

**MOUNT LAUREL FIRE DISTRICT #1
BOARD OF FIRE COMMISSIONERS
SPECIAL MEETING / WORK SESSION**

May 4, 2010
Fire Department Headquarters Station
Meeting Minutes #11

IN ATTENDANCE:

1. Commissioner Cornue
2. Commissioner Nash
3. Commissioner Roura
4. Chief of Department Gallos
5. Administrator Jones
6. Deputy Chief Colucci

NOT PRESENT:

1. Commissioner Shestack
2. Commissioner Shapiro

The meeting was called to order by Commissioner Cornue at 7:11 PM.

The Pledge of Allegiance was recited and a moment of silence observed.

The Public Announcements were read by Commissioner Roura.

General Discussion:

Status of the 2001 Bond Issue Refinancing: Administrator Jones reported that we stand to do very well on the bond issue refinancing, achieving almost \$300,000 in savings over the final 10 year term of the bond issue, which was much better than the \$218,000 that we had originally expected. There is some paperwork that needs to be signed by Commissioners Shapiro, Shestack and Nash to complete settlement on 5/13, at which time all of the existing bonds will be paid off and new ones will be issued. Commissioner Nash asked him how this will affect our annual payments. Administrator Jones replied that the annual principal and interest payments will be reduced by an average of \$30,000 per year and that once he has the final figures, he will prepare a comparison chart to illustrate the changes. He added that we will also save about \$24,000 this year that we did not anticipate.

2009 Audit Report: Administrator Jones reported that he was pleased to say that there are no audit findings again this year and that the unreserved surplus available for next year's budget is \$872,337. At the end of 2009, the Board had \$1.35 million in cash available less \$98,939 in account payables, less \$1,500 in the Station 361 water/sewer maintenance bond escrow account, less the \$376,392 in surplus that we used to balance the 2010 Budget. Although that sounds like a lot of money, he stated that it is approximately what our cash flow needs to be for payroll and payment of the most critical bills in January and February of 2011. There is 1 remaining piece of the puzzle that he needs before he can begin making accurate estimates for the 2011 Budget and that is whether or not we receive the SCBA grant this year. If we do, we will have more surplus accruing for future years because we will not be spending as much referendum money. If we don't, we will spend all of the referendum money and some Capital Improvement Program funds to replace the SCBA equipment.

Commissioner Nash stated that the Administrator is assuming that we will have sufficient funds available to get us through the 1st 2 months of 2011, but we don't know what the new contract costs will be and whether we will have enough to pay for salary increases that may go into effect on 1/1. Administrator Jones stated that although that is true, any contractual raises that would go into effect on 1/1 would only add a few thousand dollars to each of the 4 pay periods we have to meet using our cash reserves, which he did not think would be a big problem. Commissioner Nash added that this could be significantly impacted if we have to pay out retroactive pay for 2009 during those 1st 2 months. Administrator Jones stated that if this did occur, we may have to advise the staff that any retroactive pay that is due will not be paid until sometime after 3/1 so that we can get through this tight cash flow period.

Administrator Jones added that there are a few minor things that the auditors did recommend regarding documentation of our financial and purchasing processes, mainly because the State Comptrollers' office appears to be probing local government and looking for things that can be exploited politically. Commissioner Roura felt that having this documentation would be valuable in case something happens to Administrator Jones.

Commissioner Roura made a motion to approve Resolution #2010-42 – “Audit Report of 2009”, which was seconded by Commissioner Nash. The motion was unanimously approved by the Board.

Township Financial Situation Update: Chief of Department Gallos reported that the contract concessions offer made by the police union has been rejected by Township Council because they did not want to commit to adding 2 more years to the contract at 2.5% in salary increases each year. They clearly stated that because they didn't know what their financial situation was going to be at that point, they couldn't commit to that kind of increase. He stated that he is surprised that nobody is talking about a hidden 4% COLA increase that is included in the police contract. From what he can gather, the concessions being requested from the public works employees were going nowhere and negotiations were at a standstill. He hasn't heard anything new on the library and whether they will be closing it or giving it to the County to run. Mayor Jim Keenan and Councilmember Tracy Riley were working with the local School Board on their defeated budget to decide the final tax rate. Deputy Mayor Pete McCaffrey is working with the Lenape School District on their defeated budget and they cannot operate without the additional 12+ cents per \$100 of assessed valuation that they are asking for, which he was rejecting as too much. The Township has tentatively accepted the concessions offered by the EMS employees over 2 years, but they have yet to do so publically, which has EMS Chief Pagurek concerned because it still leaves the door open to privatization. The Township was waiting for CSC approval of their layoff plan and if approved, layoffs would begin taking place on 7/1. The County will take over call dispatching for the police department effective 7/1.

Duty Crew Meal Money Program Policy Revisions: After a brief discussion, the Board approved the revisions drafted by Administrator Jones and Deputy Chief Colucci for this program.

Capital Improvement Program Bureau of Fire Prevention New Vehicle Purchase / Vehicle Disposal: Commissioner Cornue asked Fire Official Kownatsky about the vehicles that he was recommending. Fire Official Kownatsky explained his reasons behind his selection of the Ford Escape. Commissioner Cornue expressed concern about the timing of this major expenditure. Commissioner Roura added that this is becoming more of a concern because of the Township budget problems and the likelihood that they will delay the introduction of their budget again this year, which would delay the release of tax bills and cause a delay in the collection of taxes in August and a delay in the release of our 3rd quarter tax payment. Fire Official Kownatsky stated that the order cut-off date for these vehicles is 5/14 and that the Winner Ford representative he has been working with has told him that this deadline is firm. Delivery after order is running 8 to 10 weeks with a 45 day grace period after delivery for payment. Administrator Jones stated that the State Contract and addendums for these vehicles did not have a 5/14 cutoff date, but he felt that we could go ahead and pull the trigger so that we can have the vehicles in service in the fall and get rid of the older vehicles that we no longer need. He added that in a worst case cash flow scenario, we can issue the check and hold onto it until our cash flow improves.

Commissioner Roura stated that one reason he wanted to table a decision on this at the last meeting was because Chief of Department Gallos wasn't at the meeting and he wanted to have his input. He asked him if he was okay with the recommendation and Chief of Department Gallos stated that he was. He added that problems have recently been identified with both of the vans the Fire Inspectors are using and that they could require significant repairs. We have already pulled 1 van from service for now until a decision on the new vehicles is made. He confirmed with Solicitor Braslow that we could sell any of our older vehicles 'as is' with no liability for the emergency warning devices that are left installed. Solicitor Braslow also provided him with a website that some of his clients have success used to sell vehicles. Administrator Jones stated that he has prepared a resolution for the Board to adopt tonight for the sale of the 3 vehicles that we have already taken out of active service. He added that if the Board approves the purchase of the 3 new vehicles for the Bureau, 2 additional older support vehicles will be proposed for sale as unneeded once the new vehicles are in service.

Commissioner Nash made a motion to proceed with the purchase of 3 new vehicles as recommended by the Fire Official that was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

Adoption of Resolutions:

- Resolution #2010-41 “Appointment of Lauren P. Brady as an ‘Explorer’ Member of the Mount Laurel Fire Department. Commissioner Nash made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.
- Resolution #2010-44 “Authorization for the Sale of Surplus Property”. Commissioner Nash made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

Chief of Department Gallos reported that after speaking with OEM Coordinator / EMS Chief Pagurek, he has decided to file an appeal with FEMA challenging the reimbursement amount that they have approved for the December 2009 and February 2010 snowstorms. He stated that he feels we have met all of the required criteria to be reimbursed for the overtime we incurred for those employees that stood-by in the stations, which they have denied. County and State Police officials are looking into whether an appeal like this has ever been submitted or granted before. Deputy Chief Colucci clarified that EMS Chief Pagurek, as the Township OEM coordinator, has to file the appeal on our behalf. Chief of Department Gallos clarified that we did receive reimbursement for some of the expenses that we did submit, but it wasn't what he thought we were getting. Deputy Chief Colucci added that some expenses that were eligible for reimbursement under FEMA rules last year were no longer eligible this year due to changes in their rules.

Chief of Department Gallos reported that Solicitor Braslow informed him that he had spoken with Deputy Chief Bill Kramer of the Division of Fire Safety to find out how we can bill for service. Deputy Chief Kramer stated that he saw no reason why we couldn't bill for service, but that he wasn't willing that opinion in writing and suggested that Solicitor Braslow file a written request with the DCA. Solicitor Braslow contacted the DCA and was told that this was an unusual request. His contact questioned whether we had the authority to bill for services and offered to take it up the chain of command to his superiors for an opinion. This is where the issue stands at this moment. Commissioner Roura stated that he feels that it is important for Solicitor Braslow to go through the effort of getting the blessing of the State so that we have standing if we are challenged. Deputy Chief Colucci stated that he didn't think we will get a definitive answer from the State because there may not be any law permitting us to do so. Commissioner Roura stated that in New Jersey, if there is no law permitting us to do something, we may not be able to do it.

Chief of Department Gallos stated that although he has a valid contract with the Board that doesn't expire until the end of 2011, in consideration of the financial situation that we are facing, he had submitted a letter to the Administrator requesting him not to issue him his longevity pay for 2010 until the labor contracts are resolved. He will be writing another letter indicating that he will extend this to his longevity pay for 2011 as well. He added that although he has a valid contract at this time and would not have to pay the state mandated 1.5% health benefit contribution that goes into effect for the rest of the staff on 5/21, as the leader of the Department he would agree to begin paying that contribution. In return, he wanted to sit down with the Board to negotiate a few changes in his contract that would be beneficial to him, such as awarding him a few additional vacation days. Commissioner Cornue thanked him for extending this offer to the Board and that is a major concession that was greatly appreciated. Commissioner Nash suggested that Chief of Department Gallos speak with Counsel Biviano about his offer before proceeding.

Resolution #2010-43 "Closing of Meeting Pursuant to Open Public Meetings Act". Commissioner Nash made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

**THE OPEN SESSION ENDED AT 8:22 PM.
A CLOSED SESSION BEGAN AT 8:32 PM.
THE CLOSED SESSION ENDED AT 11:05 PM.
THE MEETING ADJOURNED AT 11:06 PM.**