

Central Coventry Fire District
Board Meeting
January 05, 2015 7:00 pm
1670 Flat River Rd.

Minutes

1. Call to Order – 7:08 pm
2. Roll Call

President: Fred P. Gralinski

Vice President: Marie Baker

Directors: – Cynthia A. Fagan-Perry, Maureen K. Jendzejec, Daniel K. Lantz Jr.,
Helen G. Quinn (6) 1 position is vacant.

Treasurer:

Tax Collector:

Clerk: Christine Moniz

Chief:

President of the Union Dave Gorman

Legal Counsel Dave Dagostino

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

Tax Collectors report – Tabled until next month

Chief's report – Tabled until next month

The President of the Board Mr. Fred Gralinski deferred the meeting over to Mrs. Rosemary Booth Gallogly, Director of Revenue, to update those in attendance the status of CCFD. She will also introduce some staff that are a part of the State's Team. Mrs. Gallogly proceeded to explain her role in this situation and also the fiscal stability act. At tonight's meeting she will explain further the filing of Chapter 9 Bankruptcy. She then explained that the DOR has appointed a new receiver Mark A. Pfeiffer, he will step in place of Mr. Steven Hartford. The DOR has also accepted Chief Andrew J. Baynes

resignation and has hired Chief Shawn Murray in his place. Mr. Robert Flanders is serving as Bankruptcy council and coordinated all the paperwork and what was filed. He will walk through the procedure and what has happened up to this point, what to expect in the future, and how this Bankruptcy will lead us into financial stability in the future. Then we will hear from Tim Cavazza, he is the attorney the State hired for labor council since the Union contract is a large part to this districts budget. The DOR will continue to talk with other creditors and just because CCFD has filed Bankruptcy does not mean that we have stopped talking to them, the creditors.

Robert Flanders explained that on December 23, 2014 the State filed paperwork, on behalf of the district, in Bankruptcy court to adjust the debt of the district. In order to achieve a debt adjustment the State needs to demonstrate to the court that the district is insolvent and is unable to pay their creditors and they are also continuing discussion in good faith with the district creditors. Much of the discussions is to restructure the arrangement with the union try to come to terms with them on how to operate in a manner that is more financially sound and that would not compromise public safety. Tim Cavazza has been negotiating with the Union along with Rosemary and also the receiver. They are also open to suggestions from the Fire District Board.

The State goal is to reach a financial agreement with all the stakeholders as they did with the City of Central Falls. To come away with the Bankruptcy with a confirmed plan of debt adjustment and to proceed as quickly as possible. In the meantime during the bankruptcy all proceedings are stayed and this will give the district breathing room to continue discussion with all creditors. Mr. Flanders believes they have a great team together and that it bodes well for resolving this issue in a satisfactory way. They will hopefully have an open session in court to get things rolling.

Rosemary Booth Gallogly also mentions that what the State has done in the past with other communities that she has been in an oversight committee that they have a 5 year plan that just does not sustain them in the first year with one time collections or liquidating of assets but also sustain them in the longer haul. This will be included in the Pendency Plan. It may not be exactly what they have presented tonight it may change as they continue to negotiate with the creditors. The State will also hire a financial advisor for 5 years they will continue to oversee the finances.

Tim Cavazza then spoke about how they have been engaged in discussions with the Union for a few months now and that they still to date have not come up with an agreement. So with the filing with the Bankruptcy petition we have developed and finalized and are implementing a pendency plan that generally supplants the union contract. They continue to meet and negotiate with the union but in the meantime they will continue to roll out the plan of the Pendency plan. It is about 7 pages in length it covers staffing, leave, and also hours worked. It includes several cost cutting measures. It removes longevity pay, removal of half of holidays, cutting clothing in half. One of the biggest changes will be setting up a three platoon system from a four platoon system. This will also include some lay off's of personnel. This rotation will increase the hours from 42 hours per platoon to 58 hours per platoon. It will also enhance the staffing per

rotation. They will also follow a plan that no overtime is paid unless 212 hours worked have been achieved in a 28 day cycle. The plan is to roll this out in the next and is to reduce costs and keep this district going forward.

Chief Shawn Murray – introduced himself and went over his qualifications as a Chief. He is a retired Fire Chief from Hudson New Hampshire and was also the director for the Massachusetts Fire Academy. He has associated in Fire Science and a Bachelors degree in Business management and economics and a concentration in Fire Administration. Hudson NH has the same demographics as Central Coventry Fire District. His resume is available they can contact the Chief to request one. He has been meeting with the State and they have been bringing him up to speed on the process. His number one goal is to ensure the safety of the residents and also the firefighters of the District. He also explained that they will have a 5 year plan to get us through and also that State will be able to hand over a district with a sound financial plan. He thanked everyone for the opportunity and looks forward to working together as a team.

Rosemary Booth Gallogly also introduced the staff that have been working on the plan and stated that they will work hard to get through this process on a more expedited time line. She asked if the Board has any questions since after everything is said and done it will go back to them to run the district. V.P. Baker asked if the State and the Board can meet more often? Ms. Gallogly stated that under the Financial Stability Act the Board has more of an advisory role and much of the responsibility of day to day operations goes up to the receiver level, but having the meetings with the public to keep them informed is a good idea. Also, one of the key things they would like to see happen and that everybody stays respectful and that the 5 year plan may have a 2% levy increase. The last budget did not have an increase, it remained the same. If anyone has any other ideas they would like to hear those.

Public Comment

Taxpayer of the District asked at one of the last meetings with the prior receiver they stated that the district could not file bankruptcy. He wanted to know why the district can now. It was then explained that with the filing of the Financial Stability Act they now have the ability, if needed to take the next step to maintain financial feasibility and file for bankruptcy. Under this act in 2010 only a municipality could file for this act and only a state appointed receiver could file for bankruptcy. As of 2014 the act was modified to include fire districts after this went onto effect then the State appoints a receiver, and that receiver can recommend that they file for bankruptcy.

There was also a question about a news article that V.P. Baker claimed that \$50,000 was missing. Ms. Gallogly assured the audience that a deposit that was made did not clear in the same banking day and that there is no money missing. The State checked all the numbers and there was no wrong doing. V.P. Baker has been informed that there was not an error and the deposits are correct.

Mr. Hoover, the Coventry Town Manager, asked if there will be a website set up so that the State can download the Pendency Plan and also all documents pertaining to CCFD that would be useful.

New Business – Future meetings will be held on the third Thursdays of each month. The next meeting will be held on Thursday, February 19th at 7:00 p.m.

Motion made adjourn by President Gralinski and seconded by Director Fagan-Perry and V.P. Baker. All Voted Aye. Meeting adjourned at 7:53 p.m.