SERVICE AWARD COMMITTEE MEETING OCTOBER 28, 2010

(Draft Copy – Subject to Revision)

Chairman G. Shea called the Meeting of the Service Award Committee to order at 7:00 P.M. and asked for a moment of silence to remember departed firefighters and others who have passed away. Meeting was held in the Board of Selectmen's Conference Room, Town Hall.

PRESENT: G. Shea, E. Groth, M. Brennan and L. Krepinevich.

ABSENT: E. Grace, D. Sorrentino, T. O'Connell.

Clerk K. Wilson read the September 16, 2010 Minutes.

Discussion:

- G. Shea noted there are some errors in the Minutes. Page 4, item #7 should mention suggestion of a firefighter or EMT to be eligible for a permanent tax abatement, adding there is currently no provision to collect any tax abatement once that person has retired. Suggestion made to have the tax abatement become permanent once a person has retired after so many years of service.
- M. Brennan noted the Service Award was passed in 1996 as an incentive for recruitment to provide some type of award to those members who retire after so many years of service. He added that six (6) or seven (7) years later, the tax abatement was offered, with a maximum of \$1,000. He also noted that this tax abatement is not taxable income. He also noted the tax abatement requirements are not as strict as those for the Service Award.
- M. Brennan noted both the Service Award and the Tax Abatement were never merged together, adding it is a good idea to 'marry' the two.
- Question asked that once you stop qualifying, do you lose the tax abatement if you do not meet the qualifications? A person has to be an active participant.
- E. Groth asked to qualify for the Tax Abatement do you need to also qualify for the Service Award?
- E. Groth asked if costs and examples for these things were put together.
- G. Shea again noted the Tax Abatement Ordinance and the Service Award are two (2) separate Ordinances.
- E. Groth was concerned about 65 and 70 year olds being active members, citing that in the military, the older one gets, the more of a danger you could be to yourselves and others.
- G. Shea presented proposed changes to the Tax Relief Ordinance for Volunteer Firefighters and Emergency Medical Services. Clerk will mail copy of the proposed changes to members not in attendance at this meeting. (see attached)
- G. Shea added that in order to get the Tax Abatement you need to be qualified for the Service Award as well.

BEAGON FALLS TOWN GLERIC

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- L. Krepinevich was told that a member needs fifty (50) points to qualify and that values are assigned to each activity. A member cannot get all fifty (50) points for training, etc.
- E. Groth felt frustrated because not everyone had copies of all of the documents and that some of the documents are not all the same. He would like to see documentation on some of the members to see how the system works.
- G. Shea noted that all of the proposed changes are for the property tax abatement.
- E. Groth posed the question if there is no mandatory retirement and a member could extend age to retire from 65 to 70, then that member could get another five (5) years of service tacked on..
- G. Shea compiled some data, noting that if the plan were in place right now, no one would be qualified for the Service Award, but in 2011, six (6) would qualify, in 2012 seven (7) would qualify, in 2013 seven (7) would qualify, in 2014 seven (7) would qualify and in 2015 eight (8) would qualify, and so on up to 2030, when there could be seventeen (17) who qualify. He added that if everything stays in place, in twenty (20) years \$17,000 in total would be paid out that year.
- G. Shea noted the Service Award paid through an annual annuity, adding the Town pays the annual premium on this policy, with the insurance company taking that money and purchasing an annuity.
- G. Shea then presented a breakdown of the age of member along with years of service, i.e. 1 member age 65 with 20 years of service and 1 member age 52 with 19 years of service. G. Shea will clean up the document and give copies to the Committee for its review.
- L. Krepinevich said he felt relieved after hearing some of the numbers, putting to rest his vision of thousands and thousands of dollars being spent on the Service Award.
- G. Shea noted there is a \$5.00 per month benefit for every five (5) years of service.
- M. Brennan said whole purpose of these two plans was to attract decent people to serve as volunteers so that you do not have to hire people. L. Krepinevich said this is money well spent.
- E. Groth said the numbers given by G. Shea were very helpful to him and he thanked him for putting the information. G. Shea added that it takes a lot for person to keep qualified for twenty (20) years.
- E. Groth also suggested it might be a good idea to beef up the annuity in lieu of the tax abatement. M. Brennan said this had been discussed previously, but nothing further was done on the matter.
- G. Shea noted that for every \$1.00 increase in monthly income, it would cost the Town an extra \$4,000 per year.
- It was noted the tax abatement is a good thing, because the younger members who might not own a home, can get a reduction on their motor vehicle taxes.
- E. Groth suggested putting a cap on the benefit which should be reviewed every year. M. Brennan noted there are safeguards in place to make sure everything is done properly and correctly.

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- E. Groth suggested sending information via email so everyone knows what is going on, adding it is very frustrating for him that things take so long to get done. Committee members agreed it is a good idea to get copied with information, with G. Shea adding he does not mind the emails, but would rather the Committee meet face to face for any meeting.
- G. Shea noted there are fifteen (15) new members, and that you need to be vested for seven (7) years.
- G. Shea said there is a program for the Service Award with restricted access, with M. Brennan adding they did not want anyone to be able to get into the system and change any data. E. Groth suggested getting signatures as a backup. Question asked if this is something this Committee should consider as a condition of the program.
- Discussion of using some type of signature card with G. Shea adding that there is a structure set up where team leaders in charge of specific projects make sure that members sign in as needed M. Brennan said it is up to each member to make sure to sign in so they do get the proper credit for their attendance.

E. Groth made motion that in order to improve audit controls; all role calls are to include signatures of all participants, 2nd by L. Krepinevich. All voted aye.

Clerk will draft letter to include the above noted motion in a letter to Fire Chief Michael Pratt and email to G. Shea for his review and or revisions.

G. Shea then presented a list of all Beacon Hose Company No. 1 members who are eligible for the 2009/2010 Service Award Program. G. Shea told E. Groth that the list is signed by the Fire Chief and that this Committee has to trust that all information is correct.

The Committee agreed to schedule its next meeting for Thursday, November 18, 2010 at 7:00 P.M. in the Board of Selectmen's Conference Room.

With no more business, M. Brennan made motion to adjourn the meeting at 8:55 P.M. 2nd by E. Groth. All aye.

Respectfully submitted,

Parm a. Willon

Karen A. Wilson

Clerk for the Service Award Committee - Meeting October 28, 2010

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