VILLAGE OF SHERMAN
MINUTES OF THE SPECIAL BOARD MEETING
Wednesday, September 30, 2026, at 6pm
In the Fire Hall at 122 Park Street, Sherman

Mayor Meeder called the meeting to order at 6:00pm and led everyone in the pledge of allegiance. Board members Mayor Colleen Meeder, Trustees Danielle Crane, Gary Emory, Ryan Sanders, & Dennis Watson; Village Clerk-Treasurer Jeanette Ramm; Fire Chief Matt Oehlbeck; 1st Assistant Chief Jared Oehlbeck; 2nd Assistant Chief Brett Cook; members of the Stanley Hose Fire Co.; and members of the public totaling more than 100 people were in attendance, with more people arriving throughout the meeting.

The special meeting was held to approve annual fire protection contracts with North Lake Fire District, and the towns of Mina, Sherman, and Westfield in time for their annual budget meetings. The meeting was held at the Fire Hall to accommodate the inclusion of a public presentation, followed by a time of questions and answers first to the fire department and its members, then to residents, and then to other stakeholders.

RES 2026-09-30.1: FIRE PROTECTION CONTRACTS
Motion to authorize the clerk-treasurer to draft and distribute the 2027 Fire Protection Contracts to North Lake Fire District, and Towns of Mina, Sherman, and Westfield with a 5% increase as directed by Chief Matthew Oehlbeck; and to authorize the mayor to execute said contracts; and to authorize the June 2027 collection and July 2027 remittance of said funds to The Stanley Hose Company, Inc. in full.
Moved by Trustee Crane Seconded by Trustee Emory
Ayes: 5 Nays: 0 Carried

FIRE DEPARTMENT PRESENTATION
Using a slideshow, the mayor gave a thorough presentation on the structure of **all** organized fire departments of a governmental entity/political subdivision 'county, city, village, town, or fire district', and the fire companies 'of and for' fire departments supporting in the prevention and extinguishment of fires and EMS. The presentation then focused on the legal structure under NY State's Village Law (VIL), along with related procedures and reporting pertaining to the Sherman Fire Deptartment and its Stanley Hose Company. The full presentation along with all other related materials from the meeting can be found at www.shermanny.gov/sept2026specmtg

Questions and responses that followed include:

- K. Cady – given SHC has direct administrative control, ***but*** the Village has 'general control', how can SHC be guaranteed that the Village won't take $funds from SHC? That is why the Fire Dept Policy Local Law is drafted with language explaining the **unique** relationship wherein the **funds GO TO Stanley Hose Company** for SHC to manage and invest, (when most fire companies give funds to the municipality for the volunteer fire department).
  - The mayor repeatedly emphasized in the meeting, **"Stanley Hose Co., a not-for-profit corporation, is a "separate legal entity" under the laws of New York State.** However, it is not an independent entity, it is "inextricably linked" and "integral" to the mission of the municipality in providing an "essential public service", making the government board (Village Trustees) responsible: "the elected officials of the primary government are financially accountable".
  - The village has **no** direct administrative control over or access to SHC accounts.
  - It is best for the funds to be managed by SHC. Municipalities are limited to the type of banks and investing that can be done with 'taxpayer' funds, whereas not-for-profits don't

have those restrictions and have more interest earning capabilities, discretionary and decision flexibility.

- The relationship between the Village and SHC would be outlined in a Memorandum of Understanding including that **all** revenues related to the fire department would be going **TO SHC** to be managed by the fire company. This contractual agreement would be consistent with the procedures stated in the local law and the bylaws.
- There is always a provision for protection in that the municipality would be able to step in if SHC fell into some type of hardship. Amid the unfortunate condition of an increasing number of volunteer fire departments with declining membership, financial challenges, etc. it is incumbent upon the elected governing body to secure these most essential public services with board oversight through the general control as prescribed under State Law.

- B. Henning – why does the Village contract for "**fire protection**" from SHC? Exactly. According to NY State Laws, the village volunteer **fire department provides** the fire protection, not the fire company(s). The current contract between the Village and SHC does not accurately represent the relationship or the purpose of the fire company. A new Memorandum of Understanding will be established.
  - In response to follow up questions: yes, attorneys representing the fire company and the village had not identified any issues with the current contract (in place for years and renewed annually) or the relationship/structure, and subsequentially those administering the Village and SHC were never alerted to the structural, procedural, and reporting items we are presently correcting for compliance.
  - The contract with North Lake Fire District, written by North Lake's attorney correctly reads, and was included in the presentation:

    > WHEREAS, the Village has and maintains a fire department which is capable of providing outside fire protection to Fire District and has within its fire department The Stanley Hose Company, Inc ("Fire Company");

- Trustee D. Crane – the Village is obligated to follow the letter of the law, and as the Village Board of Trustees, we are accountable for making sure that the village complies and follows the law, to the best of our knowledge and abilities. This is why we are here tonight, trying to bring the village and fire department into compliance with NY State Law.
- Chief M. Oehlbeck – there are things we say we 'don't know' or are 'grey areas' like 'independent' and 'warden'. After speaking to a politician's office where Mr. Oehlbeck expressed how his department has been working, Mr. Oehlbeck was told they are working as an independent fire department.
  - Under State Law, any "**independent**" fire entity is **in name only**. **Every** fire department is under some government / political subdivision, whether it's a 'county, city, village, town, or fire district'; and the fire company is "of and for" (under) the fire department. In this case the Sherman Fire Department is a volunteer fire department of the Village of Sherman, and The Stanley Hose Company, Inc. is incorporated as a not-for-profit, charitable organization of and for the specific purpose of serving the Sherman Fire Department; the Sherman Fire Department who provides the essential public service of prevention and extinguishment of fire (and EMS) within the Village of Sherman, (which the Village and SHC together contract with others outside the village for fire protection and EMS).
  - A 'warden' is a firefighter and member of the Council of the Fire Department, which is typically a representative member from each fire company (to manage the financial and physical operations of the fire department). The Sherman Fire Dept. has only one fire company, The Stanley Hose Company, Inc., and SHC directly manages all the financial and physical assets in use for the fire department. Then what is a 'warden' for Sherman?

This 'grey area' is one area that is unique to Sherman and is why we need to get together to draft the Fire Dept Policy and create the MOU (Memorandum of Understanding) so that these areas can be clearly defined as they pertain specifically to how the Sherman Fire Dept. functions. The mayor explained that Chief Matt Oehlbeck and SHC President David Brown's input is necessary in determining how these 'grey areas', left undefined by the State, are to best be defined for purposes of the Sherman Fire Dept. Nothing is being done to the fire department. We want to work together.

- The Village wants to establish a Council for the Fire Department made up of Fire Department members. We do not want a Board of Fire Commissioners made up of separate/unrelated people that are **not** members of the fire department.

- W.D.Crane – There are so many layers of law that no one can know everything, including the fire department's attorney. He should know everything, but he doesn't because if he did, we wouldn't be in this situation.
- Chief M. Oehlbeck – said attorneys need to be involved because none of us are attorneys.
  - There are multiple attorneys involved. Beginning with the NYCOM attorney that provided a large amount of the information and law references, the Village's attorney who has researched SHC's incorporation documents and reviewed the earlier proposed Fire Dept Policy for accuracy, and Stanley Hose Company's attorney who has been reviewing materials the Village has provided.
  - The issues remaining require further discussion between the Trustees and the Fire Council before we waste time and money getting attorneys in a room.
  - The Fire Dept Policy, Memorandum of Understanding, and Bylaws must be consistent.
- Chief M. Oehlbeck – asked if this could wait a year to understand all of this.
  - The mayor outlined the priorities. First, it was critical that the members of the fire dept and fire company be confirmed by the Trustees; this is a two-step process required by State Laws incl. Volunteer Firefighters Benefits Law.
  - In the presentation the mayor reviewed what has been completed, what is work in progress, and what still needs to be done.
  - The most urgent issue is the accounting and reporting for the fire company through the Village to be in compliance with GASB and GAAP for both the State and Federal reporting. This is a complex issue which requires going back two years as well as correcting the current year. This requires the fire company to be on the same fiscal year as the Village ending 5/31, and the adoption of amended budgets, all before December 2026, in order for the CPA firm to complete the Single Audits for the Village of Sherman.
  - We must bring the Village and Fire Company into compliance.
- B. Henning – if the State mandates that the Village cover the costs of workers compensation and disability for their members, why is the Village taking those funds out of the amount the fire company is billing the municipality?
  - The Village **does not keep any** amount of the fire protection contract payments, and forwards the amounts received in full to Stanley Hose Company.
  - The workers' compensation, (future premium reimbursements for enhanced disability for cancer coverage), along with all other fire department expenses, come directly from the Village's General Operating Fund, from the Village taxpayers alone, in addition to the contracted amount with Stanley Hose Company.
- C. Young – what expenses has/does the Village incur for the fire dept?
  - Direct expenses include the contract with SHC and truck maintenance. Others are estimated because they are a part of a larger budget item including the insurance for the truck as part of the greater Village fleet policy and workers compensation along with paid employees, and now the Village liability insurance declaration for having a 'fire dept'. The Village intends to reimburse SHC for the Enhanced Cancer Disability

Benefit. There are unquantified expenses and uncollected or waived revenue including the tankers of water for pools, washing bridges, exercises and fires, and hydrants. As well as unaccounted time when village employee(s) respond to calls.

- These points are purely for the trustees in considering all of what is involved in supporting the fire department and balancing these expenses, along with hidden costs absorbed by the village taxpayers.
- The trustees reviewed the contract rates per $1,000 assessed in June under RES 2026-06-17.9, showing that in contract alone the Village of Sherman taxpayers made up of residents and business owners are already paying nearly double compared to the other contracted fire protection districts.

- D. Brown, SHC President, provided the stats for calls according to contract area showing the vast majority of calls occur within the village limits, implying the Village municipality should have a greater responsibility for a future fire truck.
  - Mayor Meeder provided a scenario of a neighboring town resident at a village restaurant having a heart attack. The implication being that:
    a. Calls are predominantly EMS calls, not requiring the fire truck.
    b. As a hub in the greater Sherman community, how many of the calls 'in' the village directly serve 'village residents', vs. others within the protection of the Sherman Fire Dept and SHC who **happen** to be in the village at the time.
    c. The trustees are accountable to the village taxpayers in justifying the greater costs compared to those we contract with to provide EMS & fire protection, much of which is for the 'availability' and 'readiness' of the services. The trustees must balance the needs with affordability for the village taxpayer; and as a co-signatory executing the protection contracts the trustees are responsible to evaluate the rates suggested by SHC for the fire protection districts, especially if they are lower than what is customary in this area.
- L. Harvey – didn't Village Trustees and Mayors save funds for the replacement of a Village 'Sherman Fire Dept' fire truck. (L. Harvey served as a Village Trustee until early 2009 at the time of the purchase of the 2008 Engine currently in service.)
  - **The repeated reference to these promises** relates to the decade through **2016**, to which there were NO Financial Statements, neither internally available (because the KVS computer system was not used properly), nor were AUD's Annual Updated Documents submitted to NYS OSC from 2010-2016. Prior to the corrective actions in 2017, the last AUD was submitted in 2009. The bank statements were not reconciled over this time.
  - On several occasions over these recent years, the mayor explained to the Chief and SHC financial secretary that there is more to all of this than the contract amount plus $5,000. (*As laid out in the explanation above*.)
- The 2008 Village fire truck
  - A few years ago, it was confirmed by the SHC fire attorney that the Village is **not** required to maintain a fire truck for the specific protection of a village as was once believed.
  - SHC does not plan to replace the current fire truck with a like apparatus.
  - The Village has resolved (RES 2026-05-20.30) to transfer the fire truck to SHC for $1.00 for SHC to determine the best use of the aging truck, which likely will be used on trade or auctioned off toward a new apparatus/vehicle. It's estimated value is approx. $50,000.
  - Chief M. Oehlbeck says the truck is in good condition given is it coming up on 20yrs and the mayor mentioned Engineer A. Miller's maintenance of the truck. (Additional note: A. Miller took over after Larry Fardink's many years of committed service to the maintenance of the Stanley Hose Co. and Sherman Fire Dept fleet.)

- Chief M. Oehlbeck would like $20,000 for a fire truck to be budgeted annually by the Village, in addition to the annual contract with SHC. This would be an added cost to the property owners as taxpayers in the Village, on top of the previously outlined direct and indirect costs absorbed by the Village taxpayers.

- M. Oehlbeck – is there redundant liability insurance coverage?
  - Likely yes if SHC is fully covering the fire company **AND** the village volunteer fire department.
  - First, a Memorandum of Understanding needs to be executed clearly stating the roles of the village volunteer fire department and the fire company for the insurance underwriters.
  - Under State Law, the village fire department is providing the prevention and extinguishment of fire and emergency medical services. Also, under State Law, the municipality is ultimately responsible for all activities of the fire company as the political subdivision having general control.
  - It is recommended and may be beneficial for the municipality and fire company to have the same insurance company.
  - The SHC property, the building, land, and fleet are all insured by SHC. The Village does not carry insurance on SHC property.
- K. Delcamp – asked about workers compensation insurance coverage.
  - The municipality pays the premium managed by the Chautauqua County self-insurance fund. SHC does not pay for workers compensation.
  - Workers Compensation Law identifies volunteer firefighters as employees of the municipality, i.e., 'non-paid employees'.
  - The Volunteer Firefighters' Benefit Law further regulates and ensures particular coverage beyond, but in concert with, the Workers Compensation Law for firefighters and ambulance workers of a fire department.
- K. Sweatman – asked if the Village is considered the 'employer' of the volunteer firefighters under WC Law wouldn't the Village be mandated in NYS to provide disability insurance to cover these 'non-paid employees'. The mayor said currently SHC pays for disability, and the village trustees discussed reimbursing SHC for the cost of the premium after it was mentioned by B. Cook in June.
  - In NYS, 'regular' disability coverage is not mandated for volunteer firefighters; meaning the regular disability coverage required for paid employees.
  - Under General Municipal Law Section 205-CC Volunteer Firefighter **Enhanced Cancer Disability Benefits** it outlines the eligibility and required responsibility of the fire department **or** fire company. It does not state the municipal fire department alone is responsible.
  - This responsibility for providing proof of the Enhanced Cancer Disability Benefit annually and which entity, the village or the fire company, that will accept the cost of the premium in the budget would be detailed in the Fire Dept Policy and Memorandum of Understanding.
- K. Sweatman – stated that if the fire department is a not-for-profit, then if falls under the not-for-profit laws. The mayor reiterated (as it was discussed before) that the fire company IS a 'special' not-for-profit corporation, operating 'of and for' the municipal fire department.
  - NPC §1402(e)(1)… **shall be under the control of the** city, **village**, fire district or town **authorities having, by law, control over the prevention or extinguishment of fires therein**. Such authorities may adopt rules and regulations for the government and control of such corporations.
  - Refer to the presentation for the full explanation of the NY State Laws defining and regulating the relationship of the municipality, its fire dept and fire company.

- K. Sweatman – the Board of Commissioners is only voted on by the fire department and the people that serve, it will not be voted on by the village employees or the village board.
  - No, **the Board of Fire Commissioners are appointed by the Village Board**, and they **cannot be firefighters**. This is why we do not want a Board of Commissioners because it creates an unnecessary additional layer of governance.
- C. Courtney – read the googled response that under VIL Law Section 1014 that a Fire Council does not apply if there is a Board of Fire Commissioners (under Section 1000).
  - It is either / or:
    a. **Either there is a Board of Fire Commissioners** appointed by the Village Board of Trustees from members of the community who are not members of the fire department.
    b. **OR there is a Council of the Fire Department** made up of the Fire Chief as President, the assistant chief, and the 'wardens' (definition for the Sherman Fire Dept to be determined). In any case, they would be all members of the fire department, selected by the fire department.
  - The Council of the Fire Department is preferred because it has the Fire Chief and members of the fire department directly governing. Whereas the Board of Fire Commissioners would be an added layer of governance by non-firefighters, and it is unlikely there would be eager people to serve on that Board.
  - **State Law requires there to be either a Board of Fire Commissioners or a Fire Council in place over the fire department and its fire company. At this time there is neither.**

STATE OF THE VILLAGE ADDRESS

The mayor gave a presentation involving the current state of the village, explaining the roles of the different boards and committees that serve this community and highlighting the various essential and non-essential services provided by the Village of Sherman, noting that there is no overlap of services with the Town of Sherman. She relayed that the total annual operating budget for the Village of Sherman is $1.28M, and the Village has completed over $15M in projects in recent years with $9.3M in grants and low interest loans, (emphasizing the need for compliance in all accounting and reporting, as not to put other areas of operations at risk). The full Village Address slide presentation can be found on the website at www.shermanny.gov/sept2026specmtg by selecting the Village Address 9/30/2026 button.

Motion to adjourn the meeting at 8:26pm.
Moved by Trustee Emory Seconded by Trustee Crane
Ayes: 5 Nays: 0 Carried

The presentation and other meeting related materials can be found on the village website at www.shermanny.gov/sept2026specmtg

Respectfully submitted,
Jeanette Ramm
Clerk-Treasurer

Next Meeting: Regular Meeting Wednesday, October 14, 2026, at 6pm at the Village Office.