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Dear Palmyra Business Leaders, Community Members, and Residents,

For many years, the Town of Newport Fire Department has provided fire protection services to portions of the Town of Palmyra. The current fire protection agreement between the Towns of Newport and Palmyra was executed on March 15, 2006. **That agreement provides that it “shall be in force from January to December for each year” and that it “shall be automatically renewed for additional one-year terms unless written notice is given by either party at least sixty (60) days prior to the expiration of the term.”**

On September 4, 2025, the Town of Newport formally notified the Palmyra Selectboard of its intent to renegotiate the terms of this agreement ahead of the automatic renewal.

Since the agreement was signed nearly two decades ago, the needs and circumstances of both communities have changed significantly. During this period, municipalities have experienced major economic shifts, including the Great Recession and the impacts of the global pandemic, resulting in substantial increases in the cost of providing essential services. Insurance premiums, equipment and supply costs, and labor expenses have all risen considerably. Additionally, the area of Palmyra served by Newport Fire has seen notable residential and commercial growth, increasing demand for fire protection services.

In light of these changes, the Town of Newport made the carefully considered decision to seek modernization of the agreement so that it more accurately reflects current conditions and the scope of services being provided. In 2006, the agreed-upon payment from the Town of Palmyra to the Town of Newport was \$23,077.00. For context, Newport’s total fire department budget that year was \$89,776.00. Due to the challenges outlined above, Newport’s most recent fire department budget has grown to \$345,429.00. These figures reflect operational costs only and do not include debt service or capital investments made by the Town over time. By comparison, Palmyra’s most recent payment for fire protection services to the Town of Newport was \$37,026.97. Adjustments for cost-of-living increases under the existing contract have not kept pace with the evolving needs of either community.

The Town of Newport has requested that Palmyra contribute \$88,500.00 annually, with annual COLA adjustments, for fire protection services. Newport recognizes the impact that increased service costs can have on taxpayers. To help ease this transition, Newport proposed allowing Palmyra to “catch up” to the full amount over a two year period, by contributing only 65% of that figure in the first year of a new agreement, totaling \$70,484.44. This approach was intended to reduce the immediate budgetary impact while providing Palmyra additional time for financial planning.

Elected officials from both communities have met multiple times for productive discussions, and communication remains ongoing. However, at this time, no new agreement has been reached. As a result, fire protection services provided by the Town of Newport to the affected coverage area in Palmyra will cease as of January 1, 2026.

Residents and business owners with concerns regarding this matter are encouraged to contact the Town of Palmyra and the Palmyra Selectboard. The Town of Newport remains willing to continue providing fire protection services should an updated agreement be reached. We value our longstanding partnership with Palmyra and the relationships built between our communities over many years.

Respectfully,

Dylan Lajoie
Town Manager