

**COTUIT FIRE DISTRICT
PRUDENTIAL COMMITTEE MEETING
FREEDOM HALL and ZOOM
COTUIT, MA 02635
April 28, 2025**

The meeting was called to order by Mark Lynch on April 28, 2025 @6pm at Freedom Hall, Cotuit, MA and could be seen virtually on ZOOM.

Mark led the Committee in the Pledge of Allegiance.

Mark did roll call:

Present: Prudential Committee Mark Lynch, Fran Parks, Seth Burdick, Treasurer, Ray Pirrone and Clerk, Charlie Eager.

Public Comment:

- **Patty Daley:** Questioned language on prior warrants. Transfer and appropriate vs. borrow and appropriate vs. raise and appropriate – what is the difference?
 - Ray answered: that the script is read and determined what is going to be borrowed and what is going to be raised and appropriated. This year, it was directed that certain cases be identified the action that would be taken. Historically, what is published for the public to read identifies all three options in the language but the script identifies the action that the Prudential Committee will take.
- **Ms. Daley:** Asked about the Article to demolish the elementary school, if there would be some clarity around whether a 2/3 vote would be required.
 - Ray answered that District Counsel was consulted with and demolishing an abandoned property does not require 2/3 vote nor does it need to go to the state.
 - Mark weighed in as well and stated that there isn't a 2/3 vote requirement on demolishing an abandoned property and Prudential Committee is not "borrowing" (which would also require a 2/3 vote).
- **Ms. Daley:** Requested that the Citizen Petition be put on the Warrant ahead of a Demolition Vote request.

Meeting Minutes Approval:

- **Mark asked for the April 21, 2025, meeting minutes to be approved. Fran abstained. Mark seconded. All in favor. Seth – aye. Motion passed.**
- **Mark asked for the following past meeting minutes to be approved:**
 - **April 3, 2024: Mark asked for a Motion to approve these minutes. Seth moved to approve. Mark seconded. All in favor. April 3, 2024, meeting minutes passed by unanimous vote.**
 - **March 25, 2024: Mark asked for a Motion to approve these minutes. Seth moved to approve. Mark seconded. Fran abstained. All in favor. March 25, 2024, meeting minutes passed.**

Mark stated that the audio and visual link of April 25, 2025, ICON School Feasibility presentation has been posted online.

CFD website:

Mark asked Fran to update on the Cotuit Fire District Website. Fran stated that there isn't a link anymore between the Google calendar and the Freedom Hall calendar so, she has been using two (2) computers. Mark asked if Secure Networks would be able to help Fran with the IT part of the website. Lisa stated that Secure Networks does not handle the website. Seth suggested hiring a professional to do the website. Fran stated that the County is the IT behind the website. Mark stated that he believes that a professional needs to handle the website and asked if there is money in the budget to get a new website. Fran answered that it is not cheap and a new server would need to be obtained. Seth stated that the Warrant is not closed so the operating budget could be \$5,000.00. Or, it does not have to be an article in and in itself because it is under.

Warrant Article:

Relates to the Annual Election and District Meeting May 27th and 28th 2025.

Voting takes place between 4pm and 8pm on Tuesday, May 27, 2025, at Freedom Hall. Electing one (1) member for the following: Prudential Committee, Board of Fire Commissioners, Board of Water Commissioners and a moderator all for the term of three (3) years.

Annual Meeting will be Wednesday, May 28, 2025, at Cotuit Federated Church, 40 School Street at 7:30pm.

- Article 1: See if the District will vote to accept the reports of the officers and committees of the district for fiscal year 2023 and fiscal year 2024 as published.
- Lisa Haven suggested splitting it into two Articles.
 - Seth stated that in 2023, there were factual, math-based errors but there were no errors with 2024
- Article 2: Mark stated that this relates to the funding of the fire house renovation and Mark asked Ray if that money would be borrowed. Ray answered yes but not until the script is done.
- Mark asked if the language would be “borrow” and not “raise and appropriate”
 - Ray answered that is what has been done historically but does not have to be done that way
 - Seth asked – as a hypothetical question - since the Prudential Committee is not bound by Prop 2 1/2 and, if the \$16,784,600.00 were appropriated in the tax levy, how much would that come out to.
 - Ray answered that the tax levy is \$21M
 - Seth stated that everyone's tax bill would double.
- Mark addressed the public and stated that the Fire Dept would like to borrow \$16,784,600.00 and there is a small possibility that the Prudential Committee could borrow from the US Dept of Agriculture at a favorable rate (4.25% currently) for a term of 40 years. This is a limited sum of money available in the program and is being reduced as time moves forward. Mark went on and said that the alternative is that the Prudential Committee could move into the private market, which is currently at 5.5% and 30 years.

Ray stated that he did an analysis of the 30 year vs. the 40 year

- \$1M Feasibility and Design would have to go out to the public market and pay the 5.5% over 30 years and the short-term BAN (Bond Anticipation Note) has been secured and this has to be moved to permanent financing
- The combination of a USDA loan and a \$1.3M commercial loan requires a total expenditure of \$34.9M
- Straight commercial = \$18M and incorporate \$1.3M in the construction loan which would require a total 30-year expenditure of \$32.9M
 - Almost a \$2M difference with the commercial loan in total being less than the USDA loan however, the average amortization of 40 years is \$1M which is particularly true in the first 10 years where the combo USDA+commercial net amortization is \$948K whereas the commercial loan for the first 10 years averages \$1M. The difference in tax rate would be \$.42/\$1K for the combination and \$.46/\$1K for the 30 year. For the homeowner, the difference is \$40.
 - Based on today's rates, both are very close.
- Mark asked if the 40 year can be prepaid
 - Ray answered that he was not sure
- Mark asked if Article 2 can be approved for \$16,784,600.00 without resolving the issues above
 - Ray answered yes.

Article 3: Demolish and return to nature the Cotuit School building

- \$1.1M is no longer the number.
- After ICON presentation, the demolition "all-in" \$1,861,431.00
 - Ray stated that he rounded it up.
 - **Mark moved to increase the \$ in Article 3 from \$1.1M to \$1,86,000.00. Seth moved. All in favor. Motion passed unanimously.**

Article 4: Citizen's Petition which requests a four-month delay to any decision to do with the Cotuit School Property and, during that time, additional meetings take place to "facilitate discussions regarding options for reuse and/or disposition.

- This received 13 registered voter's signatures and certified by the Register of Voting to be on the Warrant (10 are required).
 - Prudential Committee does not recommend Article 4.

Article 5: No questions/comments

- Article 6: Has already been established. Transfer the sum of \$45,000.00 to the reserve fund.
- Article 7: Finance Dept. fund for labor and salaries, including \$322,600.00 for remaining expenses to increase to \$334,600.00 for a total for the Article of \$493,950.00
- Remaining expenses = website management and BAN transfer agent
 - BAN transfer agent cost is \$27K (for two)
 - Ray stated that there is a 5% increase in salaries and adjusted the hours of the assistant treasurer, which will become Full Time.
 - Due to the debt workload, Ray has added hours to the treasurer.
 - Re: insurance – property and liability goes up 3.4% / worker's comp goes down 14%
 - Payroll taxes go up 6% (predicated on all wage increases and hourly increases since all payroll taxes are paid out of the finance department)
 - There are no other Capital items – other than the demolish – which was put under the Finance Dept = \$1,862,000.00
- Article 8: Fire Department budget includes: \$2,424,021.00 for labor and salaries, \$400,154.00 for remaining expenses (does not include retirement or current benefits) for a total of \$2,824,175.00
- Article 9: Water Department budget includes: \$517,141.00 for labor and salaries and \$420,365.00 for remaining expenses for a total of \$937,506.00
- Article 10: Purchase a new service truck for \$75K for Water Department
- Article 11: Hardware and software for cyber-security requested by Water Commissioners for \$60,000.00
- Article 12: \$20k to replace Water Department HVAC system and related expenses
- Article 13: \$3,500.00 to replace Water Department printer and copier
- Fran commented that the copier was replaced a few years ago
- Article 14: Freedom Hall labor and salaries for maintenance \$6,212.00 and \$21,180.00 for remaining expenses for a total of \$27,392.00
- Article 15: Streetlights \$10,700.00 for maintenance
- Article 16: Cotuit Library = \$27,583.00 to support maintenance
- Article 17: Payment of Principal & Interest = \$554,600.00
- Article 18: Paying current employees and post-employment benefits = \$1,075,444.00
- Ray will break this down between Prudential, Fire and Water
- Article 19: Stabilization Fund under Mass. Gen. Law Ch. 40 §5B for \$35,000.00

- Article 20: Water Department Stabilization Fund under the District By-Laws Section IX, Section 5 for \$46,420.00
- Article 21: By-Law Amendments to see if the District will vote to amend the District Bylaws by deleting Section 2 of the Article VI which currently reads, “The Clerk shall cause to be published all annual reports of all offices and committees of the District by the end of the calendar year.” and replacing it with, “The Clerk shall cause to be published all annual reports of all offices and committees of the District by March 1, of the next fiscal year.”
- Mark stated that there was discussion on this at the last meeting.
 - Seth said that, at the last meeting, Fran suggested that Prudential Committee could offer an Amendment to the Bylaws without a Bylaw Committee meeting. Fran commented that the Prudential Committee is allowed to suggest Bylaw changes and also allowed to not put the suggestions of the Bylaw Committee on the Warrant

Mark stated that this concludes the review of the Articles that are in the Warrant and he asked for a Motion to approve the warrants ion total as amended in the meeting discussions. Seth moved. Fran seconded. All in favor. Motion passed by unanimous vote.

Candidates Night

Carol Zais stated that Candidates Night is Tuesday, May 20, 2025 @ 7pm in Freedom Hall and by ZOOM.

- Carol asked if the Cotuit FD ZOOM link could be used.
 - Mark asked Chief Brown and Ms. Zais to coordinate
- Fran stated that the whiteboard is not working and the last time it did not work was because someone used the flagpole to use it at a cost of \$500.00

Public Comment

No public comment.

Next meeting is currently scheduled to Memorial Day and would like to invite the auditor and reschedule to Monday, May 19, 2025 @ 6pm @ Freedom Hall.

Mark asked for Motion to Adjourn. Fran Seconded. All in favor. Motion passed by unanimous vote.