

## Riceville Volunteer Fire Department

November 25<sup>th</sup> 2019

Minutes

**BOD Members present:** Judy Dillingham, Dan Friday, Carla McLendon, Dean Reed, Lisa McCallister, Dereck Lindsey, Mark Dillingham, Mark Curran, and Chief John Coffey.

Judy calls meeting to order at 6:31pm. She thanks everyone for being here and gives special thanks to Mr. Hues and Mr. Fisher. Judy D. announces that we will not be having a December meeting and that we will be going onto an every other month schedule in the New Year, the off month will be an opportunity for the individual committees to meet. January will be the first board meeting of the New Year. We are still conducting interviews for the open board seat.

Judy asks if everyone received the Minutes that were sent to them and asks if we have a motion to accept them.

Discussion about the wrong date being on the emailed minutes the emailed version says the 4<sup>th</sup> and it should be the 14<sup>th</sup>.

Carla M. makes a motion to accept with the date change

Dereck L. Seconds

Voice vote unanimous.

Judy D. asks Dover for a treasures report.

Dover gives the report. We can save \$700.00 if we pay the loan for the building off this month.

Judy Thanks Dover.

Judy D. asks Perry Fisher if we can now address the Fesperman letter.

Perry F. addresses the Fesperman letter. He has sent a response to Mrs. Fesperman. Perry F. says that he will tell the community the essence of the letter and then tell them the essence of the reply. The essence of the letter is that being a nonprofit corporation in the state of NC we are missing a director. So should but not must should these NC statutes apply. The NC statutes say that in the absence of bylaws or articles of incorporation this is what you should do. The citizens of Riceville changed the bylaws and in those bylaws gave a mechanism for what should be done if a vacancy occurs on the BOD. The bylaws take president over the NC statute. The Bylaws are our directive. Perry sites 5.6 that talks about vacancy of board officers. Perry reads 5.6. Basically the directors chose how to fill the vacancy for the remainder of the officer's term. The community votes every year for three directors the recipients hold a three year term. It is up to a majority vote of the BOD how we fill a vacancy.

Mrs. Fespreman asks how a board member is considered an officer. She cites the officers such as President, Vice Pres, Treasure, Secretary etcetera.

Perry asks for clarification of the question.

Mrs. Fesperman says she wants clarity to who is a board officer vs. a board member.

Perry doesn't see that as a distinction within the BOD. The distinction Mrs. Fesperman is making is a false distinction. Perry sites 5.6 again. Perry states that the office mentioned is any director. All of the directors hold that office.

Andrew Clark asks if we could have elected a fourth office at the annual meeting. He states that the voting members were not given a chance to vote in a replacement for that vacancy. He feels that since the spot was open during the annual meeting it should have been filled by the community. He wants to know if it is within the BOD's right to withhold that decision from the voting community. Andrew feels that the BOD withheld the fact that there was a vacancy on the BOD.

Judy D. responds to Andrew that we have made many statements and overtures to the community about our search for a replacement for that board seat. That position is filled buy the BOD.

Mark D. we have been interviewing for that spot. He asks Lee Barret if he did not interview for the open position.

Lee Barret replies yes.

Mark D. also tells Andrew C. that we were not finishes with our search at the annual meeting. We are trying to tell you the facts and you aren't listening.

Judy D. we are trying to be very transparent with this. We want to interview as many people as we can if you are interested we want to hear from you.

Discussion

Andrew C. thank you I accept your answer.

Judy D. thanks. Mrs. Fesperman do you have something more to add.

Mrs. Fesperman, in the section about the annual meeting it says ordinarily three people are elected. That means more than three can be elected.

Mark D. again we are not finished with the interview process.

Judy D. my understanding is that if we had filled that seat at the annual meeting it would not have been that vote of members out there it would have been a vote of the officer's right here.

Dan F. Yea

Judy D. We are not done with the process and I assure you we are trying to do as good a job as we can do. I think the problem is semantics you are thinking of office with a lower case vs. office with an uppercase. The bylaws are not perfect but we are doing the best job that we can do with them.

Dean R. We are working with these bylaws and we cannot change them until next September and then voted on in October.

Dan F. I don't think that's right. That is the old bylaws.

Mark D. that's the old ones

Judy D. I think that is the old bylaws

Dan F. I think the new bylaws allow for us to change them in a different process.

Discussion about majority vote in community vs. majority vote of officers.

Judy D. Thanks Perry Fisher.

Perry F. steps down.

Judy asks John to give his chiefs report

John gives the chiefs report. Financial audit is complete. VAM good turnout, Halloween trunk or treat went well.

Dec. 7<sup>th</sup> breakfast with Santa 8:00-11:00

Dan F. asks who is Santa this year. (After looking around the room for Santa true believers.)

Communal answer Santa! Who do you think?

Grant for turnout gear saves us \$80K

We are applying now for a regional grant with other departments to upgrade air packs.

All ISO rated service tests are completed. Asheville Water is running a model to tell us of water pressure.

Lee Barrett asks if that will have a negative effect on our rating with the department of insurance.

John C. No it will not.

Mark C. asks about air packs the grant and ISO

John C. ISO is a class 4

Mark C. The whole district

John C. Moffitt branch is 4.9 they are right outside the distance criteria. The air pacts are Scott.

Mark C. the other companies applying for the grant do they use Scott also

John C. all of buncombe county uses Scott in order to be interchangeable. We have folks who are specially trained to save fire fighters.

Preventative maintenance on all vehicles have been accomplished.

Preparing to prioritize and update aged rescue equipment

We are moving over to WEX Fuel govt. fuel fleet program.

In your packets you will find a letter from Buncombe county finance. The letter states that they messed up three times this year and the need to fix the overpayment. We need to pay back basically \$11K over a period of six months.

Judy D. Thank you John.

Dean R. asks John to Thank Rachel for the grant writing that got us the grant for the turnout gear.

Judy D. John has verified all of the addresses in the election so we need to ratify the October election.

Judy D. can we have a motion to accept the election

Dan F. I make a motion to accept the election.

Dereck L. I second

Voice vote unanimous.

Judy D. asks Scott Hues to present the audit.

Lisa asks Scott to introduce himself.

Scott introduces himself as our auditor

Scott talks to us about the audit. Starting with the financial status and finishing with the operational portion of the audit. As of June, 30<sup>th</sup> 2019

Scott makes sure to go over our switch from modified cash basis to full accrual accounting principles.

Mark C. asks about receivables and EMS billing being cut off at June 30<sup>th</sup>

Scott H. says that the receivables are not all EMS billing there is county tax reimbursement in there too.

Scott H. are there any more questions. I will point out to you that this is a healthy balance sheet. Cash is up. Prop and equipment is down due to appreciation and debt is down. Revenue is up considerable this

year. Since we made the change this year to full accrual, there isn't a comparison to last year. Next year there will be a comparison from year to year.

Scott H. goes over some of the footnotes.

Scott H. all in all a good year.

Scott H. goes over separation of duties. The fact of the matter is that short of hiring more people to separate duties you are doing as good as is feasible. IT controls are in the audit they are extremely important. If we have an internet connection we are a target. He encourages us to focus on that. He mentions that there is still one bank account with an unauthorized signer that has been remedied the bank BOD had to meet to make that change official. He mentions that there were some EMS trips that were not billed. He also mentions that internal policies need to be formalized. Clarify responsibilities for all employees.

Scott concludes his presentation.

Mark C. asks about revenue input and the 2% that is not EMS or tax based.

Scott H. donations and miscellaneous income of about \$100K

Judy D. Dan F. Dean R. thank Scott

Judy asks at this time is there any more new business to consider.

Mark C. At this time I would like to publicly thank Dover and Katie for their hard work. It is a lot for two people to handle.

Judy D. Yes thank you

Dean R. I know how tight Dover is so I know how he can save.

Dover D. you know John is the one who looks to save us more than I do he is always looking for ways to save us money. Sometimes it works out and sometimes it doesn't.

Judy D. and Dean R. state that it shows that we are saving money.

Judy D. Dan can you read the rules for public comment.

Discussion about if the BOD is ready to accept the audit. Financial vs. operational

Mark C. how is the previous chief's name still on the account.

Mark D. it's not we had to wait for the Sun Trust BOD to meet to have it officially removed that has happened and it is now fixed.

Dean R. we need to approve the audit because it needs to be to the county by Wednesday.

Dan F. motions to accept final portion of the audit

Lisa M. seconds

Voice vote unanimous.

Judy D. and Mark D. ask if the rest of the BOD needs time to go over the report to address the operational portion.

John C. would like to look to an outside person or company for IT control.

Mark D. thinks we need to vet anyone who would have access to the quick books and records.

John C. I would propose a company that currently works out of the federal building. They are reputable and cover government accounts.

Dan F. asks about Keith Bost and his company.

Mark D. I don't think John is too happy with them right now. He is hard to get a hold of.

Lisa M. mentions the paying off of the building loan

Dover D. if you vote on it we can do that.

Katie says that we have a pay off good thru December 2<sup>nd</sup> we can always get another one.

Mark C. how much is the pay off

Katie P. \$55028.48

Mark C. makes a motion to pay off the building loan

Dan F. seconds

Discussion

Mark D. wants to make sure we have the money including the money going back to the county for there error.

Katie P. we have it covered.

Voice vote unanimous.

Judy D. good it saves us \$700

Judy D. Moves us into public comment. Judy asks Dan F. to read the rules for public comment.

Dan F. reads the rules and public comment begins.

Andrew Clark: Andrew tells us that we have a phenomenal Auxiliary President and she should be recognized for it. And He would like to give credit to the auxiliary staff for the great job they are doing. The Coffee Event the Book Program and Yoga Too.

Someone asks who are the other officers that help Fonda?

Andrew states the activities that we do bring a great financial addition to the community. In addition he would like to thank Grassy branch church for the help of loaning us their bus for an event.

The BOD thanks Andrew.

Patricia Fesperman Thanks the BOD she talked to Perry F. she still does not agree with the decision. She would like the BOD to remain open to the community. She feels that the way it works now is that you need to be asked by the BOD to run for a position and she wishes that the environment where such that anyone would be comfortable coming and running for a spot. She congratulates us all for becoming instant officers. She feels that since we appoint replacements for vacant seats that then when the community comes to vote they only have the choice of people who are already on the BOD. She would like a wider field of nominees to choose from at election time. She feels that at the last election she had a choice to either vote someone in or someone out. She regrets that at the annual meeting she had to choose between two good people. It was putting neighbor against neighbor and it was not a comfortable situation. She feels that she should have had the opportunity to vote everyone in.

She thanks us again and asks us to read our bylaws.

The BOD thanks Patricia Fesperman for her comments.

Reba Toton she never got a response from Keith Bost about changes she would like to the bylaws.

Judy mentions that Perry F. went over that.

Dan F. States that it is in section 8.11 the Amendment or Repeal of Bylaws. Dan F. reads the section. Then he gives his interpretation of it. So I think it is basically two consecutive meetings for the BOD and Majority vote of the community I know that talking to Perry there needs to be a minimum number of community members to attend those meeting since all of the members of Riceville are members of the corporation.

Lisa M. it sounds like it is either or.

Dan F. Or if you want a change, you can lobby us and we can change it. With just a majority vote of the BOD we can change a bylaw. We would need to run it by Perry F. to make sure we don't do something that would change it with the laws of NC.

Community member doesn't like waiting a month for the minutes to be approved.

Dan F. states that the minutes are not released until they are approved at the next meeting.

Andrew C. states that the new bylaws are better because prior to the change nothing could be done until the annual meeting.

Mark C. so if something comes up in June then it would come out in July then we could vote on it in August.

Mark D. I think we as a BOD would not want to do anything real quickly in respect to the Bylaws we would want it to be out there and discussed and thought about before we changed anything like that. To me I think some people think this BOD is trying to do something under the table and we haven't done that and we will continue not to do that we want to bring it out in the open as much as possible.

Dan F. States that Government is supposed to work slowly I know we aren't the government but we are a governing body of a nonprofit we aren't supposed to do things reel fast and sneak it by you we are supposed to work slowly so that all can know and have an opinion on that.

Lisa M. would like to state that we are going to an every other month schedule so that we have time to go over all of the info and we have time to think about the decisions we make not to show up and react because it needs to be done. It's not that we don't want to have public meetings it's that we need time to do our jobs better.

Dean R. states you have to remember we are volunteers.

Mrs. Toton is upset about having to lobby the board she says that she has never gotten a response from Keith Bost. Or any question she has had. She has changes she would like made to the Bylaws. Most are not really substantive. How am I supposed to do this take it to the chief and ask him to get it to the board.

Dan F. States that Patricia gave us a letter and I think this worked really well. It might take longer but we all got a copy we all had an opportunity to think about it and we were able to send it to Perry F. and get his opinion. I think the appropriate thing for us is to send us a letter or the very least the President a letter then the President can disperse it to us. If The Lawyer needs to look at it we can send it to Perry F. that way we can all be in the loop. Keith Bost is a subcontractor that the county hired to help us with the Bylaws.

Lisa M. states that that was needed help she didn't know how to write bylaws. She was thankful of the counties help. Something may come up every month and we can consider do they need changes

Judy D. would like to add that this board has been through a lot in the last two years. We are very careful, we are not going to do anything that we are not sure and are not sure its legal. So bear in mind when we are brought these things we will bring them to the attorney and it will incur costs. He is a good attorney but he is not free. I'm saying this to tell you not to do that I am just saying that that is the reality. I just ask that it be a well thought out request.

The board thanks Reba



Dan F. would like to know if we as a board can send Fonda a note card or a gift basket we can't compensate her can we. A gift card would be compensation. But she doesn't work for us she works for the auxiliary.

Judy D. I'm not sure

Chief John Coffey says we can show up to the meeting on the first Monday each month and that is when the auxiliary can do things like that. It is the Fire Fighters Fund so it is not tax money and it is money that has been raised by the fire fighters.

Judy D. When is that meeting John.

John C. first Monday of every month.

Mark D. speaking of the donations to the fire fighter fund I believe those donations are up from this year to last year.

John C. Yes I don't have the final figures yet.

Dan F. the photographer was good and patient I brought my dogs and they where miss behaving.

Mark C. asks about the SOP

John C. yes I have them I'm working on deciphering notes.

Mark C. are you going to make January.

John C. yes

Judy D. please let us know if you need anything.

Dean R. makes a motion to close.

Dan F. seconds

Voice vote unanimous.

We adjourn 7:47