

July 5, 2011

Virginia:

AT A SPECIAL CALLED MEETING of the Nelson County Board of Supervisors at 2:00 p.m. in the Jury Room located on the first floor of the Nelson County Courthouse.

Present:

Allen M. Hale, East District Supervisor
Constance Brennan, Central District Supervisor
Thomas H. Bruguiera, Jr. West District Supervisor - Vice Chair
Joe Dan Johnson, South District Supervisor – Chair
Thomas D. Harvey, North District Supervisor
Stephen A. Carter, County Administrator
Candice W. McGarry, Administrative Assistant/Deputy Clerk
Debra K. McCann, Director of Finance and Human Resources
Linda Staton, Finance Technician II
Raymond M. Uttaro, EMS Coordinator
Phil Payne, IV, Commonwealth Attorney

Absent: None

I. Call to Order

Mr. Johnson called the meeting to order at 2:00 pm with all Supervisors present to establish a quorum.

II. Closed Session Pursuant to 2.2-3711(A) (7): Consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel pertaining to the status of Gladstone Rescue Squad, Inc.

A closed session was not conducted by the Board.

III. Gladstone Rescue Squad

Mr. Carter noted the provision of a letter and limited information to his office from the Gladstone Rescue Squad. He noted that Linda Staton had put the information provided into categories to be able to assess it. He added that not all of the information requested was provided in order to be able to fully assess their financial condition and that they did not fully comply with the Board's directive. He explained that they had provided information related to expenses covered by funding through the EMS council via the Board of Supervisors.

Mr. Carter briefly reviewed the summary of financial information by fiscal year and noted that the expenses paid and the amounts provided did not match up and there was no documentation associated with use of the base amount given, such that the totals paid vs. expenses did not equal, excluding the base amount. He added that there was no information on their roster provided.

Mr. Carter then referred to a list showing check number sequences that contained multiple gaps in check numbers due to the incomplete data provided. He noted that nothing was provided that comported to the

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construction and contract amounts, which were assumed to be connected with the project that was currently in process. He added that no bank statements had been provided.

Mr. Hale noted that the construction and contract was outside of the scope because one could not make heads or tails of it based on what had been provided. Mr. Carter noted that they have a draw schedule, which may indicate they have a bank loan, but that it was unknown. Mr. Hale added that clarification was needed that the expenditures were based on actual checks written and bills were received for each category, given that checks cut by the EMS Council represented actual expenditures plus the base.

Mr. Johnson noted that the 2009-2010 insurance numbers provided vs. billed showed a discrepancy and Ms. Brennan noted that the information provided was incomplete and was not helpful.

Ms. McCann reported that the payments to the EMS Council had not been disbursed yet and that staff has discussed withholding payments if the Board desired to do so. Mr. Bruguiera suggested that staff make sure that the right people get the money, or remove the amount of funds allocated to go to Gladstone Rescue.

Mr. Hale noted that he thought that Gladstone Rescue had retained legal counsel and he questioned whether or not it was advisable to discuss this in closed or open session and Mr. Payne noted that it made no real difference and that it was common to ask corresponders to copy an attorney on their correspondence.

Mr. Bruguiera asked if it were possible to remove the current Board members and reappoint new ones and Mr. Harvey stated that the best way to handle this was for the Gladstone Volunteer Fire Department to take over both functions and he noted that they were well prepared to do so. He then described a scenario in which they could transfer their license after a hearing.

Mr. Johnson noted that they could give the option for the Board to resign or they could go to court for the liquidation of assets etc. Ms. Brennan stated that it would take some time because the Fire Department would have to apply for their own license.

Mr. Harvey suggested that Roseland Rescue could possibly move a unit to the Gladstone Fire Department and that other people interested in serving the area could then join Roseland Rescue and then switch back once the licensing came through.

Mr. Uttaro noted that the County was not a licensed unit and could not just assume their assets. Mr. Harvey then noted that there were plenty of vehicles in the county to make it work. Mr. Uttaro then advised that the Fire Department members would have to join another squad immediately and that Mike Berg had someone call Mr. Harvey and he advised that the building had nothing to do with the licensing, but that it was the rescue unit that was licensed. He stated that if they could do this, there should not be any gaps in coverage and the Gladstone Fire Department volunteers would be able to run immediately given that background checks were done.

Mr. Johnson suggested that the Board make the decision to dissolve the Gladstone Rescue Squad agency and direct Mr. Payne to go to court to petition for receivership in order to liquidate the assets and to

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advise them that they cannot use County radios effective immediately; with Mr. Uttaro sending them this directive.

Members and staff concluded that these details and service coverage could be coordinated in a week's time.

Ms. McCann confirmed that Revenue Recovery calls would be processed by Roseland and that Roseland and Gladstone Fire Department would be toned out on calls.

Mr. Hale then questioned whether or not the Board has adequately spelled out the reasons for taking this action and he noted that he has some doubts that they have misused funds. He suggested that the Board spare the expense of these measures and just call them up and ask them to quit. Mr. Harvey noted that the Board has been working on this for months and has gotten no cooperation from them and that it was better for the assets to be under a receiver than them.

Mr. Johnson reported that he has met and spoken with all parties, has encouraged people to apply to the organization and twenty (20) people were told that they weren't taking applications. He noted the disquiet about the organization and that the state has talked openly about things and they have not been open. He added that it was a cancerous situation that needed to be resolved.

Ms. McCann related that the County does not have their 990 forms and Mr. Carter added that they were not always turned in and that the County had not reiterated this requirement to the squads lately. Mr. Carter added that staff would look at them if they were received.

Mr. Payne advised that he has started drafting the petition, could get it in to the Judge the next day, and do a temporary injunction by Thursday to keep them from spending the assets. He noted that the Board would not have absolute veto power but would have some leverage and will have frozen the assets. He added that once they were dissolved, the assets could be liquidated in an orderly fashion; such as paying creditors, giving away equipment etc. He added that the land and building reverted back to the County.

Ms. Brennan asked until when they could give fundraised money away and Mr. Payne noted that they had raised money for charitable purposes and it must go to something that is also charitable. He added that a receiver would be beneficial and that if the Judge issued a temporary injunction, then the receiver would have to approve of how funds were liquidated. He added that they could not give funds to members and that the receiver could take custody of the books etc. Mr. Payne added that he thought the Judge would be more amenable if the assets went to another local agency.

Mr. Harvey then moved that all funding provided to Gladstone Rescue Squad, Inc., by the County be terminated effective today; that Gladstone Rescue Squad, Inc. return immediately to the County all County-owned equipment; that Gladstone Rescue Squad, Inc. is dissolved effective immediately pursuant to Virginia Code Section 27-10, and: that the County Attorney petition for judicial oversight of the distribution of Squad assets and the appointment of a receiver for such purpose.

Mr. Payne noted that the Board should stick with dissolution as that was where the Board's power was.

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Mr. Bruguere seconded the motion and it was noted that they would then have to go through the courts to get the rescue unit, which was a BLS unit and that they could not go down and get anything.

There being no further discussion, Supervisors voted unanimously (5-0) by roll call vote to approve the motion.

Follow up discussion included Mr. Payne was to go to Court Wednesday or Thursday, with the possibility of obtaining the radios by Friday, contacting the Fire Department members about joining Roseland and rotating an ambulance down to them by the weekend. It was decided that Ray Uttaro would deal with OEMS and staff would fax a letter and the resolution to OEMS, Mike Berg and/or Steve McNeer. It was also decided that there would be no paging out of Gladstone effective immediately, and Roseland would be paged for their calls. Mr. Uttaro then advised that he would work with Mr. Bruguere and Mr. Harvey on getting the use of rescue units worked out.

IV. Other Business (As May Be Introduced)

Mr. Carter noted that staff will need to do another call for the retreat meeting and that the current meeting could not be continued.

Mr. Bruguere noted that he planned to go down Saturday and inquired as to when the meetings would start. It was noted that no spouses were going, but that they were invited.

Mr. Johnson noted that he would like to have general discussion on Friday and Mr. Hale suggested that the Board arrive at 4 pm, have dinner Friday, then start at 8 am on Saturday and go until 4pm. The Board agreed by consensus to go with this plan. Mr. Harvey then provided directions to the house and Mr. Carter noted that he would provide input from staff and the departments in a summary document.

Mr. Johnson then noted a request to have the Governor come down for the BRMC, medical center week, and that he would get a letter of support at the next meeting.

V. Continue Meeting (To July 8, 2011)

Members were advised that the meeting could not be continued until the retreat to be held on July 8, 2011.

VI. Adjournment

At 2:42 PM, Mr. Harvey moved to adjourn the meeting and Ms. Brennan seconded the motion. There being no further discussion, Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.