

Tilton-Northfield Fire & EMS Commissioners' Meeting

Meeting Called By:	Commissioners	Date, Time:	March 8, 2010 at 18:02
Transcribed By:	Kathy Tobine	Place:	Tilton School, new Academic Building, School Street, 2 nd Floor, Room 213, Tilton

Commissioner Waldron called the meeting to order at 6:042PM.

Present from the Board: Commissioner Paul Auger, Commissioner Tom Gallant and Commissioner Kevin Waldron.

Purpose of Meeting

Commissioner Waldron stated the purpose of this meeting is to put a strategy in place in the event Article 6 on the Warrant of the District Meeting passes.

Minutes

March 2

Commissioner Gallant made a motion to accept the minutes as printed. Commissioner Auger seconded the motion. There being no discussion, vote was taken. All were in favor of accepting the minutes as printed.

Warrant

Commissioner Waldron stated they have had discussions with both legal and auditing people previous to this meeting. They have an estimate from both for their services in the event that Article 6 is voted in the affirmative.

Commissioner Gallant feels that if Article 6 is voted in the affirmative to dissolve the District that as far as the accounting is concerned that have received an estimate that an audit would cost \$8,500 for 2010, \$6,500 if they just have a review. They discussed continuing work they would have to do in 2011 to cover various functions that they would need to be involved in for final distributions of payroll, things of that nature, coming up with a final amount of cash and so forth that would be divided between the parties. Commissioner Auger indicated in the last meeting with the accountants that he felt an audit would be prudent. Commissioner Gallant felt that whatever the parties agreed to would be prudent. He would rather err on the side of caution and budget the \$8,500. As far as the agreed upon procedures he would budget \$2,000. They had given a range of \$1,500 to \$2,000. He would rather err on the side of caution using an amount of \$10,500 being \$8,500 for the audit and \$2,000 for procedures they would have to be involved in in the subsequent period of three to six months in 2011, probably just three months. Commissioner Waldron agreed. Commissioner Auger agreed that they should stay on the high side.

Commissioner Gallant made a motion that in the event that Warrant Article 6 passes and dissolution is voted that they add \$10,500 to the proposed budget amount. Commissioner Waldron seconded the motion. There being no discussion, vote was taken. All were in favor.

Commissioner Gallant stated that as far as legal is concerned, that is a wide open number. He stated the meeting with Attorney Chandler was held under attorney/client privilege. They are here only to discuss how much they would add assuming Chandler Law Offices services are required. For the record, he would like to indicate they did discuss with Sean Chandler the potential for a conflict of interest as he does work for the Town of Tilton and has done work for the Town of Northfield. All parties agreed that in the event that dissolution was voted that the parties being the Town of Northfield and Town of Tilton would be solicited by Chandler Law Offices asking for their mutual consent for him to represent the District in the dissolution. In the event that either one of them has a problem with it, he will back away or the District will find another attorney. It may well be that, if they agree, were they to come to a point in the dissolution where there is a conflict or it appears that there is a conflict he would then back away. Beyond that they asked him to research several items. There has been a great deal

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of question relative to the applicability of RSA 154 to the issue of dissolution. They asked Sean Chandler to research whether RSA 154 applies as it was the general consensus that it did not apply. They were inn fact right. RSA 154 does not address the process of dissolution of a village district. The statute addresses the structure of a local fire service once it has been created.

Commissioner Gallant stated it is the responsibility of the Commissioners to come up with a number they are going to carry for the involvement of Chandler Law Office in the event that he represents the District. He has indicated, based on a good faith estimate, that as he researched the RSAs and those things that it would be necessary for him to be involved in, a minimum 25 billable hours would cover that. He gets \$175 per hour. That would be \$4,375 as a low. In the event that there is any litigation this number could rise from 25 billable hours to 100 billable hours which would be a high of \$17,500. Whatever is added, if it is not expended, will be returned to the associated parties at the same percentages that the contributed. Whatever is unexpended for legal and accounting could be carried to a future period of time. It could be carried over to the following year. That's perfectly acceptable. If the money is not there we need to take the money out of the current budget. Litigation that might follow would carry into the year 2011. Commissioner Gallant recommended that they carry \$15,000. Commissioner Auger asked if that would be enough if Sean was not able to represent the District. Commissioner Gallant replied it should be as the going rate is \$175 an hour. Commissioner Waldron stated that was fine with him.

Commissioner Gallant made a motion that in the event that Warrant Article 6 passes and dissolution is voted that they add \$15,000 to the proposed legal budget amount. Commissioner Waldron seconded the motion. There being no discussion, vote was taken. All were in favor.

Commissioner Gallant stated that the only other things they can discuss are under Warrant Article 15 for any other costs that might be incurred such as fees for appraisers, any costs for clerical work, final MS forms. This is the article that authorizes the operating budget of the District for the year. Warrant Article 15 reads *To see if the District will vote to raise and appropriate the Budget Committee recommended sum of One Million Three Hundred Forty Two Thousand Four Hundred Fifty One Dollars (\$1,342,451.00) for General District Operations.* This article does not include special or individual articles addressed. It would be to that amount we would be adding the two sums that they just talked about. What would happen there is the warrant article would be introduced then the floor would be opened for the discussion of the budget. They could then address the legal line and the accounting line and anything else they feel is necessary. That is the time they would make the motion to increase legal to \$15,000 and accounting to \$10,500. The cost for appraisals and things like that would go under other professional services. Now they need to come up with a number for appraisals. The only assets they might use appraisers for is the engines and tanker. Commissioner Auger asked if they would get appraisals for the real estate. Commissioner Gallant replied that depended on what the equalized evaluation was. If it is at 100% then whatever the assessed value is what they should use. If they said the equalized valuation for 2009 was 80%, then whatever they have on the books is only 80% of what it is worth. Tilton is currently at 100%. He doesn't know about Northfield. If the parties don't agree that these are reasonable numbers then they will have to incur an additional expense to have somebody to appraise it. He just ordered an appraisal of a residential piece of property. That appraisal came in at \$550. That is the average they are getting. Commercial is more around \$2,500. This number should not be limited strictly to appraisals as they are going to have some continuing costs Involved in paying someone to do final payrolls and things of that nature. He's thinking somewhere between \$2,000 and \$2,500. Commissioners Waldron and Auger thought \$3,000. Commissioner Gallant stated that whole package would be \$28,500 added to the proposed budget.

Commissioner Gallant made a motion to carry \$3,000 in Account #390 Other Professional Services. Commissioner Auger seconded the motion. There being no further discussion, vote was taken. All were in favor.

Commissioner Gallant stated the last thing they were to discuss was what they were going to do with the Warrant should Article 6 pass.

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Warrant Article 7 addresses the By-Laws. He would move to table that. If the District dissolves then the By-Laws are not appropriate. It was agreed that they would table Warrant Article 7.

Warrant Article 8 addresses Park Street Station. It was agreed that Warrant Article 8 would be tabled.

Warrant Article 9 addresses the Land and Building Capital Reserve Fund. It was agreed that Warrant Article 9 would be tabled.

Warrant Article 10 addresses upgrades to Center Street Station. It was agreed that Warrant Article 10 would be tabled.

Warrant Articles 11 and 12 call for the readjustment of the Rescue Capital Reserve Fund and the Fire Truck Capital Reserve Fund, closing all of that into the Apparatus & Equipment Special Revenue Fund. It was agreed that Warrant Articles 11 and 12 would stay in tact.

Warrant Article 13 is for the budget for the Apparatus & Equipment Special Revenue Fund. Discussion ensued about the account and expending of funds. It was agreed that Warrant Article 13 would stay the same.

Warrant Article 14 addresses pressurized hydrants. It was agreed that Warrant Article 14 would stay.

Warrant Article 15 is the warrant article for the operating budget. This was discussed earlier.

Warrant Article 16 addresses authorizing the Commissioners the borrow money in anticipation of taxes. It was agreed that Warrant Article 16 stays.

Warrant Article 17 is to transact any other business that may legally come before the meeting. It was agreed that Warrant Article 17 stays.

Commissioner Waldron asked if they wanted to change for the record or if it would be done at the annual meeting. Commissioner Gallant stated they would discuss and add at the annual meeting.

It was decided that Commissioner Gallant would table the article and either Commissioner Waldron or Auger would second the motion.

The draft copy of the 2009 Review was discussed. Commissioner Gallant reviewed and had no problem with it. He forwarded to Roland. If Roland is okay with it, it was agreed that Kathy would contact Melanson Heath & Company to finalize.

Commissioner Gallant stated that it became obvious to him that the term of a commissioner runs through the annual meeting. The sitting commissioners would carry it through its logical conclusion which will be done by the middle of March. The same is true of the Treasurer. That Treasurer could technically take care of all the final distributions. However he still feels confident that the party that normally does the payroll and quarterly returns should do that. Any distributions to be done after that could be done by the Treasurer. Commissioner Waldron stated Roland does not due the physical. Commissioner Auger asked if he signs the checks. Commissioner Gallant replied he signs the checks and pushes the button to run the reports. If the District stays together that should be addressed. He has only become aware of this over the last couple of months.

Commissioner Gallant made a motion to adjourn. Commissioner Auger seconded the motion. There being no discussion, vote was taken. All were in favor.

Meeting adjourned at 6:54 P.M.

Respectfully submitted,

Kathy Tobine
Administrative Assistant

Next Meeting Date, Time, Place: March 18, 2010 at 18:00. Meeting to be held at Tilton School, new Academic Building, School Street, 2nd Floor, Room 213, Tilton.