

**MELROSE FIRE DISTRICT**  
**Firehouse Project Facts #6**  
**November 24, 2025**  
**NEW FIREHOUSE RATIONALE III**

**Fire Commissioners – Duties To The Community**

New York fire districts are established under Article 11 of the NYS Town Law which outlines their formation, powers, and the roles of fire district commissioners (Commissioners). Fire districts are governed by a board of five elected unpaid Commissioners.

The Melrose Fire District (District) is a separate public corporation (municipal governmental entity) that contracts with the Melrose Fire Co., Inc. (Company), a nonprofit 501c3 organization, to provide fire and rescue services in the District's geographic area which covers 36 sq miles in the Town of Schaghticoke and 19 sq miles in the Town of Pittstown.

**MELROSE FIRE DISTRICT FACTS**

The District has a duty to the community to provide effective fire protection by:

- Fostering an environment that enhances recruitment and retention of volunteer firefighting personnel to ensure proper incident response staffing levels.
- Managing the fire district's affairs, including setting operational policies, controlling District property, and by developing, adopting and monitoring the District's annual budget.
- Planning for both long-range capital facilities and equipment replacement and for the ongoing maintenance of equipment and buildings necessary for the Company to safely execute their mission.
- Ensuring the efficient and proper use of public funds to provide fire protection.

**Melrose Fire District – Multiyear Capital Planning**

As previously reviewed in Melrose Fire District, Firehouse Project Facts #1, NYS Comptroller, Thomas DiNapoli's *Local Government Management Guide, Multiyear Capital Planning*, establishes the importance of capital planning by municipal governments such as the Melrose Fire District. The report emphasizes the following:

"New York's local governments are responsible for maintaining and improving a substantial portion of our public infrastructure. A safe and reliable transportation network, clean and abundant water, modern educational facilities and other capital assets form the foundation for successful communities."

"Unfortunately, numerous studies have pointed out that New York's local governments have been underfunding their capital needs over the last several decades. In order to reverse this trend, additional federal, State and local resources may need to be dedicated for sustained investment. Equally important is a commitment by local governments to engage in effective multiyear capital planning."

"There are many benefits to a robust capital planning process. Local governments should, and in some cases must, create a comprehensive inventory of their capital assets and "know what they own." The process of prioritizing capital investments can make sure key assets are repaired or replaced before an emergency occurs. Finally, local government leaders can engage their community in understanding the costs and benefits of maintaining capital infrastructure."

Local government capital planning is a process for strategically managing large, long-term investments in assets like infrastructure and apparatus. Fiscal management ensures these plans are financially sustainable through budget planning, by identifying funding sources, and by considering the full lifecycle costs, including ongoing maintenance

**Capital Planning – The New Firehouse is Key**

The proposed new firehouse is the key component of the District's capital plan and provides a foundation for the future by aligning long-term fire protection goals with the District's operating budget over a multi-year period.

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The District's firehouse capital plan and an apparatus replacement plan also adopted by the District, have been developed over the past ten years, to ensure the long-term financial and operational viability of the District's capital assets. These plans were developed to address the critical capital asset replacement budgetary gaps identified by the Commissioners in 2016.

As detailed in Firehouse Project Facts #1, the District's Building Reserve, which is used to set aside funds to finance future construction cost, had a balance of only \$66,696 as of December 31, 2016. Moreover, the District's 2016 Operating Budget of \$308,400, which had increased by only \$20,549 between 2010 and 2016, did not adequately include funding for the District's future capital needs. Remarkably, the 2016 Operating Budget included only a small annual transfer of \$20,766 to the Building Reserve for future construction costs and a nominal amount of \$5,850 allocated for ongoing yearly building repairs and maintenance.

The Commissioners realizing in 2016 that they were facing a firehouse with serious life-safety and operational issues, as cited in the Building Condition Survey report, and a budget unable to support routine firehouse repairs and maintenance, much less a major renovation or reconstruction capital project, began developing a long-term plan to address these major problems.

Specifically, the Commissioners adopted a multiyear plan that increased the District's budgetary transfer to the Building Reserve from the \$66,696 in 2016 to the \$258,500 transfer that is included in the 2026 District budget. This plan has allowed for the District to accumulate about \$1.2 million in the Building Reserve since 2016. These funds will be used to reduce the amount necessary to borrow for the new firehouse.

The Commissioners recognized that by creating this structured approach to budgeting for the firehouse replacement, there would be a significant budget increase, along with an associated tax levy increase. To that end, the Commissioners have adopted budgets from 2016 to 2026 that increased from \$308,400 to \$629,000 respectively, a \$320,600 increase over that time. The primary factor driving this change has been the need to rectify the substantially underbudgeted transfer to Building Reserve line-item resulting in an increase from \$20,766 in 2016 to \$258,400 in 2026, a \$237,634 change.

To offset budget increases needed to fund the capital plan, the Commissioners have aggressively pursued operating expense reductions, grant opportunities and new revenue sources. Over the same time period of 2016-2026, the District's budget for operating expenses increased by only \$38,566, excluding debt service payments and transfers to reserve funds, even as costs for apparatus fuel, utilities, turnout gear and equipment maintenance have significantly increased, along with the newly added cost of required firefighter cancer coverage insurance.

Notably, savings have been achieved through the District's move to the Rensselaer County Workers' Compensation pool which reduced insurance expenses by \$8,750, as well as the reduction of self-contained breathing apparatus (SCBA) equipment costs through a \$186,000 Federal grant that funded the replacement of all the District's SCBA units. The District also increased revenues by \$34,000 in 2023 and 2024 through a contract with the Town of Pittstown to provide fire protection services in the Tomhannock Fire Protection District (TFPD). Beginning in 2025, the District accepted, from the now dissolved TFPD, an additional 72 properties with a combined value of \$23.7 million into the District's boundaries which allows for the tax levy to be distributed across a greater number of properties districtwide.

The Commissioners acknowledge the additional tax levy that has already been adopted to implement the capital plan and they are appreciative of the community's continuing support of the Company and its volunteers. As Comptroller DiNapoli stated, ***"New York's local governments are responsible for maintaining and improving a substantial portion of our public infrastructure."*** The Commissioners in their role as local government officials are committed to their responsibility for maintaining a safe, healthy and operationally efficient firehouse that will allow for the Company to effectively provide the fire protection services that the District has a duty to provide the community.

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Furthermore, as Comptroller DiNapoli reported, *“Unfortunately, numerous studies have pointed out that New York’s local governments have been underfunding their capital needs over the last several decades. In order to reverse this trend, additional federal, State and local resources may need to be dedicated for sustained investment. Equally important is a commitment by local governments to engage in effective multiyear capital planning.”*

The Commissioners of the Melrose Fire District were duty-bound in 2016 to address the precise capital asset “underfunding” condition identified by the Comptroller as a statewide issue. By establishing a structured multiyear approach to funding capital asset replacement, the District is laying a financial and operational foundation for the current and future generations of Melrose residents that is designed to avoid unanticipated capital costs and the financial strain that can be caused by a failure to properly plan for long-term capital investments.



The new firehouse is the “key” component to establishing that foundation by creating an environment that;

- Fulfills the Commissioners’ legal and moral duty as an employer to provide a safe and healthy workplace, reflecting the District’s genuine commitment to its most valuable asset, its volunteers.
- Enhances recruitment and retention of volunteer firefighting personnel to ensure proper incident response staffing levels.
- Provides dedicated capital asset funding for future repair, maintenance and replacement and anticipates future capital needs rather than reacting to crises.

For more information on the Board’s firehouse plan, please see Firehouse Project Facts #7, December 1, 2025, New Firehouse Financial Plan.