

DRAFT

*Watch Hill Fire District
Watch Hill, R. I. 02891*

FINANCE COMMITTEE

Friday, May 22, 2015

3:15 P.M.

Fire Station

222 Watch Hill Road

Watch Hill, RI

A meeting of the Finance Committee of the Watch Hill Fire District was held at the Watch Hill Fire Station at 3:15 p.m., May 22, 2015.

Finance Committee Members present:

Paul Verbinnen, Chairman

Judy O'Connell

District Council Members present:

Charles S. Whitman III, Moderator

Robert Peacock, Fire Chief

Grant G. Simmons III, Park Commission Chairman

Andrew Parsons, Member at Large

Other voters present:

Elizabeth W. Bean, Park Commission

Those participating by phone:

Robert C. Murray, Treasurer

Also present were:

Judy Kelley, Fire District Office Manager

Proper notice having been given, the meeting was called to order at 3:15 p.m. by Mr. Verbinnen.

Mr. Verbinnen advised that he had changed a few numbers in the proposed 2015-2016 budget, a copy of which is attached and a part of these minutes. Yacht Club Cabanas was increased to \$121,052 and Insurance and Fidelity Bond was increased from \$82,000 to \$84,000 to cover the firemen's insurance. Taxes to the Town of Westerly were set at \$53,500. The contingency reserve was increased from \$75,000 to \$85,000. Bathhouse Building Repair was increased from \$45,000 to \$55,000. The fees to the WHFD Beach Condo Association were left at \$7,000. This does not include legal fees for this year that may come out of next year's budget, but which will be paid out of the legal budget. Mr. Verbinnen is still working on the payroll taxes but feels the number will not change much, if at all.

The net result of the above changes results in a projected budget surplus of \$2,580 and an increase of 3% in the mil rate to \$0.515. Mr. Verbinnen felt it would be important to have prepared talking points for the voters relative to the reserve, explaining the decision to increase the reserve yearly to avoid a larger, emergency bond issue. There followed a discussion of what the reserve fund might need to be. It was felt

Watch Hill Fire District
Finance Committee Meeting Minutes
May 22, 2015
Page 2

that a reserve of \$350,000 was needed in case of a hurricane. Then another \$850,000 to \$1,000,000 would be needed for priority projects. Over the next 10 years it was felt that \$2,000,000 would be needed. Mr. Verbinnen said he would put together a projection on how yearly tax increases of about 3% and debt pay down would affect the reserve fund. It was agreed that the Fire District would have to obtain a loan to buy new fire trucks when that becomes necessary.

Looking at the current year's budget, which ends May 31, Mr. Verbinnen said everything was within budget and there might be a small surplus.

Asked about consolidation of Fire Districts, Mr. Peacock said there seems to be a movement toward consolidation of the Fire Districts operationally, but there is a desire for them to remain distinct as districts.

A motion was made to submit the budget as amended. It was seconded and carried.

There being no further business, the Finance Committee meeting was adjourned at 4:00 p.m.

Respectfully submitted,

Judith H. Kelley
Office Manager