

Approved 05/10/07

Exeter Fire District

(February 8, 2007)

Call to Order

The February meeting of the Exeter Fire District Board of Commissioners was called to order by Vice Chair, Peter Wilbur at 7:00 pm. Present were Commissioners Vergano, Lacouture, Wilbur, Nievera, Walker and Gallagher. District treasurer Ms. Caito was also present. There were 10 members of the public in attendance.

Public Comment

There was no public comment.

Previous Month's Minutes

Mr. Gallagher moved (Ms. Vergano second) acceptance of the minutes of the November meeting. The motion carried unanimously. Mr. Nievera stated that he felt uncomfortable editing the minutes of the January meeting since he was not in attendance. It was the sense of the meeting that the January minutes be tabled until the regularly scheduled meeting in March.

Treasurer's Report

Ms. Caito reports a beginning balance on Nov. 08 of \$275,569.36, (\$148,585.95 in checking and \$126,983.41 in the money market account). After interest and other credit/debits, her total balance on Jan. 08, 2007 is \$328,680.67. There remains an unreconciled difference of \$39.08 that Ms. Caito is in the process of locating.

Mr. Nievera has reviewed Ms. Caito's reports with the bank statements and is satisfied with their accuracy. Please note that this report covers a two month period from Nov. 8, 2006 to Jan. 08, 2007.

Communications

Mr. Nievera reported the receipt of a request for information (name, address and date of election/appointment) from the state Ethics Commission. He responded with the latest copy of our contact information sheet. A budget and cover letter was received from station #2 as well as a letter introducing the president and CEO of Beacon Mutual Ins. Co.

Mr. Nievera also reported having sent a letter of thanks to Senator Breene for the recently received legislative grant and a letter to a town resident asking about our financial condition.

Old Business

Ms. Vergano presented and explained the administrative budget that she and Ms. Caito had drafted. Their draft calls for a spending

decrease of 29.8% over FY06/07. A substantial portion of that decrease is the omission of the ISO consultant's fee that is currently unexpended from last year. Mr. Nievera noted that the Board of Canvassers is soon to approach the Town Council requesting that the School Dept. and the Fire District be treated more equitably with regard to back charges for services provided by the town for their respective annual meetings. He noted that the School Dept. had not been billed for some of the services received, as we were.

. The Fire District administration is decreasing their request by 41.9%

Joe Conroy, Station #1 treasurer, offered his assistance in explaining any portion of the Station #1 budget. Ms. Vergano asked why interest income from an investment account was not included in the income line item. He stated that they keep interest earned in the account that earns the interest. That way, it's there when needed. He feels that it is an easier way for him to maintain their accounts. Mr. Conroy asked how to best show interest income on his budget. Mr. Wilbur suggested listing the prior year's income to lessen the confusion. Ms. Vergano stated that in an effort more fully disclose full financial information to the taxpayers, she felt it was important to disclose the interest income on the proposed budget, as the other companies had included investment income in their budgets. If Station #1 then wanted to offset the interest income with an equal addition to the Truck Replacement Fund expense, then that would make sense. Ms. Vergano also questioned the presence of a separate \$2520 line item for a dry hydrant when a \$5k allocation appeared in the station's investment account to support the dry hydrant. Mr.

Conroy stated that he wanted to preserve that allocation for future dry hydrant expenses. Ms. Vergano asked if Station #1 would be amending their budget to include the interest income. Mr. Lacouture stated that Station #1 would be allowed to consider the matter further and decide on their own. Mr. Conroy stated that he would notify the board within the next week. Station #1 is asking the Fire District for an increase of 4.8%

Chief Franklin offered his assistance in answering any questions concerning his budget for Station #2. Ms. Vergano asked why the money listed for the truck fund was not marked as a loan, since the money was being applied to a loan for an engine. He explained that the truck fund is a fund that has money going in and coming out for the express purpose of purchasing trucks. When the current truck is paid for, the fund will revert back to a depository for funds for the next needed piece of apparatus. Ms. Vergano stressed the importance of full disclosure to the taxpayers and continuity of reporting from all of the organizations, as was the purpose of the new budget form. Mr. Lacouture stated that Station #2 felt strongly about keeping their allocation in the Truck Fund Replacement expense category and did not want to move it to the Truck/Vehicle Loan item because once the loan was paid off, the allocation would appear as a new and large increase in the Truck Replacement Fund line item. Ms. Vergano then asked why Station #2's Electricity allocation was up by 11% when Station #1's was down by 1.8%. Chief Franklin responded that he had now way of knowing why #1 would be down. Station #2 is asking the Fire District for an increase of 4.2%

Dispatch treasurer, Dennis Colacone, offered his assistance in answering any concerns for the Dispatch Corp. budget. He offered that the majority of his increase was needed to begin health care coverage on an employee that had previously declined coverage as he was covered under his wife's policy. With the change in her employment situation, it was necessary to utilize the Dispatch Corp. coverage. Ms. Vergano asked why Dues & Fees were up 900%. Mr. Colacone explained that it included an \$1800 tower fee. The Dispatch Corp. is asking the Fire District for an increase of 7.5%. Mr. Lacouture advised Mr. Colacone of the necessity to garner a 2/3 majority for passage of expenditures in excess of 5.5%.

Rescue Chief Tom Caito represented the Rescue Corps and presented their budget request. Mr. Nievera asked if the Rescue shared an internet connection with the dispatch center. Mr. Caito replied that they did. Mr. Nievera also inquired as to the plans for any new rescue vehicles. Mr. Caito replied that the Rescue board felt that they could keep both trucks on the road with an increase in maintenance. The Exeter Rescue Corps is asking the Fire District for an increase of 5.5%.

There followed a short discussion on the establishment of a reserve fund for the district. Mr. Nievera offered that the Dispatch Corp. feels comfortable with a reserve of 10% of the budget over 5 years. Mr. Walker felt that 4% to 5% of the budget over 5 years was sufficient. After several figures were added to the discussion, Mr. Nievera moved (Mr. Wilbur second) adding a line item of \$10,000 to the district budget to establish a reserve fund. The motion carried

unanimously.

Mr. Nievera stated that the Fire District was now in the loop to report on unpaid taxes prior to the town granting some business licenses. Unpaid fire taxes will now cause the denial of some licenses. He also reported that he has asked the collector to purchase business cards at her earliest opportunity. She will visit Staples to order a box of cards within the month. He reports that the updated emergency telephone list has been placed in the office and that a laptop computer and peripherals has been purchased with the grant money furnished by the RI legislature. The laptop is intended for, and in the possession of, the district treasurer, Ms. Caito.

Mr. Davis (Pres. Station #1) requested copies of all submitted budgets. Mr. Nievera will e-mail them to Mr. Davis at his earliest convenience.

A short discussion on the merits of a \$25.00 maximum on the minimum tax set by the voters at the district annual financial meeting caused Mr. Nievera to move (Ms. Vergano second) setting the maximum amount to be set as a minimum tax at \$20.00 in place of \$25.00. The motion carried unanimously.

Mr. Walker moved (Mr. Wilbur second) acceptance of the proposed language for the establishment of a reserve fund. The motion carried unanimously.

Ms. Vergano inquired as to whether or not Mr. Wilbur would use the information contained within the debt and cash position report in his capital committee. He replied that he would. She further asked where the committee was with regard to its progress. He replied that

it was difficult to get people together. He will work on getting a template together as soon as possible to distribute it to the organizations and then compile the information to present to the board.

Mr. Walker has authored a memo explaining the manner in which funds collected in one year, and not used, can be carried forward into the following year. He explained the process and moved (Ms. Vergano second) following the advice contained within the memo for the funds collected for the ISO consultant. The motion carried unanimously.

Mr. Gallagher had nothing new to report on the ISO initiative.

Ms. Vergano presented the compilation recently completed by Peter D'Orsi. The CD containing the information needed to compile the report will be kept in the safe in the tax office and the extra copies will be put in the office as well, should any member of the public need to view it.

Mr. Lacouture requested Ms. McMahon to investigate as to the vendor used by the town for tax sale preparation and notification. She has reported back to him that the town uses Commonwealth Title Co. It is not necessary, Mr. Lacouture learned through a phone conversation with Commonwealth title, to pre-pay for services. They will bill us for the work. And that the charge is between \$200 and \$250 per account. There followed a lengthy discussion on the process of a tax sale and who would be eligible. Mr. Nievera, as well as several other commissioners, is not in favor of using a minimum amount owed to the district as the metric to determine inclusion in the sale process. He feels that a selective approach will cause catastrophic

results to future collections. Mr. Lacouture is in favor of setting an amount of \$300 or \$400 to become eligible. Mr. Wilbur moved (Mr. Gallagher second) putting all those with delinquent accounts for the tax year 2005 up for tax sale. The motion carried with Mr. Lacouture casting the only dissenting vote. Also discussed was the notice to be placed on the Q3 delinquency letters. An example was presented and after some discussion and editing, it was agreed to use the corrected version. Mr. Nievera will circulate the new verbiage later in the week. Mr. Nievera also reported that the collector has requested sending delinquent letters twice during the tax year in place of four times. It was agreed to do so. Delinquent notices will be sent after Q1 and Q3 of each tax year.

New Business

Nomination papers have been placed at the tax office and the Dispatch Center for anyone interested in running for the seat currently held by Commissioner Swanson.

Next Meeting

The commissioners will next meet for a budget hearing on February 22, 2007. The meeting will be held at the Exeter Volunteer Fire Dept. #1 located at 305 Ten Rod Rd. The meeting will start at 7:00pm. The next regularly scheduled meeting will be held on March

8, 2007 at the Exeter Public Library. That meeting will also start at 7:00pm.

Adjournment

Mr. Nievera moved (Ms. Vergano second) adjournment at 9:58pm. The motion carried unanimously.

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