

BOARD OF FIRE COMMISSIONERS DISTRICT NO.9
1222 Green Street
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April 9, 2024

The regular monthly Meeting of the Board of Fire Commissioner of District 9, 1222 Green Street, Iselin, New Jersey, was called to order at 7:31 p.m. by the Chairman under Chapter 231 of the Laws of 1975 with notices posted in the Home News Tribune, on the bulletin board at Fire Company #1 and #2, and at Town Hall as prescribed by law. A salute to the flag was followed by a moment of silence.

Roll Call of Commissioners:

E.A. Mullen, S. Burrows, and D. Thaker, M. Rudy, K. Williams and W. Kenney are excused. Also, in attendance were E.R. Mullen, Attorney, A. Rainone, Deputy Chief M. Wertz and the auditor, L. Atwell.

A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to pay the bills for March in the amount of \$215,875.96 by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy.)

Reports of Committees:

Fire Official Report:

No additional requests at this time. Pending items remain.

A motion was made by D. Thaker and seconded by S. Burrows with everyone in favor (E.A. Mullen and M. Rudy) to accept the fire official report.

Fire Chief Report:

There is a new request to approve the quote for MSA cylinders for calibration. Current outstanding requests will also need to be approved. The quote for two gas cylinders for the multi gas calibration in the amount of \$649 is within budget, therefore no motion is needed.

A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to accept the chief's report.

Fire Company Report: Nothing at this time.

Auditor:

There is another year to go and the items the state required, the years 2019-2022 have been completed. The original contract has now been fulfilled. There will be no individual corrective action plan for each year, it will be combined. The same comments for previous year will likely be the same for the 2023 year. The revenue is consistently exceeding expenditures. There are both compliance and process issues. The format for the corrective action plan has been provided. It explains the findings; recommendations and the method of implementation; the person that is responsible for the implementation and when the implementation is expected. To summarize the findings: following proper payment procedures; obtaining proper signatures; vendor declarations; approvals and getting quotes. The service agreement with the CPA is below threshold and doesn't need board approval. Everything is on summary findings. Additional items include purchasing, getting proper documentation, BA forms and disclosure forms because of the dollar amount. Any vendor over \$17,000 also needs to be listed on the website.

The health benefit withholdings were not in compliance. A decision will need to be about how to rectify it, if it will be retroactive. The discussion will need to be had as to whether people who have been making incorrect payments will need to make back payments or if the district will cover that cost. The correct amount can be adjusted immediately. Those conversations will be had in a closed session. The board can go straight to phase 4, which is where it should be, employees will have a choice. Once data is put together and the audit is complete a discussion will be had about how to go about making corrections and put it into the employee handbook.

The health benefits and pension will need to be in compliance. There are people that are supposed to be in the pension benefits and were or there are some that are having withholdings that weren't supposed to be. That is another thing that will have to be discussed because it will have to be done through the payroll process for proper tax withholdings. Employees need proper forms, direct deposit, i-9's, w-4, etc. Some of these items have been corrected but will still reflect in the 2023 audit. The years for 2019-2022 had the same corrective measures. Anything that wasn't addressed in 2023 will still have a comment, however, if it was corrected the comment won't be there for 2024.

If there are any budget transfers and purchase orders over a certain dollar amount, they need to be clearly stated in resolutions. The quote threshold will be the driver of whether a resolution is needed. Even though something might be in the budget a resolution is needed to note the approval. When an item is over the \$17,500 threshold multiple bids are required unless it is an emergency. Money transfers of any kind within the budget will also need a resolution to note where and why the money is being moved. Resolutions are needed for acknowledge within the governing body even when using a state contracted company or cooperative agreement if the amount is over threshold.

The auditor advised fixing policies and procedures in regards to health benefit withholdings, compensated absences and employee agreements will help. The lack of segregation of duties and the need to have better oversight are contributing issues. An example being the ability to write a check and reconcile the bank will alone cause a lack of segregation of duties. Compensated controls that can be put in place to alleviate this is one person preparing and writing check and someone else is overseeing the bank. The important thing is oversight. The plan is to appoint a purchaser to be a board employee to provide the oversight of needed documents and approval. Compliance with laws timely. An actuary will need to be brought in regarding other post-employment benefits. Putting items in handbook will assist with previous unsupported documentation. There are going to be steps that need to be addressed before another can possibly be address. The SAP provider needs to be a state approved vendor. The funding is currently ins two different places so that will need to be in one spot with an approved vendor, Lincoln financial. There is no status update yet regarding that transfer. The findings need to be acknowledged, signed and sent to the state.

It was asked if there was anything found that could be criminal or would be brought to the prosecutor. The auditor did not find anything that could cause them to contact the prosecutor's office. The auditor would like to get the audit done by the end of June. Mr. Kenney is currently out so E.A. Mullen and E.R. Mullen have lent their assistance. A webinar earlier advised that the certification of fire company funds happens during the summer months. The chairman and S. Burrows thanked the auditor.

A resolution to approve "N.J.S.A. 40A:5A-15 whereas, the annual audit report for the fiscal year ended December 31, 2022 has been completed and filed with the Woodbridge Township Fire District No.9 pursuant to N.J.S.A. 40 A:5A-15... be it further resolved that the Secretary of the Fire District is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution. It is hereby certified that this is a true copy of the resolution passed at the meeting held on April 9, 2024."

A motion to approve the corrective action plan was made by S. Burrows and seconded by D. Thaker with all in favor (E.A. Mullen and M. Rudy.)

Additional Discussion:

There was a DEP representative that can and information was provided to them for H2M. Any additional work that may come up would be considered an emergency situation. There have been no indicators for any issues, however the board is allowed to handle it as an emergency appropriation.

A new process will be put in place as the board would previously have approved minute things. A purchase request form will be created. It will show the items requested, vendor, vendor email, line amounts, etc. If the amount is below \$2,625 it can be placed on the form anything over that amount will need to include 3 quotes. If the amount is

under \$6,600 it can be approved by a commissioner, if it is over \$6,000 and under \$17,500, it will require 3 quotes and board approval. If it is under \$10,000, but under a state contract it will require a commissioner. This document will help streamline request processes. When a purchasing agent is hired the quote threshold raises from \$2,626 to \$6,600. If something is needed come to the corresponding commissioner. This document will be put into place immediately. A copy of form will be provided to auditor.

The first responsibility of the purchase agent would be to put together a vendor database and obtain all required forms. Maria Rivera is the proposed purchasing agent. She would be hired part-time. New hires should be hired a resolution stating their position and pay rate.

A draft schedule was made for moving the meeting to the second Tuesday of the month. All request and reports are due the Tuesday prior to the meeting. A notice to the public will be notified of the meeting change. It has also be proposed to change the meeting time to 7:00pm. schedule A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to change the meeting day to the second Tuesday of the month and time of that meeting to 7:00pm for the rest of the year. The new meeting information will be put on the website.

All commissioners need to complete the financial disclosures.

If there are bids that go out annually, the goal is to have those out by November so that in December those bids can be voted on and awarded. It was presented that bids normally went out at the same time as reorganization which is in April. The board could have contracts go from April to March to accommodate this timeline. Contracts would still have a 12 month agreement going from the date it was signed.

Legal: Discussion to be had in a closed session.

Communications:

No issues outstanding. Communications date of March 19th all commissioners and employees need to complete their employment forms and get them back asap. Middlesex water company has advised there is 16% increase from board of public utilities for water. There was a second request from same property, 25 and 30 Gill Lane, it was responded to. A letter was received from a company called Ground Water Services about testing being done immediately behind House 2. The property used to be a gas station and chemicals were found that have infiltrated a portion of property. Due to what was found the shopping center can't be touched for 22 years. A copy of financial package, copy of the chief's report, copy of bureau activity report have been provided. A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to accept the communications report.

A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to table the resolution for next month.
Public Discussion: None at this time.

A motion was made by S. Burrows and seconded by D. Thaker with everyone in favor (E.A. Mullen and M. Rudy) to start closed session.

Closed session concluded at 9:45pm.

Minutes taken by:
(Mrs.) Rashawnda Jimenez