

Charlton Fire District Commissioners Special Meeting Minutes September 15, 2011

PUBLIC MEETING: The public meeting of the Charlton Fire District was called to order on September 15, 2011 at 7 p.m.

PRESENT: Doug Sargent (Chairman), Sharon Cronin (Secretary), Andy LaPatra (Treasurer), Robert LeGere, Jeff Voigt, Dave Peters, Terry Hannigan (District Counsel)

ABSENT: Steve Caine

The Chairman called the special meeting to order at 7:00 and turned the meeting over to Terry Hannigan, District Counsel.

District Counsel, Terry Hannigan, outlined the purpose for the special meeting:

- To explain fire district Organization
- To present the Fire District's position on the pending criminal matter
- To present and discuss the Audit Report of the OSC
- To explain the actions taken by the Fire District in response to the Audit

District Counsel discussed what a fire district is:

- A fire district is a "District Corporation" organized under the Town Law that can
- contract indebtedness and levy taxes under the Local Finance Law.
- A Fire District is an independent geographical and political entity.
- A Fire District is not a department or agency of a town.
- Once a fire District is established by a Town, the Town Board has no authority over the Fire District.
- The Charlton Fire District is comprised of five Commissioners, a Treasurer, Secretary, Chief and Assistant Chief

District Counsel, Terry Hannigan, overviewed the background on District Commissioners:

- Governed by a five person Board of Fire Commissioners
- Residents of the Fire District.
- Elected to 5 year terms.
- Elected by vote of qualified electors on the 2nd Tuesday in December each year.
- Prohibited by law from being compensated for their service.
- Charged with being the authority having jurisdiction for all fire service issues within the jurisdiction.
- The Board of Fire Commissioners can exercise its authority only when acting as a board.
- The Chairman of the Board of Fire Commissioners has no independent or extra authority.
- Fire District Commissioners are Public Officers.
- Fire District Commissioners establish the District budget pursuant to a statutory formula and direct that the County levy the tax.
- A Fire District Board of Commissioners may appoint a District Treasurer.
- A Fire District Board of Commissioners may appoint a District Secretary.
- The Fire District Treasurer and Secretary are Public Officers.
- The same person may hold both offices: (District Treasurer and District Secretary).

- The Board of Fire Commissioners retained a CPA firm to review previous year payments to employees.
- The District will be utilizing a CPA firm to conduct an audit for 2011 pursuant to Town Law §181-b.
- The Fire District is currently constructing a budget based upon projected expenditures for 2011.
- The Fire District will propose the establishment of encumbered Capital Reserve Accounts at the December 13, 2011 Fire District elections.
- The Fire District has filed a theft claim with its insurance carriers.

Attorney Hannigan addressed questions and concerns from the public.

The meeting adjourned at 8:15.

The Attorney outlined what a Fire Company is:

- A Fire Company is usually an unincorporated association or a not-for-profit corporation.
- A Fire Company has a “social” as well as a “firematic” component.
- A Fire Company supplies personnel to the district to answer alarms, promote safety, etc.
- A Fire Company is NOT supported by tax dollars but by fundraising & donations.
- Fire Companies are typically governed by a Board of Directors and/or Executive Officers
- (e.g. President, VP, Secretary & Treasurer).
- Fire Companies must follow applicable laws (e.g. Not-for-Profit Corporation Law) but are principally regulated by the corporate officers pursuant to the Company’s Bylaws
- Fire Companies do not make Fire District policy, establish tax rates, or receive tax money.
- Fire Companies exist within Fire Districts to provide the Fire District with a pool of skilled labor when the need for personnel arises.
- Fire Companies also serve as a social or fraternal organization for their members.

The Attorney discussed what a Fire Department is:

- Pursuant to VFBL §3 one or more Fire Companies that serve a Fire District (collectively) may be referred to as the “Fire Department” of the District.
- “Fire Department” is commonly used to refer to the “Fire District” or the “Fire Company” or both..... or everything!

The Fire District position on the criminal matter was presented:

- The Fire District cannot and will not comment regarding the crimes alleged or any charges filed against the former Fire District Treasurer.
- The Fire District has and will continue to cooperate with the NY State Police and Saratoga County District Attorney’s Office.
- There is a presumption of innocence in the law. Coffin v. United States, 156 U.S. 432 (1895)

The Audit Report was briefly addressed

The actions taken by Fire district in response to Audit were presented:

- Implementation of voucher system for approval of payment of all bills requiring the signatures of all commissioners.
- Cancellation of all Fire District credit cards opened with or without authorization.
- Revision to the Fire District’s Purchase Policy as required by GML §104-b.
- Delivery of District mail to a post office box. A Fire District Board of Commissioners may appoint a District Treasurer.
- Retention of new Secretary and new Treasurer.
- Timely preparation and publication of Monthly Meeting Minutes.
- Dissemination of Treasurer’s Report and backup documentation including check registers and bank statements to Commissioners in advance of Monthly Meetings.
- Presentation of the Treasurer’s Report at Monthly Meetings.
- All Fire Commissioners as well as the Fire District Secretary attended Commissioner Training pursuant to Town Law §176-e in March and April of 2011.
- The Fire District Secretary and Treasurer each attended training for their respective offices sponsored by the Association of Fire Districts of the State of New York.
- Bank account reconciliations are done monthly and reviewed by Commissioners.
- The review of bank reconciliations is rotated amongst Commissioners.