

EAST CLINTON FIRE DISTRICT

September 13, 2023

COMMISSIONERS MEETING – DRAFT

Regular Meeting 7:00

COMMISSIONERS IN ATTENDANCE:

Stephen Forschler, Chairman
Michael DiGiacomio
Kevin Fierro
Howard Shapiro
Russell Tompkins

COMMISSIONERS ABSENT:**ALSO IN ATTENDANCE:**

Robert Simon, Treasurer
James Passikoff, Accountant – Left at 7:25 p.m.
Roderick MacLeod, Attorney – Arrived at 7:20 p.m.

Chairman Forschler called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

CORRESPONDENCE:

- RBC Statement August 1, 2023 through August 31, 2023 – Commissioners copied.
- From M&T Bank – Month End Collateral Statement Dated September 1, 2023 – Mr. Simon copied.
- From Fire Districts of NY Mutual Ins. Co dated August 30, 2023 – Transitioning services to ManageAbility, Inc. and Prodigy Care Services LLC with new claim cards to distribute – to Ms. Thompson to give to all department members at the next company meeting.
- Postcards from Houses Wanted – Circular file
- From MES Lawmen dated August 1, 2023 re Functional Flow Testing on Scott Air - Packs/SCBA – Chief Estes copied on 8-22-23 – Testing has been done.
- News bulletin – Summer 2023 – VFIS.

MINUTES:

A motion was made by Commissioner Tompkins and seconded by Commissioner Shapiro to approve the regular meeting minutes of August 16, 2023 as presented.

Commissioner DiGiacomio	Aye	Commissioner Fierro	Aye
Commissioner Shapiro	Aye	Chairman Forschler	Aye
Commissioner Tompkins	Aye		

Motion carried 5-0.

FINANCIALS:

A motion was made by Commissioner Fierro and seconded by Commissioner Tompkins to pay the bills per the abstract dated August 31, 2023.

Commissioner Shapiro	Aye	Commissioner DiGiacomio	Aye
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Commissioner Tompkins	Aye	Chairman Forschler	Aye
Commissioner Fierro	Aye		

Motion carried 5-0.

A motion was made by Chairman Forschler and seconded by Commissioner Tompkins to accept the bank statement for the period ending on August 31, 2023 and in agreement with that noted on the balance sheet as put forward by Mr. Simon and Mr. Passikoff.

Commissioner Tompkins	Aye	Commissioner Shapiro	Aye
Commissioner Fierro	Aye	Chairman Forschler	Aye
Commissioner DiGiacomo	Aye		

Motion carried 5-0.

CD's – Mr. Passikoff should be receiving the collateral agreement within a day or so. Once we have that, we can purchase the CD's. The agreement has not been signed yet.

A motion was made by Chairman Forschler and seconded by Commissioner Tompkins to authorize Mr. Simon and Commissioner Fierro to sign the collateral agreement to purchase the CD's.

Commissioner Fierro	Aye	Commissioner Tompkins	Aye
Commissioner DiGiacomo	Aye	Chairman Forschler	Aye
Commissioner Shapiro	Aye		

Motion carried 5-0.

Audit Report from RBT – Chairman Forschler reviewed the letter from RBT dated August 16, 2023 communicating management suggestions.

1. Fixed Assets - "RBT noted that the fixed asset values reported in Quickbooks did not agree to the value reported on the AUD and the fixed asset schedule. RBT recommends that the fixed asset balances that are reported agree to the financial records." The reason the balances did not agree is that the auditor received the wrong sheet of paper from the accountant. They are in receipt of the corrected paper.
2. Fund Balance – "New York State Law details that a "reasonable amount" of unassigned fund balance may be retained for each fund, consistent with prudent budgeting practices, in order to ensure the orderly operations of the services. New York State outlines the timing of the receipts and disbursements as the primary considerations for Fire Districts in assessing what is reasonable. The Board should develop a policy that indicates how these factors will be applied to determine a reasonable portion of fund balance to retain. The District has not established a "reasonable fund balance" target amount or adopted a fund balance policy. As a result, the District may be holding more cash in the General Fund than necessary to bridge the gap between the end of the fiscal year and the receipt of the subsequent year's tax revenue. Additionally, the District should more closely analyze past expense trends when developing the budget. RBT recommends that the District establish a fund balance policy, determine and document what amount of unassigned fund balance is reasonable, and then develop a plan to reduce the fund balance during the budget process to that amount, as necessary."

Mr. Passikoff said the board discusses how much they need for basic working capital and the remainder put into reserve funds. It is reviewed on an annual basis in March. RBT is recommending a written fund balance policy which Mr. Passikoff does not think is necessary and would lock the board in. The comptroller's office has been criticizing fire departments for having too large fund balances, mostly for building and apparatus. RBT recommends the fund balance policy to document the unassigned balance that is reasonable. When you bought the truck in 2023, the minutes reflect how the money was used so it is fully documented.

- Quickbooks – “RBT noted that the District is still using Quickbooks Desktop Pro 2017 despite this version not being supported by the vendor. RBT recommends that the District upgrade to a more current version of Quickbooks to ensure the software is fully supported by the vendor.” Mr. Simon said we would pay \$30 a month to upgrade. Mr. Passikoff said you will be forced to upgrade when you need a new computer. He does not believe there is any exposure even though it is not supported by the vendor. He said we haven't found bugs in six years. The other problem with the new version of Quickbooks is it is a subscription version and will cost \$300 plus every year to get the upgraded version of the program. The upgraded version is no better than what you have. Commissioner Shapiro said we are saving taxpayer money by using the old version. Mr. Passikoff said he has another fire department using 2011 Quickbooks and the auditors did not make this comment.

Chairman Forschler said these are only suggestions. We need to file the audit with the town and the comptroller's office and write a response letter to RBT on the above comments. Mr. Passikoff suggested a response regarding the fund balance that the board reviews the fund balance in the March meeting and makes appropriate entries and as part of the budget process, the board continually reviews the prior year's expenditures.

A motion was made by Chairman Forschler and seconded by Commissioner Fierro that the board accept the audit report from RBT, authorize Chairman Forschler to write a reply letter per the suggestions by Mr. Passikoff and authorize the secretary to file the audit with the town clerk and the treasurer to file the audit with the comptroller's office.

Commissioner Tompkins	Aye	Commissioner Fierro	Aye
Commissioner Shapiro	Aye	Chairman Forschler	Aye
Commissioner DiGiacomo	Aye		

Motion carried 5-0.

Proposed budget – The workshop was held on August 31st and the budget that was proposed will reduce taxes by \$335.

A motion was made by Chairman Forschler and seconded by Commissioner Shapiro to approve the proposed budget for the 2024 fiscal year in the amount of \$539,300 of which \$539,150 is to be raised by real estate taxes and to authorize the secretary to file the budget with the Town of Clinton Town Clerk. The proposed budget is \$335 less than the 2023 fiscal year budget.

Commissioner Fierro	Aye	Commissioner DiGiacomo	Aye
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Commissioner Tompkins
Commissioner Shapira
Motion carried 5-0.

Aye
Aye

Chairman Forschler

Aye

Car 1 Don Estes Monthly Calls: 8 Year to Date: 74

Physicals are in October. The list is posted and is filling up well.

- We had a class with an arson investigator which included good conduct for arson awareness and a monthly exercise.
- Update on the new 63 – The fabricator guarantees the front tray for the pump will be in this week. Once mounted, we will start the final process of getting it in service.
- Decon class – All members on the support team who have not taken the decon class must take it. A few others were also interested in taking the class.
- The sexual harassment and workplace violence class will be in October – date to follow.
- The carbon monoxide tester is off the tanker and out for repair. The one on 12 is in service.
- The day drill is September 19th at 1000 hours. Subject to be determined.
- We have had a situation of arson and vandalism in the community. Chief Estes has been working extensively on this.
- Tanker chains are not yet fixed. Chief Estes will follow up.

Car 2 – Jim Bathrick – Not present.

Car 3 – Chris Gammone – Not present

EMS - Susan deHaan Monthly Calls: 8 Year To Date: 84

- Community Day went well with a lot of interaction with the public.
- We did another Narcan training at Fran Mark park.

Fire Police - Jim Ruffell Sr. – Not present.

Company/Membership – Maryann Thompsett, President

- Community Day went well.
- The steak and lobster dinner is September 30th and she reminded anyone who is interested to get their reservations in.
- There is no information on the stove cleaning. We are hoping for next month.
- The completed beneficiary designation forms for the life insurance were handed to the secretary.
- The blood drive is October 21st.

Hurst power unit – At the August meeting, the board made a motion to accept the bid in the amount of \$1,000 from MES for the unit. Dan Sommerville, the MES representative, is moving

to Florida and there will be a new sales rep for the district. Chief Estes will follow up with Dan before he leaves on the power unit.

Telephone Pole – There is a new telephone pole at the corner. The light on the old pole is our light. We need to get a quote from an electrician to move the light from the pole that is falling down to the new pole. Commissioner Fierro will call Veith for a quote.

Community Day Tent – On September 7 as the result of a bad thunderstorm, the frame of the tent that was put up for community day was destroyed. The tent is valued at \$1,200. We have a \$500 deductible with insurance so should be getting back about \$799. There were no objections to this. The deductible is the responsibility of the company.

Town of Washington – Commissioner Shapiro said he was promised by Tom Collopy that by the end of this week he would provide dates available to set up the meeting. Commissioner Shapiro will then contact Chief Estes. The meeting should be held prior to the October board meeting. This meeting is basically to determine if the Town of Washington is willing to discuss.

Bond Counsel – Chairman Forschler said we have received four responses from Harris Beach, Barclay Damon, HodgsonRuss, and Orrick, Herrington & Sutcliffe. Mr. MacLeod said he is familiar with the firms but not how the attorneys qualify as bond counsel except for Douglas Goodfriend who is with Orrick, Herrington & Sutcliffe. However, this is not to say the other ones are not just as adequate and just as good. They all have names for themselves in the bond counsel business. Mr. MacLeod worked with Douglas Goodfriend in the Town of Washington. Orrick gave a definite figure. The others are open ended. Commissioner Shapiro asked if we wanted to deal with a different company that didn't submit, do we re-advertise? Mr. MacLeod said if you wanted to work with a fifth firm that didn't supply a proposal, you can do that. Commissioner Shapiro said the school district has used Hawkins, etc. out of NYC. Mr. MacLeod said all these firms do municipal and school districts. The board can solicit a proposal. Commissioner Shapiro said the attorneys for the school district have used Hawkins, Delafield and Wood, and other districts have used them with good results. We have a contact person there for the school end. He said the school district attorney was not familiar with any of these firms. Commissioner DiGiacomo said he likes Goodfriend. It's a simple proposal and Mr. MacLeod is familiar with him. They provided a specific figure which none of the others did. They kept it simple. Mr. MacLeod said the bond counsel makes sure things are done correctly and will supply a letter to the lender. Using taxpayer money is a specific and specialized niche. Almost all towns will have general counsel and then bond counsel.

A motion was made by Commissioner DiGiacomo and seconded by Chairman Forschler to authorize Mr. MacLeod to make the initial contact with Orrick, Herrington & Sutcliffe to enter into discussions to employ Orrick as bond counsel and to request an engagement letter and what their billing practice is.

Commissioner Fierro	Aye	Commissioner DiGiacomio	Aye
Commissioner Shapiro	Aye	Chairman Forschler	Aye
Commissioner Tompkins	Aye		

Motion carried 5-0.

Mr. MacLeod said bonds are 20 or 40 year bonds. There is a period of usefulness which the board will have to adopt. The law decides what that period is depending on what you are buying the money for. There are different periods if you are remodeling, renovating, building a new firehouse, and then how you are building, brick, concrete, etc. This is what determines how long you can borrow for the bond. You can have a 20 year bond for building and the equipment will qualify for a bond or a loan separately. There are different ways to get to the amount you want to borrow. The next step is what kind of building, how much it will cost, and building materials. We have rough estimate from McCormack. We can get an idea for payments and from that, we can prepare the impact on the budget. The board may want to set some time aside at the next meeting to discuss so we have an understanding of what one million dollars of building cost will do to our budget for a 20, 30, or 40 year bond. That will allow us to make broad decisions. It also needs to be considered when you are going to build this – this year, next year, in five years. Chairman Forschler said we need to see the budget impact and figure out if it is something we can convince the public is worth their investment. Mr. MacLeod thinks the board has the experience to do the rough estimate. He will suggest bond counsel gets brought in soon in the process so that the board's numbers are confirmed by a professional. At the end of the day, we want to know what the impact on the budget is per a million dollars and what we will not have to spend money on. The first question is what the impact on the taxpayer is.

Chairman Forschler said we will set time aside at the next meeting for a discussion on the impact on the budget. The board members should think in terms of the impact and our ability to present that. Mr. MacLeod said the new structure will have operating costs to go along with it which will increase basic costs so another consideration is what will the impact be on the maintenance costs in the future such as heat and electricity.

Budget Public Hearing – A reminder that the budget public hearing is October 17th. The secretary will post the notice in the newspaper, send to the treasurer and town clerk for posting, and post on the bulletin boards.

Public Comment:

- Eliot Werner asked if the board was planning on doing a reserve fund policy. Chairman Forschler said Mr. Passikoff suggested we do not since we continually review the prior year's expenditures. If we have a policy, then we have to follow the policy. Mr. MacLeod said New Hackensack does not have a policy and neither do any of the districts

he represents. However, if you wanted a policy, it may be prudent to say we need 15% of the budget to carry until the tax check is received or we need x amount of dollars which should increase every year based on COLA. The surplus has to go to a reserve fund which you delay until you get the tax check. Chairman Forschler said in general, we use the 10% rule of thumb. Mr. MacLeod said the state comptroller's opinion is 10% is reasonable. Mr. Passikoff suggested earlier no policy is needed as the board reviews in March and makes an intelligent decision. If you have a policy and you want to do something different, you are locked in. A policy could be we review at the March meeting and based on pertinent facts, decide what a reasonable amount is. Mr. MacLeod suggested possibly deciding in December how much money you will keep out of reserve funds to operate. Your policy is your precedent, which has been prudent. Mr. Werner said the town has a policy if you want a reference.

A motion was made by Commissioner DiGiacomo and seconded by Chairman Forschler to adjourn the meeting at 8:08 p.m.

Commissioner Tompkins	Aye	Commissioner DiGiacomo	Aye
Commissioner Shapiro	Aye	Chairman Forschler	Aye
Commissioner Fierro	Aye		

Motion carried 5-0.

The next regular meeting of the Board of Commissioners will be held on Wednesday, October 11, 2023 at 7:00 p.m. at the firehouse.

The annual public hearing for the 2024 budget will be held on October 17, 2023 from 7:00 to 8:00 p.m. at the firehouse.

Respectfully submitted,

Karen Buechele, Secretary
East Clinton Fire District