

**SPECIAL MEETING OF THE NORTH HORNELL VILLAGE BOARD
JULY 10, 2017 6:00 PM**

ATTENDANCE: Mayor: John Falci
Trustees: Frank Libordi & Peter DiRaimondo, Joseph Ingalls & Elise McCollumn
Clerk: Kristene Libordi
Thomas Zuber CPA from Wager CPA Firm
Fire Department: Fire Chief Michael Robbins, Chris Patterson, James Bebout
& Loren Cornish

Mayor Falci opened the meeting at 6:00PM.

He introduced Mr. Thomas Zuber from Wager CPA Firm. Mr. Zuber was invited to speak to the Board of Trustees and the Fire Department officials. He was asked to speak about policies and situations such as an audit, and other questions as they relate to the Village Fire Department and the North Hornell Fire Company.

Mr. Zuber gave information to establish the Fire Company and its relationship to the Village Fire Department.

The only audit requirement for Fire Companies is if a Fire Company has a contract with a municipality and that Fire Company has over \$300,000 worth of Revenues (not from the municipality) that is gross Revenues.

He asked what type of arrangement the Village has with the Fire Company in terms of providing fire services. If you have a contract where the village pays the Fire Company for fire protection that would be the end of what the Village pays for protection. The Fire Company becomes responsible for all bills and such. The board stated that there is no real revenue that goes to the Fire Company other than \$400 per year for Community functions and reimbursement to Fire Company requests. An example would be a voucher for services on trucks or equipment that the Fire Company has paid. The Fire Company will make money from booster drives and use the money for a purchase to support the Village Fire Department. These donations of money or equipment then become property of the village.

Mr. Zuber stated that because the Fire Company is a separate organization, it (the Fire Company) would be outside the purview of the Village Board.

Trustee Ingalls questioned the Fire Company using Village Fire Department facility, buildings, vehicles and such. Mr. Zuber stated that the Village may want to consider an agreement with the Fire Company on an insurance side. Example would be the Fire Company has an event and it is held in the fire hall – would the Village insurance cover that? Possibly the Village would have an agreement with the Fire Company to have insurance above what the Village already carries. On the other side, the Fire Company may want the Village to have insurance that covers the fire fighters as adequately protected.

If equipment is sold that belongs to the Village, it goes back to the Village General Fund. Chief Robbins asked if the Fire Company purchases a piece of equipment, does it automatically become Village property. Mr. Zuber stated that the challenge would be for the Fire Company to insure it. It would probably make more sense for the Village to own it and insure it. You could make a case for when equipment was sold that the proceeds go back to the Fire Company. Trustee Libordi asked if money raised under the Fire Company had restrictions being a 501C3 because donations are tax exempt. Mr. Zuber stated it all depends on how their organization is set up. The not for profit rules are different from municipality rules. If they do a boot drive to buy a fire ladder, in theory the money collected has to be used to buy a ladder.

Mayor Falci asked if there is a limit on what they can have a drive for - such as a TV or pool table.

Mr. Zuber stated that they can do a fund raiser for general fire company department operations and in that instance he doesn't believe there is any restriction on what is purchased. If the fund raiser is specific for something than it should be used for that specific use.

Chris Patterson from the Fire Company gave information on rules the Company must follow when money is taken in from a fund raiser. Money either goes to the General account (for equipment) or the Activity account. Any money left over from a fundraiser for equipment must stay in the General account.

Respectfully submitted,

Kristene Libordi