

Exeter Fire District

(February 23, 2006)

Approved 04/20/06

Call to Order

Following the conclusion of the budget hearing, Chairman Peter Lacouture called the February meeting of the Exeter Fire District to order at 8:18pm. Present were commissioners Vergano, Lacouture, Wilbur, Nievera, Swanson, Walker and Reed. There were 10 members of the public in attendance.

Public Comment

There was no public comment.

Communications

Mr. Nievera reported receiving a letter of interest for the posted position of moderator for the district's annual meeting to be held in April. The letter was from Mike Cerullo.

Old Business

Ms. Vergano moved (Mr. Walker second) that "should the organizing petition, now before the Labor Board, be dismissed the sum of \$5,000, now in the administrative budget, be lowered to \$1,000." Mr. Nievera cautioned that with the number of delinquencies

currently on the books, it might be more prudent to lower the figure to \$2,000 or \$2,500 and use that money for legal expenses that would most likely be incurred for legal notification etc. Mr. Lacouture suggested waiting until after the petition had been acted upon and any appeals heard by the Labor Board, until a decision regarding the budget are made. Ms. Vergano agreed to withdraw her motion.

Ms. Vergano suggested the additional Rescue coverage be included in the rescue budget line item. She would like to see only 5 line items in the total budget, including the ISO consultant line item, which will be located in the administrative budget. Mr. Swanson wants the public to vote on the addition to the Rescue building. Mr. Lacouture has written two resolutions covering additional items to be voted upon. A short discussion was held on how notification would/could be given to the taxpayers of the district regarding the contractual obligations entered into by any of the public safety organizations. The topic, as discussed in the earlier budget hearing, of having each organization provide yearly summaries of debt obligations and asset balances was again discussed.

Mr. Swanson asked Chief Franklin to explain his equipment line item in his budget. Chief Franklin explained that some of the money was put aside for larger purchases with the payments spread over more than one year.

Jack Kliever recommended that the board request assets and liabilities from each of the organizations during the budget cycle. Ms. Vergano stated that she has asked for his information in the past.

Ms. Vergano asked if the increase for Chief St. Jean was based on

both hours and wages as opposed to only the wage increase specified in notes on the Exeter #1 budget. Chief Curry replied that it was due to both.

Roddy Jordan stated that, in his opinion, the companies were good stewards of the taxpayers' money. Mr. Jordan is a past chief of Station #1 and was responsible for several fire company budgets.

Mr. Lacouture stated his objection to Ms. Vergano altering some of the language on Station#2's budget. Ms. Vergano replied that she believed that there was a consensus reached at the Feb 9th meeting to identify items as loans versus funds, and was trying to arrive at a more uniform budget format to make the process a little easier to understand. A short discussion followed on the possibility of drafting a standard budget form for all the organizations to use. It was agreed that this was something that could be considered in the future.

Ms. Vergano asked Chief Curry (Station#1) to explain his administration line item. He replied that the new chief is compensated at a lesser rate than the recently retired chief. The remainder of the line item was for administrative needs including computers and other administrative necessities. She then inquired as to what would account for a need of more than \$4800 this year for administrative needs outside of the chief's salary. Chief Curry replied it was for paper and misc. supplies. She also asked why interest income was not included on the budget. "It should be delineated." Mr. Nievera suggested that interest income could be part of a standard budget form. Mr. Swanson inquired about the \$9,000 line item on the 2004 Form 990 for meetings. Mr. Jordan replied that without the records at

his fingertips he could not answer with complete certainty, but a portion was most likely used during the recent firefighter 1001 course where it would be the host company's' responsibility to furnish instructors and lunch etc.

Ms. Vergano asked of Station #2 why the anticipated capital expenses for new garage doors and the completion of the new installation were not included in the buildings and maintenance line items. Chief Franklin replied that some of the projects being planned for would exhaust the accounts. He cited the cost of replacing doors at the Woody Hill sub station at \$7,000 total. Said Chief Franklin, "We try to spread the cost as much as possible." He also stated that he had taken \$1,000 out of his budget last year, to keep the tax rate a bit lower, and that the project he delayed will now cost \$1,200. "How much did we save there?" asked the chief. Ms. Vergano also asked of the necessity for high-speed internet access for an organization that, by their own admission, is not very computer savvy. Mr. Lacouture replied that the internet access and computer reporting was a condition for a grant received which requires them to start reporting to the National Fire Incident Reporting System (NFIRS) via the internet.

Ms. Vergano asked Mr. Morgan (Dispatch Corp.) to explain his tower, radio replacement and petty cash line items. Mr. Morgan replied that the tower is old and will need replacement within the not too distant future and we periodically replace radios. "And as we go digital the equipment is more costly." The petty cash is used for occurrences in the office. She inquired about the large increase in VFIS insurance for

this year. Mr. Morgan stated that several new radios had to be insured which were not reflected in the figures from last year. His budget request contains the correct figures for the last fiscal year. Ms. Vergano then pointed out that they total expenditure figures for last year did not actually add up to the \$213,500 shown and should be corrected. Mr. Morgan said he would review it and correct the error.

Mr. Walker asked where the ISO money would be presented in the budget. Mr. Lacouture suggested it be left where it is as a separate line item to be voted upon at the annual meeting. Ms. Vergano would rather it be within the administrative budget, where there is less of a chance of it being voted down, and consistent with having all expenses rolled up into the line items for the individual organizations. After a short discussion it was decided to place the line item within the administrative budget. Ms. Vergano moved (Mr. Nievera second) presenting the 5 line item budget, with only one total figure, to the members at the annual meeting. The motion carried unanimously. Mr. Walker then asked Chief Caito about the collection rate (Rescue billing) for the Rescue Corps. The chief stated that it was less than last year since the Rescue Corps does not bill Exeter residents for Rescue services, per the original agreement.

Ms. Vergano recommended a re-distribution of funds from both fire companies to the Rescue Corps. Mr. Swanson wants all funds to be controlled by the district. Mr. Wilbur advised that the board does not have the legal authority to seize control of the funds of the fire companies. “What we do need”, said Mr. Wilbur, “is consensus and control.” Roddy Jordan is not in favor of the idea of a re-distribution.

“This money was put aside for a reason.” “These truck funds are planned well in advance for future purchases.” Chief Franklin added that a re-distribution would be punishing the fire companies for their stewardship of monies entrusted to them and for their careful planning for future large purchases. Joe Smith is of the opinion that the fire companies are over funded and that there should be some type of fiscal re-distribution. He feels that the budgets are secretive and arbitrary based on his review of Form 990’s for the organizations which clearly show that the fire companies consistently spend less than they earmark for expenses and save much more than they designate for truck and capital expenditure funds. Ms. Vergano mentioned that the ability of the companies to spend wisely and save was commendable, but that it seems that it is time to move some of the funds to a less financially stable organization like the Rescue Corps to begin the creation of the truck fund they so clearly need. Mr. Swanson wanted to know when the next truck would be purchased. Roddy Jordan stated that sometime in 2009 Station#1 would purchase a new truck; and that prices would surely be increasing due to regulations to which the fire companies must adhere. At this point Ms. Vergano moved (Mr. Swanson second) re-allocating the sum of \$10,000 from each of the two fire companies to be placed into a truck fund for the Rescue Corps. On a roll call vote, the motion failed by a 4 to 3 margin with Messes. Lacouture, Wilbur, Nievera and Reed opposing and Ms. Vergano and Messes Swanson and Walker voting in favor of the motion.

Mr. Wilbur moved (Mr. Reed second) the current budget of

\$888,832 (including \$2,500 in abatements) to the annual meeting. On a roll call vote the motion passed 6 to 1, with Ms. Vergano casting the only opposing vote.

Mr. Lacouture read his “State of Affairs” report to be presented at the annual meeting. It was agreed that the last sentence in paragraph two, concerning the confusion over district tax bills, would be removed. Mr. Lacouture also presented the board with the Resolutions for Annual Meeting. It was agreed to strike resolution #2 concerning a special appropriation to fund the additional rescue coverage and funding for an ISO consultant. All subsequent resolution numbers will decrease by one.

Mr. Lacouture reminded all that the deadline for letters of interest for the position of moderator will be due by March 1st. Ms. Vergano moved (Mr. Reed second) appointing Mr. Cerullo moderator in the event no other candidates apply. Mr. Lacouture stated that with another meeting on March 16th; a decision could be made then. Mr. Lacouture will contact the president of Station#1 to reserve their meeting hall.

A short discussion took place on the presentations to be made at the annual meeting. Mr. Lacouture asked for a volunteer to create a presentation for the annual meeting. There were no volunteers. This subject will be re-visited at the March meeting. It was also agreed that each authorized candidate for the position currently held by Mr. Walker would be given a short block of time to address the gathering.

Mr. Nievera will re-circulate the minutes of the February 9th

meeting for consideration and correction.

Next Meeting

The next meeting will be held on March 16 at Station #1, 305 Ten Rod Rd. The meeting will start at 7:00pm.

Adjournment

Mr. Reed moved (Ms. Vergano second) adjournment at 9:56pm. The motion passed unanimously.

**Respectfully submitted,
Bill Nievera, Clerk
Exeter Fire District**