



CHERRY HILL BOARD OF FIRE COMMISSIONERS

Cherry Hill Fire District #13
1100 Markress Road
Cherry Hill, New Jersey 08003
Telephone: (856) 795-9805
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Chairperson
Hugh H. "Skip" Gibson, IV

Secretary / Clerk
Robert A. Campagna

Treasurer
William P. Kelly

At Large
Kellie Montana

At Large
William T. McCargo

MINUTES FOR REGULAR MEETING JANUARY 5, 2017

In accordance with Section 5 of the Open Public Meetings Act, Chapter 231 P.L. 1975, notice of this meeting was posted on the Fire District and Township of Cherry Hill bulletin board designed for that purpose. Notice was published in the official newspapers on March 11, 2016.

CALL TO ORDER

Public meeting call to order at 19:00 hours.

FLAG SALUTE

ROLL CALL

CAMPAGNA	PRESENT
GIBSON	PRESENT
KELLY	PRESENT
MCCARGO	PRESENT
MONTANA	PRESENT

Also present: Fire Chief Kolbe, A/C Callan, CFO Foley and PSA Fiorentini

MINUTES

Motion by Commissioner Montana seconded by Commissioner McCargo to accept the Agenda, Regular and Closed meeting minutes from the December 1, 2016 Meeting.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

Motion by Commissioner Montana seconded by Commissioner McCargo to accept the Special Meeting minutes from the December 5, 2016 Meeting.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

Motion by Commissioner Montana seconded by Commissioner McCargo to accept the Workshop and Closed Meeting minutes from the December 15, 2016 Meeting.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

CORRESPONDENCE - ON FILE

FIRE CHIEF'S REPORT

The Fire Chief's report was presented by Fire Chief Kolbe. The complete report is on file.

Attended Special Meeting on Monday, December 5, 2016.

Held Platoon meetings during the month.

Officer Promotions and Recruit Graduation.

Colonial Pipeline held an emergency incident seminar at CC for OEM.

Draft Budget Mailer at Idea Lab.

EMS BC attended the BLS Subcommittee Meeting and the NJ EMS Council Meeting

EMS ended with 495 more calls than 2015. (10503)

EMS held a Preceptor class for those interested in becoming a Preceptor to new hires.

TREASURER'S REPORT

Motion by Commissioner Montana and seconded by Commissioner McCargo to accept Treasurer's Report and the monthly bill list totaling \$948,069.93 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

OLD BUSINESS

None

NEW BUSINESS

Motion to open the Public Hearing for the adoption of the 2017 Budget.

Motion by Commissioner Montana and seconded by Commissioner Kelly to open the Public Hearing for the Adoption of the 2017 Budget. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

CFO Foley read the complete 2017 budget into the record after which Chairman Gibson asked if anyone in attendance wanted to make any public comments to please come up and state your name for the record and try to limit your comments to two minutes.

Mr. Jim Lyons asked the Board about the vote at the November meeting to increase the budget that was not unanimous and since then the feeling amongst the Board has changed to not increase the budget. Commissioner Gibson responded back stating that during that time the Board discussed the budget and the financial situation of the District and subsequently decided that this was not the time for a tax increase.

Mr. Lyons questioned the report by Public Financial Management and his belief that they recommended that the Fire District should increase the tax rate. Chairman Gibson and Commissioner Kelly stated that PFM has supplied the District with a budgeting tool that will allow the Commissioners to forecast budget models into the future so financial decisions can be made. PFM did not specifically recommend that the District should raise taxes this year, but stated that increases would be necessary in the future as the retiree health benefits increase. PFM did not indicate how much of an

increase would be necessary. CFO Foley explained how the Cap Bank works and the limits on how much the District can raise the tax rate.

Mr. Lyons asked if the Office of the Fire Chief had recommended any tax increase for the 2017 budget; he also questioned if PFM had made any recommendations as to when the District should raise taxes and, if so, how much should they increase. Commissioner Gibson and Commissioner Kelly responded that the OFC did make a recommendation to raise taxes in 2017 and PFM did not specifically say when or how much the taxes should be increased, but the Board should start looking at 2019.

Mr. Lyons questioned the Board on the decision to ease into a tax increase rather than raising them all at once and risking the budget being defeated at the election. Mr. Lyons also questioned the cost of the PFM report. Commissioner Kelly responded by stating that the Board did discuss increasing the budget in smaller increments, but the decision was not to raise the taxes at this time. CFO Foley stated that the cost of the PFM report was approximately \$18,000.00.

Mr. Lyons questioned why the Board did not take the recommendations of the OFC and their consultant PFM to raise taxes. Commissioner Kelly reiterated that PFM did not specifically say that the Board should raise taxes in 2017; he also stated that the Board discussed all the recommendations that were brought forward by the OFC, the Chief Financial Officer and PFM and decided that this was not the time to raise the taxes.

Mr. Lyons asked if there were any other factors that drove the decision not to raise taxes after the OFC, CFO and the other professionals made recommendations to raise taxes and could this action put the District into a similar position that the Voorhees Fire District finds itself. Commissioner Kelly stated that there is not even a hint that we are in a position similar to Voorhees. He further stated that all the information presented to the Board is analyzed along with debt service and the ratables before the decision to not raise the taxes was made. The Board will raise the taxes when they feel it is needed.

Mr. Chris Lenny asked the Board if the 2017 budget for salary and wages includes funds for bringing the firefighting staffing levels up in order to replace the current and future vacancies. Commissioner Gibson acknowledged that it is the intent to fill the vacant positions in the 2017 budget.

Mr. Zach Houck asked the Board what the big budget drivers were that the Board considered before deciding not to raise taxes. Commissioner Kelly stated that the Board considers the ratables, which are expected to increase, the reduction in debt service and the overtime budget.

Mr. Houck followed-up with what the Board anticipates as cost drivers on the expense side, such as the accreditation process, the ISO rating, staffing and future facilities. Commissioner Kelly stated that his main concerns are the ratables, especially if they stay flat and do not increase.

Mr. Houck questioned what were PFM's recommendations and concerns for future budgets. Fire Chief Kolbe stated that their concerns are future retiree health care costs and future facility costs.

Mr. Houck questioned PFM's budget concerns. Commissioner Kelly and Commissioner Campagna reiterated that PFM recommended that the taxes be increased in the future when the retiree health care benefits begin to increase. Commissioner Gibson stated again that PFM created a budget tool for the Commissioners to use to forecast future budgets and that it is only as good as the information that is entered; that information is then analyzed by the Board to determine future budgets and tax increases.

Mr. Houck questioned the Board about the decision at the November meeting where Commissioners Montana and Campagna were considering a tax increase and then decided against it, specifically what factors were considered when making their decision. Commissioner Campagna stated that the decision not to raise taxes came after discussions with the Board about the information that was received from PFM and the other Board members.

Mr. Houck asked the Board about the fund balance and how much has been used over the years to supplement the budget. Fire Chief Kolbe stated that the average draw from reserves has been approximately 2.4 million dollars and that the true fund balance is approximately 3 million dollars. Discussion continued regarding the 4th quarter tax payment and how that money is utilized for the 1st quarter expenses of the new budget year. Mr. Houck questioned the Board on the amount of reserves the Board had 3 to 4 years ago; the Board did not have the exact amount, but stated that the amount was higher. The Commissioners explained that according to accounting regulations they should have about 17% of their budget in reserves. Commissioner Gibson also stated that the Board has a current Moody's rating of AA1.

Mr. Brett DeLucca asked the Fire Chief how many times he has asked the Board to increase the budget since he has been Chief. Fire Chief Kolbe stated that he has only requested a budget increase for last year and this year. Mr. DeLucca asked the Chief if the Fire Director ever asked for a tax increase. Fire Chief Kolbe stated he did not ask for a tax increase.

Mr. DeLucca asked CFO Foley if he had asked for a budget increase and he responded that he did request the tax rate to be increased for the 2017 budget.

Mr. DeLucca asked the Board why they did not consider raising the taxes after their Fire Chief, Chief Financial Officer and PFM had recommended doing so and what would be the implications by not raising the taxes. Fire Chief Kolbe stated that there would be no implications this year and possibly next year, but after that there would be implications that would require the Board to borrow money to cover expenses during the year and or raise taxes above the 2% cap.

Mr. DeLucca stated to the Board that he is here speaking as a Station Captain and not the labor group. He is in charge of 14 Firefighters who are tasked with operating under a budget who are highly trained as a technical rescue unit and due to budget constraints are not receiving the required training and it will affect their operational readiness in the future. Mr. DeLucca asked the Board why they are not listening to the recommendations of the career professionals that are employed by the Fire District. Commissioner Gibson asked Mr. DeLucca what requests were denied. Mr. DeLucca stated that he had a list of items that would take approximately two hours to discuss. He went on to say that he understands the needs of the Department, but has some concerns when the Fire Chief and the Chief Financial Officer make recommendations for budget increases that are denied. Commissioner Gibson thanked Mr. DeLucca for his comments

Motion to close the Public Hearing.

Motion by Commissioner Montana and seconded by Commissioner Kelly to close the Public Hearing. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

READING OF RESOLUTION

RESOLUTION # 17-01-05-01	RESOLUTION TO ADOPT A BUDGET FOR CALENDAR YEAR JANUARY 1, 2017 TO DECEMBER 31, 2017
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PUBLIC COMMENT - NONE

Motion by Commissioner Gibson and seconded by Commissioner Campagna to accept Resolution #17-01-05-01 as read. Motion carried.

Commissioner Gibson voted YEA with the following comment; I believe we do have to raise taxes next year and take advantage of the available Cap Bank if needed. There will be no sacrifice on staffing, firefighter vacancies will be filled in the 1st half of 2017 as well as the EMT vacancies. This Board, as it stands right now, is fully committed to minimum staffing requirements and will not resort to three man companies and "brown outs" as was done in the past during the economic downturn in 2012.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-02

**RESOLUTION AUTHORIZING BUDGET TRANSFERS
RELATIVE TO THE 2016 BUDGET**

PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-02 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-03

**RESOLUTION TO CANCEL UNEXPENDED
BALANCES**

PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-03 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-04	RESOLUTION AUTHORIZING RENEWAL OF THE SHARED SERVICES AGREEMENT BETWEEN CHERRY HILL FIRE DISTRICT #13 AND BERLIN TOWNSHIP FIRE DISTRICT #1
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PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-04 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-05	RESOLUTION AUTHORIZING RENEWAL OF THE SHARED SERVICES AGREEMENT BETWEEN CHERRY HILL FIRE DISTRICT #13 AND PINE HILL FIRE DISTRICT #1
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PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-05 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-06	RESOLUTION AUTHORIZING RENEWAL OF THE SHARED SERVICES AGREEMENT BETWEEN CHERRY HILL FIRE DISTRICT #13 AND THE BOROUGH OF LAWNSIDE
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PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-06 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

RESOLUTION # 17-01-05-07	RESOLUTION AUTHORIZING RENEWAL OF THE SHARED SERVICES AGREEMENT BETWEEN CHERRY HILL FIRE DISTRICT #13 AND THE CITY OF CAMDEN
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PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner Kelly to accept Resolution #17-01-05-07 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

Motion by Commissioner Montana to close Public Meeting at 19:50 hours to go into executive caucus meeting seconded by Commissioner McCargo. Motion carried.

RESOLUTION # 17-01-05-08	RESOLUTION AUTHORIZING THE BOARD TO EXCLUDE THE PUBLIC IN ORDER TO DISCUSS CERTAIN MATTERS PERTAINING TO PERSONNEL AND/OR LITIGATION
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PUBLIC COMMENT - NONE

Motion by Commissioner Montana and seconded by Commissioner McCargo to accept Resolution #17-01-05-08 as read. Motion carried.

ROLL CALL VOTE

CAMPAGNA	YEA
GIBSON	YEA
KELLY	YEA
MCCARGO	YEA
MONTANA	YEA

OPENED MEETING

Motion by Commissioner Kelly at 20:21 hours to open meeting to the public, seconded by Commissioner Campagna. Motion carried.

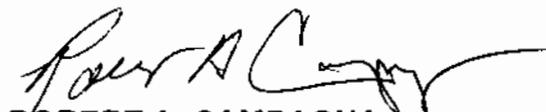
PUBLIC COMMENT PRIOR TO CLOSE OF MEETING

None

MOTION TO ADJOURN MEETING

Motion by Commissioner Montana and seconded by Commissioner Campagna to adjourn meeting at 20:21 hours. Motion carried.

RESPECTFULLY SUBMITTED,


ROBERT A. CAMPAGNA
CLERK, B.O.F.C. DIST. #13