

FIRE DISTRICT #1 PRUDENTIAL COMMITTEE SPECIAL MEETING

Thursday, July 25, 2019 – 6:30 PM
Meeting Minutes
Prudential Committee Meeting Room
144 Newton Street
South Hadley, MA 01075

In Attendance: PC Clerk Bruce Perron, PC member Kevin Taugher, PC member John Wojciechowski, Interim Clerk Treasurer Ira Brezinsky, Chief Robert Authier, Captain Kurt Schenker

CALL TO ORDER

Perron called the meeting to order at 6:30 PM

APPROVAL OF MINUTES

Motion: Taugher moved and Wojciechowski seconded to approve the minutes of April 24. Motion carried 3-0.

Motion: Taugher moved and Wojciechowski seconded to approve the minutes of July 2. Motion carried 3-0.

Motion: Taugher moved and Wojciechowski seconded to approve the minutes of July 12. Motion carried 3-0.

CHIEF'S REPORT

Inspections: Chief Authier reported 37 fire calls and 141 EMS calls through July 23. In addition, he reported 9 business inspections and 24 smoke/CO inspections. One Certificate of Occupancy was issued and 145 lockboxes installed year to date.

Community Interactions: Tower 3 was displayed to a group of 45 youths at a South Hadley basketball camp. Lt Houle assisted Officer Fleming and Officer Percy from South Hadley Police Dept. Ladder 5 and Medic 3 were at the Town fireworks. Medic 3 was stationed at Michael E Smith Middle School. Ladder 5 was stationed at the Mosier School. Lt Houle met with the South Hadley Winter Safety Preparedness Committee regarding the October safety fair at the COA. The event will take place on October 9, 2019.

Fire District 1 provided an EMS and Fire and Life Safety Detail at the Hunter Hayes concert on the July 18. The event took place outside the Boathouse Restaurant. 1500 tickets were sold, with an estimated 1100 people attending that evening.

Taugher asked if the event on July 18 at the Boathouse involved paid detail. The Chief responded affirmatively. There was also a paid police detail. Although there was some concern regarding safety and crowds, particularly on the river, all went well and there were no issues.

The Chief provided a brief verbal report regarding a gas leak at the Talk of the Town restaurant.

ADJUSTMENT OF AMBULANCE RECEIPTS

Motion: Taugher moved and Wojciechowski seconded to approve adjustment of ambulance receipts in the amount of \$172,208.10 for the month of June. Motion carried 3-0.

VEHICLE SELECTION AND REPLACEMENT PROCESS

Taugher stated he would like to have the Prudential Committee approve the specifications and purchase of the new Chief's vehicle, per the Strong Chief law. He would like the color scheme to be appropriate for the function of the vehicle and readily identifiable as an emergency response vehicle. He would like to approve the purchase at the next PC meeting.

\$40,000 was appropriated at the Annual District Meeting in April. The Chief has a quote of \$42,367.11 for a Ford Explorer that includes necessary add-ons and light/siren package. Additional funds may be necessary to get exactly what is needed and appropriate. The Chief will report back as to whether additional funds are needed.

Perron feels that the Chief can procure the vehicle without further consent of the Prudential Committee. Taugher disagrees and cited MGL Chapter 48, Section 42. Perron cited District bylaws. Perron would like Wojciechowski to work with the Chief to develop appropriate specifications for the vehicle.

Motion: Taugher moved and Wojciechowski seconded to increase vehicle budget to \$50,000 and task the Clerk Treasurer with determining how to manage it. Motion carried 3-0.

A proposal will be reviewed and approved at a subsequent meeting.

CHIEF'S EVALUATION

Perron doesn't believe Wojciechowski has had enough time to participate in a full evaluation. He would also like to entertain a cost of living increase now and defer the evaluation to a later date. Taugher disagreed and stated that the agenda calls for discussion of evaluation, not compensation. If the PC wishes to discuss or vote on compensation, that topic must be duly listed on the agenda. Perron stated that this conversation has been going on for two years and the PC needs to move forward. He asked for a motion for a cost of living increase for the Chief. Wojciechowski interjected that the PC has "gotten itself into trouble in the past" by not following the "letter of the law". He agrees with Taugher that this topic must be placed on an agenda in order to be discussed.

Motion: Wojciechowski moved and Taugher seconded to table discussion of salary increase and evaluation until the next meeting. Motion carried 3-0.

BOARD ASSIGNMENTS

Perron spoke with Water Commission Chair Schenker to establish a committee to review District bylaws and policies and wanted to know if Taugher would like to co-chair such a committee. Taugher would like there to be a kickoff meeting with all constituencies to establish a charge and expectations, and does not wish to volunteer until after that meeting and discussion has taken place. Wojciechowski stated that Water Commissioners, the Chief, the Water Superintendent, union representative(s), and others should be included in the conversation.

Perron asked if Wojciechowski would be willing to evaluate the District's vehicle fleet. He is willing.

Perron would like to review all insurance in collaboration with the Clerk Treasurer.

INVESTMENT STRATEGY UPDATE

The Clerk Treasurer provided a report and recommendation to transfer all current funds in Stabilization and OPEB accounts from MMDT to Bartholomew & Co. As outlined at the July 2 meeting, the plan is to begin with a moderately aggressive strategy for OPEB funds and a more conservative approach for Stabilization funds. The long-term goal, is to achieve 6-7% rate of return on OPEB funds and to exceed the long-term projected inflation rate of 3% on Stabilization funds. These anticipated rates of return are conservative and based in large part on the current low interest rate environment, coupled with our preliminary strategy to begin with a 10% equity investment on the Stabilization accounts. At this time, the Clerk Treasurer does not recommend shifting any of the MMDT General Account or MWRA funds.

The approximate amounts to be invested are as follows. These amounts will be increased by July investment income that will be booked at the end of this month.

| | |
|---------------------------------------------|--------------|
| Water Tank Stabilization | \$520,593.33 |
| Water Stabilization | \$678,219.67 |
| Water Critical Infrastructure Stabilization | \$ 78,944.40 |
| General Stabilization | \$ 84,816.32 |
| Ambulance Stabilization | \$ 88,286.34 |
| Fire Vehicle Stabilization | \$169,264.88 |
| Water OPEB Fund | \$ 81,829.46 |
| Fire OPEB | \$473,121.36 |

Funds will be invested on a “dollar cost averaging” schedule of the next 4 quarters, subject to overall market conditions.

Motion: Taugher moved and Wojciechowski seconded to enact the investment plan as presented.

OPEB ACTUARIAL REPORT FROM ODYSSEY INVESTMENT ADVISORS

The District received the FY18 Other Post-employment Benefits (OPEB) actuarial report from Odyssey Advisors on June 13. There has been a drop in total liability from \$8,792,636 to \$7,105,161 – a drop of \$1,687,475. A brief discussion ensued regarding variables that can impact changes in liability in the future. The District will continue to fund the OPEB Trust accounts on an annual basis.

NEXT MEETING

The next meeting is planned for September 12 at 6:30 PM.

ADJOURNMENT

Motion: Taugher moved and Wojciechowski seconded to adjourn at 7:56 PM. Motion carried 3-0.

Respectfully submitted,

A true copy, attest:

Ira Brezinsky
District #1, Interim Clerk Treasurer



Kevin Taugher, Prudential Committee Clerk

