

August 4, 2011

The August 4, 2011 meeting of the NIESA Board was called to order at 7:00 pm by the Chairperson Charles Galbreath.

Voting Members Present: C. Galbreath, R. Cole, E. Griffes R. Lillywhite, R. Pollok, R. Hayes. Absent City of Williamston Representative

Non-voting Members Present: R. Hanna, T. Oliver

EMS/Fire Personnel Present: M. House, S McGuire, S. Davis, B. Siegel

Other: Michael Moody, City Council Member

Guests: David Haddrill, auditor.

**Consent Agenda (Agenda I):**

Motion by Mr. Lillywhite to accept the consent agenda as presented, seconded by Mr. Pollok.

Mr. E. Griffes asked about the payment to E. Nims of \$795.49 for supplies to repair the washout on the north side. Is this an expense that will be refunded by Laux Construction. Mr. House advised the supplies were to re-route the down spouts to stop the erosion, since the original plans did not call for the downspouts to be underground he did not feel Laux's would be paying for the changes.

Mr. Galbreath called for a vote on the motion on the floor. Motion carried.

**Public Comment (Agenda II):**

Nothing at this time.

**Audit Report - David Haddrill (Agenda III):**

Mr. Galbreath turned the meeting over to Mr. Haddrill to present the 2010 NIESA audit.

Mr. Haddrill advised there were a few budget amendments that needed to be made. The first three were in regard to the General Fund. The first amendment adjusted the Building and Grounds portion of the budget. That cost center was over budget do to the expense of re-roofing the Leroy Township Fire station.

The second is regarding the grant funds received for the SCBA's, and the expense of the SCBA's purchased with the grant funds. The entries were incorrect. You have to show the grant funds as a revenue source, and the purchase of the SCBA's needs to be taken out of fire equipment fund for Williamston.

The third was concerning the sale of the old building and generator. The funds were deposited in the Building and Equipment fund, when they should have been put in the General Fund. The

Building and Equipment fund can not own property or equipment, it is a special revenue fund. The Board can decide to pass the funds from the General fund to the Building and Equipment fund if they like, but once it is transferred to the Building and Equipment fund it can not be transferred back to the General Fund.

Another amendment is to the Building and Equipment fund. Mr Hadrill explained how interest is calculated by the banks. NIESA's interest expense was actually higher than budgeted. This amendments makes the necessary adjustments.

The last amendment is in regard to the Capital Projects budget. When the 2010 budget was drafted we did not allow for the adjustments made from the 2009 audit. So the funds available were actually lower than budget.

Motion by Mr. E. Griffes to amend to the 2010 General Fund Budget by increasing account 101-265-930.2 Building Repair and Maintenance LTFD \$13,612.00, increasing 101-336-977.1 WFD Equipment \$129,429.00, increasing 101-966-999 Transfer Out - B/E Fund \$101,346.28, and decreasing accounts 101-000-390 Fund Balance \$13,612.00, decreasing Grant Revenue \$129,429.00, and decreasing 101-000-637 Sale of Fixed Assests \$101,346.28. Seconded by Mr. Lillywhite. Motion carried.

Motion by Mr. E Griffes to amend the 2010 Building and Equipment Budget by increasing 206-990-996.1, WFD Interest \$2,500.00, and decreasing 206-000-390, Fund Balance \$2,500.00. Seconded by Mr. Lillywhite. Motion carried.

Motion by Mr. E. Griffes to amend the 2010 Capital Projects Budget by increasing 401-000-900 \$2,180.00, and decreasing 401-000-390 \$2,180.00. Seconded by Mr. Lillywhite. Motion carried.

Mr. Hadrill discussed with the board how governmental accounting is different from business accounting. He advised that NIESA's Building and Equipment fund is a special fund that tracks the revenue and expenditures of funds received for a special purpose. Discussion followed.

He advised that NIESA's assets now need to be depreciated. Buildings are general depreciated over a 40 year period, vehicles have a life of 8 to 25 years depending on the type of vehicle. Discussion followed.

Mr. Hadrill reviewed the audit report with the Board.

Mr. E. Griffes advised Leroy Township's fiscal year ended March 31<sup>st</sup>, and they have already received their audit. He did not feel NIESA's audit was prepared in a timely manner, and asked when NIESA legally has to complete and audit. Mr. Hadrill advised that NIESA has six months into the next year to report. Hadrill has contacted the State of Michigan regarding the delay. He will be filling the audit report with the State of Michigan tomorrow.

He apologized for the delay in completing the audit. His goal is to have the audit to NIESA by June if possible, but no later than July. He advised he and Ms. Curtis have set some dates in December and January for him to come into the office and begin the audit process in an effort to

get the audit completed in a more timely manner.

Mr. Haddrill then reviewed his recommendation letter with the Board. He advised he is required to identify what he feels are significant deficiencies in our accounting process, and he has four.

One deficiency he has mentioned previously, which is having individuals cross trained so that all functions have backup personnel, and those individuals perform the tasks periodically.

The second is the audit adjustment entries from the previous year need to be posted, and they need to be posted annually.

Third is the fact there are several outstanding checks that are over one year old. They need to be cleaned up, and per the State of Michigan they need to be escheated to the State of Michigan.

The fourth is one that all of his clients are being told, which is there is no one on staff who has the expertise necessary to prepare financial statements, including footnotes, in accordance with accounting principals. However it is also understood in smaller organizations it is not cost effective to have an individual on staff with the training.

Mr. Hayes asked if NIESA has an accounting firm that reviews the financial records on a quarterly basis. Ms. Curtis stated they did not. He asked if it is something NIESA should consider.

Ms. Curtis indicated if the Board wanted to incur the additional expense of an accounting firm review it could be done, however since Mr. Haddrill usually has minimal adjustment recommendations she could not see incurring an additional expense.

Mr. Hayes asked what the cost would be. Mr. Haddrill indicated the cost would depend on how detailed NIESA wanted the accounting firm to review the records. Discussion followed.

#### **Leroy Township Fire Building Project (Agenda IV-A):**

Mr. Galbreath advised he spoke with Chris Martin several times over the month of July, and the only item completed was the repair to the crack in the wall. Mr. E. Griffes asked if he had spoken with Dave from Laux. Mr. Galbreath indicated he had not, He wanted to give Mr. Martin an opportunity to respond, and find out more about some new issues. Mr. E. Griffes felt NIESA had been patient long enough and if Mr. Galbreath could not get a definite commitment from Laux as to when the repairs are going to be finished that the Attorney should be involved. He indicated if they did not respond within two weeks to have the attorney contact them.

#### **City of Williamston- Backflow Prevention Device (Agenda IV-B)**

Mr. Galbreath advised nothing has been done regarding this issue, and does not consider it a high priority. Mr. E. Griffes asked if the inspection company would come out to discuss their findings. Mr. Galbreath stated when contacted them, they advised they would not come out unless they had 40 inspections to complete.

**Fire Service Billing Review (Agenda IV-C):**

Mr. Galbreath advised the review is still under way, and he is working on catching up with other agencies to see what they charge.

**Ingham County Treasurer Reimbursement (Agenda IV-D):**

Mr. Hanna advised the Ingham County Treasurer has been reimbursed. He has also spoken with Alan Dolley, City of Williamston's treasurer and they will be issuing a check for the DDA's portion of the refund to NIESA sometime next week. The amount should be around \$800.00.

**Williamstown Township Hazmat Incident (Agenda IV-E):**

Mr. Galbreath advised he spoke with Mr. Gaffner of Williamstown Township last week and had set up a meeting for yesterday, August 3<sup>rd</sup>, with the Township, NIESA and Robert Ott from Ingham County regarding the hazmat issue. The meeting was cancelled because Mr. Ott was tied up doing flood damage assessments.

Mr. Hanna advised he had reviewed NIESA's Articles of Incorporation, and per the articles NIESA is in contract with each municipality to provide Fire and EMS services. The Fire Chief's are working on behalf of the unit of government.

He also reviewed the information regarding the Hazmat incident and has discovered several issues. The report from Shoyer's states they were working for Ingham County. The Shroyer bill was for two separate haz mat locations. NIESA was only involved in one. They were called to the second location by Meridian Township Police department. Furthermore the second site was at the corner of Haslett and Shaftsburg road, however the report does not indicate on which side of the road. It could possibly have been in Locke Township. Discussion followed.

Mr. Galbreath advised Sergeant Ott is going to try and meet with everyone sometime next week.

Mr. Galbreath stated there is an avenue for reimbursement up to \$25,000 for this incident, and he has downloaded the grant paperwork, but NIESA is not eligible to apply for the reimbursement. It is only available to local governmental units. Discussion followed

Mr. Lillywhite asked if Shroyer's was being advised of the ongoing discussions. Mr. Galbreath advised he had spoken with them.

**2012 Budgets- Operations, Building & Equipment (Agenda V-A):**

Mr. Galbreath reported in the packet this evening is the proposed Operations budget for 2012, and the proposed Building and Equipment Budget for 2012. He asked the Board members to review them for next month.

He indicated the EMS department had requested one change. They requested that account 101-344-743- Gas/Fuel be increased from \$9,000 to \$11,000. Mr. Galbreath indicated this would be

offset by reducing the Contingency fund to \$13,000.

Mr. E. Griffes questioned the line items under the fire portion of the budget "Major Repairs". He asked why Williamston's line item was \$27,000, and Leroy's was only \$15,000. Chief Siegel advised he provided the Finance Committee with a breakdown of how he arrived at that figure. He also asked if they had any question. They did not question to breakdown. Discussion followed.

**Public Hearing Date on Budgets (Agenda V-B):**

Mr. Galbreath advised NIESA needed to set a date for the public hearing for the 2012 budget. Motion by Mr. Lillywhite to set the public hearing on the Operational Budget for 2012, and the Building and Equipment Budget for 2012 for Thursday September 1, 2011, at the NIESA / Williamston Station at 7:00 pm. Seconded by Mr. Pollok. Motion carried.

The regular NIESA meeting will follow the budget hearing.

**Addition to the Agenda- Resolution 3 of 2011:**

Mr. Galbreath advised Resolution 3 of 2011 was honoring Ronald Wiegandt for his 40 years of service to the Williamston Fire Department. Discussion followed.

Motion by Mr. Cole to adopt Resolution 3 of 2011, Honoring Ronald E. Wiegandt, seconded by Mr. E. Griffes.

Roll Call Vote

Yeas: Mr. Cole, Mr. E. Griffes, Mr. Hayes, Mr. Pollok, Mr. Lillywhite, Mr. Galbreath

Nays: None

Absent: City of Williamston Representative

Resolution passed.

**Treasurer Report (Agenda VI):**

Mr. Hanna commented on the checking account summary. He advised on page 1, there is a \$2,273.90 payment to the Accident Fund which is the monthly installment. There is also a payment to Emergency Vehicles Plus for \$1,115.17, which is for an additional cable to repair Truck 4. Discussion followed.

He advised on page 3 there is a payment of \$1,058 to Performance Advantage Company for cylinder mates, and adapters. Mr. Lillywhite indicated its for brackets to mount the SCBAs in some trucks, and adapters for the trucks. Discussion followed

Mr. Hayes asked why NIESA appeared to spend so much on maintenance for vehicles that don't get much use. Mr. Lillywhite advised some maintenance is mandated by the State and Federal laws, such as pump testing, and ladder testing. Chief Siegel stated just doing an annual service on a vehicle is expensive if you consider they take considerable more oil than a vehicle, and the oil filters cost \$200 to \$300 a piece. Also just having the vehicles sit idle causes problems.

Discussion followed.

### **Committee Reports (Agenda VII):**

Mr. Galbreath advised the Finance Committee met early this month to work on the 2012 proposed budgets.

Mr. E. Griffes indicated the Personnel Committee did not meet in July. Mr. Hanna advised that he had the SOG books ready for the Personnel Committee. He indicated he would like to discuss them with the committee.

### **Comment from the Director (Agenda VIII):**

Mr. Galbreath reported the previous discussions pretty much summed up what he had been working on for the past month.

### **Comments from the Department Chief's, Supervisors, Biller (Agenda IX):**

#### ***Charlie Galbreath, Biller:***

Reported the ambulance revenue is still low. He did contact Dynalink, the billing software provider, to discuss what he thought was a "glitch" in the program and was advised the program had been updated three times since the initial download. Mr. Galbreath had not received any notices from Dynalink concerning the updates.

He advised the updates have been downloaded and he has submitted approximately \$90,000 in Medicare claims. He advised we are currently 40 runs behind 2010.

***Steve McGuire- EMS Supervisors:*** Reported July was a slow month for EMS. They had 52 calls with 11 refusals. They also gave away several calls last month because they came in two and three at a time. We did respond to a mutual aid call in Meridian Township.

He and Jim Cousino, the EMS Instructor Coordinator, were hoping to have an EMT class start in either October or November. Mr. McGuire indicated he has fielded several calls from individuals expressing an interest in the class.

They also sent Chris Chamberlain to MSP's driver program last month. It provided Mr. Chamberlain with hands on driver training, which will allow him to revise NIESA's driving program. He hopes to have everything updated by the end of the year.

**Assistant Chief House:** Reported Leroy Township responded to 9 calls in July, which was a quiet month. The Leroy Building was struck by lightning. Several items are damaged and they are working with Ms. Curtis to make the insurance claim and get things repaired.

They will be ordering some pagers and four sets of turn out gear this month.

He stated Leroy responded to a serious vehicle accident on Tuesday. Everyone from all the departments worked well together to extricate the injured. He advised the individual's involved in the accident were the wife and daughter of a former Leroy Township Firefighter.

**Chief Siegel:** Reported Williamston responded to 13 calls in July. They had a bad vehicle accident at the corner of Sherwood and Zimmer.

Truck 4, the Telesquirt, is back in service. Both cables that run the length of the ladder had to be replaced. While the telesquirt was apart he also had them replace the hydraulic lines.

Engine 1's hydraulic pump motor, that lifts the cab so the vehicle can be serviced no longer works. They have ordered a replacement, however because of the vehicles age the pump is different so they also had to purchase a modification kit. Engine 1 and 2 need to have their pump test performed. Truck 4 passed its pump test.

There are also some corrosion issues on Engine 2 and Tanker 5 that need to be addressed.

**Comments from Office Manager (Agenda X):**

**Gutter Repairs:** Gutters have been delivered, and hopefully the installation will begin on Monday 8/8/2011. Weather Permitting.

**MABAS Executive Board Appointment:** Spoke with Chief Royston of Delhi Township Fire. He indicated the Fire Chief is usually the individual they would like appointed to this position. The position has to do with the operations of the fire departments under MABAS. He suggested appointing a primary and alternate.

Discussion followed.

Motion by Mr. Lillywhite to appoint Chief Flynn as NIESA's primary representative to the MABAS Executive Board, and Chief Siegel as the alternate representative. Seconded by Mr. Pollok. Motion carried.

**Audit:** Ms. Curtis did discuss the need to have the audit done sooner than July and August with Mr. Hadrill. She advised him that we wanted the report by June. He indicated if she would provide him with some records in late November and December he could start the process before the busy tax season.

*Leroy Township Station:* The station experienced either a lightning strike or power surge sometime between July 10<sup>th</sup> and July 12<sup>th</sup>. The strike damaged the cable modem, internet modem, fax machine, phone system, a flat screen TV, CO2 alarm system in the apparatus bay, and the drinking fountains in the apparatus bay. None of the items function any more. An insurance claim is being filed.

Broadstripe has replaced the cable modem at no cost to NIESA. The rest of the items, Z Solutions replaced the internet modem and checked all of the computers for damage. A new flat screen TV and fax machine have been purchased to replace the damaged items. Regarding the CO2 alarm system. We were advised by Briggs that the “mother board”portion has been damaged and the parts are on order.

The insurance company should not have a problem replacing all of those items since most of them were recently purchased in 2010 or 2011. The only real issue will be the phone system. The system was installed probably in 1984 when the building was built. It may be possible to get refurbished parts, however we don't know if they will work. We are getting quotes on a new system to replace the old one.

The station does have a location in the radio room where the phone line does not go through the phone system, so they can call out from the station.

**Comments from Board Members (Agenda XI):**

Mr. Lillywhite wanted to introduce Tom Oliver. He is new alternate member from the Village of Webberville.

Mr. E. Griffes reminded the Chairman that the Board needed to approve the audit report presented by Mr. Haddrill. Discussion followed.

Motion by Mr. E. Griffes to accept the 2010 audit report as presented by Mr. Haddrill. Seconded by Mr. Lillywhite. Motion carried.

Mr. Hanna introduced Michael Moody, who is a councilman for the City of Williamston. Mr. Moody advised he attended the meeting because he knew neither the City's primary or alternate member were available this month.

**Comments from Association Members (Agenda XII):**

Nothing at this time

**Public Comment (Agenda XIII):**

Nothing at this time.

**Adjournment (Agenda XIV):**

Motion by Mr. Cole to adjourn the meeting at 8:34 pm, seconded by Mr. Lillywhite. Motion carried.

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Paula M Curtis, Secretary

Date