

Fire District #1 Prudential Committee

Open Session January 15, 2015

Call to order @ 6:30pm

Members present- Kevin Taugher, Ray Miner & Greg Sheehan

- Signing of the Warrants

Approval of the minutes

- GS- Motion to approve the minutes of the 12/18/2014 regular meeting as presented
- RM- 2ND
- UA

Review of 2015 spending YTD and 2016 budget

KT- wanted to look at the 2015 spending through half the year with the idea of looking at spending trends. This was a 6 month report. There were no general fund issues.

Prudential Committee went through the expenditures line by line. No major increase in spending out of the ordinary, i.e. health insurance, retiree benefits. Increase in HMO and PPO 1.5-2%. Changes in health costs go into effect 4/1/2015

KT- asked if these increases were anticipated in Monica's budget, she responded yes and this was accounted for.

Monica explained that the numbers on the budget were for 100% cost but the district pays 75% so the actual budget number is less.

Retirement is 100% paid for the year because there is a discount to pay in full. Monica explained the process associated with the retirement contribution. Monica said that retiree's retirement benefits are spread among the active firefighters.

Review of the line items was conducted with no major issues with the rest of the budget. Chief agreed with the numbers and said the only concern would be fuel prices going up but given the current cost of oil that is not anticipated.

FY 2016 Budget Review

A preliminary review of the FY 16 budget continued, this is a very rough draft at this point. Monica provided us spreadsheet showing P/S costs showing 1, 2, and 3% raises.

GS- asked what effect a 1, 2, or 3% increase in wages has on our tax rate. Monica explained that she only calculated the effect based on a 3% increase which was est. 2.2%

KT- Asked about the call firefighter line. Chief explained that they are short call FF and want to add more. Chief said that he was down to 16 added 2 more and is looking to get back to 20.

There were a few inquiries made about small line item increases but nothing major to cause concern among the committee. All changes were rationalized at this point in the budget process.

Review of the Ambulance budget

The biggest variable in the ambulance budget tends to be the fuel costs. Medical supplies were up, that is the trend in the marketplace.

Review of the Capital accounts

The roof project, KT asked who is monitoring that project. Chief said that is being taken care of by Tighe & Bond

Review of the financing for the budget

KT- asked for ambulance receipts collected. Monica had revenues at EST \$333,000 which would mean that we are budgeting for the same projections as FY15. There has been an increase in calls the last 90 days which hopefully translates into more revenues collected.

There was a discussion about the unfunded pension liability. No payments are currently being made to fund the liability. GS suggested that we may want to look at that, KT agreed that we don't want our grandchildren paying for it. GS said that ship has sailed.

Monica was looking at having an actuarial study done to determine the unfunded liability.

Overall the budget was looking pretty good at this point

Performance review update

GS gave a quick update on the 360 review. 1/15/2015 was the deadline to respond and at the time of the meeting he had received 16. He said he would compile the numbers. KT asked that he pull the numbers together for the review process.

Next meeting scheduled for January 22, 2015 at 6:30 a regular meeting with a regular agenda.

February 5 @ 6:30 with the water department and then we come back to the fire station

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

Meeting adjourned at 8:06 P.M.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'Greg Sheehan', written in a cursive style.

Greg Sheehan

Prudential Committee, Clerk