

Coventry Fire District

Tuesday, June 30, 2015

Alan Shawn Feinstein Middle School

15 Foster Drive, Coventry RI 02816

Financial Planning Workshop

7:00pm

### Meeting Agenda

1. Emergency Procedures
2. Roll Call
3. Pledge of Allegiance
4. Opening Comments from the Chairman
5. Discussion / Action post card or reminder ad with request of taxpayers to pay July 31<sup>st</sup> tax bill early
6. Discussion / Action allow our attorney to retain a tax sale expert at no cost to the District.
7. Open Forum
8. Adjourn Meeting

Emergency exits pointed out by Chief Bob Warren

Pledge of allegiance led by John Cook

Roll Call- Board members present: Frank Palin, John D'Onofrio, John Cook, Sam Rachiele and Brenda Raposo

Discussion around cost of advertising for taxpayers to pay third quarter taxes early. John D'Onofrio suggests we collect e-mail addresses to communicate quickly and free. Social Media options are discussed. John D'Onofrio makes a motion to put a press release out. Seconded by John Cook, all in Favor, motion passes. Clarification by John D'Onofrio and Frank Palin, that the Board is only asking those taxpayers who are able to pay early to do so, and not those that can't. Clarification by John D'Onofrio that the Board has just past a motion to put a press release out, over mailing reminder post cards to taxpayers.

Moving to agenda item number six, allowing Board attorney to retain a tax sale expert at no cost to the district. Frank clarifies that there is no cost to the district, only to those on the tax sale. Sam Rachiele makes a motion to allow Board attorney to retain tax sale expert. Seconded by John D'Onofiro. All in favor, motion passes.

John D'Onofrio poses an additional agenda item to the Board, a situation where one of the firefighters is voluntarily retiring. John would like to make a motion to discuss this and vote on it

tonight. Seconded by John Cook. Brenda Roposo questions this motion, Frank Clarifies that there has been an agreement entered into, with an unnamed firefighter who has agreed to resign as a full time employee. It would be effective today, June 30, 2015. His vacation time and sick time that he has accrued would be paid out over a 24 month period commencing Feb 1, 2016. John D'Onofrio makes a motion to accept that resignation, seconded by Sam Rachiele. All in favor, motion passes. Brenda Roposo asks if that firefighter has to be replaced, Franks responds currently that is under negotiations.

Frank announces that he has a work commitment and will be turning the chair over to Co-chairperson Sam Rachiele. Crowd becomes disorderly with shouts for Frank to resign.

John D'Onofrio leads Open Forum with discussion of Ideas to find cash.

1 . a. Sell everything that is not needed.

b. Assign a person to grant writing

2. Tax Collector to verify tax rolls to ensure that there has not been properties added to our district that are not the town's assessment. The district also owns property we could consider selling. He suggest that delinquency notices be sent out monthly rather than quarterly. John D'Onofrio states that \$300,000.00 has gone uncollected each consistently over the past five to ten years. Suggest in the future to publish what the delinquent tax dollar amount is weekly or monthly. If a tax payer is delinquent for more than a year, to publish their name.

3. John states that four hundred fifty five thousand dollars was cut from last Decembers proposed budget. He continues that he has done a forecast and will share with the Board. John forecasts through the end of the year a shortfall of three hundred to three hundred fifty thousand dollars, not six hundred thousand, not nine hundred thousand, it's not an approved number it is just an estimate. Johns would like to propose in the future, a financial meeting to re-instate the money that was cut from the budget and not have a tax increase in December.

4. John states the Board needs a finance committee. Consisting of a Board member, a Union member, a taxpayer at large and the Treasurer.

5. Improve Rescue Recovery amounts, we are not collecting enough.

6. Asks the Union to consider 3 man minimums.

Opens floor to questions, which include the following

Q. Was the referendum that was just held legal?

A. That has not been determined.

Q. Your suggestion was to have us pay three hundred thousand dollars that your numbers are showing that we are short? Would it be one time?

A. My suggestion is what we proposed in December that got rejected, we consider that and approve it. You add that to what you paid already and that would be your 2015 tax. John hopes but not promising for no tax increase for December. Tax payer who asked question states that in her opinion, she does not feel that will pass as long as the Board has Mr. Palin. She speaks of taxpayer confidence in Frank. John states that it would be a vote by the Board. John states that

if we do have a financial meeting, that there will be powerpoint numbers and handouts there won't be questions as to what these numbers mean.

Brenda asks for clarification from John, on the difference he wants, verifying approx. four hundred thousand dollars incremental. John states we show that original proposal from December again, have the tax payers approve that, then a supplemental tax bill would go out, and when added to current tax bill, would equal the original proposed tax back in December, making it the 2015 tax budget.

John states the real number to run this district is 3 million to 3.1 million dollars.

Q. How long will it take to do this? Frank is saying we are out of money in like a week.

A. We are still going to run out of money, we are going to have to work with the Union because you can't pay what you don't have. They are going to be owed money.

Q. Will that automatically bring the State in?

A. No, the State comes in by permission. John has met with the State and says they made it clear that they don't want to come in. They don't have the manpower. As far as dissolving the district, that can only happen with a vote by the general assembly. John doesn't see that happening either, even if the vote is binding. John states in past years when the district has fallen behind, the Union has offered concessions.

Q. How would that work out, if we had another meeting to vote for the tax increase?

A. The Board would first have to take a vote, because it's a special meeting. So within the next few days we would have to meet to call a vote to hold a special financial district meeting. Per the bylaws it must be posted five days in advance, in five places in town, and in the local newspaper. About two weeks out to get this done.

Q. Can we still ask for three hundred thousand dollars in concessions?

A. You can ask if you want but they are not required to honor that, by law they don't have to. John explains that was contingent upon getting the supplemental tax increase.

It is ask that people asking questions to identify themselves.

Q. Marc Desrosiers of 95 Gervais Street asks if there is something that can be done about overtime.

A. Through June, overtime is down 14% vs. LY Certainly something that can be talked about in collective bargaining. John suggest other his other concerns can be directed towards the Union president and the station rep who would talk to him.

Union President David Gorman states the Union is going to work with the taxpayers and the Board as they have in the past. He speaks of the legal contingencies and protection. He explains how overtime works and when it is paid. Conversation takes place about budgeting. David offers phone number to anyone who has questions.

Kendra from the Kent County Times has a question pertaining to the average \$3.00 increase. John explains that number represents the per month increase for a home valued at \$250k-\$275k home, based on the new valuation with new tax rate versus the old valuation and old tax rate.

John explains the budget was a built on a zero base. He continues to say district is not drowning and states that the charter allows the fire district to borrow up to what they tax, 1.8 million in our case, although no intentions on borrowing more money.

On the subject of one fire district, Town Council will not consider it until all district are in financial order.

John Cook thanks State Representatives and Town Council members present. John explains that when comparing numbers this year vs last year, two things jumped out

1. Legal cost have increased 5x or 6x what was paid last year.
2. Renegotiate lease on ladder truck and rescue, or move payment dates.

Ladder truck lease payment approx. \$60,000.00 payment due in Feb. John speaks of selling off surplus vehicles. John D'Onofrio states we have a chief's fire vehicle we don't need. Chief's vehicle tied to a black mark against district, put it up for a vote and get rid of it.

Q. Do we have in writing the actual cost to repair fire engine?

A. Chief Warren responding, points out that proceeds from the sale of the chiefs car goes back into fire district. States equipment for engine 2 \$17,000.00. Ask the chief to get an appraisal value of truck. John D'Onofrio suggest going through storage for anything of value to sell.

Q. Will the truck be sold with all the equipment on it?

A. No.

John states the majority of the budget is tied to a contract. John repeats the Union has made concessions in the past when the district has run into trouble, hopeful they will help again.

Question around proposed new tax rate, explained by John D'Oonofrio. Question around tangible taxes and tangible rate. John D'Onofrio explains why tangible rate went down in 2015. By law, starting in 2015 tangible tax rate could not be higher than the commercial rate, it was reduce to match. You can't have a rate that is 50% higher than any other rate.

Attendee states that people look at their bill and really don't understand where the money is going. John D'Onofrio explains, that's why the financial town meeting as well as other meetings are important. Attendee suggest a power point presentation to show where money is going. John states that is what happens in December, shows documentation that was handed out at that time.

Brenda Raposo asked if the proposed budget for 2015 had included allowance for unfunded pension liability. John states that the unfunded liability, is not a district problem it is a statewide and nationwide problem. What the amount is, we don't know. John states the district a pension fund payment based on the guidelines given by the State. As far as that and the other post retirement plan, that was in the budget. The underfunded pension, that's not due tomorrow, we have to find out what the number is and put it in ten year plans, spread it out. So to answer the question, the answer is no,

that was not in the budget and it won't be in the budget this year either. Discussion ensues around the funding of underfunded pension and when those amounts would be due.

Sam Rachiele invites suggestions.

A suggestion comes in to rent out the garage on premises for storage space. Great idea, Board will consider.

Question involving camper next to fire station, it is not property of CFD.

Town Councilmen district 3 Kerry McGee suggest polls be open past 6:00 pm, to give voters ample time if there is another election. John clarifies he is not calling for a referendum, he is calling for a district financial meeting, where a vote will be taken at the meeting. Kerry McGee states he has been contacted by people who want to recall Mr. Palin. John D'Onorio states the taxpayers have the right to request things, if that's what they want, there is a method to the charter to do that. John states that as a Board member, he will not call for that vote. John D'Onofrio states the procedure, as per the bylaws, taxpayers can call for a special meeting, with eighty signatures they would give it to the district clerk, who will call a special meeting, it must be posted 5 days in advance, in 5 locations and in a local newspaper. John Cook adds there was already a petition at the polling place that has approx. 50 signatures, the person is here if you like to contact them.

Glen Shibley of 31 Wesleyan Ave. states he would like to see the district stay open and voted for the supplemental increase. State we have to collect the taxes at tax sales for people who don't pay. He speaks of collection rates. John D'Onofrio states are collection rate is 85%. He continues to say that people did not understand the previous vote, speaks of number of voters, John D'Onofrio clarifies that it was a 12% voter turnout. Glen feels we need a public relations campaign and people need to get out and vote. People need to be informed and educated. He speaks of concessions. He states to better informed voters, and offers to volunteer time. He is full support of fire district. John D'Onofrio poses question to Glen- as a Town Councilman, if the fire districts had their finances in order, in your opinion would the town council be more interested to discuss a town wide district? Glen responds that he is all for that, there are some council members that may not be, he would personally push for that, once they all get their act in order. Get into the black and he thinks it should be done. John states that he doesn't see that happening soon, Glen responds he has three plus years left on council and if it doesn't occur during his time, he would like to set the table for it to happen after he leaves. He would like to see it unified. John states that the district is at least 3 to 5 years away from being in the black, also the idea of dissolving the district does not make sense, as there is nothing to take its place right now. Glen response is- "your comments are well taken, I think your comments are fair and I think the whole Town Council (inaudible).

Pamela Lamoureux of 28 Gerald Ave. expresses her support of the Anthony Fire Department. Pam, asks if we can re-do the vote, how we can go about it. John states that he wants to call for meeting to discuss just that.

James Beckman of 5 Mulberry Court makes a suggestion pertaining to the recall of Mr. Palin. Comments inaudible. He states the treasurer figures are not right. John D'Onofrio states he has new figures that he has received today. John also states that delinquencies are a big problem for this district. John speaks of the meeting with the states and how they stated that the district had a cash flow issue.

James suggest the state law be on the back of the tax bill. John D'Onofrio explains that when the bills went out in January, attached was a State law that said if you owe taxes and are due a State refund that the state can tap into that, and give the fire district their money. John states this notice did help with the collections this year somewhat.

Brian King asks if there is a way to negotiate a better fuel rate. John D'Onofrio will put that on a list of things to investigate. Brian asks if we always send out a truck with a rescue. John Cook responds that the engine runs with the rescue mainly for manpower because they don't know what they are coming into and explains various scenarios. It is common practice throughout the state. It's for safety.

Q. All day referendum or all day financial meeting town meeting for the district

A. It will not be an all-day meeting. It's going to be just like we do in December.

Q. What dollar amount are you arriving at and how are you arriving at it.

A. The same dollar amount from back in December if approved by the Board.

Q. At what collection rate?

A. 85% because that's where we are.

Q. Question on reducing the frustration of the taxpayers.

A. If the taxpayers are given more information that will reduce frustration.

Questions arises about the line of Credit, discussion ensues.

Meeting adjourned

Respectfully Submitted

Rob Catalfamo

Tax Collector / Clerk

