

News

Moreau Town Board trims Moreau Rescue Squad's funding because squad refused to reveal financial records

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By PAUL POST

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MOREAU — The Moreau Town Board has cut Moreau Rescue Squad's funding by 11.6 percent because of the squad's refusal to reveal its financial records.

Last year, the town gave the rescue squad \$226,400, but some town officials have questioned the squad's spending, such as its purchase of two vehicles for squad leaders' personal use and a free annual banquet for members and friends.

But squad officials have defended such purchases and say revealing employee payroll information could trigger employee lawsuits against the organization. They also say the town's funding cut might impact the quality of emergency services.

"They do a great job, they're good people," said Town Supervisor Preston Jenkins, a retired certified public accountant. "They're just doing things that aren't quite kosher."

Originally, the Town Board unanimously approved giving the squad a \$4,600 increase that would bump funding up to \$231,000 in 2012. But the rescue squad's attorney, Dennis Tarantino, said the town added a last-minute caveat, which he said wasn't part of contract negotiations, requiring full disclosure of the squad's books.

Instead of revealing its financial information, the squad's board approved a resolution accepting a \$200,000 contract the Town Board approved by a 3-2 vote.

The resolution said, "Disclosure of confidential payroll records would be analogous to the release of confidential medical records of patients without (their) consent." Tarantino said some employees might sue the squad for releasing such private information.

And the squad says the town's spending cut might result in "removing sophisticated life-saving equipment from service and/or taking ambulances out of service."

The dispute is the latest chapter in a long, turbulent relationship between the squad and the town. In 2010, the town refused to approve its annual contract with the rescue squad after the squad refused to open its books, and the town instead paid the squad on a monthly basis.

The squad, citing an implied contract, sued the town but lost its case in state Supreme Court.

Jenkins said the squad purchased two vehicles — one for its chief operating officer and the other for his assistant — last fall through a state contract.

"I don't see any reason why they should be providing personal vehicles to two individuals on a tax-free basis," he said.

But Tarantino said the vehicles, although registered to the squad, were paid for by squad leaders with their own money. The vehicles were needed, he said, to eliminate the risk of liability and insurance issues that might arise if a squad member had an accident while responding to a call in their own vehicle.

Jenkins said the squad budgeted more than \$17,000 for awards and an annual appreciation banquet for directors, officers, members, spouses and friends. The squad does not charge admission to the event.

"These are not things (vehicles, banquet) a non-profit should be spending money on," Jenkins said. "Taxpayers should not be subsidizing this."

However, Tarantino called the banquet a "reasonable expense" and said it wasn't paid for with money from the town, but with third-party billings the squad gets for its services.

Jenkins said, "I don't care where it's from. It shouldn't be used for something like that. We're all living with a tax cap now. These people think they should be able to do anything, some of them."

The squad, whose headquarters are on Route 9, covers all of Moreau and part of Northumberland and has a budget of roughly \$900,000. In 2010, the squad got \$293,000 from the towns, \$485,000 from insurance billings and the rest from fundraising, donations and savings interest.

Each month, the squad gives the town a detailed record of how town money was spent on fuel, equipment and similar operational costs.

Councilmen Todd Kusnierz and Robert Prendergast voted against the funding cut.

"It should have been \$231,000 or nothing," Kusnierz said. "That would make them come to the table and negotiate."

Jenkins said the squad contract could still be renegotiated with a spending increase if the squad lets the town see its books. Tarantino said he hopes the town relents and provides more money without forcing the squad to reveal proprietary financial information.

In the meantime, some expensive equipment might be taken out of service.

"The squad's board of directors has some critical decisions to make," Tarantino said.

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