial stress as it has not addressed the fund balance deficit of \$43,450 at year end 2015.

It appears the district is anticipating a reduction of administrative and general operating costs over the next five years. This is presented with the illustration on page 14, which provides differences at a summary cost category roll up of the 3 year average actual costs to the 2017 budget. Note only one illustration was prepared as the only difference between the two plans were a reduction of \$5,000, respectively in years 2020 and 2021 for payments to the LOSAP and new vehicle purchases of \$40,000 each in years 2019 and 2020. Obtaining these cost savings has a significant impact on its overall financial position. If these expenses are closer to the average, the district may be forced to utilize a Tax Anticipation Note (TAN) to meet current operating expenses as noted previously.

The plan budgets with the new fire station do not include enough funding for any major or unexpected fire fighting vehicle or equipment repairs and maintenance.

The plan does not show significant increases to fund balance, building & apparatus reserves, or a significant reduction of the short fall in the Length of Service Award Program (LOSAP).

Budgeted costs remaining constant over the five years with no consideration to inflation appears to be unrealistic.

The 2017 budget with the new fire station notes \$550,000 placed into Building Reserves. It is our understanding this represents a reimbursement from the Fire Department of previous year's expense used in the development process for the new fire station. This amount was not shown as revenue/income for the 2017 budget. The means of the Fire Department to make this commitment is beyond the scope of this engagement.

**B. Budget without new fire station:**

The budgeted revenue includes a 9% increase in Fire Protection Income from the Town of Cicero beginning with 2016 and a 6% increase in real property taxes, resulting in total budgeted revenue of \$842,575 for the next five years. The budget as presented and summarized on pages 12 and 13, indicates building and apparatus reserves increasing and sustaining a balance over the next five years.

Budgeted costs remaining constant over the five years with no consideration to inflation appears to be unrealistic.

This plan's budgets do not include increases in funding for major or unexpected repairs and maintenance over the 5 years. However, there is an increase year over year in the reserves for building and apparatus that would be able to accommodate any unforeseen expenses and cost increases that may occur.

We noted, when comparing the 3 year average of actual expenses to budgeted expenses for 2017 – 2021, the budgeted expense line items seemed low for Total Building and Total Apparatus categories as presented on the Summary Roll Up of Budget Categories on page 14.

The plan shows moderate increases to the Length of Service Award Program (LOSAP). It is unclear if this level will eliminate the current shortage addressed previously in this report.

The Fire District has budgeted under the Other Sources & Uses section, annual payments of \$72,000 to the Fire Department to repay their use of funds for the initial architect expenses for planning the new fire station and land purchase costs if funding for a new fire station does not occur. Beginning in 2019 these funds should be available to meet operating costs or provide an increase to fund balance, if actual costs are comparable to their budgets.

**C. Other observations:**

The 5 year plan indicates the same amount of budgeted revenue regardless of the outcome of building a new fire station. In one case this may alleviate the need to use a TAN to meet current operating conditions and in the other we would question the means to pay the debt on the new station if expenses remain historically comparable to prior years.

The proposed budget for the Total Building category of \$22,500 as compared to the 3 year actual average may be low, considering, the fire district is responsible for the repairs and maintenance on Fire Station #1 and #2.



The district did receive a federal grant of approximately \$213,000 which it used to purchase turnout gear. At this time it is unclear, if this source will be available in the future to cover this equipment purchase or if the district will need to budget accordingly.

See Fire District Response page 21.

**Other Presentations for Informational Purposes Only:**

The chart below represents the allocation of tax dollars from the Town of Cicero to the 5 fire departments that provide fire protection to the Town.

Fire Protection Income from the Town of Cicero										
	2012	%	2013	%	2014	%	2015	%	2016 *	%
Cicero	413,780	27.6%	422,105	27.9%	438,989	28.2%	438,989	26.9%	482,500	28.2%
Brewerton	376,171	25.1%	378,786	25.1%	389,100	25.0%	398,403	24.4%	410,576	24.0%
North Syracuse	260,753	17.4%	260,753	17.3%	265,968	17.1%	269,016	16.5%	270,744	15.8%
Bridgeport	127,450	8.5%	128,750	8.5%	130,000	8.4%	130,000	8.0%	132,600	7.7%
South Bay	320,800	21.4%	320,800	21.2%	331,910	21.3%	394,557	24.2%	417,529	24.4%
<b>Total Town of Cicero Fire Protection</b>	<b>1,498,954</b>		<b>1,511,194</b>		<b>1,555,967</b>		<b>1,630,965</b>		<b>1,713,949</b>	

\* increases from 2015 to 2016 = 3.1%,9.9%,5.8%,2%,0.6%

Sources: Town of Cicero website - Adopted Budgets

The chart below represents the call volume, department size, and revenue received from the Town of Cicero for the 5 fire departments that provide fire protection to the Town of Cicero. The Cicero and Brewerton departments are classified as a fire district and have the ability to assess real property taxes as a source of revenue. Those properties that are within their respective fire district are taxed at their district rate (if applicable). All properties not in a fire district are taxed at the Town of Cicero rate.

Fire Department Dispatch/Call Volume History - Town of Cicero										
	2014	%	2015	%	# Stations	# Volunteers	2015 Fire Protection Income	2015 Town of Cicero tax rate**	2015 Real Property Tax	2015 Fire District tax rate**
Cicero	1,200	29.6%	1,103	27.3%	2	75	438,989	0.9479	360,065	1.2859
Brewerton	* 916	22.6%	974	24.1%	2	60	398,403	0.9479	198,848	1.9126
North Syracuse	813	20.1%	799	19.7%	2	45	269,016	0.9479	-	-
Bridgeport	748	18.5%	783	19.4%	2	44	130,000	0.9479	-	-
South Bay	377	9.3%	387	9.6%	1	40	394,557	0.9479	-	-
	<b>4,054</b>		<b>4,046</b>				<b>1,630,965</b>		<b>558,913</b>	

Sources: Dispatches - Onondaga County Department of Emergency Communications, Stations & Volunteers - www.firedepartment.net,  
Fire Protection - Town of Cicero 2015 Adopted Budget, Real Property Tax - Open Book New York; no real property tax due to not being a district

\* Fire calls include EMS calls, Brewerton maintains a separate ambulance service.  
Brewerton ambulance dispatches have been added to make information comparable.

\*\* Tax rates are per \$1,000 of assessed value,

Presented on page 15, for informational purposes only, is a comparison of tax rates for fire districts and fire protection.

See Fire District Response page 22.

**Cicero Fire District**  
**2013, 2014 & 2015 Average Actual Activity compared to the 5 year Budget plan with a New Fire Station**  
**Actuals were obtained from the districts Profit and Loss Statement**

<b>P &amp; L Accounts</b>	<b>3 Year Average Based on Actual</b>	<b>2017 Budget New Station</b>	<b>2018 Budget New Station</b>	<b>2019 Budget New Station</b>	<b>2020 Budget New Station</b>	<b>2021 Budget New Station</b>
1001 ■ Real Property Taxes	343,059	362,575	362,575	362,575	362,575	362,575
2262 ■ Fire Protection Services	433,361	480,000	480,000	480,000	480,000	480,000
Other Miscellaneous Income	8,165	-	-	-	-	-
<b>Total Revenue</b>	<b>784,585</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>
<b>Personal Services</b>						
100 ■ Salaries-Sec./Treas.	7,719	8,000	8,000	8,000	8,000	8,000
120 ■ Maintenance Salary	7,627	7,000	7,000	7,000	7,000	7,000
9030.8 ■ Social Security	1,180	-	-	-	-	-
406 ■ Legal/Audit Fees	13,873	12,500	12,500	12,500	12,500	12,500
411 ■ Accounting Services	9,918	10,000	10,000	10,000	10,000	10,000
Grant Writer	-	2,500	2,500	2,500	2,500	2,500
408 ■ Association Dues	1,072	750	750	750	750	750
<b>Total Personal Services</b>	<b>41,390</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>
<b>Chief's Budget</b>						
220 ■ Turnout gear	32,537	25,000	25,000	25,000	25,000	25,000
<b>Equipment</b>						
200 ■ Hoses	4,072					
210 ■ Air Packs	180					
240 ■ Office Equipment	606					
250 ■ Misc. Equipment (Fixed Asset)	10,370					
<b>Total Equipment</b>	<b>15,229</b>	20,000	20,000	20,000	20,000	20,000
<b>Radio's Pagers</b>						
230 ■ Pagers-new	8,278					
460 ■ Pagers/Radios	2,737					
<b>Total Pagers</b>	<b>11,015</b>	15,000	15,000	15,000	15,000	15,000
<b>Emergency Medical Services (EMS)</b>						
470 ■ Other/First Aid	6,260					
472 ■ Misc. Equipment	120					
<b>Total EMS</b>	<b>6,379</b>	10,000	10,000	10,000	10,000	10,000
<b>Training</b>						
424 ■ Mutual Aid Training	3,943					
426 ■ Regular training	10,558					
428 ■ Conference Attendance	8,543					
<b>Total Training</b>	<b>23,044</b>	24,000	24,000	24,000	24,000	24,000
434 ■ Fire Prevention	991	2,000	2,000	2,000	2,000	2,000
<b>Total Chief's Budget</b>	<b>89,194</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>
<b>Contract Expenses</b>						
401 ■ Office Supplies & #400, #403, #405	1,732	2,000	2,000	2,000	2,000	2,000
402 ■ Postage	520	75	75	75	75	75
407 ■ Internet	4,632	6,000	6,000	6,000	6,000	6,000
404 ■ Computer Software	12,883	12,500	12,500	12,500	12,500	12,500
409 ■ Copier Lease	2,447	-	-	-	-	-
<b>Total Contract Expenses</b>	<b>22,215</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>
<b>Utilities</b>						
410 ■ Electric/Nat Gas/Water	25,843	30,000	30,000	30,000	30,000	30,000
412 ■ Trash Removal	3,221	3,500	3,500	3,500	3,500	3,500
414 ■ Telephone	4,389	3,500	3,500	3,500	3,500	3,500
423 ■ Snow Removal	5,739	7,500	7,500	7,500	7,500	7,500
416 ■ Cellular Phones	3,253	2,500	2,500	2,500	2,500	2,500
<b>Total Utilities</b>	<b>42,445</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>

continued

**Cicero Fire District**  
**2013, 2014 & 2015 Average Actual Activity compared to the 5 year Budget plan with a New Fire Station**  
**Actuals were obtained from the districts Profit and Loss Statement**

P & L Accounts	3 Year Average Based on Actual	2017 Budget New Station	2018 Budget New Station	2019 Budget New Station	2020 Budget New Station	2021 Budget New Station
<b>Building</b>						
<b>Building Maintenance</b>						
418 ■ Building Repairs	7,333					
420 ■ Maintenance Supplies	1,981					
<b>Total Building Maintenance</b>	<u>9,314</u>	12,500	12,500	12,500	12,500	12,500
419 ■ Property Taxes	1,728	10,000	10,000	10,000	10,000	10,000
421 ■ Professional Fees	11,268	-	-	-	-	-
422 ■ Building Upgrade	15,621	-	-	-	-	-
<b>Total Building</b>	<u>37,931</u>	22,500	22,500	22,500	22,500	22,500
<b>Apparatus</b>						
440 ■ Equipment and Vehicle Maint.	50,858	40,000	40,000	40,000	40,000	40,000
450 ■ Fuel (Unleaded & Diesel)	17,047	15,000	15,000	15,000	15,000	15,000
<b>Total Apparatus</b>	<u>67,905</u>	55,000	55,000	55,000	55,000	55,000
<b>Insurances</b>						
481 ■ Property/Casualty	47,109	52,000	52,000	52,000	52,000	52,000
9045.8 ■ Life Insurance	6,584	7,000	7,000	7,000	7,000	7,000
<b>Workers Comp</b>						
9055.8A ■ Sickness and Accident	9,176					
9055.8B ■ VFBL Workers Comp	101,479					
<b>Total Workers Comp</b>	<u>110,654</u>	111,000	111,000	111,000	111,000	111,000
9025.8 ■ State Retirement (LOSAP)	74,214	85,000	90,000	95,000	95,000	95,000
<b>Medical Exams</b>						
430 ■ Physical Fitness	719					
432 ■ Medical Exams	7,250					
<b>Total Medical Exams</b>	<u>7,969</u>	8,000	8,000	8,000	8,000	8,000
<b>Total Insurances</b>	<u>246,530</u>	263,000	268,000	273,000	273,000	273,000
<b>Total Expenses</b>	<u>547,611</u>	544,825	549,825	554,825	554,825	554,825
<b>Other Sources &amp; Uses</b>						
205 ■ Vehicles	(82,194)	-	-	-	-	-
SCBA (air tanks, masks, etc)	-	-	-	-	-	(10,000)
Engine Bond	-	(65,000)	(65,000)	(65,000)	(65,000)	-
Fire Dept. - loan repay	-	(232,750)	(227,750)	(222,750)	(222,750)	(250,000)
Bond Proceeds	266,629					
Bond & Interest payments	(429,632)					
Net Rental Loss	(21,839)					
Other Expenses	(38,648)					
<b>Net Sources (Uses)</b>	<u>(305,684)</u>	(297,750)	(292,750)	(287,750)	(287,750)	(260,000)
<b>Overall Net Income (Loss)</b>	<u>(68,710)</u>	-	-	-	-	27,750

**Fund Balance**

Actual Fund Balance at year end 2015 per Open Book (43,450)

**Estimated Fund Balance Per Combined Budget**

Budget Year	Building Reserves	Apparatus Reserves	Total
2016	100,000	50,750	150,750
2017	550,000	-	550,000
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	22,750	22,750
	<u>650,000</u>	<u>73,500</u>	<u>723,500</u>
Estimated Resevers used based on 2021 Budgeted Balance	(320,000)	(42,750)	(362,750)
Estimated Budgeted Reserve Balance at year end 2021	330,000	30,750	360,750

For comparability purposes of the 3 year average, 2015 grant income and its corresponding expense of \$213,805 used to purchase turnout gear and 2013 Installation Banquet expense of \$20,200 were omitted. Also omitted from 2015 was \$106,234 of fire protection expenses representing a payment to the Cicero Fire Dept. for the funding of the new fire station.

**Cicero Fire District**  
**2013, 2014 & 2015 Average Actual Activity compared to the 5 year Budget plan without a New Fire Station**  
**Actuals were obtained from the districts Profit and Loss Statement**

<b>P &amp; L Accounts</b>	<b>3 Year Average Based on Actual</b>	<b>2017 Budget No New Station</b>	<b>2018 Budget No New Station</b>	<b>2019 Budget No New Station</b>	<b>2020 Budget No New Station</b>	<b>2021 Budget No New Station</b>
1001 ■ Real Property Taxes	343,059	362,575	362,575	362,575	362,575	362,575
2262 ■ Fire Protection Services	433,361	480,000	480,000	480,000	480,000	480,000
Other Miscellaneous Income	8,165	-	-	-	-	-
<b>Total Revenue</b>	<b>784,585</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>	<b>842,575</b>
<b>Personal Services</b>						
100 ■ Salaries-Sec./Treas.	7,719	8,000	8,000	8,000	8,000	8,000
120 ■ Maintenance Salary	7,627	7,000	7,000	7,000	7,000	7,000
9030.8 ■ Social Security	1,180	-	-	-	-	-
406 ■ Legal/Audit Fees	13,873	12,500	12,500	12,500	12,500	12,500
411 ■ Accounting Services	9,918	10,000	10,000	10,000	10,000	10,000
Grant Writer	-	2,500	2,500	2,500	2,500	2,500
408 ■ Association Dues	1,072	750	750	750	750	750
<b>Total Personal Services</b>	<b>41,390</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>	<b>40,750</b>
<b>Chief's Budget</b>						
220 ■ Turnout gear	32,537	25,000	25,000	25,000	25,000	25,000
<b>Equipment</b>						
200 ■ Hoses	4,072					
210 ■ Air Packs	180					
240 ■ Office Equipment	606					
250 ■ Misc. Equipment (Fixed Asset)	10,370					
<b>Total Equipment</b>	<b>15,229</b>	20,000	20,000	20,000	20,000	20,000
<b>Radio's Pagers</b>						
230 ■ Pagers-new	8,278					
460 ■ Pagers/Radios	2,737					
<b>Total Pagers</b>	<b>11,015</b>	15,000	15,000	15,000	15,000	15,000
<b>Emergency Medical Services (EMS)</b>						
470 ■ Other/First Aid	6,260					
472 ■ Misc. Equipment	120					
<b>Total EMS</b>	<b>6,379</b>	10,000	10,000	10,000	10,000	10,000
<b>Training</b>						
424 ■ Mutual Aid Training	3,943					
426 ■ Regular training	10,558					
428 ■ Conference Attendance	8,543					
<b>Total Training</b>	<b>23,044</b>	24,000	24,000	24,000	24,000	24,000
434 ■ Fire Prevention	991	2,000	2,000	2,000	2,000	2,000
<b>Total Chief's Budget</b>	<b>89,194</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>	<b>96,000</b>
<b>Contract Expenses</b>						
401 ■ Office Supplies & #400, #403, #405	1,732	2,000	2,000	2,000	2,000	2,000
402 ■ Postage	520	75	75	75	75	75
407 ■ Internet	4,632	6,000	6,000	6,000	6,000	6,000
404 ■ Computer Software	12,883	12,500	12,500	12,500	12,500	12,500
409 ■ Copier Lease	2,447	-	-	-	-	-
<b>Total Contract Expenses</b>	<b>22,215</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>	<b>20,575</b>
<b>Utilities</b>						
410 ■ Electric/Nat Gas/Water	25,843	30,000	30,000	30,000	30,000	30,000
412 ■ Trash Removal	3,221	3,500	3,500	3,500	3,500	3,500
414 ■ Telephone	4,389	3,500	3,500	3,500	3,500	3,500
423 ■ Snow Removal	5,739	7,500	7,500	7,500	7,500	7,500
416 ■ Cellular Phones	3,253	2,500	2,500	2,500	2,500	2,500
<b>Total Utilities</b>	<b>42,445</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>	<b>47,000</b>

**Cicero Fire District**  
**2013, 2014 & 2015 Average Actual Activity compared to the 5 year Budget plan without a New Fire Station**  
**Actuals were obtained from the districts Profit and Loss Statement**

continued

P & L Accounts	3 Year Average Based on Actual	2017 Budget No New Station	2018 Budget No New Station	2019 Budget No New Station	2020 Budget No New Station	2021 Budget No New Station
<b>Building</b>						
<b>Building Maintenance</b>						
418 ■ Building Repairs	7,333					
420 ■ Maintenance Supplies	1,981					
<b>Total Building Maintenance</b>	<u>9,314</u>	12,500	12,500	12,500	12,500	12,500
419 ■ Property Taxes	1,728	10,000	10,000	10,000	10,000	10,000
421 ■ Professional Fees	11,268	-	-	-	-	-
422 ■ Building Upgrade	15,621	-	-	-	-	-
<b>Total Building</b>	<u>37,931</u>	22,500	22,500	22,500	22,500	22,500
<b>Apparatus</b>						
440 ■ Equipment and Vehicle Maint.	50,858	40,000	40,000	40,000	40,000	40,000
450 ■ Fuel (Unleaded & Diesel )	17,047	15,000	15,000	15,000	15,000	15,000
<b>Total Apparatus</b>	<u>67,905</u>	55,000	55,000	55,000	55,000	55,000
<b>Insurances</b>						
481 ■ Property/Casualty	47,109	52,000	52,000	52,000	52,000	52,000
9045.8 ■ Life Insurance	6,584	7,000	7,000	7,000	7,000	7,000
<b>Workers Comp</b>						
9055.8A ■ Sickness and Accident	9,176					
9055.8B ■ VFBL Workers Comp	101,479					
<b>Total Workers Comp</b>	<u>110,654</u>	111,000	111,000	111,000	111,000	111,000
9025.8 ■ State Retirement (LOSAP)	74,214	85,000	90,000	95,000	100,000	100,000
<b>Medical Exams</b>						
430 ■ Physical Fitness	719					
432 ■ Medical Exams	7,250					
<b>Total Medical Exams</b>	<u>7,969</u>	8,000	8,000	8,000	8,000	8,000
<b>Total Insurances</b>	<u>246,530</u>	263,000	268,000	273,000	278,000	278,000
<b>Total Expenses</b>	<u>547,611</u>	544,825	549,825	554,825	559,825	559,825
<b>Other Sources &amp; Uses</b>						
205 ■ Vehicles	(82,194)	-	-	(40,000)	(40,000)	
SCBA (air tanks, masks, etc)	-	-	-	(20,000)	(20,000)	(20,000)
Engine Bond	-	(65,000)	(65,000)	(65,000)	(65,000)	
Fire Dept. - loan repay	-	(72,000)	(72,000)			
Bond Proceeds	266,629					
Bond & Interest payments	(429,632)					
Net Rental Loss	(21,839)					
Other Expenses	(38,648)					
<b>Net Sources (Uses)</b>	<u>(305,684)</u>	(137,000)	(137,000)	(125,000)	(125,000)	(20,000)
<b>Overall Net Income (Loss)</b>	<u>(68,710)</u>	160,750	155,750	162,750	157,750	262,750

**Fund Balance**

Actual Fund Balance at year end 2015 per Open Book (43,450)

**Estimated Fund Balance Per Combined Budget**

Budget Year	Building Reserves	Apparatus Reserves	Total
2016	100,000	50,750	150,750
2017	100,000	60,750	160,750
2018	95,000	60,750	155,750
2019	106,000	56,750	162,750
2020	120,000	37,750	157,750
2021	150,000	112,250	262,250
	<u>671,000</u>	<u>379,000</u>	<u>1,050,000</u>
Estimated Resevers used based on 2021 Budgeted Balance	<u>(150,000)</u>	<u>(112,250)</u>	<u>(262,250)</u>
Estimated Budgeted Reserve Balance at year end 2021	<u>521,000</u>	<u>266,750</u>	<u>787,750</u>
	*	*	*

\* This amount includes \$40,000 in the SCBA Acct.

For comparability purposes of the 3 year average, 2015 grant income and its corresponding expense of \$213,805 used to purchase turnout gear and 2013 Installation Banquet expense of \$20,200 were omitted. Also omitted from 2015 was \$106,234 of fire protection expenses representing a payment to the Cicero Fire Dept. for the funding of the new fire station.

**Cicero Fire District**

**2013, 2014 & 2015 Average Actual Activity compared to the 2017 Budget plan without a New Fire Station  
Presents the difference between the 3 year average as compared to the 2017 budget  
Actuals were obtained from the districts Profit and Loss Statement**

**Summary Roll Up of Budget Categories**

<b>Budget Categories</b>	<b>3 Year Average Based on Actual</b>	<b>2017 Budget No New Station</b>	<b>2017 Difference to 3 year Average Actual</b>
Real Property Taxes	343,059	362,575	19,516
Fire Protection Services	433,361	480,000	46,639
Other Miscellaneous Income	8,165	-	(8,165)
<b>Total Revenue</b>	<b>784,585</b>	<b>842,575</b>	<b>57,990</b>
Total Personal Services	41,390	40,750	(640)
Total Chiefs Budget	89,194	96,000	6,806
Total Contract Expenses	22,215	20,575	(1,640)
Total Utilities	42,445	47,000	4,555
Total Building	37,931	22,500	(15,431)
Total Apparatus	67,905	55,000	(12,905)
Total Insurances	246,530	263,000	16,470
<b>Total Administrative &amp; Operating Expenses</b>	<b>547,611</b>	<b>544,825</b>	<b>(2,786)</b>

This presentation is a summary roll up of the detail expense accounts. These categories are considered as general operating expenses. Other sources and uses have been omitted. It is a comparison of the average actual revenue and expenses to the proposed 2017 Budget. Budgeted general operating expenses did not significantly change with building a new fire station. The only change between the two plans is a reduced payment for the LOSAP of \$5,000 in years 2020 & 2021, respectively if a new station was built.

**Based on this presentation it appears the purposed 2017 budget is anticipating a reduction of expenses in four of the seven areas. The results of attaining these reductions is beyond the scope of this engagement.**

The 3 year average cost of vehicles of \$82,194 was omitted from this illustration as new purchases are budgeted in years 2019 and 2020

For comparability purposes of the 3 year average, 2015 grant income and its corresponding expense of \$213,805 used to purchase turnout gear and 2013 Installation Banquet expense of \$20,200 were omitted. Also omitted from 2015 was \$106,234 of fire protection expenses representing a payment to the Cicero Fire Dept. for the funding of the new fire station.

**Comparison Listing of Tax Rates for Fire Districts and Fire Protection**

Name	Tax Rate	Total Tax	Total Parcels	Avg Tax per Parcel
1 Sentinel Heights Fire	3.3817	169,394.65	334	507.17
2 S. Onondaga Fire	3.3807	316,367.28	848	373.07
3 Salina Mattydale fire	3.3201	710,864.80	2,450	290.15
4 Howlett Hill Fire	3.2529	481,150.26	1,092	440.61
5 Lyncourt fire	3.2264	635,408.50	1,820	349.13
6 Seneca River Fire	2.9977	76,000.44	356	213.48
7 Navarino Fire	2.9949	187,798.35	499	376.35
8 Nedrow Fire protection	2.7779	229,888.08	1,125	204.34
9 Jamesville Fire	2.7528	462,550.96	903	512.24
10 Hinsdale fire	2.6352	199,976.38	499	400.75
11 DeWitt Fire	2.6330	3,111,296.86	4,940	629.82
12 Fayetteville fire	2.5110	1,364,023.73	2,454	555.84
13 Kirkville fire	2.2258	178,397.07	723	246.75
14 Delphi fire protection	2.1646	140,400.49	606	231.68
15 Cody Fire	2.1513	17,659.93	93	189.89
16 Tully Fire	2.1072	543,884.75	1,543	352.49
17 Fabius - General Fire	1.9878	255,969.74	1,396	183.36
18 Brewerton Fire	1.9126	171,420.43	590	290.54
19 Pompey Fire	1.8132	518,254.41	1,734	298.88
20 Minoa fire	1.8077	802,389.36	3,253	246.66
21 Mottville fire	1.7490	236,702.16	716	330.59
22 Otisco - General Fire *	1.7161	345,790.20	1,838	188.13
23 Manlius fire protection	1.7023	501,681.11	1,225	409.54
24 Manlius fire	1.6949	1,159,676.31	2,928	396.06
25 Taunton Fire protection	1.6872	570,519.31	1,972	289.31
26 North West Fire-Van Buren	1.6703	717,125.14	3,564	201.21
27 North West Fire-Lysander	1.6703	593,573.81	2,750	215.85
28 Warners Fire	1.6419	222,640.59	1,210	184.00
29 Warners Fire	1.6419	176,348.63	790	223.23
30 Lakeside Fire	1.5204	263,786.06	1,562	168.88
31 Liverpool fire	1.4240	1,666,890.70	7,869	211.83
32 Lakeside Fire	1.4139	188,348.92	1,027	183.40
33 Belgium Cold Springs Fire	1.3192	1,219,034.48	4,121	295.81
34 East Syracuse	1.3000	1,380,187.22	4,258	324.14
35 Cicero Fire	1.2859	362,742.69	1,457	248.97
36 Southwood Fire	1.2756	252,019.23	652	386.53
37 Marcellus - General Fire Protection	1.2463	509,211.05	2,986	170.53
38 Onondaga Hill Fire	1.2164	631,022.55	2,833	222.74
39 Plainville Fire	1.1995	316,572.63	1,658	190.94
40 J-E Fire protection	1.0112	248,215.08	1,947	127.49
41 Clay - General Fire Protection *	0.9795	3,271,894.63	19,306	169.48
42 Spafford - General Fire	0.9626	353,652.34	1,861	190.03
43 Camillus Fire	0.9539	510,810.18	3,087	165.47
44 Fairmount Fire	0.9523	792,179.26	5,490	144.29
45 Cicero - Fire Protection	0.9479	1,665,075.20	10,873	153.14
46 W Phoenix Fire	0.8975	100,199.59	592	169.26
47 Lakeside Fire	0.5643	55,607.98	644	86.35
48 Pitcher Hill fire	0.4486	55,353.99	892	62.06
49 Skaneateles fire	0.3579	253,705.94	2,044	124.12
50 Sheppard Settlement	0.3311	12,002.60	261	45.99
51 Skaneateles Falls fire	0.2652	301,603.84	3,250	92.80
52 Lafayette - General Fire Protection *	0.1564	511,916.54	2,577	198.65
53 Geddes Fire Protection *	0.1138	847,234.56	6,044	140.18

Source: 2015 County of Onondaga Towns and City of Syracuse Assessed Valuations, Taxes and Tax Rates General and Special Districts

\* Town is not assessing properties at full value. These rates have been adjusted using their respective equalization rates.

# Cicero Fire District

P.O. Box 1231  
Cicero, NY 13039

May 22, 2016

Office of the Onondaga County Comptroller  
Attention: Judith  
14<sup>th</sup> Floor - John H. Mulroy Civic Center  
421 Montgomery Street  
Syracuse, NY 13202

Dear Judith,

I am writing on behalf of the Cicero Fire District, Board of Fire Commissioners as Chairman at the request of your office in response to the latest report that was released to us regarding those findings that require responses on our behalf as a result of the audit.

Upon receipt of this report, the Board of Fire Commissioners convened as a group to review and discuss those items your office has outlined. As discussed in the meeting we held at Cicero Fire Station # 1 back in March, we as a board were aware that several decisions that were made in the past have ultimately affected our overall operation and led us to this point which we are not proud of.

Over the years, we as a board feel that the Fire District was a financially sound entity; however a drastic decline began in 2008 / 2009 at which time we started to experience budgetary concerns with the Town of Cicero. During this time frame, it was noted by the then Town Board that the Cicero Fire District had too much money in its reserve accounts and that we needed to start using these reserve accounts instead of asking for a tax increase during our budget negotiations .

During this time frame and in the years to come, this became a common problem with the then and current Town Board as each year we attempted to explain that for several years leading up to this point, the residents of the Cicero Fire District were being taxed to fund an increase in our budget while the residents of the Cicero Fire Protection District (our primary coverage area) was being taxed, however that funding was being distributed to the other Town of Cicero Fire Departments.

At the time, the then Board of Fire Commissioners made a decision (which we now realize was not in the best interest overall) to not increase taxes within the Cicero Fire District coverage area and attempted each year to negotiate with the then and current Town Board to increase our Cicero Fire Protection District coverage area funding with great resistance.



As a result of being criticized for the amount of our reserve accounts in 2007, 2008, 2009, 2010 the Board of Fire Commissioners started to utilize those funds to make purchases of the following items which replaced aging equipment or required repairs to the current stations:

- 2008 Ford F-350 (Squad # 1)
- 2008 Chevrolet Trailblazer (Chief Vehicle)
- 2009 Chevrolet Tahoe (Chief Vehicle)
- 2010 Chevrolet Tahoe (Chief Vehicle)
- 2010 Ford F-350 (Squad # 2)

Prior to the request of the Town of Cicero Supervisor Zambrano and Supervisor-Elect Venesky demanding an audit be done by your office, the Board of Fire Commissioners began talks in the summer of 2015 amongst the board to seek other alternatives of absorbing the Cicero Fire Protection District (our primary coverage area) into the Cicero Fire District.

The Board of Fire Commissioners feel the pros outweigh the cons should the Cicero Fire Protection District (only our primary coverage area) be absorbed in the Cicero Fire District and outlined below are some reasons:

Pros:

- Elimination of two different tax rates
- Elimination of the Town Board involvement
- Elimination of a small group able to seek election as a Fire Commissioner
- Elimination of taxation without representation (taxpayers will be able to vote on all items)
- Elimination of the continue controversy at budget time amongst all town fire departments (many arguments result in the amount awarded by the Town Board without explanation)

Cons:

- Tax rates in other areas will increase to fund the services of their primary Fire Department (not using funds levied in other coverage areas) which is the current practice

The board is well aware, those on the outside may disagree with our views and be able to add to the list of "Cons" however, as elected officials we have a duty to provide the best and reliable protection to the

residents within our primary coverage areas and we know their levied tax dollars are being used to offset the cost in the other coverage areas.

As outlined in your final draft report which you released the Cicero Fire District and the Town of Cicero Supervisor Mark Venesky there were several items which you classify as "General Observations" which we previously replied with responses, however we outline here in an official letter.

**General Observation:**

Board meeting minutes for 2014 and 2015 were reviewed from the files obtained from the Fire District. The monthly Board meeting minute's packets contained an interim balance sheet, an interim P&L statement, and reports of bills paid and unpaid.

We noted the monthly board meeting minutes indicate the approval of paid and unpaid bills in aggregate, but the minutes do not specifically document individual invoices were presented to the board for their review and approval.

**Recommendation:**

We recommend the minutes of the board meetings include language attesting to the fact individual invoices were presented, reviewed and approved by the board. We also, suggest on an annual basis, the board adopt and approve a listing of routine monthly expenses, such as telephone and utilities, etc., whereby these invoices would not need to be presented at the meetings.

**Fire District Response:**

The Board of Fire Commissioners mandate all purchases that are made be submitted with a Purchase Order that outlines the following:

- Claimants Name and Address
- Item(s) Purchased
- Price and Total
- Fire District Official Making Purchase
- Fire District Account Code
- Fire District Account

Once these bills are received, they are reviewed by the Board of Fire Commissioners and discussed at the annual monthly meeting (second Tuesday of each month). When the bill(s) are approved, they are noted / signed as approved and forwarded to the Fire District Accountant Benn & Company by the Fire District Secretary Frank Delucia.

The Fire District Accountant will then create the final check for those items listed and mail to the claimant as outlined. The accountant prior to each meeting, with provide a detail summary of all Fire

District accounts (savings, checking, reserve) and a detailed breakdown of each sub-category (ex) Turnout Gear, Vehicle Maintenance on what is budgeted and what was spent.

**General Observation:**

We noted in April 2015 the Board of Fire Commissioners approved payment of \$106,233.93 to the Cicero Fire Department. Subsequent Events Note # 6 from the 2014 audited financial statements state the funding is for the new fire station and once financing for the station is received the money will be returned to the District.

**NOTE 6. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through July 31, 2015 which is the date the financial statements were available to be issued. In April of 2015, the Board of Fire Commissioners voluntarily resolved to pay the Cicero Fire Department \$106,234 of the District's 2014 and 2015 Fire Protection contracts for the funding of the new fire station. Once financing for the station is received, the Fire Protection money will be returned to the District.

A partial copy of a resolution regarding this payment was attached to the April meeting minutes. The resolution (final resolution not reviewed at this time) stated the funds represented payment to the Fire Department for fire protection within the Town of Cicero outside the territory of the Fire District for the years 2014 and 2015.

Whereas, the Cicero Fire Department provides fire protection to territory outside of the Fire District;  
Whereas, The Cicero Fire District has long since promised to provide a portion of the funds received from the town of Cicero to the Cicero Fire Department;  
Whereas, the law permits the department to receive up to 35% of the funds;

NOW THEREFORE, It is hereby resolved as follows:

Be it resolved that the Cicero Fire District shall remit to the Cicero Fire Department the sum of \$ 53,116.96, representing 35% of the funds from the Town of Cicero for protecting the Fire Protection District for the year 2015; and the sum of \$ 53,116.97 for the year 2014.

These two items seem to contradict each other. It is unclear if a receivable or a liability exists on behalf of the fire district.

**Recommendation:**

The Board of Commissioners and the Cicero Fire Department should arrive at a consensus to resolve the conflict that arises from these statements.

**Fire District Response:**

The fire house construction project has undergone a change in structure since its original proposal. As an ongoing and unsettled matter the District is currently developing a conclusive finalization of these plans, as it may appear conflicting the ultimate goal is one between the District and Department, to construct a new facility that will properly and safely accommodate the equipment and volunteers that serve the District.

**General Observation:**

Contribution amounts made to the Length of Service Award program (LOSAP) for 2013, 2014 and 2015 by the Fire District have been lower than the contribution amounts recommended by the plan's manager.

**Recommendation:**

Management should review the plan with the plan manager to ensure proper funding in order to avoid having to make an unplanned payment in the future. This issue should be discussed with the accounting firm preparing their Annual Update Document on the issue of recognizing a liability for the underfunding.

**Fire District Response:**

The 2014 was funded in accordance with recommended contributions except the plan is underfunded at this time and has been for some time. The district is working on the underfunding with the plan administrator.

**General Observation:**

We noted a Tax Anticipation Note (TAN) was taken out for \$60,000 in December of 2014. This note was paid off in March of 2015. Another Tax Anticipation Note (TAN) for \$60,000 was taken out again in December 2015. The need for a TAN for the past 2 consecutive years indicates the District is not able to cover their annual operating costs with the current level of revenue received from Real Property Tax and Fire Protection Income from the Town of Cicero.

**Recommendation:**

Management should review anticipated expenditures and debt payments to determine the optimum level of funding needed for operations.

**Fire District Response:**

The District does use TAN's to fund tax proceeds until such time tax money is received and then the TAN is paid off.

**General Observation:**

The 5 year plan indicates the same amount of budgeted revenue regardless of the outcome of building a new fire station. In one case this may alleviate the need to use a TAN to meet current operating conditions and in the other we would question the means to pay the debt on new the station if expenses remain historically comparable to prior years.

The proposed budget for the Total Building category of \$22,500 as compared to the 3 year actual average may be low, considering, the fire district is responsible for the repairs and maintenance on Fire Station #1 and #2.

The district did receive a federal grant of approximately \$213,000 which it used to purchase turnout gear. At this time it is unclear, if this source will be available in the future to cover this equipment purchase or if the district will need to budget accordingly.

**Fire District Response:**

The Fire District is aware of these concerns as you have outlined, however we feel the biggest obstacle we are facing is the inconsistencies between the Fire / Protection Districts we provide primary coverage for.

As outlined above, the tax rates for both areas is different, however we provide the same service to both areas and the money levied in our protection area is distributed to fund the other fire departments and most recently in 2015 we received a ZERO percent increase.

With that said, it's very difficult to for the Board of Fire Commissioners on a continued basis to approach the budget sessions each year with the Town of Cicero asking for an increase rather it be small or larger, without resistance from not only both side, but the other Town of Cicero Fire Departments as they will need to increase taxes within their protection areas.

**General Observation:**

The chart below represents the allocation of tax dollars from the Town of Cicero to the 5 fire departments that provide fire protection to the Town.

Fire Protection Income from the Town of Cicero										
	2012	%	2013	%	2014	%	2015	%	2016 *	%
Cicero	413,780	27.6%	422,105	27.9%	438,989	28.2%	438,989	26.9%	482,500	28.2%
Brewerton	376,171	25.1%	378,786	25.1%	389,100	25.0%	398,403	24.4%	410,576	24.0%
North Syracuse	260,753	17.4%	260,753	17.3%	265,968	17.1%	269,016	16.5%	270,744	15.8%
Bridgeport	127,450	8.5%	128,750	8.5%	130,000	8.4%	130,000	8.0%	132,600	7.7%
South Bay	320,800	21.4%	320,800	21.2%	331,910	21.3%	394,557	24.2%	417,529	24.4%
<b>Total Town of Cicero Fire Protection</b>	<b>1,498,954</b>		<b>1,511,194</b>		<b>1,555,967</b>		<b>1,630,965</b>		<b>1,713,949</b>	

\* increases from 2015 to 2016 = 3.1%,9.9%,5.8%,2%,0.6%

Sources: Town of Cicero website - Adopted Budgets

The chart below represents the call volume, department size, and revenue received from the Town of Cicero for the 5 fire departments that provide fire protection to the Town of Cicero. The Cicero and Brewerton departments are classified as a fire district and have the ability to assess real property taxes as a source of revenue. Those properties that are within their

respective fire district are taxed at their district rate (if applicable). All properties not in a fire district are taxed at the Town of Cicero rate.

Fire Department Dispatch/Call Volume History - Town of Cicero										
	2014	%	2015	%	# Stations	# Volunteers	2015 Fire Protection Income	2015 Town of Cicero tax rate**	2015 Real Property Tax	2015 Fire District tax rate**
Cicero	1,200	29.6%	1,103	27.3%	2	75	438,989	0.9479	360,065	1.2859
Brewerton	* 916	22.6%	974	24.1%	2	60	398,403	0.9479	198,848	1.9126
North Syracuse	813	20.1%	799	19.7%	2	45	269,016	0.9479	-	-
Bridgeport	748	18.5%	783	19.4%	2	44	130,000	0.9479	-	-
South Bay	377	9.3%	387	9.6%	1	40	394,557	0.9479	-	-
	<u>4,054</u>		<u>4,046</u>				<u>1,630,965</u>		<u>558,913</u>	

Sources: Dispatches - Onondaga County Department of Emergency Communications, Stations & Volunteers - www.firedepartment.net,  
 Fire Protection - Town of Cicero 2015 Adopted Budget, Real Property Tax - Open Book New York; no real property tax due to not being a district  
 \* Fire calls include EMS calls, Brewerton maintains a separate ambulance service.  
 Brewerton ambulance dispatches have been added to make information comparable.  
 \*\* Tax rates are per \$1,000 of assessed value.

**Fire District Response:**

On the chart listing the Fire Department Dispatch / Call Volume History, it is noted on the bottom (disclaimer) that the Brewerton Fire Department does maintain an ambulance and those alarms were added to the fire departments total numbers.

To provide some insight on this, the Brewerton Fire Department operates from the Brewerton Fire Station # 1; however they receive funding from the Town of Cicero through an Ambulance District that has been established funding their operation (this money is not outlined above).

Another concern we have with the comparison as published is those alarms that the Brewerton Fire Department Ambulance answers and how they have been added to the Brewerton Fire Departments total alarm response.

Any alarm(s) that the Brewerton Fire Department Ambulance responds to should be removed and omitted as outlined as the above line item for the Brewerton Fire Department / Ambulance is not accurate.

**Closing Comments:**

The Board of Fire Commissioners in conjunction with the New Building Committee which includes members of the Cicero Fire Department reviewed the following options:

- Construct a new fire station
- Complete all necessary repairs to the current facility

As a result of reviewing these options, the Cicero Fire District / Department over the last three years held several informational meetings which were open to the public and town fire departments to attend as we discussed the intent to construct a new fire station.

The Cicero Fire Department is currently in the final stages of securing funding to proceed with the plans to construct a new fire station located at 8387 – 8397 Brewerton Road which is located next to our current Fire Station # 1 (8377 Brewerton Road).

At this time, the Board of Fire Commissioners feel the option of constructing a new fire station is best choice for the following reasons:

- Elimination of repairs to our aging / outdated building
- Elimination of the safety concerns for our members
- Planning for the future

Once the loan is secured by the Cicero Fire Department, the Cicero Fire District will enter into a lease agreement which will allow the Fire District to sell the current land to the Fire Department recuperating \$250,000.00 which will be placed into a reserve account.

This funding will also assist the Fire District with any emergency purchases that may arise whether it is apparatus or equipment and allow us to complete a five year determination on what budgetary increases will be required to efficiently manage our funds.

In closing, we appreciate the assistance, recommendations your office has provided us over the last five months. We will be working towards those recommendations and will continue to follow those policies / procedures which are outlined by NYS Fire District Law to make sure we are operating efficiently and doing what's best for the members of the Cicero Fire Department who on a daily basis provide the best service to the residents of the Town of Cicero along with our Mutual Aid Fire Departments.

In the event you require any additional responses or have any questions, I ask that you please contact me (cell) 315-491-5086 or (email) [jperrinj@verizon.net](mailto:jperrinj@verizon.net) to discuss prior to releasing the final report.

Sincerely;

James Perrin Jr.  
Chairman  
Board of Fire Commissioners

Cc: Board of Fire Commissioners