

Central Coventry Fire District

Board Meeting

July 3, 2013 – 3:30 p.m.

1670 Flat River Rd.

Minutes

1. Call to Order – 3:40 p.m.

2. Roll Call

President Elect: Fred P. Gralinski

Vice President Elect: Marie A. Baker

Directors: – Cynthia A. Fagan-Perry, Robert G. Hadley, Maureen K. Jendzejec,

Daniel K. Lantz, Jr., Helen G. Quinn

Treasurer:

Tax Collector: Pamela Fontaine

Clerk: Christine Moniz

Chief: Andrew J. Baynes

President of the Union Dave Gorman

Special Master Richard J. Land

Also in attendance - members of the public, and Fire Department

3. Special Master Mr. Richard Land, court appointed Special Master,

opened up the meeting with having the newly elected Board Members introduce themselves to the public in attendance.

Mr. Land explained that they have been sworn in by the Judge on July 2, 2013. They all took the Oath and accepted their new role as a Central Coventry Fire District Board Member. Mr. Land also stated if anyone had any questions about the role of the new Board or what's going on with the receivership they can visit his website at www.crfillp.com and hit the tab receivership and all the information is listed in order of which it occurred.

This meeting was called very recently after the Board was elected. They have a huge undertaking that they need to address.

The Special Master next advised the public that he will be taking nominations for a President and Vice President. He also stated that at this time the position will be ratified during another Board Meeting so that the new Board is in compliance to the open meetings acts issues. They will be addressed as President Elect and Vice President Elect. The Special Master requested a motion to elect the President and Vice President. Director Hadley made the Motion to elect Director Gralinski as President and Director Marie Baker as Vice President. Director Quinn and Director Fagan-Perry Seconded that motion and all voted aye. The Ayes have it the motion was carried and will be ratified at a later meeting. The newly elected President of the Board is Fred P. Gralinski and the newly elected Vice President is Marie A.

Baker.

From this point forward President Elect will carry on the rest of the business at hand.

President Elect Gralinski explained that their agenda was not fully put out on things they like to get done and they will have to move some of the items to their next public meeting. They do have a meeting for Friday that already has an agenda posted. The President would like a status on the new Tax Bills and what the Judge ordered and the Special Master started with the legislation passing a bill allowing us to send out tax notices based on the prior tax levy. All the payments on the tax bills will be adjusted on the new amounts and the only thing that will show on the tax bill are the credits and the new amount owed. Unfortunately, the software could not handle that type of billing so the company we use OPAL had to write a program and then we were able to print the bills and get them out into the mail.

Special Master had also discussed the possibility of taking out a loan from Centerville Bank. This would ensure that the District would not have a cash shortfall and would give the Board members time to formulize a budget and also give us time to finish the bills and we can start getting some receivables in.

Director Hadley asked what about the rate on the new tax bills that are going out. The Special Master stated that they are \$2.86 per

thousand based on the new value. This rate does not include commercial. This is a flat rate single tier tax. The District in prior years taxed at a tiered rate. That tiered tax is not specified in our Charter so we had to tax at a flat rate. There was new legislation introduced that would allow the tiered tax rate that has not been read so at this point in time we are not able to tax using the tiered system. So with the District sending out single tiered bills the residential will see a larger increase and the commercial will see a larger decrease.

Director Hadley and President Elect Gralinski also asked the Special Master what the task for the New Board would be. This Board is tasked in developing a workable budget for the end of August to be voted on by the public. The financial aspect of day to day operations will remain in the hands of the Special Master and the Judge.

Director Hadley asked when we are due back in court again. The Special Master stated that the 9th of July is our next date. At that time they will discuss an agreement with one our Firefighters and also talk about his employee retirement packet. The Special Master also went into how some of the firefighters are up against some resistance due to underfunding with our pension plan and also mentioned to the Public body that the District liabilities will not go away even if we shut down the department. So there are some major short falls that would need to be addressed. They would see a significant increase in taxes that would have to get paid in order to resolve the burden of these liabilities. All numbers of the liabilities

are located on the Special Masters website. Anyone who has a motion to testify at the pension court date needs to file it before July 12 at 4:00 pm. The motions will be heard at the court date on July 22nd and then a decision will be rendered after that.

The Board mentioned that there will be discussion at the July 12th meeting to update the public on the retirement program (MERS).

Director Hadley asked about the loan from Centerville Bank. The Special Master stated that the working capital loan is about 1.2 million and then he also explained the loans we still have left on vehicles that the district had purchased so he gave a quick breakdown of the overall liabilities from the outstanding loans. Including the \$300,000 owed to the Town of Coventry.

The Special Master went into what is pre-file debt and also post-file debt.

The Special Master also talked about the Tower Ladder and that we owe about \$975,000 on it and that he made arrangements for the return of the Tower and we would not have to pay any of the interest or prior payments. This is pending on the Judge and the Boards decisions. This will be up for discussion at the July 12th meeting and the Board will go over the pro's and con's of the Tower.

Director Hadley also asked are we able to borrow money. That we

cannot borrow more than 50% of our annualized collections. The Master proceeded to explain how that would work and also stated that the position we are in the Judge could pass an order to approve the borrowing of money. If we do borrow money we would only use what we needed not the whole amount to borrow.

At this time the Special Master also stated he, at this time, cannot state what we have left to collect until we get all the bills out and roll over the credits.

The Special Master also explained pre file debt and post file debt again and stated we still own the money post file. As of this date all post file debt is paid up to date and that the Districts bills are paid on time.

President Elect then introduced the Chief and asked for a brief breakdown on the Status of the Department. The Chief reported a brief snapshot on manpower, status of the Stations and status on the trucks. He will follow up on Friday, July 5th meeting with a more in depth explanation on the status of CCFD staff and vehicles.

The Special Master also report that the overtime has gone down a significant amount since the Chief closed down three stations and reduced minimum manning from 10 to 8. The average overtime per

week is about 85 hours. We went from about \$500,000 to about a quarter of that.

The Board asked the Special Master if they attend an open meeting workshop would violate the open meetings act. The Master stated as long as they do not discuss the Districts status or District issue they are all set. They are going August 2nd 9-12.

The Board also asked if we have a listing of equipment and a tour of the stations after Friday's meeting and explain how things work.

They are scheduling a meeting for Friday, July 12th and it will be a work session on the Tower ladder. No vote will be taken. Also add to Friday's meeting the election of the Board Members. The Master also suggested schedule meetings later in the day.

Someone also asked about where the meetings are posted. They go on the State website and also on our website. They are also posted at the location of the meeting.

The Special Master will send out the agenda to anyone interested. President Gorman also stated you can link to the State website and you will get a phone message or email.

Marie Fisher asked about the liability to MERS and also are any of our firefighters been denied their request to retire. The Master explained

the numbers and our liability and also stated that some of our men have had their requests delayed. He also stated that are liability's are a huge issue and we have an insurmountable burden if we shut down.

We also had a question from Mr. Fay about our current status on fire suppression due to one of our engine's being off-line. The district has made some adjustments but we are do have some short falls due to reduced man power.

Propose a Motion to adjourned made by President Elect Gralinski, motion made by Director Fagan-Perry and seconded by Director Hadley.

All Vote Aye

Meeting was adjourned at 4:37 p.m.