

Kingston Fire District
Finance Committee Meeting
August 26, 2010

Call to Order: Lori Horton called the KFD Finance Committee Meeting to order at 9:20 a.m. Present were Lori Horton, Vern Wyman, Bob Drapeau, Nate Barrington, and Tom Vignali.

Minutes Approved

The members present reviewed and approved the minutes of the last meeting, 7/15/10, as drafted.

Budget Discussion

Tom Vignali distributed a balance sheet as of 8/23/10, a statement of revenues and expenditures for the period 7/1-8/23/10, and an A/R aging as of 8/23/10, and a statement of revenues and expenditures for the y/e 6/30/10. These numbers are unadjusted but include almost all known expenses for the past fiscal year. The audit will start in two weeks. There was discussion of the expenses from the Kingston Hill Bookstore detail expenses, which totaled about \$101K. Of that amount, \$32K was out of pocket for payroll, food, and foam. Some will be billed out to UFD. We will bill DEM, and will owe UFD for the use of their apparatus. We charged \$250/hour for our pumper.

The KFD has been withholding TDI from employees' paychecks, but we recently discovered that KFD is currently exempt from TDI. Tom tried to make us non-exempt retroactively but was not successful. Therefore we will have to reimburse all the TDI that was withheld. Tom will apply to be included in the TDI program effective in November 2011.

Tom estimates this year's surplus to be \$35-40K. Reasons include \$5K revenue from the floods, \$6K in grants received, a lower-than-expected fuel cost (by \$10K), and salaries down by \$10K due to the losses of Pic and Keith. Maintenance contracts were also down by about \$7K. The committee members present would like Tom to include those reasons in the MD&A in this year's audit report.

The new grant money for AirPacs has not been received. The equipment has been ordered; the grant revenue and related expense will go into a special revenue fund.

Contract Discussion

Tom Vignali distributed a budget proposal for a 2-year contract with URI, with a 5-year overview projection. The numbers show projected deficits of revenues over expenditures beginning in FY 2013 and continuing for the following two years. The URI/taxpayer ratio goes toward 60/40. In recent years the split has been about 66/34. About 15 years ago ('95-'96) the ratio was about 60/40. In the past three years the taxpayer contribution was 68% in '07, 65% in '08, and 64.7% in '09. The three-year average was about 66%. In 2011-12 both URI and the taxpayers will benefit from having no ladder truck payments.

Next year we have budgeted \$30K in building improvements (roof and pavement).

There are three basic tenets of the contract and budget proposal:

We want to bring the operating reserve to about 1/6 of the operating budget (currently this would be about \$96K).

We want to replenish the building reserves at the rate of \$6K/year

We want to replenish the equipment reserves at the rate of \$30K/year

Vern noted that he will have a problem convincing URI to increase their payments by 3%; they are looking at level funding for the university.

Roof Discussion

Vern has met with Dennis Jones, the URI employee who is knowledgeable about roofs. He reviewed the Weisman bid that Nate got and recommends that we meet with three contractors: Weisman, Gorham, and Apollo. He recommends we use a method to fasten the roof without mechanical fasteners. By next week he will provide specs and will look at the roof; after that he will give specs to the three firms.

Other

Vern noted that URI has received two grants to study URI's emergency response. They are looking at their long-term needs and capabilities in the areas of police, EMT and fire. They will be having a "kickoff meeting" in September.

Next Meeting

The next meeting will be Thursday, September 23, 2010, from 9-11:00 a.m.

The meeting was adjourned at 10:25 a.m.

