

SELECTBOARD MEETING  
*Approved Minutes*

December 5, 2013

7:00pm EMFD Station 2

**JOINT MEETING OF THE CALAIS SELECTBOARD, EAST MONTPELIER SELECTBOARD and  
EMFD BOARD OF DIRECTORS**

**Attending:** Calais Selectboard Members: Denise Wheeler, Scott Bassage, John Brabant, Toby Talbot and Rose Pelchuck; East Montpelier Selectboard Members: Seth Gardner, Carl Etiner, Kim Swasey, and Steve Sparrow; EMFD Board Members: Ty Rolland, Chief, Greg Pelchuck, Rick Barstow, Jon Boucher, and Bill Amell; Jim Carrien, EMFD Treasurer, Bruce Johnson, East Montpelier Town Administrator and Don Welch, East Montpelier Town Treasurer.

The meeting began at 7:10pm for the purpose of discussing the proposed EMFD Budget for fiscal year 2015, review the independent audit report and talk about the EMFD Capital Plan. Ty Rolland began by saying EMFD did not intend to withhold information from the Selectboards. Per the interlocal agreement, the proposed budget and audit report were due December 1<sup>st</sup> and Ty Rolland assumed that having this meeting scheduled for December 5<sup>th</sup> that would be adequate. Ty went on to explain the audit was received Monday, December 2<sup>nd</sup> (electronically) and the proposed budget needed to be approved by the EMFD membership, which happened Tuesday, December 3<sup>rd</sup>. Next year the parties can discuss these deadlines at the quarterly meeting.

Audit Presentation – Jim Carrien, Treasurer, reported EMFD just received final copy of audit report yesterday. Jim said it was a clean audit with only one adjustment made of checks that were never cashed so the checks were cancelled. Jim Carrien highlighted a few things: EMFD is protected by insurance, funding from the towns was 50% of the budget, the rest of which came from outside sources. Questions were answered regarding internal controls, cash basis vs. accrual basis of accounting. Ty Rolland and Jim Carrien said EMFD would be talking to the Fothergill, Seagle & Valley, P.C. to discuss if EMFD should change accounting methods. Ty Rolland noted accounting for a volunteer fire department is different than running a for-profit business in that EMFD does not depreciate their equipment. Scott Bassage asked about the audit firm and hope EMFD continues using them. Jim replied that this was the second year Mudgett, Jennett & Krogh-Wisner, P.C. were used and it was easier this year than last year when they were just getting to know EMFD. They came to the station to perform the audit rather than making copies of everything.

Proposed Budget for FY 2015

Jim Carrien, EMFD Treasurer, began by saying the proposed budget is the first budget coming off the four-year level funded budget that began July 1, 2010. EMFD had not even been in this building and had just begun the ambulance service when that four-year budget was developed. That budget provided the best estimate of what it would cost to run the department in the new building and operate the ambulance service. The Town of Calais agreed to change their funding contribution percentage from 25% to 33% per the Interlocal Agreement with the Town of East Montpelier and is seeing a higher amount due to that.

Overall, this budget proposes a 6.5% increase for East Montpelier and a 22.28% increase for Calais. Some large expenses were highlighted such as electricity at \$8,000.00 per year and the cost of dispatching at \$24,000.00 in the current budget. Further explanation of the Capital West dispatch system was provided. Some line items are in both fire and ambulance budgets. Toby Talbot said that by keeping those things related to the cost of running an ambulance separate, it gave EMFD a true look at the costs. Now that we have been doing business for a few years, it really doesn't mean that much to be separate.

Denise Wheeler asked about closing Station 1 to save money but it was noted three trucks that hold 4,000 gallons of water are located there and the proximity to Maple Corner is an important reason to keep that station viable. Insurance costs are a very large expense as with any business.

Jim Carrien reviewed the cumulative statistics from July 2010-October 2013 from the Narrative (see full text of the Narrative at the end of this document):

Total ambulance revenue raised \$322,729.44

Total other income generated by EMFD outside of tax income was \$152,030.18

Without raising tax income EMFD purchased a Utility Truck, refurbished an ambulance, upgraded various pieces of equipment, made building improvements and balanced it's budget with \$410,274.34 of funds generated in-house.

Calais is frustrated with the 22% increase and Denise Wheeler asked if Jim Carrien had a "Plan B" proposal. The answer was no. Seth Gardner spoke up saying he was trying to think of a way to fund the shortfall, to come up with a way to use some of the contingency money. Taxpayers are having a hard time paying their bills, looking for a way to lessen the burden. Jim Carrien noted the importance to keep funding the capital account for capital expenditures ahead. Jim also stated the Plainfield ambulance revenue is 100% benefit to East Montpelier and Calais. Denise Wheeler said, "We may not be able to sell this, we are continually looking at ways to save money in the town budget and we have no control over the school budget". Denise Wheeler asked about Efficiency Vermont coming in to check the building for efficiency. Ty Rolland noted the building was designed and built with Efficiency Vermont's input. Insurance costs were discussed and Jim Carrien explained about risk value and EMFD has a low rated value 0.8 which is below the 1.0 standard rate.

#### Capital Plan (FY 2014-2025)

The Selectboard reviewed the Capital Plan as presented. Ty Rolland noted EMFD spent \$37,000.00 in repairs in both ambulances. Currently the 2003 ambulance has over 100,000 miles and is experiencing higher repairs for maintenance. FY 2014 shows replacing this 2003 ambulance with \$50,000.00 coming from the reserve fund and FY 2015 shows replacing a tanker truck with \$100,000.00 coming from the capital reserve fund. Ty Rolland explained about the put-together tankers on the hill and the high risk they pose because they were not made for fire fighting. They are hard to drive and only a few members drive them for that reason. Scott Bassage asked about taxpayers voice in having a vote on purchasing capital equipment. Ty responded by saying taxpayers are heard through the Selectboards. Don Welch explained the concept behind the capital plan and capital reserve fund. The ambulance revenue that was set up to save the taxpayers money is funding capital purchases. For large truck purchases, the towns will be asked to also contribute. Bruce Johnson suggested the new defibrillator payment come out of capital plan.

Other - Ty Rolland reported that EMFD is applying for an Aid to Firefighters Grant to replace the Jaws of Life tools. One tool is 21 years old and the other is 12 years old; having difficulty cutting the new composite structures of vehicles on the road.

EMFD is looking at a 2009-used ambulance for \$52,000.00 with 45,000 miles on it. Ty Rolland is hopeful to get \$10-15,000.00 on the market for selling Rescue 3 Ambulance. Photos were circulated. Members of the EMFD Board test drove it and will report back to the board.

In closing, Seth Gardner gave kudos to EMFD for a very good job managing resources.  
Meeting adjourned at 9:25pm.

Respectfully submitted,

Rose Pelchuck  
Selectboard Member and Administrative Assistant  
EMFD Administrative Assistant

### **East Montpelier Fire Department 2014-2015 Budget Narrative**

This proposed budget represents the first proposal East Montpelier Fire Department (EMFD) has delivered since the towns approved a four-year level-funded budget, which began July 1, 2010. The intention of this narrative is to discuss the increased funding needs of EMFD. You will see that the proposed budget outlines an overall 12% increase across both budgets. Please note that the Fire Service budget contribution split between East Montpelier Town and Calais Town is now 66% and 33% respectively (originally 75%/25% respectively). The Ambulance Service budget contribution split remains the same and is identical to the one previously mentioned. Understand that the proposed increase will have greater impact on Calais Town due to this revised factor.

#### **Discussion on individual line items**

**Building 1** - This building serves as a remote station. It houses two tankers and one engine. Neglected for several years, this building requires some maintenance including interior painting in 2014-2015.

**Building 2** - This building serves as the main operations center for EMFD. During the beginning of the level-funded years EMFD personnel did not fully comprehend the complexity of the building systems (heat, air handling, fire suppression, emergency power, etc.) and the cost of annual/semi-annual servicing. Built into this budget are funds to maintain these various systems.

**Dispatch** - Capital West Dispatch is EMFD's service provider. Each year the cost has increased approximately \$1,000 per year. We have been told that a larger increase is on the horizon due to short staffing and higher call volumes on Capital West. Please note that in 2012-2013 we were credited one quarter for a invoice mistake that Capital West made. The amount should have been \$23,039.00 instead of \$17,279.77. In 2013-2014, the cost will be closer to \$24,000.

**Electric Station 2** - Know that the level-funded budget was created and approved prior to the completion of Station 2. The level-funded budget was built on the assumption that electric demands (from an architectural estimate) would be close to \$1,500 per year. However, actual expenses have been closer to \$8,000. Over the first two years, EMFD had borrowed funds from other lines to pay for this unexpected expense and impacted other programs such as turnout gear replacement. In the most recent years, contingency funds have paid for this increase. Unfortunately, this expense is something we cannot overlook.

**Office Supplies** - These include various smaller items, such as paper, pens, timecards, envelopes and paperclips. However, a majority of these supply costs are from printing the forms necessary to efficiently operate the ambulance service and perform the administrative functions of the department. The aforementioned forms are needed to record incidents and patient interactions, invoice patients, and protect the department from any liabilities that may arise. Printer toner is also a primary expense.

**Office Computer/Software** - EMFD operates several computer-based programs for incident reporting and scheduling. The programs require annual service contracts. Although some are required by the State of Vermont for fire and EMS reporting, others assist with efficiencies in scheduling. We also have a server and IP phone system that needs annual maintenance. In 2012-2013, EMFD experienced a server failure due to a power surge. This required several hours repairing the server and the purchase of back-up power supplies/surge protectors. We do not anticipate these expenses again.

**Personal Gear** - This includes turn out gear for all firefighters and other protective equipment. In 2012-2013, EMFD experienced a fire incident where firefighters were exposed to asbestos. This required replacement of 8 sets of turn out gear. Although, EMFD's insurance covered a portion of the replacement cost, the department had to absorb the remainder (approx. \$7,000). Two years ago, an inventory was completed of all personal protective equipment. Unfortunately, EMFD found that much of its turn out gear is nearing or has passed the National Fire Protection Association (NFPA) recommendation for service life. EMFD is committed to adhering to these standards, will need to replace old gear, and intends to create a replacement program for future replacements.

**Vehicle Repairs** - EMFD has an aging fleet of emergency response vehicles. These vehicles require a little more attention than brand-new vehicles and this cost is represented in this expense line. EMFD has a commitment to its communities to respond in an emergency and the vehicles have to be well maintained to do so.

**Defibrillator Maintenance** - EMFD owns two defibrillators. Currently one has a standalone service contract and the other was built-in to the price of the machine, which expires when the loan ends. The loan ends in April 2014. This requires EMFD to enter a new contract for defibrillator service.

**Salary** - EMFD experiences the pressures that many other primarily volunteer services experience when it comes to daytime help. Many more volunteers are working out of town and are unavailable to cover during a call. EMFD finds it necessary to provide additional paid staffing during these times and during the holidays.

#### **Cumulative statistics from July 2010 – October 2013**

- The total ambulance revenue raised was **\$332,729.44**.
- The total amount of other income generated by the department, outside of tax income, was **\$152,030.18\***. This was primarily from various grants, donations, state funding and service reimbursements.
- Without raising tax income EMFD purchased a utility truck, refurbished an ambulance, upgraded equipment (SCBA, gas meters, turnout gear, pump, thermal imaging cameras, EMS transport equipment and defibrillator), made building improvements and balanced it's budget with **\$410,274.34\*** of funds generated in-house.

\*These figures do not include loan proceeds for Self Contained Breathing Apparatus (\$67,778), which will be repaid annually from ambulance revenue set aside in the capital account.

EMFD hopes this narrative helps explain some of the complexities in the budget proposal presented for 2014-2015. We are excited for your continued support.

Thank you.

Jim Carrien, EMFD Treasurer