

Exeter Fire District

(April 20, 2006)

Call to Order

Chairman Peter Lacouture called the April meeting of the Exeter Fire District to order at 7:07pm. Present were Commissioners Vergano, Lacouture, Nievera, Swanson, Reed and Walker. There were 6 members of the public in attendance.

Public Comment

Former Chief Kettelle (Station #1) thanked the board for their efforts on the budget recently passed at the district financial meeting. He also made mention of some inaccuracies in a flier that had been circulated, through most of the town, asserting that the fire district budget decrease was due to three members of the Board of Commissioners. Chief Kettelle also admitted that the fire companies have a “tall order” ahead to prepare for an ISO inspection, but feels that they will be successful. To that end, he also mentioned the responsibility of the organizations to work with the ISO consultant. On the subject of sending purchases to bid, he warned that the departments should look for the best deal available by carefully researching all purchases. He also mentioned that for every three volunteers that join a service only one would remain after a year. The

fragility of their service requires that the organizations do all in their power to keep them once they have been recruited. Regarding the topic of a budget cap, he cautioned the board that setting it too low could tie the boards' hands in the future. He spoke of Station #1's discussion to hire, at some point in the future, a full time janitor/driver to ensure that a truck is out the door within a matter of seconds during an alarm. That caused Ms. Vergano to ask if this was the beginning of a "paid department". He replied that it is not, and explained the difference between a "paid department" and a "paid man" at the station. Finally, he noted that a conscious decision has been made within the fire service to keep politics out of the fire station and its decisions.

Letters have been received from Station #2 and the Dispatch Corp. re-appointing Mr. Lacouture and Mr. Nievera representatives of their respective organizations.

Ms. Vergano explained her reasons for relinquishing the position of treasurer. The board members in attendance, for their own reasons, felt they were not able to take on the responsibility of the position. Ms. Vergano noted that the position of treasurer need not be filled by a board member. A short discussion took place on possible candidates for the job. It was decided that Mr. Nievera would follow through on a suggestion made by Chief Caito and report back to the body. Mr. Reed moved (Mr. Nievera second) to table the elections until the next monthly meeting.

Previous Month's Minutes

Ms. Vergano moved (Mr. Walker second) acceptance of the 02/23 meeting minutes. The motion carried unanimously. Mr. Walker then moved (Mr. Reed second) acceptance of the minutes of the 03/17 meeting minutes, as corrected. That motion was also unanimous in its acceptance.

Treasurer's Report

Ms. Vergano reports the beginning balance of \$251,470.73 less cleared transactions of \$16,495.83, (\$741.07 in checks and payments and \$17,236.90 in deposits and credits) leave a cleared balance of \$267,966.56, as of April 10th. These figures agree with the monthly statement from Citizens Bank. Mr. Nievera has reviewed the reconciliation summary and is satisfied with its accuracy. The uncleared register balance, including \$199,401.51 in uncleared transactions, is \$68,565.05 as of April 14th. Mr. Reed moved (Mr. Nievera second) acceptance of the treasurer's report. The motion carried unanimously.

Communications

Mr. Nievera reports that the only operational communications that have been received were the two previously mentioned letters re-appointing both himself and Mr. Lacouture to the board for the upcoming year.

Old Business

There was a short discussion on the date of the district's annual meeting. With the timing of Holy Week and the EWG School District budget meeting, several commissioners felt that a date change was necessary. However, this cannot be accomplished until the next annual meeting of the members (04/11/07). It was decided to discuss this issue during a subsequent meeting and prepare a change to the bylaws allowing a date change. Mr. Nievera has been directed to reserve the current meeting place for the second Wednesday in April of 2007.

Ms. Vergano indicated that the tax collections were at about 82% of collectable revenue and that the 4th quarter was about to begin. There was a short discussion on the delinquent accounts and it was decided to mail the 4th qtr. delinquent notices a week sooner and close the penalty payment date on the 15th rather than the 30th of June to facilitate the closing of the books for the tax year. Mr. Nievera will coordinate this effort with Ms. McMahon.

Ms. Vergano inquired as to the manner in which the companies would share in the shortfall (percent of total budget or equally) of collected tax revenues. Mr. Nievera cautioned that salaries are heavily involved with two of the organizations. Mr. Lacouture suggested waiting until all the figures are in to decide. Chief Caito suggested borrowing money to cover the shortfall. Mr. Lacouture recommended we start planning a course of action to borrow in the certainty that

collections would fall short. Ms. Vergano will check with Citizens Bank and Mr. Nievera will contact the Coventry Credit Union for rates and a timetable for a \$50K loan. Mr. Walker is not very confident that the credit union will be of much help. Ms. Vergano inquired about the possibility of using Q1 06-07 collections to cover the shortfall in lieu of borrowing money. It was agreed that further discussions, including all options, would take place once loan information and further collection statistics were available.

Mr. Nievera has spent several hours online searching for applicable grants for the organizations, but reports that he can only find sites offering, for a price, assistance with the grant process. He will meet in the near future with Chief Kettelle for some direction in this matter. Mr. Lacouture noted that the 2 fire companies and rescue had applied for FEMA/Homeland Security “Assistance to Firefighters” Grants in the recent application period, which ended on April 7.

Ms. Vergano explained how her consolidation committee would work with the newly formed insurance committee. Chief Franklin continues to be unconvinced of the legality of the insurance policy consolidation. He continues to question the “insurable interest” of the fire district. “State law requires the owner of the vehicle to insure it”, stated Chief Franklin. Mr. Swanson suggested contacting the state insurance commission to verify the legal requirements involved. Ms. Vergano will contact Brad Preston of VFIS Insurance to further discuss the issues.

Ms. Vergano asked how we were to proceed with the ISO project. Mr. Lacouture stated that the record keeping date started on 01/05

and that much of the work is being completed but needs to be recorded in a specific format. Mr. Nievera asked chief Franklin if he had the proper forms to record his information. The chief replied that he did have some of the forms and that he has to put the information into an acceptable format. After a brief discussion Mr. Nievera moved (Mr. Walker second) the formation of a committee consisting of Ms. Vergano, Mr. Reed and two representatives of the fire companies, to be named later, to work on the ISO project. The motion passed unanimously.

New Business

Mr. Lacouture noted that new business included a number of items from the annual meeting. He suggested that due to the late hour and number on items, the Board should have a preliminary discussion on each. These items would be discussed at future meetings and action taken at that time. Mr. Nievera noted that one of the items the members wanted during the annual meeting was a disclosure of funds held on deposit by the organizations. He suggested that the money being held for future purchases be included on the common budget form discussed at a previous meeting. It was suggested that this report, in addition to listing the total amounts of funds on deposit, include any earmarks for which the funds were set aside. Mr. Swanson asked about the different fiscal years of the organizations and if it would be possible to have all the organizations on the same fiscal year. Chief Caito said that he had spoken with a tax accountant

and was told that changing the fiscal year was not worth the trouble. Mr. Walker said that he didn't know why it would be a large undertaking for the organizations and would check with Peter D'Orsi, a certified public accountant, to discuss the issue.

Mr. Nievera also said that a budget cap was something else that the membership wanted. "No one likes the idea of an open-ended budget process". Mr. Lacouture agreed he had also heard the same concerns. Chief Franklin, by way of example, cited the fact that his 35-foot extension ladder had failed an annual test and the cost of replacement was \$1,400. "That's 1% of my budget". Mr. Walker agreed with the idea of a budget cap, but noted that more discussion would be needed.

On the subject of competitive bidding, Mr. Walker noted that the system should be kept loose, not restricting the organizations with iron clad rules. A bidding process is needed to protect the public. Mr. Lacouture noted that municipalities must adhere to the bidding process but he feels we may be exempt. That is not to say that we cannot offer some guidelines for the organizations. Mr. Lacouture feels that we should see what the individual organizations think of the idea.

Mr. Nievera asked what the funding mechanism would be to start a reserve fund. Mr. Walker stated that a line item would be included in the budget for a particular amount and those funds would accumulate to comprise the reserve fund.

Mr. Nievera has introduced two policy statements for the tax office. One deals with general office procedures and the other with the

back-up procedures for the tax administrative and collection software. Mr. Nievera welcomed any additions or corrections to these policy statements. It was agreed to read them and discuss and/or accept them at the May meeting.

Mr. Nievera asked of the obligations and responsibilities of the district. He noted that the by-laws charge the district with collecting taxes and funding public safety. Ms. Vergano expressed her opinion that some verbiage regarding consolidation and savings which was used in the materials distributed during the campaign to create the fire district, gave credence to expectations of many taxpayers that the district and its board would have a larger role than mere collection. She and Mr. Lacouture expressed the opinion that the board was, in fact, more than just a funding arm, and that the role of the board would evolve over time. Mr. Nievera expressed his concern that all commissioners are in agreement with regard to the purpose and goals of the district. It was agreed that more discussion on this topic would be beneficial so as to better align the expectations and actions of the board.

Next Meeting

The next meeting of the Exeter Fire District is tentatively scheduled for May 18th at Station #1. Chief Curry will contact Mr. Nievera with the availability of the hall, at which time Mr. Nievera will inform all members of the board. The meeting will start at 7:00pm.

Executive Session

In accordance with RIGL (§ 42-46-5(a)(2)) Mr. Nievera moved (Mr. Walker second) the board into executive session at 9:23pm. The motion carried unanimously. The Board returned from executive session at 9:33.

Adjournment

Mr. Walker moved (Mr. Reed second) adjournment at 9:33pm. The motion carried unanimously.

Respectfully submitted,

Bill Nievera, Clerk

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