



VILLAGE OF DOBBS FERRY BOARD OF TRUSTEES
REGULAR MEETING AGENDA

MEETING DATE: April 23, 2024

AGENDA ITEM SECTION: Resolutions

AGENDA ITEM NO. : 1

AGENDA ITEM:

Resolution: Consider a resolution subject to mandatory referendum in the November 2024 General Election, to increase the amount of Village contributions to the current service award program for members of the Dobbs Ferry Volunteer Fire Department

ITEM BACKUP DOCUMENTATION:

1. Draft resolution
2. Memorandum dated March 27, 2024 from William Osborn/Fire Chief to Mayor Vincent Rossillo and the Board of Trustees
3. Actuarial Cost Estimate
4. Draft public notice and draft proposal verbiage

**RESOLUTION AUTHORIZING AMENDMENTS TO THE DOBBS FERRY FIRE
DEPARTMENT SERVICE AWARD PROGRAM, SUBJECT TO MANDATORY
REFERENDUM BY ELIGIBLE VOTERS, THAT WILL INCREASE THE MAXIMUM
YEARS OF SERVICE CREDIT FROM 40 YEARS TO 50 YEARS AND INCREASE THE
MONTHLY SERVICE AWARD FROM \$20 TO \$30**

WHEREAS, in 1991, the Dobbs Ferry Village Board of Trustees adopted a length of service award program ("LOSAP") for the benefit of the members of the Dobbs Ferry Volunteer Fire Department and, in accordance with NYS General Municipal Law Article 11-a, the LOSAP was subject to mandatory referendum and approved by the Village's eligible voters; and

WHEREAS, under the LOSAP a maximum service credit award of \$800 is available based upon the terms which provide (i) a qualified volunteer firefighter may earn a \$20 monthly service award for each year of service credit, and (ii) the maximum number of years of service credit a qualified volunteer firefighter may earn is 40 years; and

WHEREAS, the Village Board of Trustees has been considering amendments to the LOSAP that will (i) increase the monthly service award to \$30, and (ii) increase the maximum number of years of service credit to 50 years, which would result in a maximum monthly service award of \$1,500 for qualified volunteer firefighters under the LOSAP; and

WHEREAS, the annual funding cost of the current LOSAP for 2024 was approximately \$106,000, or \$1,232 per participating volunteer, and the annual funding cost of the amended LOSAP is estimated to be approximately \$160,000, or \$1,860 per participating volunteer; and

WHEREAS, in accordance with General Municipal Law Article 11-a, the LOSAP may be amended in the same manner as the program was created and will require Village Board adoption by an affirmative vote of at least 60% of the board members with that vote subject to approval of a mandatory referendum authorizing the Village Board's adoption by the eligible voters in the Village of Dobbs Ferry.

NOW THEREFORE BE IT RESOLVED, that, the Village Board of Trustees finds that amendments to the Length of Service Award Program for the members of the Dobbs Ferry Volunteer Fire Department, which will result in an increase in the maximum service credit award from \$800 to \$1,500 for qualified volunteers, will serve the public interest by enhancing the recruitment and retention of volunteer firefighters and reward the volunteer firefighters for their service to the community; and

BE IT FURTHER RESOLVED, that, in accordance with the authority in NYS General Municipal Law Article 11-a, the Village Board of Trustees hereby approves amendments, effective January 1, 2025, to (i) extend the maximum years of service credit that may be earned from 40 years to 50 years, and (ii) increase the monthly service award from \$20 to \$30, which will result in an increase to the maximum monthly service award from \$800 to \$1,500; and

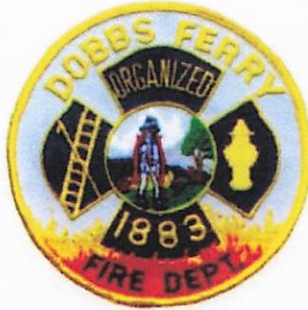
BE IT FURTHER RESOLVED, that, this resolution shall be subject to approval of a mandatory referendum authorizing adoption of these amendments by the qualified voters of the Village of Dobbs Ferry and, in furtherance of this mandate, the Village Board hereby instructs the Village Clerk to undertake all necessary steps to cause said referendum to be placed on the ballot for the next general election, scheduled for November 5, 2024, and to comply with any rules and procedures as may be established by the Westchester County Board of Elections for the conduct of such election.

Dobbs Ferry Fire Department

112 Main Street PO Box 95, Dobbs Ferry, NY 10522

Non-Emergency # 914 693-0310

Fax # 914 693-0996



Livingston Hose Company #1

Ogden Engine Company #1

Resolute Hook & Ladder Company #1

To: Mayor Vincent Rossillo, and Board of Trustees

CC: Robert Yamuder, Village Administrator

Jeff Chuhta, Village Treasurer

Elizabeth Dreaper, Village Clerk

From: William Osborn, Fire Chief

Subject: Length of service award program (LOSAP) amendment

Date: March 27, 2024

In 1991, the Village of Dobbs Ferry Board of Trustees adopted a volunteer firefighter length of service award program (LOSAP). The purpose of this program is to assist with recruiting, retaining, and rewarding volunteers for their service to the community. Within the past few years New York State has amended the program allowing the municipalities who oversee these programs to increase the benefits the volunteers receive. Our Current program allows a \$20 monthly service award for each year of service up to 40 years, which means the maximum amount a volunteer can receive is \$800 dollars a month once they reach the entitlement age of 65 years old.

We are asking that the Board amends this program that will raise the monthly service award amount for each year of service to \$30 dollars, and increase the maximum years of service credit to 50 years, which means the maximum amount a volunteer can receive would be \$1,500 a month once they reach the entitlement age of 65 years old. If a firefighter joined at 18 years old they would have to be active for 50 years and would not hit the maximum credit of \$1,500 a month until they are 68.

Not all current volunteers will reach the maximum service credit. For example under the current program if we have a volunteer and they are active for 20 years under the current program they would be entitled to \$400 dollars a month once they reach 65. Under the new program they would be entitled to \$600 dollars a month once they reached 65 years old.

In order for this amendment to occur, the Board would have to pass a resolution, which is subject to mandatory public referendum. Other municipalities are expanding their programs as well to help with recruitment and retention in the volunteer fire service.

Thank you for your time and consideration with this matter. Please contact me with any questions.

Village of Dobbs Ferry Fire Department Service Award Program

ACTUARIAL COST ESTIMATE

Actuarial Valuation Results as of January 1, 2023

Net Program Assets	\$1,439,402
Actuarial Accrued Liability	\$2,124,392
Program Funded Ratio	68%
[Assets / Accrued Liability]	
Unfunded Program Liability	\$684,990
Calculated Contribution due in 2024	\$106,102
Total Plan Participants	86

Actuarial Cost Estimates

Estimate	Accrual Rate	Service Credit Maximum	Funded Ratio	2025 Estimated Contribution	Per Participant Cost
Baseline	\$20	40	68%	\$114,000	\$1,326
Option 1	\$30	40	68%	\$150,000	\$1,744
Option 2	\$30	50	68%	\$160,000	\$1,860

This estimate is for proposed program amendments to increase the Accrual Rates and Service Credit Maximum prospectively as illustrated in the table above. For cost estimate purposes, an assumed effective date of January 1, 2024 was used. These actuarial estimates are based on the Market Value of Assets, Membership Data and assumptions and methods from the January 1, 2023 Annual Report.

Baseline: The baseline 2025 Estimated Contribution of \$114,000 is an increase of about \$8,000 compared to the calculated contribution due in 2024 of \$106,102 (from the Valuation Results as of January 1, 2023). This increase is primarily due to a portion of loss experienced in the Service Award Program Trust Fund during 2022 (-13.2%) being deferred into 2025 program costs.

Option 1 & Option 2: The estimated contributions under each proposed amendment are illustrated in the table. The increases from the baseline are primarily due to active participants now projected to accrued future services beyond the current \$800 monthly service benefit limit. However, we expect that the contribution may increase further as other participants, particularly those who are already receiving benefits, continue to earn service credits at higher accrual rate. These program amendments are assumed to be prospective only, and therefore, would not have an impact on the current funding status of the program. In other words, the Funded Ratio will not be impacted by the increase in the Accrual Rates and/or Service Credit Maximum.

Penflex Actuarial Services, LLC has prepared this analysis for the exclusive use of the Village of Dobbs Ferry. This cost estimate should not be relied on for any purpose other than the purpose stated nor shared with any other party without the express written consent of Penflex Actuarial Services, LLC. Future results may differ significantly from the current results presented due to many factors including: Program experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes expected as part of the actuarial methodology; and changes in other Program provisions or applicable law. Therefore, we caution the LOSAP Committee to consider that future contributions may be higher than the amounts shown here.

Public Notice (Draft)

THE BOARD OF TRUSTEES OF THE VILLAGE OF DOBBS FERRY ADOPTED A RESOLUTION ON **xxxxx**, AUTHORIZING, PURSUANT TO ARTICLE 11-A OF THE GENERAL MUNICIPAL LAW OF THE STATE OF NEW YORK, A PUBLIC REFERENDUM OF ELIGIBLE VOTERS OF THE VILLAGE OF DOBBS FERRY. THE REFERENDUM SEEKS APPROVAL OF THE AFOREMENTIONED RESOLUTION TO AMEND THE DEFINED BENEFIT SERVICE AWARD PROGRAM, WHICH WAS ESTABLISHED BY THE BOARD OF TRUSTEES EFFECTIVE JANUARY 1, 1991. THE VILLAGE OF DOBBS FERRY FUNDS AND ADMINISTERS THE PROGRAM FOR ACTIVE VOLUNTEER FIREFIGHTERS OF THE VILLAGE OF DOBBS FERRY.

IF APPROVED, THE AMENDMENT WOULD BE EFFECTIVE JANUARY 1, 2025 AND, WOULD INCREASE THE YEARS OF SERVICE CREDIT THAT CAN BE EARNED BY A VOLUNTEER UNDER THE PROGRAM FROM FORTY (40) TO FIFTY (50) YEARS AND INCREASE THE MONTHLY SERVICE AWARD TO \$30 FOR YEARS OF SERVICE CREDIT EARNED AFTER 2024.

THE ANNUAL FUNDING COST OF THE CURRENT PROGRAM FOR 2024 WAS ABOUT \$106,000 (\$1,232 PER PARTICIPATING VOLUNTEER). THE ANNUAL FUNDING COST OF THE AMENDED PROGRAM FOR CURRENT VOLUNTEERS IS ESTIMATED TO BE ABOUT \$160,000 (\$1,860 PER PARTICIPATING VOLUNTEER). THERE WILL BE NO INCREASE IN THE PROGRAM ADMINISTRATION COSTS AS A RESULT OF THIS AMENDMENT. THE FAILURE OF THE AMENDMENT TO BE APPROVED BY THE VOTERS OF THE VILLAGE OF DOBBS FERRY WILL IN NO WAY AFFECT THE PROVISIONS OF THE SERVICE AWARD PROGRAM PRESENTLY IN EFFECT.

Proposal verbiage (Draft)

Do you support an amendment to the Volunteer Fire Department Length of service award program (LOSAP) to increase the maximum years of service credit from 40 years to 50 years, and to increase the monthly service award under the program from \$20 to \$30?

A vote “Yes” will amend the Length of service award program as stated above.

A vote “No” will leave the current Length of Service award program in place.