

Fire District #1 Prudential Committee

Open Session Meeting December 15, 2015

Call to order @ 6:30pm

Members present- Kevin Taugher, Ray Miner & Greg Sheehan

Signing of the Warrants

Ambulance Director report and recommendation for Ambulance Receipts, including update of receipts and adjustments by month

Capt. Schenker had a handout for the committee, see attached.

- GS- Motion to adjust the medi-compts ambulance receipts ending November 30, 2015 in the amount of \$ 207.25
- RM-2ND
- UA
- GS motion to adjust the Comstar ambulance receipts ending November 30, 2015 in the amount of \$68,229.25
- RM-2ND
- UA

KT said that we are about 6 months into working with Comstar and it was about time we look into how to address past due ambulance receipts. His opinion was that because these are collectables for the district that the Treasurer, Chief and Capt. Schenker get together to put a plan in place for how we identify how much is in back log and what the approaches are to try a collect. KT would like to know the amount due and how old the past due receipts are, ex 5, 4, 3 years etc. What kind of advice would Comstar have to help us deal with this problem, options. KT would like to see an initial report on where we stand at the January meeting and we will move from there on what actions to take.

Capt. Schenker said he had a call in seeking some of that information. KT said he was sure GAAP we followed but if we were a private entity eventually we would have to write off the losses with pressure from our auditors. KT asked if Scanlon acknowledges these as losses. Monica said that he always had someone else do the ambulance. KT said that he doesn't see us carrying them anywhere. KT would like to create a policy for how we go about carrying or writing off uncollected receipts. Creation of an abatement policy so if we are ever questioned we have a process in place.

Initial review of 2017 budget

Monica kept the Chief's salary the same as last year because of the Chief not having a contract going forward. She also provided a breakdown of salaries at 1, 2, and 3% and had put the 3% into the initial budget being presented.

Chief Authier started to go through his budget line items. He explained any increases, example- the utilities he was estimating a little higher but not really sure what the season will bring us. He initially was increasing upkeep and repairs by 3k because it's an older building. Office expense was increased by 1k. Gas and oil up by 2k just as an estimate, fuel prices are low but put a buffer in. Fire Prevention was up by 2k, no real explanation. The Chief's account was increased by \$600 to 3k. GS asked for an explanation of what exactly the Chief's account was covering for expenses. Chief said it could be for his training. Also takes care of association dues and subscriptions.

GS asked if the line item relating to the training budget was for fire fighters and not necessarily Chief. GS wanted to be clear that the amount for the Chief's training was being reflected in the Chief's account and not the training budget. Chief agreed.

KT asked if training was just for fees and travel. Chief said it depends, it could be for travel, and it could be to offset expenses not covered under a grant. KT wanted to make sure that this account is not to be charged for labor but rather fees and expenses associated with training. Chief agreed.

KT asked about the difference between fire training and ambulance training. Then there is professional development training. This could include courses or training for officers and FF. Chief agreed.

KT thought there should be transparency between training cost and labor cost associated with training and development.

KT- asked if there were any questions so far on the fire side of the budget.

GS- had a question about wages. On the handout that was given to the PC showing a 1, 2, and 3% increase, GS noted that those calculations were not accurate, they were more reflective of a 4, 8 & 12% increase according to rough calculations. Monica stated that she didn't do the calculations Chief Authier did. GS asked how a 1% increase on a 55k salary could result in an increase to \$57,089.76. The math just doesn't add up. GS noted under the chart Chief had a 54k a year employee going to 61k under a 3% increase.

Chiefs didn't have an explanation for the error. It was noted as to the accuracy of the preliminary budget put forward if salaries and wages had such a major discrepancy. Total numbers were significantly off.

Preparing the budget is a primary component to the duties of the Chief. With such a discrepancy it had GS concerned about the Chief's attention to details.

KT- suggested that we continue on with the review despite the inaccurate salary and wage numbers. KT just asked for Chief to send along the corrected sheet after the meeting. He agreed.

Monica Walton was clear that she had nothing to do with the miscalculations.

Discussion continued to the ambulance expenses. Medical supplies went up because of mandated purchases of equipment. KT suggested that purchases that we should get multiple years out of may want to be moved to a capital account.

The licenses and fees line went up by 4k. Some licensing went up and some anticipated going up.

Outside services line went up to cover increased costs associated with increased billable runs. It was based on call volume as well as the % that Comstar is going to get to run the billing

There were some additional appropriation line items that were increased like the building improvement fund, fire gear replacement and alarm radio console.

There is an anticipated increase in MEDICARE cost of 6.7%. There was also a 5%+ increase in contribution to Hampshire County retirement. This lead to a question of Monica about the status of our unfunded pension liability. For close to a year we were told that a study was going to be done so we can make plans to try to start funding something towards the liability. Monica stated that she still wasn't done with gathering all the required information. KT asked for an update with numbers at our next meeting. Way too much time has gone by not to have some information. Monica said that she should have the final numbers from the actuary at the beginning of January. KT said to have them ready for the January meeting. KT also asked if it would be possible to meet with the committee.

KT had questions about how retired employees are being funded if they never contributed enough to cover the liability. Monica did not have an answer.

KT asked if OPEB included medical insurance. Monica confirmed OPEB includes medical and pension liabilities.

The front entrance line item was put into to address making the Fire House handicap accessible for elections and the public. We are not obligated to make the changes right away but we should keep it on the horizon as an update to the building.

There was a discussion around ambulance stabilization. KT asked about our planning around the next ambulance purchase. Capt. Schenker said he is expecting the cost to be around 225k and that purchase would ideally be made in FY19 or FY20. KT said that he would like to save in advance so that we can a new rig online every 5 years to keep the fleet updated.

KT recapped the discussion. He asked the Chief for a corrected spreadsheet on salary increases. KT also mentioned he would like to break out of an account of the money we put into labor for training. A sub category on Monica's chart of accounts. Chief agreed. KT asked for the same for the ambulance. He wants to be able to track the labor costs associated with the training everyone needs to be doing.

Capt. Schenker said that the stipend covers the labor costs of the training for EMT's and Paramedics.

KT asked Monica when she wanted the final budget in her hands ready for the district report. She said March 1st would be good. That would mean a final vote in the February meeting.

Chief's monthly update on events, spending vs. plan, administrative. Interactions with the town departments, inspections, capital projects

- See attached reports on fire and ambulance calls as well as inspections
- See attached reports on Town interactions, Personnel and the Roof projects

Chief reviewed the labor reports. He said the fire department overtime wasn't too bad. The ambulance overtime was up but so were the amount of ambulance runs. Things were tracking accordingly.

Chief is looking to fill two call fire fighter positions.

KT said that discussion around the return to work policy would be tabled for now but assumed it would tie back to the handbook, which is another item that needs to come back for discussion.

KT said that during the Chief's last absence there seemed to be inadequate communication within the department. It was brought to the PC attention that even after a week or two of the Chief being out there were still some key personnel that weren't made aware of the Chief's absence. KT said to avoid any confusion he would like the Chief to come up with a policy on notification to make sure there is a way that people are not aware when the Chief is away. The policy should be clear that the Chief has named an interim, that the Chief will be out for a certain amount of time and that the interim is the person that takes the Chief's responsibility while the Chief is out. KT is asking for a repeatable process for communicating any change in command should the Chief be out for a period of time. The policy should be clear enough that anyone from the most senior officer to the most junior FF knows how to find out if a temporary change in command has taken place. Leave nothing to question. Chief Authier was agreeable to the request.

KT asked for that policy to be complete by the next PC meeting so the committee can review. Chief agreed. We don't want anyone challenging chain of command because they were not made aware of a command change.

No need for executive session

Discussion and vote on Chief's compensation subsequent to December 30, 2015

KT wanted to make sure the PC had some say on expectations of the chief moving forward since he does not have a contract after 12/31/2015. KT had the opinion that benefits should follow standard department practices. He should not receive a benefit that other district employees don't receive. Therefore as an administrative official he didn't think that we should be providing holiday pay for the Chief going forward. The Chief is not expected to work holidays, if he has to work holidays for some reason he has the provision of comp time to cover that. KT felt strongly that giving the Chief Holiday pay going forward should not be included as a provision of employment after the expiration of his contract.

In terms of sick and vacation time KT thought whatever the policy is for the department is what the Chief should be following going forward. GS commented then the idea of unlimited sick time does not exist in regards to the Chief.

KT said he looked in the contract and at the time that the Chief was hired the department had unlimited sick time. However, that changed back with the issuance of the handbook. KT said he thought that the Chief's sick time should be calculated just like any other Fire Fighter. He should be able to go through his records from his hire date, calculate his sick time earned minus sick time taken and have a number. This would not be consistent with the 30+ days of sick time that the Chief took in calendar year 2015. The calculation is 1.25 days per month earned. KT wanted to stress that sick time and vacation time is a liability to the district and it is incumbent upon the treasurer to have a full accounting of those numbers in her possession. KT said he is sure that the Chief takes care of it now but going forward he wanted to make sure that the treasurer has a separate accounting of the time owed with the records of the department. So in the future if someone retires or terminates there is an accurate record of what someone is owed. Currently there is no logical system in place for tracking such time except for a combination index cards and memory of the Chief. KT wants to make sure there is an accurate record because when someone retires there is a buyback provision for sick time. This is a liability to the district and it is imperative that we have accurate records of our liabilities. This is an important fiduciary responsibility that hasn't been followed for a while but must be going forward.

Monica commented that it could most easily be done through payroll. Monica looked into it and it is possible. She also discussed with the Water Super and he was agreeable to using payroll as well. The cost was minimal. She said the initial numbers would have to be loaded to the system. GS said it shouldn't be an issue getting accurate numbers since the Chief has been tracking those all along. She said that the Chief would have to distinguish between sick and vacation time. This will also appear on the pay stub so if there is a problem it will be identified right away.

GS asked about a district vehicle for the Chief. There was some question in the past about the imputed income reporting for the Chief's district vehicle. KT asked the treasurer how that was reported and she replied it was not reported. She said that Scanlon didn't really supply direction. KT said it was important that we find out because the district could be in a serious financial situation with the IRS if there is imputed income for a vehicle that doesn't have proper markings on it. KT said this is a tax issue

that needs to be followed up on. KT suggested contacting someone on the state level about how they manage it.

GS- asked about circumstances about professional development and the expectations of the committee going forward. KT said that we should probably have a follow up with Chief and put a plan in place. KT said he didn't consider that direct compensation but more of an expectation. KT said that there were some concerns around receiving prior approval for courses taken in that they hadn't been preapproved and there was some disappointment that the Chief decided without approval of the PC to take a Thursday night class that is direct conflict with our monthly meetings and a critical function of the Chief's job.

GS also mentioned the policy around approval of compensatory time. KT mentioned that has not been followed and that we need to get with the Chief to put a plan together moving forward. KT said its one thing to be conducting fire district business during the normal workday hours; it's another to be partaking in personal business during the workday not related to fire operations without properly using comp-time.

There is an expectation that pre-approval for vacation, comp or extended sick time will now be required by the PC chair for the Chief. If it is planned in advance it will need approval ahead of time. This is consistent with the benefits and features currently exercised by district employees.

GS questioned if the Chief should have a district provided cell phone since very few know the number and the times that GS has called it the mailbox has been full. Chief commented that he hasn't had a district issued cell phone for quite some time. He said he was using his personal cell phone for district business.

GS asked about salary going forward given unsatisfactory reviews in the last to performance evaluations. KT commented that given the last two reviews had no impact on salary because it was in the contract. KT said that expectations need to be clear going forward after the budget process, and then set up a review of performance a few months later.

New business, unforeseen business 48 hours or less before this meeting

Nothing unforeseen

Confirmation of agenda items for future meetings and next meeting date

1/28/2016 @ 6:30pm

- GS-Motion to adjourn
- RM-2ND
- UA

Meeting adjourned at 8:02PM

Respectfully submitted

A handwritten signature in black ink, appearing to read 'Greg Sheehan', with a long, sweeping horizontal line extending to the right.

Greg Sheehan

Prudential Committee, Clerk