



## PRUDENTIAL COMMITTEE FIRE DISTRICT #2

20 Woodbridge Street, South Hadley, MA 01075  
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### March 6, 2018 REGULAR MONTHLY MEETING

Convened: 6:02 p.m.

Adjourned: 7:38 p.m.

Present: Prudential Committee Chair: Kenneth McKenna

Members: Richard Constant and Robert Lak

South Hadley District #2: Fire Chief Scott Brady

Treasurer Barbara Miller

Others Present:

Michael Lenart

Tracy Whelen

Ryan Moore

Pat Davis

Brian Fay

Todd Calkins

Meeting called to order by Chairman McKenna

Payroll and Vendor Warrants were reviewed by R. Lak and R. Constant. Per Sections 57-58 of the Municipal Modernization Act and PC vote of 12/15/2016 warrants were previously approved by K. McKenna PC Chair.

#### **Treasurer's Report and Discussion Items**

B. Miller stated that she had forwarded an email from M. Sullivan regarding a Mass Tort Litigation having to do with the national opioid epidemic. She informed the PC that the presentation at Town Hall with Atty. Tom Merrigan has been rescheduled to March 20<sup>th</sup>.

B. Miller stated that she wished to review two items which effect the tax rate in the proposed budget. She explained that the FY2018 budget paid \$7,600 of the PC portion of the building bond from taxation and \$40,000 from free cash but there was nothing added to the FD Vehicle Stabilization in FY2018. In the proposed FY2019 budget \$40,000 of free cash is being applied to the Vehicle Stabilization Fund and \$21,010 of the building bond is being funded through taxation. Free Cash shouldn't really be used to fund the bond payment because it's part of the budget and not a one-time expense. Free Cash is not a guaranteed amount and therefore should be used to fund one-time costs or stabilization accounts. The increase in the portion of the bond payment being funded through taxation is \$13,410 and adds three or four cents to the tax rate. She continued by explaining estimated receipts and their effect on the tax rate. She stated that the total number in the taxation column is reduced by the amount of estimated receipts as part of the tax rate calculation. Therefore, a higher estimated receipts number reduces the tax rate. The estimated receipts in the FY2018 budget were \$47,441 and in FY2019 they are only \$25,000. B. Miller stated that in FY2018, after discussion with the auditor, it was determined that the Fire Prevention monies could not lawfully be treated as a revolving fund and needed to be included in general fund receipts. Therefore, the fire prevention costs were included in the fire department budget and the fire prevention receipts were included in the estimated receipts total. This created a one-time increase to estimated receipts of approximately \$20,000. The difference

between the proposed budgets estimated receipts (\$25,000) and the prior years estimated receipts (\$47,441) is \$22,441, which equates to five or six cents on the tax rate.

R. Constant asked the Chief if he had been able to find areas to cut, stating that the PC had asked him to cut \$6,000 from the proposed budget. Chief Brady replied that he made the requested cuts to diesel, adding that he may need money from the reserve fund if prices increase as he's expecting. He further stated that he reduced the ambulance equipment line by \$1,000 and the fire training was also reduced by \$1,000. For a total reduction of \$4,750; explaining that there is no fat in this budget. R. Constant asked why the leftover funds in prior years were not used to purchase the equipment on the list he'd given at the last meeting. K. McKenna said that \$8,000 in the equipment line was turned back last year and asked why we didn't buy the things we need like hose. Chief Brady stated that all but the most recent budgets were not his to spend. R. Constant stated if you need a nozzle and you have the money in your budget; buy it. Chief Brady said that he's not planning to return that much this year. K. McKenna stated that according to the Strong Chief Act if he's planning to give raises or stipends of any kind he has to go thru the PC but other than that the money is his to spend on the things we need.

R. Constant stated that the chief had gotten the budget down about \$4,000 and he has no problem approving it. K. McKenna said he's fine with it also and asked R. Lak how he felt about it. R. Lak asked why, at the last meeting there had been a flurry of animated discussion about spending at the end of the year and that it was a bad thing and now at this meeting it's a good thing? He further stated that if free cash is reduced the tax rate will need to be increased to cover the bond payment. R. Constant stated that in the discussion last meeting the Chief made a good case for the needs of the department. R. Lak said that it would be nice to have some kind of policy. Chief Brady stated that you have to be prepared to make purchases at the end of the year. You can't spend earlier in the year because you never know what might go unexpectedly. A hose could blow when we move it while it's under pressure or the Jaws of Life during training. Chief Brady stated that we know the focus this year: Life Safety, Mission Readiness and Cancer Prevention. R. Lak stated that PC needs to support that and give a consistent message and watch at the same time. K. McKenna stated that Chief listed 15 things we need, in other years we should have been buying them.

R. Lak asked if the PC should entertain eliminating the board's salary. K. McKenna stated that it was done to create future interest in the positions.

R. Constant made a motion to approve the proposed FY2019 budget as submitted. R. Lak seconded the motion. Motion passed unanimously.

#### **PC Chair Report and Discussion Items**

K. McKenna stated that he needed to talk about the proposed MOU (attached) with MHC, he had gone to the college with the concerns expressed at the last meeting regarding the last two bullet points of the MOU. He read the following statement regarding the college:

"I spoke with Mt. Holyoke College officials and they feel the language in the M.O.U. pertaining to the ambulance gift of \$200,000; \$20,000 a year for 10 years is necessary for the protection of the College, and they do not wish to change it."

R. Lak stated that he thinks the concern is that the wording would be a concern by the public at the Annual District Meeting. R. Constant stated that the Chief sent a letter that we need a new ambulance, ours is 16 years old. It's clear that we need a new ambulance even if the college reneged after one payment we would have \$20,000 that we wouldn't have had otherwise. He

further stated that they haven't reneged on any agreement yet. Chief Brady stated that the agreement says that a withdrawal would have to be in writing, which means it would be on MHC letterhead, it would have to be a really good reason to cause them to renege and put it in writing. R. Lak stated that he has no objection to signing the MOU.

R. Constant made a motion to sign the MOU. R. Lak seconded. The motion passed unanimously.

Minutes of February 20, 2018, were read and approved as presented. Motion to approve the minutes made by R. Lak, second by R. Constant.; the motion passed unanimously.

K. McKenna asked B. Miller if the PC approves the WC budget. B. Miller stated the she felt the PC members would agree that they do, but that the WC may feel otherwise but they have never expressed opposition to having the PC approve their budget. She further stated that she doesn't think it is specified in the By-Laws. R. Lak stated that he believes it is in the By-Laws that the PC approves the budget meaning the entire District budget.

K. McKenna asked Chief Brady if he had anything he needed to report. Chief Brady stated that R6 had been taken off the road; it was no longer safe to drive.

R. Lak made a motion to designate R6 as surplus property, second by R. Constant; motion passed unanimously.

- The next regular District meeting will be April 10<sup>th</sup> at 6:00 p.m.

Respectfully submitted,

Barbara Miller, Treasurer

Minutes approved \_\_\_\_\_