

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
)  
) Chapter 9  
)

**MOTION OF DEBTOR CENTRAL COVENTRY FIRE DISTRICT FOR AN ORDER  
DISMISSING CHAPTER 9 CASE AND APPROVING FORM AND PROCEDURES FOR  
NOTICE OF DISMISSAL**

**(Request for Emergency Determination)**

Central Coventry Fire District, debtor in this Chapter 9 case (the “Debtor,” or the “District”), hereby moves the Court for an order (a) dismissing this case without prejudice pursuant to 11 U.S.C. §§ 349 and 930 and Rule 1017 of the Federal Rules of Bankruptcy Procedure and (b) approving the proposed form of publication of the notice of dismissal pursuant to 11 U.S.C. §§ 923 and 930. The Debtor requests emergency consideration of this motion to dismiss because the power of the Receiver, and the District’s state receivership under the Fiscal Stability Act (as defined herein), will terminate on October 1, 2015 at 12:01 A.M. The Debtor seeks a ruling on the motion to dismiss in advance of such termination so that the Receiver may complete an orderly transition of control of the District to the elected Board of Directors. In support of this Motion, the Debtor respectfully represents as follows:

**Jurisdiction and Venue**

1. The Court has jurisdiction, pursuant to 28 U.S.C. §§ 157 and 1334, to consider this Motion. This is a core proceeding pursuant to 11 U.S.C. § 157(b). Venue is proper before this Court in accordance with 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are §§ 349, 923 and 930 of

title 11 of the United States Code (the “Bankruptcy Code”), and Rules 1017 and 2002 of the Federal Rules of Bankruptcy Procedure.

**Relief Requested**

3. The Debtor seeks the entry of an order in the form attached as Exhibit A (a) dismissing the Debtor’s Chapter 9 case, (b) approving the notice of dismissal of the case in the form attached as Exhibit B, and (c) providing for the procedure by which the Debtor shall provide notice of the dismissal of the Chapter 9 case.

**Factual Background**

A. Pre-petition Financial Distress

4. The Debtor is a fire district located within the Town of Coventry, Rhode Island.

5. The Debtor was the subject of a state court special mastership proceeding which commenced on October 15, 2012. Said state court special mastership proceeding terminated with the passage of amendments through the Fiscal Stability Act, which precluded judicial receiverships for fire districts.

6. On May 6, 2014, pursuant to the R.I.G.L. 1956 §§ 45-9-1, *et seq.* (the “Fiscal Stability Act”), the Director of the Department of Revenue (the “Director”) appointed Steven Hartford as the receiver of the District (the “Receiver”). Mark A. Pfeiffer succeeded Mr. Hartford as Receiver on January 5, 2015.

7. The powers of the Receiver under the Fiscal Stability Act included the right to commence a federal bankruptcy petition on behalf of the District.

B. Commencement of Bankruptcy Case

8. On December 23, 2014 (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 9 of the Bankruptcy Code. The Debtor filed a creditor list on January 2,



2015, as amended on April 1, 2015 [Dkt. 116] (as amended, the “Creditors’ List”).

9. The Court entered an order for relief [Dkt. 119] on April 22, 2015.

C. Termination of the Receivership

10. On September 17, 2015, the Receiver received a directive from the Director (the “Termination Notice”) stating that the Director was terminating the District’s state receivership proceeding, effective as of October 1, 2015 at 12:01 A.M. A copy of the Termination Notice is attached as Exhibit C.

11. The Debtor completed a Disclosure Statement (the “Disclosure Statement”) and Plan of Debt Adjustment (the “Plan”), and such documents are attached to this Motion as Exhibit D and Exhibit E, respectively. Notwithstanding the successful completion of the Plan, numerous infirmities exist, as noted in the Disclosure Statement, that threaten the ultimate viability of the Plan if it were confirmed.

12. Based upon the foregoing, the Receiver seeks an order from the Court dismissing the Chapter 9 case without prejudice.

**Legal Argument**

A. Standard for Dismissal

Section 930 of the Bankruptcy Code provides that the Court may dismiss a case under Chapter 9 “for cause.” 11 U.S.C. § 930(a). Section 930 provides a list of examples of cause, including unreasonable delay, failure to propose a plan, and denial of confirmation. Section 930, however, does not define cause, and the Court may consider factors other than those specified in section 930 in considering a Chapter 9 debtor’s motion to dismiss. *See In re Richmond Unified School District*, 133 B.R. 221, 223-224 (Bankr. N.D.Cal. 1991).

In a Chapter 9 case, a municipal debtor’s decision to dismiss the case constitutes “cause”

under section 930. *See In re Richmond Unified Sch. Dist.*, 133 B.R. at 224. The *Richmond* court, considering a motion to dismiss under section 930, held that the debtor's request for dismissal was sufficient cause under section 930:

As to Chapter 9, the court holds, based upon a review of Chapter 9 as a whole, that prior to confirmation and absent a clear waiver of its autonomy rights under section 904 discussed *infra*, a Chapter 9 debtor's request for dismissal is "cause" for dismissal and that the District is entitled to an order of dismissal without necessity of an evidentiary showing that dismissal would be in the best interest of creditors. Any other result would be anomalous and only serve to postpone the inevitable.

*Id.* *See also In re N.Y. City Off-Track Betting Corp.*, 2011 Bankr. LEXIS 319, \*5-6 (finding that a chapter 9 debtor's request for dismissal constituted "cause," and no evidentiary showings were warranted).

A Chapter 9 municipal debtor enjoys many benefits under the Bankruptcy Code, but it is subject to fewer duties than an individual or corporate debtor because the Tenth Amendment to the Constitution reserves sovereign powers to the states. *See In re Richmond*, 133 B.R. at 224. "Any federal debt relief legislation affecting municipalities must be sufficiently narrow in scope to avoid intrusion by the federal courts on the sovereign power of the states." *Richmond* at 224. Unlike Chapter 11 of the Bankruptcy Code, which allows parties other than the debtor to propose and confirm a plan of reorganization, a Chapter 9 debtor has the exclusive right to file a plan of debt adjustment. *Compare* 11 U.S.C. § 1121 (allowing any party in interest to file a plan if the debtor has not filed a plan within a certain time) *with* 11 U.S.C. § 941 (providing that only a debtor may file a plan).

The Court is also limited in its ability to interfere with the political or governmental powers of the Debtor, or any property or revenues of the Debtor. *See* 11 U.S.C. § 904(1-2). If the Debtor fails to propose a plan of debt adjustment, the Court's only remedy under the Bankruptcy Code is to dismiss the Chapter 9 case for want of prosecution or unreasonable delay

under section 930. *See Richmond*, 133 B.R. at 225 (“unlike the situation in a Chapter 11 case, the court cannot appoint a trustee to manage or control a debtor, whether or not cause exists for such appointment”). *See also* 6 Collier on Bankruptcy ¶ 900.01[1] (Alan N. Resnick & Henry J. Sommer eds., 16th ed. (noting, “[i]f the case is not successful, or if the plan cannot be implemented as confirmed, the court's remedy is limited to dismissal of the case pursuant to section 930. The court is without jurisdiction or power to act except as in such way as the municipality agrees”).

The Court cannot consider a plan proposed by another party in interest, and the Court cannot interfere with the Debtor's political or governmental powers. Only the Debtor may propose or modify a plan. The Debtor does not intend to pursue confirmation of the Plan because the Director of the Department of Revenue shall terminate the receivership effective of October 1, 2015. Chapter 9 limits the equitable powers that a bankruptcy court might otherwise exercise in administering a bankruptcy case:

Thus, the bankruptcy court's powers under section 105(a) of the Bankruptcy Code to issue such orders or process as is necessary to carry out the provisions of title 11, and the court's powers under section 105(d) to issue an order (unless inconsistent with another provision of title 11 or with applicable Federal Rules of Bankruptcy Procedure) prescribing limitations and conditions as the court deems appropriate to ensure that the case is handled expeditiously and economically, are subject to the limitation of section 904. To the extent that the court has powers that are derived from a source other than section 105, or to the extent that the court has power to issue certain orders under a specific provision of the Bankruptcy Code, it is equally limited by section 904. Thus, the question in any particular case is not whether some basis in the court's power can be found to support the order. The question is only whether the order improperly interferes with the political or governmental affairs or property of the debtor. If it does, then no matter what authority is used to support it, the order runs afoul of section 904.

6 Collier on Bankruptcy ¶ 904.01 (Alan N. Resnick & Henry J. Sommer eds., 16th ed. (internal citations omitted)). For these reasons, requiring the Debtor to remain in Chapter 9 would be contrary to the provisions of the Bankruptcy Code.

The Director of the Department of Revenue is terminating the Debtor's receivership proceeding as of midnight on September 30, 2015, upon which control of the District shall revert to its elected Board of Directors. The Debtor will work with the Board of Directors to transition control over the District's operations to the Board of Directors. All parties in interest will retain such rights as they had under applicable non-bankruptcy law prior to the Petition Date. *See In re Richmond*, 133 B.R. at 226 (noting that "dismissal will operate to restore to the creditors and other parties in interest all their procedural and substantive rights under applicable nonbankruptcy law that the petition stayed").

B. The Debtor is entitled to an Order Dismissing the Chapter 9 Case Without Prejudice.

The Debtor has made a sufficient showing of "cause" under section 930 to warrant an order dismissing the case. Section 349 of the Bankruptcy Code provides that, unless the Court orders otherwise, "the dismissal of a case under this title does not bar the discharge, in a later case under this title, of debts that were dischargeable in the case dismissed; nor does the dismissal of a case under this title prejudice the debtor with regard to the filing of a subsequent petition under this title, except as provided in section 109(g) of this title." 11 U.S.C. § 349(a). The Debtor asserts that no cause exists for ordering otherwise under § 349(a), and the Debtor requests that the Court dismiss the Chapter 9 case without prejudice.

C. Notice of the Hearing and Notice of Dismissal.

1. *Notice of the Hearing on an Emergency Basis*

Rule 1017 of the Federal Rules of Bankruptcy Procedure provides, "a case shall not be dismissed on motion of the petitioner, for want of prosecution or other cause, or by consent of the parties, before a hearing on notice as provided in Rule 2002." Rule 2002(a)(4), however, applies only to a hearing on a notice of dismissal under Chapters 7, 11 or 12 of the Bankruptcy

Code; it is silent as to a hearing on a motion to dismiss under Chapter 9. Given that the receivership will terminate on midnight on September 30, 2015, the Debtor is concurrently filing a motion seeking emergency treatment of this Motion, including a hearing prior to September 28, 2015. The Debtor requests that notice of such hearing be provided in accordance with Local Rule 9013-2 to registered ECF users.

2. *Publication of the Notice of Dismissal*

With respect to notice of the dismissal of this case (upon entry of the Order), section 923 of the Bankruptcy Code and Rule 2002(f)(2) apply in Chapter 9 cases to require notice by mail of the dismissal of the case as well as publication of the notice of dismissal. The Debtor requests that the Court approve the Notice in the form attached as Exhibit B. If the Court enters the Order, the Debtor will serve the Notice on the Creditors' List as well as all parties who have registered for electronic notice.

Section 923 also requires the Debtor to publish the notice in a newspaper of general circulation as well as such other newspaper having a general circulation among bond dealers and bondholders as the court designates. The Debtor has no bondholders, and the Debtor requests that the Court approve publication of the Notice solely in the *Providence Journal*, which is a newspaper of general circulation published within the district, as sufficient to satisfy the requirements of section 923. The Debtor would publish the Notice once a week for three (3) successive weeks in the *Providence Journal*. The Debtor submits that such publication in the *Providence Journal* constitutes adequate notice as required by section 923.

The Debtor proposes that the Notice shall provide notice of the dismissal of this case and termination of the automatic stay. The Debtor also proposes that the Notice will advise parties in interest that the dismissal of this case does not prevent the Debtor from filing a subsequent

bankruptcy case or bar the discharge in a later case of the debts that were dischargeable in this case. The Debtor requests that the Court approve the form and content of the Notice and approve the procedure for publication outlined herein.

**Request for Emergency Determination**

The Debtor requests that the Court consider this Motion on an emergency basis and that the Court hold the hearing on this matter on Thursday, September 24, 2015, or Friday, September 25, 2015. Under Local Rule 9013-2(d)(2), the Debtor must specifically request emergency determination if it requests the Court to consider a motion earlier than seven days after the motion is filed. That request must set forth the facts and circumstances which justify emergency treatment.

Accordingly, the Debtor sets for the following facts and circumstances:

1. On September 17, 2015, the Director notified the Receiver that the Director was terminating the District's state receivership, effective as of October 1, 2015 at 12:01 A.M. The Termination Notice is attached as Exhibit C.
2. The Director directed the Receiver to seek an order dismissing this Chapter 9 case. *See* Termination Notice, Exhibit C.
3. The Receiver could not have filed this Motion more than twenty-one days before the receivership terminates.
4. Because the Receivership terminates only twelve days after the Debtor filed its motion, there is insufficient time to hear the motion on a normal or expedited basis before the termination of the receivership.
5. On October 1, 2015, the District's Board of Directors will resume operation and control of the District.

6. The Debtor believes that it is in the Debtor's best interest for this matter to be resolved before the control of the District is transferred back to the Board of Directors so that the transition is as orderly as possible.
7. Based on the Director's recent order, the best way for this orderly transition to take place is for the Court to hear, and decide, the Motion before midnight on October 1, 2015.

**Conclusion**

WHEREFORE, the Debtor respectfully requests that the Court enter the Order in the form attached as Exhibit A (a) dismissing the Chapter 9 case of the Central Coventry Fire District without prejudice, and (b) approving notice of the dismissal of the Chapter 9 case and the publication procedures described herein.

Respectfully submitted,

CENTRAL COVENTRY FIRE DISTRICT

By its Attorneys,

Robert G. Flanders, Jr.

Robert G. Flanders, Esq. (# 1785)  
Jennifer V. Doran, Esq. (# 6553)  
Andrew S. Tugan, Esq. (# 9117)  
Hinckley, Allen & Snyder LLP  
100 Westminster Street, Suite 1500  
Providence, Rhode Island, 02903  
Tel. (401) 274-2000  
Fax (401) 277-9600  
rflanders@hinckleyallen.com  
jdoran@hinckleyallen.com  
atugan@hinckleyallen.com

Dated: September 18, 2015

**CERTIFICATE OF SERVICE**

I hereby certify that on September 18, 2015, I filed the within document with the Clerk of the Bankruptcy Court for the District of Rhode Island and provided electronic notice through the CM/ECF System to the registered participants listed below and (a) electronic notice through electronic mail, or (b) notice by regular mail, to those creditors that have not requested service through ECF or for whom the District does not have electronic mail addresses, each as indicated below:

|                        |  |
|------------------------|--|
| Gary L. Donahue        | ustpreion01.pr.ecf@usdoj.gov   |
| James G. Atchison      | jatchison@shslawfirm.com   |
| Thomas S. Hemmendinger | themmendinger@brcsm.com,<br>dantonetti@brcsm.com, lkresge@brcsm.com            |
| Lisa M. Kresge         | lkresge@brcsm.com, dantonetti@brcsm.com  |
| John H. McCann         | jmccann@shslawfirm.com,<br>dveveiros@shslawfirm.com,<br>jgreene@shslawfirm.com |
| Michael P. Robinson    | mrobinson@shslawfirm.com   |
| Patrick J. Sullivan    | patrick@sullivan-attorneys.com,<br>ann_marie@sullivan-attorneys.com            |
| Michael B. Forte, Jr.  | mbf@olenn-penza.com  |
| David D'Agostino       | daviddagostino@gorhamlaw.com   |
| Douglas L. Steele      | dls@wmlaborlaw.com   |
| Michael R. Willats     | mrw@wmlaborlaw.com   |
| Peter J. Furness       | peter@bhrlaw.com   |
| Alden C. Harrington    | harrington@bhrlaw.com  |



**E-mail Notice:**

|                         |   |
|-------------------------|---|
| Fred P. Gralinski       | fredccfd@gmail.com<br>GralinskiFred@bfusa.com |
| Marie Baker             | marie.baker@infor.com                         |
| Daniel G. Lantz, Jr.    | dancbfd@gmail.com                             |
| Maureen K. Jendzejec    | mjendzejec@cox.net                            |
| Helen G. Quinn          | hq7569@aol.com                                |
| Cynthia Fagan-Perry     | cfaganperry49@gmail.com                       |
| David Root              | droot@coventrycu.org                          |
| Element Financial Corp. | ratherholt@leaserv.com                        |
| Kristi Ammirati         | kristiammirati@motorolasolutions.com          |
| Nick Gorham             | NickGorham@gorhamlaw.com                      |
| Scott Tucker            | Sftucker99@hotmail.com                        |
| David Gorman            | President@local3372.org                       |
| Christine Moniz         | ccfdadmin@firehousemail.com                   |
| Shawn Murray            | ccfd.chief31@gmail.com                        |
| Pam Fontaine            | pfontaine2@outlook.com                        |
| Andrew Baynes           | bcbaynes@yahoo.com                            |
| John Champion           | jec619@hotmail.com                            |
| Joseph Andriole         | JAndriole@risaff.org                          |
| Marc B. Gursky, Esq.    | mgursky@rilaborlaw.com                        |
| Roland Tellier          | r.j.tellier@cox.net                           |
| Ronald J. Preston       | iaff3372@gmail.com                            |

|                                   |                               |
|-----------------------------------|-------------------------------|
| PURVIS Systems Incorporated       | mfreitas@purvis.com           |
| Thomas Noonan                     | atdn@embarqmail.com           |
| RI Emergency Management Agency    | anita.flax@ema.ri.gov         |
| Tracy Lynn Hall                   | slimfred@aol.com              |
| Christopher Coupe                 | ccoupe49@yahoo.com            |
| Kevin Schnell                     | kevin.schnell@verizon.net     |
| William Fontaine                  | wjfontaine@netzero.net        |
| Scott Murray                      | ka1rvb@cox.net                |
| James Peltier                     | jpeltier0@gmail.com           |
| Matthew Walther                   | mgkw584@cox.net               |
| RI Department of Labor & Training | philip.dambra@tax.ri.gov      |
| RI State Fire Marshal             | pandrews01@yahoo.com          |
| Russell Marsella, BCBS            | russell.marsella@bcbsri.org   |
| Stop & Shop Supermarket Company   | daniel.doerer@ahold.com       |
| Charles Nystedt                   | locmn@cox.net                 |
| William Reid                      | decobox@netzero.com           |
| Centreville Savings Bank          | ssheppard@centrevillebank.com |
| Coventry Credit Union             | gsosnicki@coventrycu.org      |
| Alexander Potts                   | alexjpotts@gmail.com          |
| Christopher Dubowski              | c_dubowski@yahoo.com          |
| Linton S. Wilder IV               | linton.wilder@gmail.com       |
| Gregory D. Marques                | gregmarques@hotmail.com       |
| David Keith Hawkins               | keith.hawkins@gmail.com       |

|                          |                                 |
|--------------------------|---------------------------------|
| Christopher J. Leveillee | chris.leveillee@gmail.com       |
| Keith DeCesare, Jr.      | kjdecesare@gmail.com            |
| Michael DeCesare         | mkdcrb@aol.com                  |
| Loren E. Dailey          | lorendailey@gmail.com           |
| National Grid            | raquel.webster@nationalgrid.com |

**First Class Mail Notice:**

Internal Revenue Service  
P.O. Box 7346  
Philadelphia, PA 19101-7346

Kimberly Dawson  
The Dawson Group, Inc.  
1275 Wampanoag Trail  
East Providence, RI 02915

Claire Clonan  
Wex Bank  
PO Box 639  
Portland, ME 04104-0639

National Grid  
c/o Bankruptcy  
300 Erie Boulevard W.  
Syracuse, NY 13202

Dean Bentley  
36 Bank Street  
Coventry, RI 02816-6162

Brian Hoxie  
54 Whitman Road  
Coventry, RI 02816

Joseph McAlister  
98 Bates Avenue  
Coventry, RI 02816

Donald Roderick  
2888 Flat River Road  
Coventry, RI 02816-4907

Robert W. Seltzer  
28 Steere Road  
Greenville, RI 02828-2546

/s/ Robert G. Flanders, Jr.

# EXHIBIT A

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
 ) Chapter 9  
 )

**NOTICE OF DISMISSAL OF CHAPTER 9 CASE**

**PLEASE TAKE NOTICE** that, on \_\_\_\_\_, 2015, the United States Bankruptcy Court for the District of Rhode Island entered an order dismissing the Chapter 9 case of Central Coventry Fire District (the “**Debtor**”) in accordance with Section 923 and 930 of the Bankruptcy Code, and Rules 1017 and 2002 of the Federal Rules of Bankruptcy Procedure.

**PLEASE TAKE FURTHER NOTICE** that dismissal of the case terminates the application of the automatic stay provisions of sections 362 and 922 of the Bankruptcy Code with respect to Central Coventry Fire District.

**PLEASE TAKE FURTHER NOTICE** that in accordance with Section 349(a) of the Bankruptcy Code, dismissal of the case does not bar the discharge, in a later case, of debts that were dischargeable in the case dismissed, and the dismissal of this case does not prejudice Central Coventry Fire District with regard to the filing of a subsequent petition under Chapter 9.

FILED 09/18/15 13:00:38 14-12785-231

Respectfully submitted,

CENTRAL COVENTRY FIRE DISTRICT

By its Attorneys,

---

Robert G. Flanders, Esq. (#1785)  
Jennifer V. Doran, Esq. (#6553)  
Andrew S. Tugan, Esq. (#9117)  
Hinckley, Allen & Snyder LLP  
100 Westminster Street, Suite 1500  
Providence, Rhode Island, 02903  
Tel. (401) 274-2000  
Fax. (401) 277-9600  
rflanders@hinckleyallen.com  
jdoran@hinckleyallen.com  
atugan@hinckleyallen.com

Dated: \_\_\_\_\_, 2015

**CERTIFICATE OF SERVICE**

I hereby certify that on September [ ], 2015, I filed the within document with the Clerk of the Bankruptcy Court for the District of Rhode Island and provided electronic notice through the CM/ECF System to the registered participants listed below and (a) electronic notice through electronic mail, or (b) notice by regular mail, to those creditors that have not requested service through ECF or for whom the District does not have electronic mail addresses, each as indicated below:

**CM/ECF Notice:**

|                        |   |
|------------------------|---|
| Gary L. Donahue        | ustpreion01.pr.ecf@usdoj.gov                          |
| James G. Atchison      | jatchison@shslawfirm.com,<br>james.atchison@gmail.com |
| Thomas S. Hemmendinger | themmendinger@brscsm.com,                             |

|                       |  |
|-----------------------|--|
|                       | dantonetti@brcsm.com, lkresge@brcsm.com  |
| Lisa M. Kresge        | lkresge@brcsm.com, dantonetti@brcsm.com  |
| John H. McCann        | jmccann@shslawfirm.com,<br>dveveiros@shslawfirm.com,<br>jgreene@shslawfirm.com |
| Michael P. Robinson   | mrobinson@shslawfirm.com   |
| Patrick J. Sullivan   | patrick@sullivan-attorneys.com,<br>ann_marie@sullivan-attorneys.com            |
| Michael B. Forte, Jr. | mbf@olenn-penza.com<br>bam@olenn-penza.com<br>cli@olenn-penza.com              |
| David D'Agostino      | daviddagostino@gorhamlaw.com   |
| Douglas L. Steele     | <u>dls@wmlaborlaw.com</u>  |
| Peter J. Furness      | <u>peter@bhrlaw.com</u>  |
| Alden C. Harrington   | <u>harrington@bhrlaw.com</u>   |

**E-mail Notice:**

|                      |   |
|----------------------|---|
| Fred P. Gralinski    | fredccfd@gmail.com<br>GralinskiFred@bfusa.com |
| Marie Baker          | marie.baker@infor.com                         |
| Daniel G. Lantz, Jr. | danccfd@gmail.com                             |
| Maureen K. Jendzejec | mjendzejec@cox.net                            |
| Helen G. Quinn       | hq7569@aol.com                                |
| Cynthia Fagan-Perry  | cfaganperry49@gmail.com                       |
| David Root           | droot@coventrycu.org                          |
| Rick Atherholt       | ratherholt@leaserv.com                        |
| Kristi Ammirati      | KristiAmmirati@motorolasolutions.com          |
| Nick Gorham          | NickGorham@gorhamlaw.com                      |
| Scott Tucker         | Sftucker99@hotmail.com                        |
| David Gorman         | President@local3372.org                       |
| Christine Moniz      | ccfdadmin@firehousemail.com                   |
| Shawn Murray         | ccfd.chief31@gmail.com                        |
| Pam Fontaine         | pfontaine2@outlook.com                        |
| Andrew Baynes        | bcbaynes@yahoo.com                            |
| John Campion         | jec619@hotmail.com                            |
| Joseph Andriole      | JAndriole@risaff.org                          |
| Marc B. Gursky, Esq. | mgursky@rilaborlaw.com                        |
| Roland Tellier       | r.j.tellier@cox.net                           |
| Ronald J. Preston    | iaff3372@gmail.com                            |



|                             |  |
|-----------------------------|--|
| PURVIS Systems Incorporated | <a href="mailto:mfreitas@purvis.com">mfreitas@purvis.com</a>                 |
| Thomas Noonan               | <a href="mailto:atdn@embarqmail.com">atdn@embarqmail.com</a>                 |
| Anita Flax, RIEMA           | <a href="mailto:anita.flax@ema.ri.gov">anita.flax@ema.ri.gov</a>             |
| Tracy Lynn Hall             | <a href="mailto:slimfred@aol.com">slimfred@aol.com</a>                       |
| Christopher Coupe           | <a href="mailto:ccoupe49@yahoo.com">ccoupe49@yahoo.com</a>                   |
| Kevin Schnell               | <a href="mailto:kevin.schnell@verizon.net">kevin.schnell@verizon.net</a>     |
| William Fontaine            | <a href="mailto:wjfontaine@netzero.net">wjfontaine@netzero.net</a>           |
| Scott Murray                | <a href="mailto:ka1rvb@cox.net">ka1rvb@cox.net</a>                           |
| James Peltier               | <a href="mailto:jpeltier0@gmail.com">jpeltier0@gmail.com</a>                 |
| Matthew Walther             | <a href="mailto:mgkw584@cox.net">mgkw584@cox.net</a>                         |
| Philip D'Ambra, DLT         | <a href="mailto:pdambra@gw.doa.state.ri.us">pdambra@gw.doa.state.ri.us</a>   |
| RI State Fire Marshal       | <a href="mailto:paul.andrews@risp.dps.gov">paul.andrews@risp.dps.gov</a>     |
| Russell Marsella, BCBS      | <a href="mailto:russell.marsella@bcbsri.org">russell.marsella@bcbsri.org</a> |

**First Class Mail Notice:**

Valentino Lombardi, Esq.  
RI Department of Labor and Training  
1511 Pontiac Avenue  
Cranston, RI 02920-4407

Eileen Griffith  
National Grid  
Credit and Collections D1  
300 Erie Boulevard W  
Syracuse, NY 13202-4201

Claire Clonan  
Wex Bank  
PO Box 639  
Portland, ME 04104-0639

Kimberly Dawson  
The Dawson Group, Inc.  
41 Sharpe Drive  
Cranston, RI 02920-4408

Christopher Leveillee  
P.O. Box 251  
Coventry, RI 02816

Donald Roderick  
2888 Flat River Road  
Coventry, RI 02816-4907

Robert W. Seltzer  
28 Steere Road  
Greenville, RI 02828-2546

Dean Bentley  
36 Bank Street  
Coventry, RI 02816-6162

Brian Hoxie  
54 Whitman Road  
Coventry, RI 02816

Joseph McAlister  
98 Bates Avenue  
Coventry, RI 02816

/s/ Robert G. Flanders, Jr.

# EXHIBIT B

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
) Chapter 9  
)

**[PROPOSED] ORDER DISMISSING CHAPTER 9 CASE**

Upon consideration of the Motion (the “Motion”) for an order (the “Order”)

(a) dismissing this case without prejudice in accordance with sections 349(a), 923 and 930 of the Bankruptcy Code and Rules 1017 and 2002 of the Federal Rules of Bankruptcy Procedure, (b) approving the proposed form, manner and scope of notice of dismissal of the case (the “Notice”) and (c) granting related relief, the Court finding that appropriate notice under the circumstances of the Motion has been given and that no other or further notice thereof is necessary, and having determined that Central Coventry Fire District’s request for dismissal is sufficient “cause” for dismissal under section 930 of the Bankruptcy Code and that the relief requested in the Motion is appropriate and authorized by the Bankruptcy Code and the Bankruptcy Rules,

It is hereby **ORDERED:**

1. The Motion is granted.
2. The Chapter 9 Bankruptcy case of Central Coventry Fire District is dismissed without prejudice.
3. A notice substantially in the form attached as Exhibit B to the Motion (the “Notice”) is approved and shall be deemed appropriate notice of the dismissal in accordance with

section 923 of the Bankruptcy Code and Rule 1017 of the Federal Rules of Bankruptcy  
Procedure.

4. Central Coventry Fire District shall publish the Dismissal Notice at least once a  
week for three successive weeks in *The Providence Journal*, which publication is hereby  
approved and shall be deemed appropriate publication notice under the circumstances of the  
dismissal of this Chapter 9 case.

---

Hon. Diane Finkle  
United States Bankruptcy Judge

Dated: \_\_\_\_\_, 2015

# EXHIBIT C

**DOR** Rhode Island Department of Revenue  
Office of the Director

September 17, 2015

Mark A. Pfeiffer  
Receiver  
Central Coventry Fire District  
State of Rhode Island  
C/o Department of Revenue  
One Capitol Hill  
Providence, Rhode Island 02908

**Re: Central Coventry Fire District ("CCFD" or "District") Receivership and  
Chapter 9 Proceedings**

Dear Receiver Pfeiffer:

On December 23, 2014, in consultation with the Department of Revenue ("DOR"), your predecessor, Steven T. Hartford, filed a voluntary petition for relief in the United States Bankruptcy Court for the District of Rhode Island placing CCFD into Chapter 9 pursuant to his powers as receiver under the Fiscal Stability Act ("Act"). Since your appointment as successor Receiver on January 5, 2015, you, bankruptcy counsel, labor counsel and DOR staff assigned to work with you have worked tirelessly to take steps necessary to attempt to restore the CCFD to fiscal stability. Those efforts have most recently resulted in the completion of a Disclosure Statement and Plan of Debt Adjustment ("Plan").

In reviewing the Plan, I have carefully considered and taken into account (i) the travel of the Chapter 9 proceeding, including the efforts taken under the Act to date, (ii) various positions espoused and actions taken by the CCFD Board of Directors ("Board"), the Town of Coventry ("Town"), the local firefighters union and others, which positions and actions will likely play an instrumental role in whether or not the Plan will be successfully implemented during the five-year term of the Plan after the receivership has been terminated, (iii) the provisions of the Act to determine whether that law is sufficient to address the challenges that are likely impediments to the successful implementation of the Plan, (iv) the fiscal circumstances currently existing not only in CCFD but the adjoining Coventry Fire District, and (v) the position of the administration that municipalities have a responsibility to provide basic services to their residents, including fire and rescue services.

The Chapter 9 petition was filed in good faith, and the receivership proceedings have been administered in conformity with Rhode Island law with the goal of rehabilitating the financial affairs of the District to restore it to fiscal stability. It is my position that the Plan, if submitted to and approved by the Bankruptcy Court, could successfully restructure CCFD's financial affairs and restore the District to fiscal stability but for the fact that the Plan has been and continues to be vigorously opposed by the Board and the Town.

As you have reported to me and as I have personally observed, their primary opposition to the Plan is the model under which fire and rescue services will continue to be delivered in the District. The District has a collective bargaining agreement with the International Association of Firefighters, Local 3372 ("Local 3372"). As part of the Chapter 9 proceedings - and consistent with the requirements of law - you and labor counsel negotiated with the union in good faith and reached an agreement (which is subject to Bankruptcy Court approval) on a new collective bargaining agreement ("CBA"). The terms of that CBA would achieve \$13.9 million of savings for the District over the five-year term of the Plan. Notwithstanding those negotiated savings that would provide a significant benefit to the District, the Board, the Town and an elected representative in the community have continued to insist that the Plan not include the current union model for delivery of fire and rescue services but instead include a model that utilizes volunteer and/or private fire and rescue services. Despite repeated admonitions by you that (i) Rhode Island labor law and the Bankruptcy Code require the receiver to negotiate with Local 3372 in good faith in order to achieve a viable restructuring plan inclusive of a modified CBA and (ii) the Act does not give the receiver any authority to replace union firefighters with volunteer or private fire and rescue services, strong opposition to the Plan persists.

As just two (2) examples of the strident nature of this opposition, I am aware that an elected representative in the community filed her own plan with the Bankruptcy Court (which is not permitted under the Bankruptcy Code) and that suggested plan did not include the current union model. In addition, the Vice Chair of the Board - without the knowledge or permission of the receiver - recently placed an ad on-line to recruit non-union firefighters. The latter action required you to seek an injunction against the Board in the Rhode Island Superior Court.

I am also aware that although Local 3372 made significant concessions in the re-negotiated CBA, it has at times challenged the day-to-day implementation of many aspects of the renegotiated agreement that it had previously endorsed.

Given the level of animus between the Board and Local 3372, and the Board's vehement opposition to the very concept that fire and rescue services will be delivered under the Plan using a union model, it is difficult to imagine how these constituencies will be able to set aside their differences once the receivership is terminated and control of the District is returned to the Board. The Act does not have a provision giving an Administration and Finance Officer appointed under the Act the power to address board governance issues after the receivership ends. Therefore, this animus is a significant impediment to the successful implementation of the Plan.

While one would hope that the Plan, with its significant savings over and above the above-referenced savings achieved under the re-negotiated CBA would be supported by the taxpayers of the District, the Plan does provide for two percent (2%) tax increases in each of the five years of the Plan. As we have discussed, the success of the five-year Plan depends on the willingness of all interested parties to abide by the Plan. Your authority as receiver only extends through the first year(s) of the Plan until Plan confirmation and termination of the receivership. While a receiver has the ability to impose that tax increase while the receivership is in place, there is no authority under the Act for an Administration and Finance Officer to impose that increase in years two through five of the Plan assuming that the



receivership has been terminated in the first year. If history is an accurate predictor of future behavior, it appears certain that the taxpayers of the District, without vigorous encouragement and support from the Board, will not approve the increased tax levies required in years two through five of the Plan. Without those tax increases, the Plan cannot be successfully implemented. Therefore, the inability to impose the tax increases is yet another impediment to the successful implementation of the Plan.

In light of the above, it has become increasingly apparent that the current provisions of the Act do not provide either an efficient or effective means to address CCFD's fiscal distress and that a Chapter 9 proceeding involving protracted and expensive litigation is ill suited for fire districts with relatively small budgets. (The current CCFD annual budget is approximately \$6 million.) Through August 2015 the State has already expended approximately \$766,000 for external resources, including bankruptcy and labor counsel and the receiver and approximately \$435,000 for certain internal DOR personnel costs in an effort to assist CCFD in achieving fiscal stability, all without any assurance that the State will recoup these funds from the District. Further attempts to pursue implementation of the Plan will require the expenditure of even more funds and additional use of State resources, an action that is particularly difficult to justify in the face of the extraordinary opposition that the receivership has encountered in attempting to assist CCFD with its fiscal issues.

In addition to the above challenges which are impediments to a successful implementation of the Plan, I know that you have been closely following the fiscal issues in the Coventry Fire District which abuts CCFD and is represented by the same union. It has been publicly reported that the Coventry Fire District Board has on more than one occasion approached the Town of Coventry seeking its assistance in addressing the district's fiscal issues. I understand that those overtures have been rebuffed by the Town. As it is DOR's position that municipalities are responsible for providing fire and rescue services to their residents, DOR does not intend to intervene in the Coventry Fire District. Most recently the Coventry Fire District has only partially paid their firefighters for work performed. Those firefighters have filed suit in the Rhode Island Superior Court seeking a declaratory judgment and injunctive relief. Since the CCFD Plan does not include resources sufficient to provide fire and rescue services to the Coventry Fire District, the Plan could not be successfully implemented if CCFD were required to provide those services to the Coventry Fire District for any longer than a short period of time. Therefore, to the extent that the Town's plan for delivery of fire and rescue services in the Coventry Fire District envisions that those services would be provided by CCFD, this would be yet another impediment to the successful implementation of the Plan.

I have had occasion to meet with representatives of the Town and the Town Council to discuss the fiscal distress of both the CCFD and the Coventry Fire District. Those representatives have consistently taken the position that it is not the Town's responsibility to provide fire and rescue services to its residents and that the State should assume responsibility for providing those services. This is inconsistent with the position that municipalities have a responsibility to provide basic services to their residents - including fire and rescue services to their residents.

Given the above, DOR should not (i) cause the taxpayers of the CCFD (and/or the taxpayers of the State) to incur or continue to incur costs of a receivership and post-receivership personnel and (ii) continue to devote significant state human resources (chief of staff, human resource and finance persons, etc.) to

attempt to effectuate a Plan that is opposed by the elected board members of the CCFD, an the elected official of the local community and the taxpayers of the District to pursue implementation of a Plan that has little chance of being successfully implemented after the receivership is terminated.

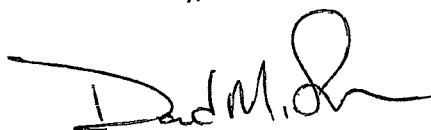
For the reasons set forth above, I have concluded that the best course of action is to have the Chapter 9 petition dismissed so that CCFD's fiscal issues can be addressed and a solution crafted by the Board, the elected Town officials and the taxpayers of the Town. As part of that process, the Town and/or Board could of course seek legislation to provide for the restructuring and/or liquidation of its districts and/or such other legislative fixes that they believe could best assist them in addressing these fiscal issues.

Because of the work done during the receivership period, the CCFD is in better financial condition than it was in May, 2014. As of the date of this letter, CCFD has cash on hand of approximately \$1.9 million. This amount is sufficient to allow it to meet its first quarter financial obligations as it imposes and collects the levy for the first quarter of FY 2016. The Board, should it so choose, can implement many of the provisions of the Plan and thereby achieve many of the benefits that would have been realized in a successful Chapter 9 proceeding. In addition, the Board and the union could agree to enter into the re-negotiated CBA and thereby achieve the \$13.9 million of savings thereunder.

I will terminate the receivership effective as of October 1, 2015. Please proceed accordingly by filing a Motion to Dismiss the Chapter 9 proceeding and commence plans for transitioning governance of the CCFD from the receiver to the CCFD Board effective October 1, 2015. DOR will remain available to provide CCFD with such guidance and technical assistance with respect to its finances as appropriate under the circumstances.

In closing, I want to thank you and the dedicated personnel who have been assigned to assist you over the last several months for your tireless efforts in developing the Plan and attempting to restore fiscal stability to CCFD.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Sullivan". The signature is fluid and cursive, with a large loop at the end.

David M. Sullivan  
Acting Director of the  
Department of Revenue and  
Tax Administrator

**THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT THE BANKRUPTCY COURT HAS NOT YET APPROVED IT. THE DISTRIBUTION OF THIS DRAFT, AND THE ACCOMPANYING DRAFT PLAN OF DEBT ADJUSTMENT, IS NOT INTENDED AS, AND SHOULD NOT BE CONSTRUED AS, A SOLICITATION OF A VOTE ON SUCH DRAFT PLAN OR ANY OTHER PLAN. THIS DISCLOSURE STATEMENT MAY BE REVISED TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF BUT PRIOR TO THE BANKRUPTCY COURT'S APPROVAL OF THE DISCLOSURE STATEMENT.**

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
)  
) Chapter 9  
)

**DISCLOSURE STATEMENT**

**THIS IS A PROVISIONAL DISCLOSURE STATEMENT FILED IN CONNECTION WITH THE DEBTOR'S MOTION TO DISMISS THIS CHAPTER 9 CASE AND SHALL NOT BE CONSIDERED IN CONNECTION WITH THE CONFIRMATION OF A PLAN OF DEBT ADJUSTMENT**

The Bankruptcy Court has not approved this draft disclosure statement. The distribution of this draft and its accompanying plan of debt adjustment is not intended as, and should not be construed to be, the solicitation of a vote on such draft plan or on any other plan.

The statements contained in this Disclosure Statement are made as of the date of this Disclosure Statement, and there can be no assurance that the statements contained herein will be correct at any time after this date. The information contained in this Disclosure Statement, including the information regarding the history and operations of CCFD and any financial information regarding CCFD, is included for the purpose of soliciting acceptances of the Plan. As to contested matters, adversary proceedings or any other litigation, the statements made in this Disclosure Statement are not to be construed as admissions or stipulations, but rather as statements made in settlement negotiations as part of CCFD's attempt to settle and resolve the Claims against it pursuant to the Plan. This Disclosure Statement shall not be admissible in any non-bankruptcy proceeding, nor shall it be construed to be conclusive advice on the tax, securities, or other legal effects of the Plan as to any party, including any Holder of a Claim against CCFD. A certified public accountant has not audited the financial information contained in this Disclosure Statement and in its Exhibits. The Disclosure Statement and Exhibits may not have been prepared in accordance with standards promulgated by the Governmental Accounting Standards Board or generally accepted accounting principles in the United States.

---

## FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of CCFD and projections about future events and financial trends affecting the financial condition of CCFD and its assets. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions identify these forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described below under the caption "Risk Factors" in Section XII. In light of these risks and uncertainties, the forward-looking events and trends discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated in the forward-looking statements. CCFD does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

**This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), any state securities commission or any securities exchange or association nor has the SEC, any state securities commission or any securities exchange or association passed upon the accuracy or adequacy of the statements contained herein.**

---

**TABLE OF CONTENTS**

|   | <b><u>PAGE</u></b> |
|---|--------------------|
| Table of Exhibits .....   | ix                 |
| <b>I. SUMMARY .....</b>   | <b>1</b>           |
| <b>A. Introduction.....</b>   | <b>1</b>           |
| <b>B. Critical Issues and Challenges .....</b>  | <b>2</b>           |
| <b>1. Negotiations regarding the Collective Bargaining Agreement.....</b>   | <b>2</b>           |
| <b>2. Right to Levy Taxes .....</b>   | <b>3</b>           |
| <b>a. <i>The Receiver may take any action that a body in CCFD may take, including increasing property tax rates</i> .....</b>           | <b>3</b>           |
| <b>b. <i>The Fiscal Stability Act grants the Receiver authority to take actions necessary to make CCFD financially stable</i> .....</b> | <b>4</b>           |
| <b>C. Key Information.....</b>  | <b>6</b>           |
| <b>II. INTRODUCTION.....</b>  | <b>11</b>          |
| <b>A. Background and Formulation of the Plan .....</b>  | <b>11</b>          |
| <b>B. Purpose of the Disclosure Statement.....</b>  | <b>11</b>          |
| <b>C. Parties Entitled to Vote on the Plan and Certain Requirements Necessary for Confirmation of the Plan.....</b>                     | <b>12</b>          |
| <b>D. Solicitation Package.....</b>   | <b>12</b>          |
| <b>E. Voting Procedures, Ballots, and Voting Deadline.....</b>  | <b>13</b>          |
| <b>F. Plan Supplement Documents .....</b>   | <b>14</b>          |
| <b>G. Confirmation Hearing and Deadline for Objections to Confirmation .....</b>  | <b>14</b>          |

|   | <u>PAGE</u> |
|---|-------------|
| H. Important Notices and Cautionary Statements .....      | 14          |
| III. BACKGROUND INFORMATION .....                         | 15          |
| A. General Background of CCFD .....                       | 15          |
| B. Pre-Petition to Prevent Further Financial Decline..... | 15          |
| C. Fiscal Stability Act Revisions.....                    | 18          |
| V. THE CHAPTER 9 CASE.....                                | 19          |
| A. Commencement of the Chapter 9 Case.....                | 19          |
| B. Union Negotiations.....                                | 19          |
| C. Negotiations with Other Key Creditors .....            | 22          |
| 1. Centreville Savings Bank .....                         | 22          |
| 2. Element Financial Corp. ....                           | 23          |
| 3. Coventry Credit Union .....                            | 23          |
| 4. Rhode Island Emergency Management Association .....    | 23          |
| D. Sources of Revenue .....                               | 24          |
| 1. Property Taxes .....                                   | 24          |
| 2. Rescue Services.....                                   | 24          |
| E. Assets.....  | 24          |
| 1. Real Estate .....                                      | 24          |
| a. <i>Station 4 Headquarters: 240 Arnold Road</i> .....   | 25          |
| b. <i>Station 7: 2847 Flat River Road</i> .....           | 26          |
| 2. Other Property .....                                   | 26          |

|   | <u>PAGE</u> |
|---|-------------|
| a. <i>Marine Equipment</i> .....  | 26          |
| b. <i>Fire Equipment</i> .....  | 26          |
| 3. <b>Claims and Rights of Action Against Third Parties</b> .....   | 26          |
| a. <i>Mark Pfeiffer, Receiver of the Central Coventry Fire District v. Robert W. Seltzer, KB-2014-0442</i> .....  | 26          |
| b. <i>Mark Pfeiffer, Receiver of the Central Coventry Fire District v. American Alternative Insurance Corporation, Case No. 1:14-CV-00521-L-PAS</i> ..... | 27          |
| c. <i>Jeanne Graeminger v. Central Coventry Fire District, WCC 2013-05123</i> .....   | 27          |
| d. <i>Tax Abatement Proceedings</i> .....   | 27          |
| e. <i>Central Coventry Fire District v. Gralinski, et al., KC-2015-0796</i> .....   | 27          |
| 4. <b>Bank Accounts</b> .....   | 28          |
| F. <b>Liabilities</b> .....   | 28          |
| 1. <b>Employment Obligations</b> .....  | 28          |
| 2. <b>Health Care Costs</b> .....   | 30          |
| 3. <b>Other Post-Employment Benefits (OPEB)</b> .....   | 30          |
| 4. <b>Post-Employment Benefit Obligations</b> .....   | 32          |
| 5. <b>ERSRI (Employees' Retirement System of Rhode Island) Contributions</b> .....  | 33          |
| G. <b>Liabilities Listed by CCFD in its Filings on the Petition Date</b> .....  | 34          |
| H. <b>Proofs of Claim</b> .....   | 34          |

|  | <u>PAGE</u> |
|--|-------------|
| <b>VI. THE PLAN .....</b>  | <b>35</b>   |
| <b>A. General.....</b>   | <b>35</b>   |
| <b>B. Classification and Treatment of Claims .....</b>                               | <b>36</b>   |
| <b>1. Unclassified Claims.....</b>   | <b>36</b>   |
| <b>2. Classified Claims.....</b>   | <b>37</b>   |
| <i>a. Class 1 – Union Claims.....</i>  | <i>37</i>   |
| <i>b. Class 2 – ERSRI Claims .....</i>   | <i>38</i>   |
| <i>c. Class 3 – Coventry Credit Union .....</i>                                      | <i>38</i>   |
| <i>d. Class 4 – Element Financial Corp. ....</i>                                     | <i>39</i>   |
| <i>e. Class 5 – Indispensable Vendor Claims.....</i>                                 | <i>39</i>   |
| <i>f. Class 6 – Leveillee Claims .....</i>   | <i>39</i>   |
| <i>g. Class 7 – General Unsecured Creditor Claims .....</i>                          | <i>40</i>   |
| <i>h. Class 8 – General Unsecured Convenience<br/>                Claims.....</i>    | <i>40</i>   |
| <b>C. Treatment of Executory Contracts and Unexpired<br/>    Leases .....</b>        | <b>40</b>   |
| <b>1. Rejection of Executory Contracts and<br/>        Unexpired Leases .....</b>    | <b>40</b>   |
| <b>2. Assumed Executory Contracts and<br/>        Unexpired Leases .....</b>         | <b>41</b>   |
| <b>3. Contracts and Leases Entered Into After<br/>        the Petition Date.....</b> | <b>41</b>   |
| <b>D. Effectiveness of the Plan.....</b>   | <b>41</b>   |
| <b>1. Condition Precedent to Confirmation.....</b>                                   | <b>41</b>   |



|   | <u>PAGE</u> |
|---|-------------|
| 2. Conditions Precedent to Effective Date .....           | 42          |
| 3. Waiver of Conditions to Effective Date .....           | 42          |
| 4. Effect of Failure of Conditions.....                   | 42          |
| 5. No Admission of Liability.....                         | 43          |
| E. Effect of Confirmation.....                            | 43          |
| 1. Discharge of CCFD .....                                | 43          |
| 2. Injunction.....  | 43          |
| 3. Term of Existing Injunctions or Stays .....            | 43          |
| 4. Rights of Action.....                                  | 43          |
| 5. Retention of Jurisdiction by the Bankruptcy Court..... | 44          |
| <b>VII. MEANS OF IMPLEMENTATION OF THE PLAN .....</b>     | <b>45</b>   |
| A. The Union Statement .....                              | 45          |
| B. Other Settlements.....                                 | 45          |
| C. Procedures for Resolving Disputed Claims .....         | 46          |
| <b>VIII. VOTING REQUIREMENTS .....</b>                    | <b>46</b>   |
| A. Voting Deadline.....                                   | 46          |
| B. Holders of Claims Entitled to Vote.....                | 47          |
| C. Vote Required for Acceptance by a Class.....           | 47          |
| D. Voting Procedures.....                                 | 48          |
| 1. Ballots.....   | 48          |
| 2. Withdrawal or Change of Votes on the Plan.....         | 48          |
| 3. Voting Multiple Claims .....                           | 49          |

|  | <u>PAGE</u> |
|--|-------------|
| <b>IX. PLAN CONFIRMATION .....</b>   | <b>49</b>   |
| <b>A. Confirmation Hearing .....</b>   | <b>49</b>   |
| <b>B. Deadline to Object to Confirmation .....</b>   | <b>49</b>   |
| <b>C. Requirements for Plan Confirmation .....</b>   | <b>50</b>   |
| <b>1. Acceptance or Cramdown .....</b>   | <b>50</b>   |
| <b>a. “Fair and Equitable” .....</b>   | <b>50</b>   |
| <b>(i) Secured Creditors .....</b>   | <b>50</b>   |
| <b>(ii) Unsecured Creditors .....</b>  | <b>51</b>   |
| <b>b. Unfair Discrimination.....</b>   | <b>51</b>   |
| <b>c. The “Best Interests of Creditors” Test .....</b>   | <b>52</b>   |
| <b>d. Feasibility .....</b>  | <b>52</b>   |
| <b>e. Compliance with Applicable Provisions<br/>                of the Bankruptcy Code .....</b> | <b>53</b>   |
| <b>2. Alternatives to Confirmation and Consummation<br/>            of the Plan .....</b>        | <b>54</b>   |
| <b>X. REVENUE ADJUSTMENTS AND TAXATION .....</b>   | <b>54</b>   |
| <b>XI. PROJECTED FINANCIAL INFORMATION.....</b>  | <b>56</b>   |
| <b>A. Assumptions.....</b>   | <b>57</b>   |
| <b>1. Revenue Assumptions.....</b>   | <b>58</b>   |
| <b>2. Expense Assumptions .....</b>  | <b>58</b>   |
| <b>XII. CERTAIN RISK FACTORS TO BE CONSIDERED .....</b>  | <b>58</b>   |
| <b>A. Non-Confirmation of the Plan .....</b>   | <b>58</b>   |
| <b>B. Nonconsensual Confirmation.....</b>  | <b>58</b>   |

|   | <u>PAGE</u> |
|---|-------------|
| C. Conditions to Effectiveness of the Plan.....   | 59          |
| D. Inability to Raise Tax Revenue.....  | 59          |
| E. Recovery of Grant Funds.....   | 59          |
| F. Failure to Achieve Projected Financial Performance.....                                  | 59          |
| G. Unforeseen Financial Circumstances Affecting CCFD’s<br>Future Financial Performance..... | 60          |
| H. Failure of Neighboring Fire District.....  | 60          |
| I. CCFD Has No Duty to Update.....  | 60          |
| J. No Representations Outside this Disclosure<br>Statement are Authorized.....              | 61          |
| K. Nature and Amount of Allowed Claims.....   | 61          |
| <b>XIII. FEDERAL INCOME TAX CONSEQUENCES OF<br/>CONSUMMATION OF THE PLAN.....</b>           | <b>61</b>   |
| A. Circular 230 Disclosure.....   | 61          |
| B. Certain Other Tax Considerations for Holders<br>of Claims.....                           | 62          |
| 1. Accrued but Unpaid Interest.....   | 62          |
| 2. Post-Effective Date Distributions.....   | 63          |
| 3. Bad Debt and/or Worthless Securities Deduction.....                                      | 63          |
| 4. Information Reporting and Backup Withholding.....  | 63          |
| 5. Importance of Obtain Professional Tax<br>Assistance.....                                 | 63          |
| <b>XIV. ADDITIONAL INFORMATION.....</b>   | <b>64</b>   |
| <b>XV. RECOMMENDATION AND CONCLUSION.....</b>   | <b>64</b>   |

**TABLE OF EXHIBITS**

|                  |   |
|------------------|---|
| <u>Exhibit 1</u> | Plan of Debt Adjustment with Exhibits       |
| <u>Exhibit 2</u> | CCFD Charter                                |
| <u>Exhibit 3</u> | Five Year Financial Projection              |
| <u>Exhibit 4</u> | Affidavit of Lawrence Sprague               |
| <u>Exhibit 5</u> | Affidavit of Joseph Andriole                |
| <u>Exhibit 6</u> | Affidavit of David Gorman                   |
| <u>Exhibit 7</u> | CCFD By-Laws                                |
| <u>Exhibit 8</u> | October 3, 2011 CCFD Annual Meeting Minutes |
| <u>Exhibit 9</u> | List of Capital Assets                      |

PROVISIONAL

## I. SUMMARY

The following pages summarize certain important information set forth elsewhere in this Disclosure Statement. Capitalized terms are defined in the text of this Disclosure Statement and in the Plan, and any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Plan. Unless otherwise noted, all references to a “section” are references to a section of title 11 of the United States Code (the “Bankruptcy Code”).

The Disclosure Statement contains important information that is not summarized in this Summary and that may influence your decision regarding whether to accept or reject the Plan or otherwise affect your rights. Please do not rely on this Summary standing alone, and please closely read this entire document and the accompanying materials.

### A. Introduction

Central Coventry Fire District (“CCFD”) filed a petition under chapter 9 of the Bankruptcy Code on December 23, 2014 (the “Petition Date”), which the United States Bankruptcy Court for the District of Rhode Island (the “Bankruptcy Court”) designated as Case No. 14-12785 (the “Chapter 9 Case”). Bankruptcy Judge Diane Finkle entered an order for relief in the Chapter 9 Case on April 22, 2015 [Dkt. 119], and the Chapter 9 Case currently is pending before the Bankruptcy Court.

The “Plan of Debt Adjustment of the Central Coventry Fire District (“CCFD”), dated September 18, 2015 (the “Plan”), if confirmed, will adjust CCFD’s debt and its operations and put CCFD on a path towards fiscal stability. The Plan also addresses and resolves (1) CCFD’s obligations to current and former employees, including those relating to the collective bargaining agreement between CCFD and the International Association of Fire Fighters, Local 3372 (the “Union”); (2) CCFD’s obligation to pay post-employment benefits to its current and future retirees; (3) claims of former employees who were not paid the full amount of accrued leave time and other benefits upon their separation from CCFD; (4) claims of the identified indispensable vendors to CCFD; (5) repayment of unpaid annual required contributions owed to the Employees’ Retirement System of Rhode Island (“ERSRI”); and (6) CCFD’s obligations to secured and unsecured creditors and various other trade and vendor Claims.

Payment to Holders of General Unsecured Claims and General Unsecured Convenience Claims will be paid a distribution from a pool totaling approximately \$300,000 during the five year plan term. The General Unsecured Convenience Claims will be paid ten percent (10%) of their Allowed Claim on or prior to March 15, 2016, provided that if the Effective Date does not occur prior to March 1, 2016, the General Unsecured Convenience Claims will be paid ten percent (10%) of their Allowed Claim on the last date of the month following the month in which the Effective Date occurs. Any balance remaining in the FY 2016 claims pool after payment to the General Unsecured Convenience Claims and the first payment of the Union Employee Claims, will be shared pro rata by the General Unsecured Claims. Thereafter, the General Unsecured Claims will share *pro rata* in the claims pool quarterly in March, June, September and March in the years 2016 through 2020, provided that the first such payment shall occur on the last date of the quarter ending after the General Unsecured Convenience Claims

have received payment, and the last payment, which shall be a double distribution, shall occur on or before August 31, 2020. If monies remain in the General Unsecured Creditors' Pool on August 31, 2020, after distribution as stated herein, CCFD will deposit such funds in its General Fund.

## **B. Critical Issues and Challenges**

### **1. Negotiations regarding the Collective Bargaining Agreement**

The Receiver presents this Disclosure Statement and the Plan attached as Exhibit 1 to resolve CCFD's financial issues and restore CCFD to fiscal and operational stability. The cornerstone of the Plan is CCFD's settlement with the Union and agreement to enter into a new five-year collective bargaining agreement (the "CBA"). In accordance with the Bankruptcy Code and state law, the Receiver negotiated in good faith with the Union to reach agreement on a CBA that will provide significant savings to CCFD in the coming years. The CBA is the result of intense negotiations and represents a significant compromise on the part of the Union.

The Receiver proposed and discussed subcontracting rescue services during pre-petition negotiations with the Union. The Receiver, however, was legally precluded from subcontracting such services during the pre-petition negotiation period without the Union's mutual consent. The Union would not voluntarily agree to terminate its members and move to a privatization model, and the Receiver could not force privatization because state law (and the terms of the collective bargaining agreement) prohibited the Receiver from taking such action. The Receiver had an obligation to follow state law and negotiate with the Union for concessions that would allow CCFD to operate within its budget.

At that time, the parties had a three-year collective bargaining agreement in effect spanning April 1, 2012 through March 31, 2015 ("2012-2015 CBA"). The 2012-2015 CBA contained express prohibitions against subcontracting, such as Article II, Section 6(B), which stated: "[t]he District agrees not to contract out any work normally performed by employees at the present time without approval of the Union." Also, Article II, Section 6A(A) of the 2012-2015 CBA stated: "[w]ork presently performed by employees in the bargaining unit shall not be performed or given to any other Fire District, District employer, employee, or independent contractor."

In addition to the contractual limitation, applicable state law required the Receiver to bargain in good faith with the Union both prior to and after filing a petition for Chapter 9 bankruptcy protection. R.I.G.L. § 28-9.1-6 provides that a fire district has an obligation to bargain in good faith with its unionized firefighters over terms and conditions of employment. *See also* R.I.G.L. § 28-7-13(6) (making it an unfair labor practice to "[r]efuse to bargain collectively with the representatives of employees"). Additionally, in his negotiations the Receiver was cognizant of his obligation under bankruptcy case law to bargain in good faith with the collective bargaining unit, but he was not obligated to agree to a collective bargaining agreement that would prevent a successful reorganization. *See generally NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 524-527 (1984). In furtherance of these legal obligations, the Receiver sought significant concessions from the collective bargaining unit to maintain the agreement with the Union but under new terms that allow CCFD to present a viable plan of debt adjustment.

Those good faith negotiations, coupled with a unilateral reorganization of the structure of the fire department from four platoons to three, proved fruitful, as the Union ultimately agreed to significant structural changes with respect to nearly all cost-drivers contained within the collective bargaining agreement. As discussed herein, the Union agreed to monumental concessions in the way overtime is generated and calculated, along with concessions with respect to, *inter alia*, minimum staffing requirements, the overall size of the department, active and post-employment health benefits, longevity and holiday bonuses, and clothing allowances.

Having agreed to a favorable CBA with the Union, the Receiver desires to adjust CCFD's remaining obligations in accordance with the terms of the Plan. CCFD faces significant challenges to a successful adjustment of its debts and obligations. The Receiver outlined these challenges in an April 28, 2015 certification to David M. Sullivan, Acting Director of the Department of Revenue [Dkt. 123-9], which letter CCFD filed with the Motion to Approve the CBA and Union settlement.

## 2. Right to Levy Taxes

A significant challenge is the ability to impose necessary tax levies during each year of the Plan after the existing receivership is terminated. In the past CCFD's voters rejected tax increases, resulting in a lack of sufficient funding for CCFD's basic operations and legal obligations. The Department of Revenue maintains that, for the periods when the receivership remains in effect, the Receiver has the authority to levy taxes in the District without voter approval. The Fiscal Stability Act empowers the receiver to levy taxes in lieu of voter approval of such tax levies, and the Fiscal Stability Act would be rendered ineffective if the Receiver did not have such authority.

The General Assembly provided the Receiver very broad powers necessary to stabilize CCFD's finances, maintain its operations, and if necessary, commence a Chapter 9 bankruptcy proceeding to effectuate a reasonable, feasible plan of debt adjustment. The Fiscal Stability Act takes two approaches to permit the Receiver to levy and increase property taxes to achieve fiscal stability for CCFD. First, the Fiscal Stability Act grants a receiver specific powers and directs the receiver to take actions to achieve the objectives of the Fiscal Stability Act. Second, the Fiscal Stability Act allows a receiver to broadly exercise the powers and authority of elected officials, boards, or any other body within a city, town, or fire district. Each of these approaches permits the Receiver to impose tax increases.

- a. *The Receiver may take any action that a body in CCFD may take, including increasing property tax rates.*

The Receiver has authority to increase property tax rates because the Fiscal Stability Act grants the Receiver authority to exercise all powers that "that any elected official or any body of the city, town, or fire district may exercise." *See* R.I.G.L. § 45-9-18.<sup>1</sup> Therefore, because voters in CCFD, when convened to take action at an annual meeting, constitute a

---

<sup>1</sup> In addition, elected officials or a body within CCFD cannot contradict actions by the Receiver so long as a receivership continues to exist. R.I.G.L. § 45-9-18.

“body,” the Receiver can take any action that voters could take at an annual meeting, including establishing the tax rate for the following year’s budget. Those actions include “the power to order such taxes and provide for the assessing and collecting of the same on the taxable inhabitants and property in said district...” and “authorizing an annual budget.” See CCFD Charter, attached as Exhibit 2.

Although the Fiscal Stability Act does not define “body,” the Rhode Island Supreme Court has used that term on several occasions to characterize voters and inhabitants of a town as a body. Nearly seventy years ago, the Court stated that “[t]he inhabitants constitute the town as a body corporate.” *Capone v. Nunes*, 132 A.2d 80, 83 (R.I. 1957). More recently, the Court explained that a financial town meeting is an “appropriating body.” *Exeter-West Greenwich Regional Sch. Dist. v. Exeter-West Greenwich Teachers' Ass'n*, 489 A.2d 1010, 1012 (R.I. 1985).

A financial town meeting is a meeting in which qualified voters of a municipal entity gather to decide whether to approve a budget, dispose of land, issue debt instruments, and impose taxes. See *id.*; see also R.I.G.L. § 45-3-12 (explaining notice procedures for town meetings in which taxes will be imposed); *Mageau v. Wedlock*, 505 A.2d 414, 416 (R.I. 1986) (voters at financial town meeting have authority to vote on, approve, and modify a town budget). “The financial town meeting represents the most democratic assemblage of any body that conducts the financial affairs of a municipality.” *Pine v. McGreavy*, 687 A.2d 1244, 1245 (R.I. 1997).<sup>2</sup>

These decisions demonstrate that voters, acting in the context of an official meeting in which they are entitled to vote on a budget or tax appropriation, constitute a “body.” Thus, to the extent that voters in CCFD do so, they are also a body as discussed in R.I.G.L. § 45-9-18. The CCFD Charter, Section 3, discusses the actions that qualified voters of a district may take at an annual meeting, including authorizing an annual budget, authorizing the collection of taxes, and authorizing assessment of taxes. These are precisely the type of actions that an appropriating body takes at a financial town meeting. Moreover, the definition of “body” as “an aggregate of individuals or groups” supports this interpretation. Black’s Law Dictionary, Seventh Ed., 167. Voters, such as those in CCFD, are individuals gathered in duly noticed meetings to make decisions for CCFD. Because R.I.G.L. § 45-9-18 allows the Receiver to exercise all powers under the CCFD Charter that any body of CCFD may exercise, then perforce, the Receiver has authority to increase property tax rates and levy and assess property taxes.

- b. *The Fiscal Stability Act grants the Receiver authority to take actions necessary to make CCFD financially stable.*

The Fiscal Stability Act explicitly contemplates that a budget commission (and thus a receiver) will take specific actions to fulfill its mandate, including levying and assessing taxes.

---

<sup>2</sup> Other jurisdictions also consider voters, acting in a formal capacity, as a “body.” See, N.H. RSA 21:47; *Footte v. Manchester Sch. Dist.*, 883 A.2d 283, 288 (N.H. 2005) (“We held that the plain language of the statute designates the ‘school district,’ *i.e.*, the voters, as the body responsible for determining the salary of the auditor, and the annual meeting as the proper time for making such determination.”) (internal citations and quotations omitted); *Davis v. Seattle*, 355 P.2d 354, 359 (Wash. 1960) (“a measure approved by the voters cannot be changed by another public body”).



R.I.G.L. § 45-9-6. The provision concerning “levy and assessment of taxes” appears in a subsection discussing the application of the State’s Open Meetings Law, R.I.G.L. § 45-9-6(a)(1), when a budget commission meets to take action on certain matters. The fact that the Fiscal Stability Act does not list “levy and assessment of taxes” under the subsection (d), which lists a budget commission’s powers, does not undermine the position that a budget commission (and thus a receiver) may levy and assess taxes by virtue of R.I.G.L. § 45-9-7(b)(1). The General Assembly would not have made a budget commission subject to the Open Meetings Law when taking action to levy and assess taxes if a budget commission had no authority to take those actions. In this context, the phrase “levy and assessment” encompasses two distinct actions/powers. The word “levy” means “to impose or assess (a fine or a tax) by legal authority.” Black’s Law Dictionary, Seventh Ed., 919. “Assessment” means “determination of the rate or amount of something, such as a tax or damages.” Black’s Law Dictionary, Seventh Ed., 111. Giving these two words their ordinary legal meanings, the Fiscal Stability Act contemplates that budget commissions will impose taxes *and* will determine the rate at which they will impose taxes (including increasing or decreasing tax rates). *See Castelli v. Carcieri*, 961 A.2d 277, 281 (R.I. 2008) (“when the language of a statute is clear and unambiguous, this Court must interpret the statute literally and must give the words of the statute their plain and ordinary meanings”) (internal quotations omitted). Since a budget commission may do so, so too may the Receiver. *See* R.I.G.L. § 49-9-7(b)(1).

In addition to the explicit language regarding the levy and assessment of taxes, the Fiscal Stability Act requires the Receiver to initiate measures to secure the financial stability of CCFD. *See* R.I.G.L. § 45-9-6. This provision states, “[t]he budget commission shall initiate and assure the implementation of appropriate measures to secure the financial stability of the city, town, or fire district.” R.I.G.L. § 45-9-6. Securing CCFD’s financial stability involves three categories of actions: 1) managing and decreasing CCFD’s expenses and obligations; 2) protecting CCFD’s assets; and 3) generating revenue. If the Receiver believes that CCFD must increase its revenue in order to achieve financial stability, then the Receiver has the authority – and indeed the mandate – to initiate measures that increase revenue. The overwhelming majority of CCFD’s revenue (approximately 85%) comes from property tax levies, so increasing property taxes would be a reasonable way to increase revenue and thus “secure the financial stability” of CCFD.<sup>3</sup>

These provisions demonstrate that both a budget commission and a receiver have the power to increase tax rates, impose property taxes, and collect property taxes. It should also be noted that R.I.G.L. § 45-9-15 provides that, to the extent the Fiscal Stability Act is inconsistent with “any charter, other laws, or ordinances, general, special, or local, or of any rule or regulation of the state or any municipality or fire district,” the provisions of the Fiscal Stability Act are controlling. Finally, R.I.G.L. § 45-9-15 provides that the Fiscal Stability Act “shall be liberally construed in order to effectuate its purposes.”

For the reasons set forth above, the Receiver has the power to levy taxes. The Receiver will effectuate a tax levy at the CCFD annual meeting scheduled for October 19, 2015. The tax

---

<sup>3</sup> The question of whether increasing property tax rates, or even increasing revenue, is the *best* way for the Receiver to fulfill his obligations under the Fiscal Stability Act is not before the Court. That decision is within the Receiver’s discretion and control under 11 U.S.C. § 904.

levy is essential to the Receiver's ability to implement and effectuate the Plan.

Another significant issue is the authority to levy taxes after the Department of Revenue terminates the receivership. The Plan contemplates a Receiver remaining in office through April 30, 2016. Following the termination of the receivership, the Fiscal Stability Act provides that the Department of Revenue shall appoint an administration and finance officer ("AFO") to oversee the fire district's operations during the term of debt adjustment. The AFO does not have taxing authority under the Fiscal Stability Act, and the taxpayers of the District have strongly opposed any tax increases in prior years. In light of the significant time and resources which have been devoted to attempting to restore CCFD to financial stability, the Receiver believes that the best way to address the taxing authority issue is for the General Assembly to enact legislation applicable to all fire districts or to address the issue in the context of CCFD's Charter.

### **C. Key Information**

The following chart summarizes key information, including the proposed treatment of the Classes of Claims:

|  |   |
|--|---|
| <b><u>Debtor</u></b>   | Central Coventry Fire District  |
| <b><u>Bankruptcy Court</u></b>                                 | United States Bankruptcy Court for the District of Rhode Island, the Honorable Diane Finkle, U.S. Bankruptcy Judge  |
| <b><u>Plan</u></b>   | Plan of Debt Adjustment of Central Coventry Fire District, dated [September 18, 2015]   |
| <b><u>Purpose of the Disclosure Statement</u></b>              | To provide information of a kind, and in sufficient detail, that would enable a typical Holder of Claims in a class impaired under the Plan to make an informed judgment with respect to voting on the Plan.  |
| <b><u>Balloting Information</u></b>                            | If the Court approves the Disclosure Statement, CCFD will provide ballots with the approved Disclosure Statement to creditors or their counsel known to have Claims that are impaired under the Plan. Creditors and claimants must return their ballots to the Ballot Tabulator so that he receives them no later than 4:30 p.m., Eastern Time, on [_____, 2015.] |
| <b><u>Ballot Tabulator</u></b>                                 | Andrew S. Tugan, Esq., Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500, Providence, RI 02903. E-mail address: atugan@hinckleyallen.com.  |
| <b><u>Confirmation Hearing and Confirmation Objections</u></b> | A hearing regarding confirmation of the Plan will be held before the Bankruptcy Court on _____, commencing at 10:00 a.m., Eastern Time and continuing on _____, if needed. Objections to confirmation   |

must be filed and served by no later than \_\_\_\_\_.

**Administrative Claims**

Paid in full, except to the extent that the Holder of an Administrative Claim agrees to a different treatment.

**Background Information:**

See Five Year Financial Projection filed herewith as Exhibit 3.

**Questions:**

Please contact the Debtor's counsel, Robert G. Flanders, Jr., Jennifer V. Doran, or Andrew S. Tugan, Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500, Providence, RI 02903. E-mail addresses: rflanders@hinckleyallen.com, jdoran@hinckleyallen.com, and atugan@hinckleyallen.com.

**Treatment of Claims**

If the Court confirms the Plan and the Plan becomes effective, CCFD will treat the Claims as follows:

**Class 1 – Union Claims: Claims of CCFD's Union employees that entered into the Memorandum of Agreement**

*Impaired.* The Memorandum of Agreement contains the terms of the Union's treatment, including settlement of claims and the entry into proposed collective bargaining agreements. The Memorandum of Agreement should be consulted for the precise terms of the settlement. In summary, with respect to these Claims, the settlement provides as follows:<sup>4</sup>

- CCFD shall pay to active Union firefighters (each, an "Active Firefighter") the value of the 2% salary increase that was due on April 1, 2013 and the 2% salary increase that was due on April 2014 through the date of execution of the Memorandum of Agreement (together, the "Salary Increase Payments"). CCFD agrees to give the Salary Increase Payments priority status and shall pay such amounts to Active Firefighters according to the following schedule:
  - 50% of the Salary Increase Payments owed to each Active Firefighter shall be paid upon the later of (i) execution of the CBA and (ii) the entry of an Order by the Bankruptcy Court approving the CBA; and
  - The remaining 50% of the Salary Increase Payments owed to each Active Firefighter

---

<sup>4</sup> The Memorandum of Agreement contemplated Court approval of the CBA prior to the date hereof. In the event that the Memorandum of Agreement provides for CCFD to make payments prior to CBA approval, CCFD will seek the agreement of the Union to make such payments upon Court approval of the CBA. CCFD recognizes that the Union reserves its right to seek payments according to the schedule set forth in the Memorandum of Agreement.

shall be paid on September 1, 2015.

- CCFD shall pay to Active Firefighters 50% of their unpaid post-employment health benefits (“PEHP”) contributions through the date of execution of the Memorandum of Agreement after approval by an Order entered by the Bankruptcy Court. CCFD shall make such payments to Active Firefighters according to the following schedule:
  - 12.5% of unpaid PEHP contributions on 9/1/16;
  - 12.5% of unpaid PEHP contributions on 9/1/17;
  - 12.5% of unpaid PEHP contributions on 9/1/18; and
  - 12.5% of unpaid PEHP contributions on 9/1/19.
- CCFD shall pay to Active Firefighters 100% of verified, unpaid employee contributions to such Active Firefighters’ I.R.C. § 457 deferred compensation accounts, up to a total of \$8,051 in the aggregate. CCFD paid such amounts prior to the date hereof.
- CCFD shall pay to Active Firefighters any verified, unpaid deferred overtime payments through the date of the Memorandum of Agreement attached to the CBA, up to a total of \$37,825 in the aggregate. CCFD shall make such payments according to the following schedule:
  - 20% of verified, unpaid deferred overtime on 9/1/15;
  - 20% of verified, unpaid deferred overtime on 9/1/16;
  - 20% of verified, unpaid deferred overtime on 9/1/17;
  - 20% of verified, unpaid deferred overtime on 9/1/18;
  - 20% of verified, unpaid deferred overtime on 9/1/19.

**Class 2 – ERSRI Claims**

*Impaired.* ERSRI shall receive the entire principal amount of the past due payments with interest accruing at the investment rate of return equal to 7.5%, plus attorneys’ fees in the amount of approximately \$65,000 incurred prior to the Petition Date (provided that ERSRI shall not receive interest on the attorneys’ fees). Specifically, ERSRI shall receive \$21,458 per month for 12 months

commencing in July 2015 with respect to the employee contributions that CCFD withheld from employees but did not remit to ERSRI. Commencing July 2016, ERSRI shall receive \$11,575 per month for 60 months with respect to the employer portion of contributions owing to ERSRI, provided that such payment is subject to adjustment based on the results of an audit being conducted by ERSRI. ERSRI shall also receive payments of \$5,416.67 per month for 12 months commencing in July 2021 with respect to the attorneys' fees incurred by ERSRI prior to the Petition Date.

**Class 3 – Coventry Credit Union Claims**

*Impaired.*

- CCFD shall retain the property which is subject to Coventry Credit Union's Claim;
- Coventry Credit Union shall have a Secured Claim in the amount of \$34,000.00.
- Coventry Credit Union has agreed to release any Class 8 General Unsecured Claim.
- On the first distribution date after the Effective Date, Coventry Credit Union shall receive a lump sum payment in the amount of \$34,000.00 to satisfy its Secured Claim, and Coventry Credit Union shall release its lien on the vehicles and transfer the vehicle titles to CCFD.

**Class 4 – Element Financial Corp. Claims**

*Impaired.*

- CCFD shall retain three (3) of the laptops financed by Element Financial Corp. and return six (6) laptops to Element Financial Corp.;
- Element Financial Corp. shall have a Secured Claim in the amount of \$15,000 on account of the retained equipment, and a Class 8 General Unsecured Claim in the amount of \$6,000.00 relating to the returned equipment.
- Element Financial Corp. shall receive five (5) annual payments of \$3,000.00 each on account of its Secured Claim;
- Element Financial Corp.'s Claim of \$6,000.00 shall be a Class 8 Claim entitled to its pro rata share of distributions made to General Unsecured Creditors from the General Unsecured Creditors' Pool.

**Class 5 – Indispensable Vendor**

*Impaired.* Creditors in Class 5 will receive payment in full

**Claims**

with respect to the Allowed Amount of their Claims in twenty (20) quarterly installments over a five year period, without interest, commencing on the first distribution date after the Effective Date (anticipated to be March 15, 2016).

**Class 6 – Christopher Leveillee Claims**

*Impaired.* CCFD and Mr. Leveillee entered into a settlement agreement which should be consulted for the precise terms of the settlement. In summary, with respect to these Claims, the settlement provides as follows:

- Mr. Leveillee will receive five (5) annual installments of \$11,000, commencing September 1, 2015 or such later date when the Court approves the Plan;
- Mr. Leveillee will release all Claims against CCFD; and
- Mr. Leveillee will not oppose the Plan and will vote in favor of the Plan provided the Plan incorporates the Leveillee Settlement Agreement.

**Class 7 – General Unsecured Claims**

*Impaired.* Holders of Allowed Claims in Class 7 shall share pro rata in the balance of the General Unsecured Claims Pool after full payment of the distribution to Class 8 General Unsecured Convenience Claims. General Unsecured Creditors shall receive quarterly distributions that are anticipated to commence March 2016 and continue each June, August, December and March through August 2020 (provided that General Unsecured Creditors shall receive a double distribution in August 2020). The first distribution to the Holders of Allowed Class 7 Claims shall be made on or prior to March 1, 2016 from the balance of the General Unsecured Claims Pool after distributions are made to, or reserves are created for, the Holders of Allowed Class 8 General Unsecured Convenience Claims.

**Class 8 – General Unsecured Convenience Claims**

*Impaired.* Holders of General Unsecured Claims who elect Convenience Class treatment shall receive a one-time lump sum distribution of ten percent (10%) of the amount of their Allowed Claim from the General Unsecured Claims Pool on or prior to March 15, 2016.

Any terms not defined in the Disclosure Statement shall have the meanings ascribed to them in the Plan. To the extent that there is an inconsistency between the Plan (including the Exhibits and any supplements to the Plan) and the Disclosure Statement, the terms of the Plan

(including the Exhibits to the Plan) will govern.

## II. INTRODUCTION

### A. Background and Formulation of the Plan

CCFD filed a petition under Chapter 9 of the Bankruptcy Code on December 23, 2014. The Chapter 9 Case is currently pending before the Bankruptcy Court. CCFD filed the Chapter 9 case after several years of significant financial issues discussed herein.

CCFD is the proponent of the Plan, a copy of which is attached to this Disclosure Statement as Exhibit 1. In formulating the Plan, CCFD relied, among other things, on the documents and information which are filed as Exhibits to this Disclosure Statement.

As described more fully elsewhere in this document, CCFD believes that the Plan provides the greatest and earliest possible recoveries to Holders of Claims, that acceptance of the Plan is in the best interests of all parties, and that any alternative restructuring or debt adjustment would result in delay, uncertainty, expense, litigation and, ultimately, smaller or no distributions to creditors. Accordingly, CCFD urges that you cast your ballot in favor of the Plan.

### B. Purpose of the Disclosure Statement

The Bankruptcy Code generally requires that the proponent of a Plan of Debt Adjustment prepare and file with the Bankruptcy Court a “disclosure statement” that provides information of a kind, and in sufficient detail, as would enable a typical holder of a claim in a class impaired under that Plan to make an informed judgment with respect to the Plan. CCFD believes that this Disclosure Statement provides such information with respect to the Plan. Parties in interest should read this Disclosure Statement, the Plan, and all of the exhibits accompanying such documents in their entirety to ascertain:

1. How the Plan will affect their Claims against CCFD;
2. Their rights with respect to voting for or against the Plan;
3. Their rights with respect to objecting to confirmation of the Plan; and
4. How and when to cast a Ballot with respect to the Plan.

This Disclosure Statement, however, cannot and does not provide creditors with legal or other advice or inform such parties of all aspects of their rights. Holders of Claims are urged and advised to consult with their attorneys and/or financial advisors to obtain specific and/or personalized advice regarding how the Plan will affect them and regarding their best course of action with respect to the Plan.

This Disclosure Statement has been prepared in good faith and, CCFD believes, in compliance with applicable provisions of the Bankruptcy Code. Based upon information currently available, CCFD believes that the information contained in this Disclosure Statement is correct as of the date of its filing. The Disclosure Statement, however, does not and will not

reflect events that occur after September 18, 2015 (and, where indicated, specified earlier dates), and CCFD assumes no duty and presently does not intend to prepare or distribute any amendments or supplements to reflect such events.

**C. Parties Entitled to Vote on the Plan and Certain Requirements Necessary for Confirmation of the Plan**

Holders of Allowed Claims in the following Classes are entitled to vote on the Plan because the Claims in each such Class are “impaired” under the Plan within the meaning of section 1124 of the Bankruptcy Code:

**Class 1 – Union Claims**

**Class 2 – ERSRI Claims**

**Class 3 – Coventry Credit Union Claims**

**Class 4 – Element Financial Corp. Claims**

**Class 5 – Indispensable Vendor Claims**

**Class 6 – Christopher Leveillee Claims**

**Class 7 - General Unsecured Claims**

**Class 8 – General Unsecured Convenience Claims**

The Bankruptcy Court may confirm the Plan only if at least one Class of impaired Claims has voted to accept the Plan (without counting the votes of any insiders whose Claims are classified within that Class) and if certain statutory requirements are met as to both non-consenting members within a consenting Class and as to any dissenting Classes. A Class of Claims has accepted the Plan only when at least one-half in number **and** at least two-thirds in amount of the Allowed Claims actually voting in that Class vote in favor of the Plan.

In the event of a rejection of the Plan by any of the Voting Classes, CCFD will request that the Bankruptcy Court confirm the Plan in accordance with those provisions of section 1129(b) of the Bankruptcy Code that are applicable to the Chapter 9 Case, which provisions permit confirmation by a process known as “cramdown” notwithstanding such rejection if the Bankruptcy Court finds, among other things, that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to each rejecting Class. Other Sections of this Disclosure Statement provide a more detailed description of the requirements for acceptance and confirmation of the Plan.

**D. Solicitation Package**

The package of materials (the "Solicitation Package") to be sent to Holders of Claims entitled to vote on the Plan will contain:



1. A cover letter describing: (a) the contents of the Solicitation Package; (b) the contents of any enclosed CD or DVD (a "Disk") and instructions for use of the Disk; and (c) information about how to obtain, at no charge, paper copies of any materials provided on the Disk;

2. A paper copy of the notice of the Confirmation Hearing (the "Confirmation Hearing Notice").

3. The Disclosure Statement, together with the exhibits thereto, including the Plan, that have been Filed with the Bankruptcy Court before the date of the mailing. To reduce the costs of printing and mailing such a voluminous document, CCFD may, but is not required to, serve the Disclosure Statement and the Plan (including exhibits) via Disk instead of in printed format.

4. A letter from the Receiver recommending that creditors vote to accept the Plan; and

5. An appropriate form of Ballot(s), instructions on how to complete the Ballot(s) and a Ballot return envelope and such other materials as the Bankruptcy Court may direct.

#### **E. Voting Procedures, Ballots, and Voting Deadline**

CCFD has provided copies of this Disclosure Statement, without exhibits, and the Plan, without exhibits and ballots, to all known Holders of Impaired Claims in the Voting Classes to the email addresses provided by each claimant or their counsel and by regular mail to those creditors that did not provide email addresses to CCFD or its counsel. With respect to Class 1, however, the Disclosure Statement and the Plan, without exhibits, will be sent to counsel for their review and certification to their represented claimants that the Plan complies with the terms of the Collective Bargaining Agreement.

Those Holders of an Allowed Claim in each of the Voting Classes who seek to vote to accept or reject the Plan must complete a Ballot and return it to the Court-appointed Ballot Tabulator so that their ballots actually are received by no later than the Balloting Deadline (as defined in the two paragraphs below). Holders of Allowed Claims in Class 1 shall be deemed to have voted to accept the Plan by Ballot completed by counsel to the Union. Ballots do not constitute proofs of claim and must be returned directly to the Ballot Tabulator, not to the Bankruptcy Court. The Ballots will also provide Holders of Allowed Class 8 General Unsecured Claims in excess of \$5,000 with the option to reduce their Allowed Claims to \$5,000 so that they may be classified as Holders of Class 8 General Unsecured Convenience Claims.

***All Ballots, including Ballots transmitted by facsimile or electronic mail, must be completed, signed, returned to, and actually received by the Ballot Tabulator by not later than \_\_\_\_\_, 2015 at 4:30 p.m. Eastern Daylight Time (the "Balloting Deadline"). Neither Ballots received after the Balloting Deadline, nor Ballots returned directly to the Bankruptcy Court rather than by the Ballot Tabulator, shall be counted in connection with confirmation of the Plan.***

**F. Plan Supplement Documents**

CCFD will separately file copies of any Plan Supplement Documents with the Bankruptcy Court prior to the Confirmation Hearing; *provided, however*, that (1) exhibits relating to the assumption and rejection of Executory Contracts and Unexpired Leases pursuant to the Plan will be filed no later than seven (7) calendar days prior to the Voting Deadline and (2) other key exhibits to the Plan (as detailed in the definition of Plan Supplement Documents in the Plan) will be either (a) included in any solicitation materials distributed to Holders of Claims in Classes entitled to vote to accept or reject the Plan or (b) filed as a supplement to the Plan no later than seven calendar days prior to the Voting Deadline.

**G. Confirmation Hearing and Deadline for Objections to Confirmation**

The hearing to determine whether the Bankruptcy Court will confirm the Plan (the “Confirmation Hearing”) will commence on \_\_\_\_\_, 2015 at 10:00 a.m. Eastern Time in the United States Bankruptcy Court for the District of Rhode Island on the 6th Floor of the Federal Center, 380 Westminster Street, Providence, Rhode Island 02903. The Confirmation Hearing may be continued from time to time, including by announcement in open court, without further notice.

Any objections to confirmation of the Plan must be filed with the Bankruptcy Court and served on the following entities so as to be actually received by no later than \_\_\_\_\_, and copies must be sent to CCFD’s counsel, Robert G. Flanders, Jr., Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500, Providence, RI 02903, Email: rflanders@hinckleyallen.com. Objections that are not timely filed and served may not be considered by the Bankruptcy Court. *Please refer to the accompanying notice of the Confirmation Hearing for specific requirements regarding the form and nature of objections to confirmation of the Plan.*

**H. Important Notices and Cautionary Statements**

The historical financial data relied upon in preparing the Plan and this Disclosure Statement is based upon CCFD’s books and records. Although certain professional advisors of CCFD assisted in the preparation of this Disclosure Statement, in doing so such professionals relied upon factual information and assumptions regarding financial, business, and accounting data provided by CCFD and third parties, none of which has been audited.

*The professional advisors of CCFD have not independently verified such information and, accordingly, make no representations or warranties as to its accuracy.* Further, although reasonable efforts have been made to provide accurate information, CCFD does not warrant or represent that the information in this Disclosure Statement, including any and all financial information and projections, is without inaccuracy or omissions or that actual values or distributions will comport with the estimates set forth herein.

### III. BACKGROUND INFORMATION

#### A. General Background of CCFD

The General Assembly originally created CCFD by a legislative charter in 1959, although its existence as a fire district relates back to 1800's. The charter authorized voters of CCFD to create a fire district to provide fire protection, emergency medical services, and other services, such as lighting and fire inspection services, to CCFD's residents. Over the years, the General Assembly amended the charter of CCFD, including significant amendments in 2006. These amendments allowed CCFD and three (3) other fire districts in the town of Coventry (Harris, Washington, and Tiogue) to merge. The merger led to the geographic configuration, and governance structure of CCFD.

CCFD is the largest of four (4) fire districts in the Town of Coventry and responds to approximately 3,000 annual calls for fire and EMS services. CCFD protects approximately 24 square miles with a population of approximately 17,000 out of the estimated 35,000 citizens in the Town of Coventry. The Arnold Road Station is considered the fire department's headquarters station. The Office of the Fire Chief and Administrative Assistant (District Clerk) are located at the Arnold Road Station.

CCFD is responsible for providing firefighting and other rescue and safety services to its residents within an area within the Town of Coventry. These services include: firefighting and fire prevention; ambulance and rescue services; fire code enforcement; and administering the maintenance of fire hydrants and street lights. Although these services are limited in scope, they are essential public safety functions which CCFD is responsible for providing to its residents.<sup>5</sup> While CCFD provides services to residents within the Town of Coventry, CCFD has its own annual meeting pursuant to Section 3 of its Charter. At the annual meeting, CCFD's voters authorize an annual budget and a tax assessment to fund the budget for each fiscal year. The voters in attendance also vote to elect representatives on the Board. The Board retains a Chief of CCFD and other personnel and is responsible for all aspects of CCFD's operations.

#### B. Pre-Petition Measures to Prevent Further Financial Decline

On October 15, 2012, the Board of Directors for the Central Coventry Fire District, through its President, Girard Bouchard, filed a petition for judicial receivership in Rhode Island Superior Court. Prior to such date, CCFD overestimated its revenue and underestimated its budget – resulting in a cumulative operating deficit in excess of \$1.5 million. Notwithstanding the deficit, CCFD, under its Board, continued to lease new equipment and hire new employees, thereby exacerbating the operating deficit. CCFD also faced significant future liabilities from its collective bargaining agreement with the Union. On October 16, 2012, the Superior Court appointed Richard J. Land, Esq. ("Attorney Land," or the "Special Master") as the Temporary Special Master. On November 13, 2012, the Superior Court appointed Attorney Land as the Permanent Special Master. The Court authorized Mr. Land to take possession and charge of all assets, effects, property, and business of CCFD. The Superior Court also ordered a stay to

<sup>5</sup> While CCFD is the primary service provider within its geographic boundaries, the fire districts within the Town of Coventry and neighboring towns generally operate in a cooperative manner with respect to emergency services and regularly attend to calls in neighboring districts pursuant to mutual aid arrangements agreed to by such districts.

prevent new lawsuits and the continuation of existing lawsuits and collection activities brought against the fire district by creditors and others.

Prior to the judicial receivership, CCFD's financial records, including revenues and expenses, were not properly maintained. Because earlier financial records were not in order, the historical budget data that is reliable is limited to the period when the court-appointed receiver began paying the obligations of CCFD. In order to develop historical accounting information by category of expenditure that would be useful for reporting and budgeting purposes, the staff at the Department of Revenue has compiled, and continues to compile, available financial records so that CCFD may generate regular monthly reports, and bank statements reconciliations, and generate financial statements.

CCFD engaged an accountant to prepare audited financial statements for FY 2014, but such audited financial statements are not final at this time. CCFD keeps its books and records on a cash accounting basis. CCFD will change its accounting method to a modified accrual method. Such change will occur at the earliest possible date, and, in any event, the change will be completed by the end of FY 2020.

During the two (2) months following his appointment, the Special Master and his staff undertook to reconstruct CCFD's financial records, which were in disarray at the time CCFD filed its petition for receivership. During this process, the Special Master discovered serious discrepancies between the fire taxes that were purportedly owed to CCFD and what it actually collected. These discrepancies resulted from CCFD's failure to pursue and collect unpaid taxes as well as errors in the fire tax bills that CCFD issued. Such errors included an \$800,000 error in a tax bill to a large commercial taxpayer, which resulted in an overstatement of revenue equal to approximately fifteen percent (15%) of the total budget.

The Special Master determined that CCFD had spent the entire \$5.2 million tax levy for FY 2010-2011 on operating and capital expenses, despite the \$800,000 shortfall in revenue. The Special Master further discovered that the Board was unaware of the reasons for the shortfall in tax receipts which led to the Board making the same revenue assumption for the following fiscal year. The combination of the tax bills remaining constant, and the continuing erroneous assumptions, resulted in the cumulative operating deficit of more than \$1.5 million by the end of FY 2011-2012. The minutes from the October 3, 2011 annual meeting do not reflect that this deficit or revenue shortfall was disclosed to the taxpayers.

The Board's decision to allow for increased expenditures for the subsequent fiscal year despite a large deficit caused further financial problems for CCFD. The Board hired additional firefighters, leased a new ladder truck, and entered into a new collective bargaining agreement which increased the firefighters' rate of pay and accrual of benefits.

As a resort of the shortfall in tax revenue, CCFD resorted to taking out a line of credit loan, first from Coventry Credit Union and later from Centreville Savings Bank, to pay operating expenses. CCFD, however, continued to fail to pay many of its bills as they became due. In addition, although CCFD deducted amounts from its employees' pay for their share of their retirement and health benefits, CCFD failed to submit such amounts to the Municipal Employees Retirement System (MERS), to CCFD's deferred compensation provider, and to CCFD's health

insurance provider. The Special Master subsequently reported these matters to the Rhode Island Attorney General and Rhode Island State Police. On June 5, 2014, the Rhode Island Attorney General's Office concluded that there was no evidence of any criminal misconduct.

On February 13, 2013, the taxpayers convened for a special meeting at which they considered whether to approve a proposed new budget that the Special Master prepared and which included significant concessions by the Union. The new budget would generate revenue of \$5.4 million using a single tier tax rate of \$3.15 per \$1,000 of assessed value for all taxable residential, commercial and tangible property. Previously, CCFD had adopted a two-tier tax rate, which was found to be in violation of the CCFD Charter. After adjusting for new assessed values of the properties in CCFD, the new tax rate for residential properties represented approximately a 43% tax bill increase (\$76.93 additional taxes per year on a \$100,000 home). The voters rejected the proposed new budget and tax levy by a vote of 228 to 204. In the face of these significant projected expenditure increases, CCFD's voters were not satisfied with the expense reductions proposed by the Special Master and were unwilling to increase revenues by raising taxes. As a result, CCFD could not generate additional revenue to offset its expenses. Following rejection of the proposed levy, the Special Master recommended that CCFD be liquidated. Subsequently, at the suggestion of the Special Master and the Superior Court, the Board of Directors resigned.

The Superior Court held hearings on February 14 and 15, 2013, to consider whether to order liquidation of CCFD. Upon the request of several interested parties, including the Town of Coventry, the Court, by Order dated February 19, 2013, ordered the Special Master to develop a new budget based upon further negotiated concessions by the firefighter's union and other reductions in operating costs, and to present the new budget to taxpayers for approval at a meeting to be held approximately 30 days later.

On March 26, 2013, the Special Master presented a revised budget at a special meeting of taxpayers which would generate approximately \$5.15 million using a single tier tax rate.<sup>6</sup> The new budget reduced the proposed tax rate from \$3.15 per \$1,000 of assessed value to \$2.99 per \$1,000 of assessed value (representing for residential properties approximately a 35% tax bill increase, which represented \$63.00 in additional taxes per year on a \$100,000 home). The new budget and tax levy presented to voters failed to pass. Following rejection of this revised budget, the Superior Court ordered that CCFD cease operations on April 11, 2013.

Following further hearings before the Superior Court, the judicial receiver postponed CCFD's closure when CCFD received additional funding by virtue of an interest-free loan from the Town of Coventry. However, the Superior Court ordered a firm closure date of May 16, 2013, in the absence of a significant change in CCFD's ability to raise revenue.

After further hearings and discussions among the Special Master and other interested parties, and most critically the passage of legislation specifically allowing CCFD to collect taxes based on the prior year's tax rate if the voters failed to approve a new budget for the current fiscal year, the Superior Court delayed the closure of CCFD, ordered that elections be held for a new Board of Directors, and charged the new Board to develop a budget for the following fiscal

---

<sup>6</sup> At this time, CCFD's Charter authorized only a single tier tax rate.

year, negotiate with the Union, and develop short and long term plans for CCFD. The voters elected a new Board of Directors in June 2013, and the judicial special mastership proceedings continued.

Over the course of the summer of 2013, the Board of Directors investigated the financial and operational affairs of CCFD and worked to develop a plan and budget for its further operation. In September 2013, the Board had not yet developed a formal budget. At the direction of the Court, the Board met and negotiated with the Union. The Board and the Union continued to meet through October 2013, and represented to the Superior Court that they had negotiated and agreed on a concession package that would result in the Board's ability to present a balanced budget to the taxpayers. The Union's membership ratified the concession agreement; however, the Board later rejected the concession agreement and voted to recommend liquidation to the Superior Court.

On February 14, 2014, the Superior Court ordered CCFD to liquidate and set forth the following instructions:

- The Special Master was appointed as the Liquidating Receiver of CCFD.
- The Liquidating Receiver would file a plan of liquidation on or before May 16, 2014.
- The Superior Court vacated its order delegating specific powers of the Board of Directors.
- The Board of Directors would remain constituted and represent the interest of CCFD and its taxpayers during the liquidation process.
- The Liquidating Receiver was further required to provide notice of liquidation within 24 hours of the Superior Court's Order to the Town of Coventry, the Town of Coventry Emergency Management Agency, the Governor of the State of Rhode Island, the State Emergency Management Agency, the State Fire Marshal, the Department of Health, the President of the Rhode Island Senate, and the Speaker of the Rhode Island House of Representatives.

This last requirement was intended to allow the parties charged with the safety and welfare of the residents of the Town of Coventry to plan for the cessation of services in CCFD. Liquidation of CCFD, however, did not occur. Amendments to the Fiscal Stability Act provided the State the discretion to intervene in fire districts experiencing fiscal distress.

### **C. Fiscal Stability Act Revisions**

On May 2, 2014, the Governor signed a bill into law expanding the Fiscal Stability Act to include fire districts, thereby providing the ability for the State of Rhode Island to take control of and reorganize CCFD's finances. The express purposes of the Fiscal Stability Act are to (1) provide a mechanism for the State of Rhode Island to work with cities, towns, and fire districts undergoing financial distress that would otherwise threaten the fiscal well-being, public safety and welfare of such cities, towns and fire districts, or other cities, towns, or fire districts or the

State, and (2) provide continuing access to the municipal credit markets for Rhode Island and its cities, towns and fire districts through a predictable, stable mechanism for addressing the issues facing cities, towns and fire districts in financial distress.

The Director of Revenue has the discretion to appoint a fiscal overseer, budget commission, or receiver for a city, town, or fire district experiencing financial distress. A receiver has the ability to file a Chapter 9 bankruptcy petition for a city, town, or fire district. Under the Fiscal Stability Act, if the Director of Revenue, in consultation with the Auditor General, determines that a fiscal emergency exists, a receiver may be appointed without a fiscal overseer or a budget commission first being appointed.

Accordingly, on May 6, 2014 the Director of Revenue, after consulting with the Auditor General and Governor Lincoln Chafee, appointed Steven P. Hartford as receiver of CCFD ("State Receiver"). Mark A. Pfeiffer became the successor State Receiver on January 5, 2015.

## V. THE CHAPTER 9 CASE

### A. Commencement of the Chapter 9 Case

After more than a year of continued negotiations with the Union, CCFD was unable to reach an out-of-court resolution that remedied CCFD's ongoing financial distress and corrected the structural deficit created, in part, by CCFD's personnel obligations. (See *Affidavit of Timothy C. Cavazza Regarding Labor Negotiations* [Dkt. 4-5], for a detailed description of the pre-petition negotiations). Based on an assessment of the options available to CCFD and the continued inability to obtain sufficient voluntary concessions from the Union to balance CCFD's budget, the Receiver determined that the only way to prudently return CCFD to viability would be through the filing of a Chapter 9 petition and confirmation of a plan of debt adjustment. See *Affidavit of Steven T. Hartford*, filed with the Court on December 23, 2014 [Dkt. 4-2] and *Affidavit of Rosemary Booth Gallogly*, filed with the Court on December 23, 2014 [Dkt. 4-8]. Pursuant to the Receiver's statutory powers and duties under the Fiscal Stability Act, he authorized the commencement of the Chapter 9 Case on December 23, 2014.

### B. Union Negotiations

After the commencement of the Chapter 9 Case, CCFD continued to negotiate with the Union. CCFD and the Union held ten (10) formal negotiating meetings after the commencement of the Chapter 9 Case. The parties met on January 13, 2015, January 22, 2015, and January 23, 2015; February 5, 2015 and February 12, 2015; March 16, 2015 and March 19, 2015; and April 3, 2015, April 22, 2015, and April 23, 2015. Throughout these post-petition negotiations, the parties exchanged numerous written and verbal proposals in an attempt to reach a settlement on all issues involving firefighters' wages, hours, and other terms and conditions of employment, which would be incorporated into a collective bargaining agreement ("CBA"). At the same time, the parties exchanged proposals in an attempt to settle the Union membership's outstanding claims, including, but not limited to, their pre-petition and post-petition proof of claims filed in this Chapter 9 Case, in addition to all outstanding grievances, arbitrations, unfair labor practice charges, etc.

CCFD reached a "Tentative Agreement" with the Union on February 12, 2015. This Tentative Agreement included a settlement of the following: (1) the terms of a CBA that would

run through August 31, 2015; (2) the terms of a 5-year, successor CBA that would run from September 1, 2015 through August 31, 2020; (3) the Union membership's pre-petition and post-petition proof of claims; and (4) all other outstanding disputes between the parties (e.g., grievances, arbitrations, unfair labor practice charges, interest arbitrations, etc.). After reaching the Tentative Agreement, the parties returned to the bargaining table for several additional meetings to finalize all remaining language issues to be included in the CBAs and certain disputes over interpretations of the Tentative Agreement that arose after February 12, 2015.

On or about April 10, 2015, the Union membership ratified the parties' Tentative Agreement. The parties then held two additional meetings to finalize the language in the CBAs and the related Memoranda of Agreement arising out of the Tentative Agreement. CCFD and the Union executed the CBA and all related Memoranda of Agreement on April 28, 2015.

The final terms of the parties' CBAs include dramatic and innovative changes to the wages, hours, and other terms and conditions of firefighters' employment, as compared to the 2012-2015 CBA and as compared to other firefighter labor contracts across Rhode Island. As compared to the 2012-2015 CBA in existence at the commencement of the Chapter 9 Case, the changes agreed to in the new CBAs yield a projected savings of \$1,795,127 in FY 2015; \$2,322,658 in FY 2016; \$2,313,236 in FY 2017; \$2,491,045 in FY 2018; \$2,511,050 in FY 2019; and \$2,558,933 in FY 2020.

The *Affidavit of Lawrence Sprague*, a Municipal Project Manager for the Department of Revenue (attached as Exhibit 4 to this Disclosure Statement), the *Affidavit of Joseph Andriole*, Vice-President of the Rhode Island State Association of Firefighters which is affiliated with the International Association of Fire Fighters (attached as Exhibit 5 to this Disclosure Statement), and the *Affidavit of David Gorman*, President of the Coventry Professional Firefighters Association, the collective bargaining unit for the firefighter employees of Central Coventry Fire District (attached as Exhibit 6 to this Disclosure Statement), detail the claims that the Union asserted against CCFD, the negotiations that occurred between CCFD and the Union, the compromise that the parties reached, and the resulting savings to CCFD as compared to the Prior CBA.

The following is a list of just some of the changes to which the CCFD and the Union agreed in the new CBAs:

- CCFD reorganized the Fire Department into 3 platoons, which results in a 56-hour average workweek. Firefighters had previously been organized into 4 platoons, which resulted in a 42-hour average workweek. The parties agreed to a schedule where firefighters work 24-hour, rotating shifts.
- The parties agreed to strictly follow the federal Fair Labor Standards Act for the purposes of calculating overtime. This means that firefighters will only receive overtime pay (i.e., time and one half pay) if they *actually* work more than 212 hours in a 28-day period, exclusive of time off for vacation, sick, personal, and other leave. For FY 2016 only, the parties agreed that firefighters will only receive straight time pay (through a fluctuating workweek model allowed by the FLSA) if they *actually* work more than 212 hours in a 28-day period. In addition, CCFD's administrative firefighting staff will no longer be



entitled to overtime under any circumstances.

- The parties agreed to reduce minimum staffing from 10 firefighters on duty at all times to 8 firefighters on duty at all times.
- The parties agreed to reduce the total department staffing from 45 union firefighters to 32 union firefighters.
- The parties agreed to reduce the number of Captains and Lieutenants required under the CBA from 4 to 3 and from 16 to 9, respectively. The reduction will occur through attrition.
- The parties agreed to increase active firefighters' health insurance deductibles to \$2,000 for an individual plan and to \$4,000 for a family plan, and they agreed that firefighters will be responsible for paying the entire deductible along with a portion of the premium. CCFD was responsible for reimbursing firefighters for their full deductible under the prior CBA.
- The parties agreed to keep active firefighters in a defined contribution style post-employment health plan (PEHP), which is similar to a 401(k) retirement plan, and the parties agreed to reduce CCFD's contribution to this plan from 9.5% of salary per year to between 1% and 3% of salary per year, depending upon a firefighter's date of hire.
- The parties agreed to dramatically reduce the availability of a defined benefit post-employment health insurance plan for firefighters retiring on work-related and non-work-related disability pensions. Previously, disabled firefighters received fully paid health insurance for life.
- The parties agreed to eliminate longevity payments (while providing modest annual salary increases), EMT incentive bonuses, and holiday shift differential payments, and they agreed to dramatically reduce firefighters' hourly rates of pay by immediately requiring them to work 33% more hours per week, while providing modest annual base salary increases of between just 2% and 3% over the course of the next 5 years. The parties' agreement regarding annual salary increases resolved the Union's claim that CCFD owed two additional salary increases of two percent (2%) each.
- The parties agreed to eliminate the practice of accruing "compensation time"; to reduce family sick leave by 50%; to restrict the use of personal leave to instances when it does not result in overtime; to restrict and track the use of firefighters swapping shifts; to dramatically reduce the number of firefighters that can be out at one time due to vacation and compensation time; and to begin using "floaters" to cover vacancies, all of which will help curtail overtime costs in addition to the measures described above.
- The parties agreed to eliminate 6 holidays in each of FY 2015 and FY 2016; to reduce tuition reimbursements; to reduce outside training reimbursements; to reduce annual clothing allowance payments and to begin taxing such payments; to reduce the payouts for accumulated sick leave upon separation; to eliminate the annual payout of unused

vacation pay; to eliminate the practice of leave transfers among employees; to eliminate annual vision insurance stipends; to reduce life insurance policies; to reduce medical insurance “buybacks” for employees not receiving health insurance through CCFD; and to prohibit the use of all tobacco products while on working time.

- Finally, the parties agreed to remove all contractual restrictions on CCFD’s ability to hire and to set the qualifications for its Fire Chief.

### C. Negotiations with Other Key Creditors

#### 1. Centreville Savings Bank

Centreville Savings Bank filed a proof of claim in the amount of \$942,523.24 against CCFD (the “Centreville Claim”). The Centreville Claim relates to a loan which Centreville extended to CCFD on or about November 30, 2011 (the “Centreville Loan”). Centreville asserts that its claim is secured by a lien on CCFD’s tax revenues pursuant to R.I.G.L. § 45-12-1 and by mortgages on four (4) properties that CCFD owns in Coventry at 2847 Flat River Road; 240 Arnold Road; 701 Main Street; and 2 Station Street. CCFD currently occupies and operates from 2847 Flat River Road and 240 Arnold Road, while 701 Main Street and 2 Station Street are closed.

CCFD disputes the validity of the Centreville Loan and asserts that Centreville does not have a secured claim against CCFD. CCFD’s Charter and By-Laws (attached as Exhibit 7) require the voters of the district to approve any borrowing (other than a short term borrowing in anticipation of taxes). The Centreville Loan, by its terms, does not constitute a borrowing in anticipation of taxes. A borrowing in anticipation of taxes must have a term that is less than one (1) year, but the Centreville Loan has a term of three (3) years. *See* R.I.G.L. § 45-12-4 (requiring that notes which constitute a borrowing in anticipation of taxes “shall be made payable not later than one year from their date”). Given that the Centreville Loan is not a tax anticipation borrowing, voter approval would have been required as a matter of law for CCFD to have had the proper authority to borrow from Centreville.

The voters never approved the Centreville Loan. The agenda for the October 3, 2011 annual meeting provides for the agenda item “Resolution Regarding Tax Anticipation Notes.”<sup>7</sup> The voters, however, did not vote on the agenda item. The October 3, 2011 annual meeting minutes state, “Resolution Regarding Tax Anticipation Notes – was not voted on.” A copy of the October 3, 2011 annual meeting minutes is attached as Exhibit 8. As a result, the Centreville Loan was not approved in accordance with CCFD’s Charter and By-Laws, and the Centreville Loan is not a valid obligation of CCFD.

---

<sup>7</sup> Although the Centreville Loan documents do not comply with Rhode Island General Laws governing the issuance of tax anticipation notes, the Board meeting minutes from the August 10, 2011 Board meeting state, “we have signed an application to borrow money for a tax anticipation note.” The minutes note, however, that “[t]hey do not have that type of loan. It would be a cash reserve loan and the application is made out for 1.5 million.” Despite these inconsistencies, the Board and voter meeting agendas continue to refer to the Centreville Loan as a tax anticipation borrowing.

Further, the Centreville Loan is based on a variable interest rate equal to the prime rate of interest plus one quarter percent per annum. Rhode Island law, however, does not permit CCFD to enter into a variable interest rate obligation because CCFD has fewer than 125,000 inhabitants. *See* R.I.G.L. § 45-12-5.4 (providing that cities or towns with more than 125,000 inhabitants may issue variable interest rate obligations). The Centreville Loan is invalid because applicable law precludes CCFD from entering into a variable interest rate obligation.

CCFD disputes Centreville's interest in CCFD's tax revenues because the underlying borrowing is invalid as a matter of law. CCFD also disputes the validity of Centreville's mortgages on the basis of the invalid borrowing, and CCFD has other defenses to the validity of the mortgages even if the initial borrowing documents were valid. CCFD and Centreville were not able to reach a compromise of their dispute. CCFD will commence an adversary proceeding to determine the validity of Centreville's liens.

CCFD is evaluating a sale of one or more of its properties. CCFD does not believe that Centreville objects to a sale of the properties. If CCFD prevails in the proceeding against Centreville, CCFD would allocate half of the proceeds from the sale of such properties for distribution to CCFD's General Unsecured Creditors on a pro rata basis, and the remaining proceeds would be placed in CCFD's capital fund. If Centreville succeeds in establishing the validity of its liens, CCFD would be required to amend the Plan to provide for payment to Centreville Savings Bank. CCFD would pay the proceeds from the sale of any real estate on which Centreville has a valid mortgage to Centreville in partial satisfaction of the Centreville Claim, and CCFD would satisfy the remainder of the Centreville Claim by granting Centreville a secured claim in an amount equal to the value of the retained properties. CCFD would pay such secured claim, with interest, over the five (5) year term of the Plan.

2. Element Financial Corp.

CCFD owns nine (9) "Toughbook" laptops which were financed by Element Financial Corp. CCFD does not need all nine (9) laptops, each of which is worth about \$5,000. CCFD reached an agreement with Element Financial Corp. whereby CCFD will retain three (3) laptops and return six (6) laptops to Element Financial Corp. Element Financial Corp. will have a secured claim in the amount of \$15,000 and General Unsecured Claim of \$6,000.

3. Coventry Credit Union

CCFD owns two rescue vehicles financed by Coventry Credit Union. CCFD deems that both vehicles are indispensable to CCFD in providing services to CCFD residents. Consequently, CCFD desires to retain both rescue vehicles. CCFD proposes to recognize that Coventry Credit Union has a secured claim in the amount of \$34,000 and an unsecured claim of \$0.00. Coventry Credit Union has agreed to this treatment in satisfaction of its Claim.

4. Rhode Island Emergency Management Agency

Rhode Island Emergency Management Agency ("RIEMA") filed a claim against CCFD in the amount of \$102,605.10 which related to certain emergency equipment in CCFD's possession that CCFD purchased with grant monies. CCFD reached an agreement with RIEMA,

a copy of which is attached as **Exhibit Q** to the Plan, whereby CCFD shall retain possession of the emergency equipment so long as CCFD continues to provide lifesaving, rescue or fire suppression services, and RIEMA shall amend its claim against CCFD to reflect that CCFD owes RIEMA \$0.00. CCFD agrees that RIEMA has the right to repossess the emergency equipment if CCFD ceases to provide such services.

#### **D. Sources of Revenue**

CCFD has only two primary sources of revenue: 1) property taxes; and 2) earnings from rescue runs. CCFD receives the approximately 85.3% of its revenue from tax levies, approximately 13.3% of its revenue from rescue runs, and 1.4% from other sources.

##### 1. Property Taxes

For FY 2015, the tax rate for residential real property and tangible personal property is \$2.74 per \$1,000 of assessed value and the commercial real property tax rate is \$4.11 per \$1,000 of assessed value. The FY 2015 tax levy for residential real property is \$3,731,550; the commercial real property tax levy is \$1,107,382; and the tangible personal property tax levy is \$110,571. The assumed tax collection rate is 90%, based on the actual collection rate for FY 2015.

##### 2. Rescue Services

CCFD also receives revenue as a result of providing rescue (ambulance) services to citizens. CCFD receives rescue fund billing reimbursements paid by residents. A third party vendor, The Dawson Group ("TDG"), processes the rescue reimbursements. TDG utilizes electronic medical billing in order to maximize revenues to the municipalities and districts that it serves. TDG evaluates all billing rates for CCFD annually beginning in October and implements any changes to rates beginning on January 1<sup>st</sup> of each year. As of June 2015, CCFD is recovering twenty-four percent (24%) of billings, which is slightly higher than TDG standard projections of twenty-one to twenty-two percent (21-22%). Over the last three (3) fiscal years, the collections have averaged approximately \$731,000 (\$839,000 for FY 2014, \$648,000 for FY 2013, and \$707,000 for FY 2012).

#### **E. Assets**

CCFD owns a variety of capital assets, including buildings and service vehicles (such as fire trucks). Most of these assets are used daily in the performance of public safety functions and cannot be liquidated: 1) in light of current market conditions; and 2) without severely reducing the level of service that CCFD provides to its residents. Attached hereto as Exhibit 9 is a list of CCFD's capital assets which the Receiver has identified. The list of assets was prepared based on information available to the Receiver and may not constitute all of CCFD's assets.

##### 1. Real Estate

Although CCFD owns property at five (5) locations, it currently operates from only two (2) locations in Coventry: 2847 Flat River Road and 240 Arnold Road. The table below shows the ownership status of each of the properties. Certain properties are subject to deed restrictions

whereby the property may revert to a prior owner if such properties cease to be used for fire services.

| Address                                    | Purpose             | Appraised Value <sup>8</sup> |
|--|---------------------|------------------------------|
| 2847 Flat River Road<br>Coventry, RI 02816 | Fire Station 7      | \$275,000                    |
| 240 Arnold Road<br>Coventry, RI 02816      | Fire Station 4      | \$325,000                    |
| 945 Hill Farm Road<br>Coventry, RI 02816   | Closed Fire Station | Unknown                      |
| 701 Main Street<br>Coventry, RI 02816      | Closed Fire Station | \$265,000                    |
| 2 Station Street<br>Coventry, RI 02816     | Closed Fire Station | \$375,000                    |

The tax collection office and the Fire Marshal's office are currently located in the Coventry Town Hall Annex located at 1691 Flat River Road, Coventry, Rhode Island. The Town of Coventry claims that CCFD owes the Town of Coventry \$500.00 per month for use of the Town Hall space, but CCFD has never paid rent and denies the existence of a lease or other obligation to pay rent. On July 10, 2015, the Town of Coventry filed an *Amended Motion for Relief from Stay to Allow Movant to Pursue State Court Remedies, or, in the Alternative, for an Order to Compel Debtor to Pay Post-Petition Use and Occupancy*, pursuant to which the Town of Coventry sought to evict CCFD from the tax collector/fire marshal office. On August 27, 2015, the Court granted the Town of Coventry's motion for relief from stay but the Town of Coventry withdrew its administrative claim for post-petition rent. The Town of Coventry issued a Notice to Quit to CCFD, effective September 3, 2015. CCFD intends to vacate the Town Hall space no later than November 30, 2015 and will relocate the tax collection office and Fire Marshal's office to 2847 Flat River Road. CCFD will pay rent in the amount of \$500 per month to the Town of Coventry for the months of September, October, and November 2015.

*a. Station 4 Headquarters: 240 Arnold Road*

The Arnold Road Station is staffed with captains (Platoon Commanders) who are the senior fire officers on duty. The captains are responsible for managing the day to day activities of both fire stations and are the Incident Commanders for fire and EMS incidents that occur during the duty shift. The Arnold Road fire station houses Engine 4, a 2001 Ferrera Pumper, and Rescue 3. Engine 4 is typically staffed with a Firefighter, a Captain, and a driver, although this fluctuates depending on available personnel. Rescue 3 is a 2009 E450 Ford Ambulance that

<sup>8</sup> The appraised values are based on an appraisal received from Centreville Savings Bank and are provided for illustrative purposes only. CCFD does not warrant the accuracy of such appraisal and is not bound by the findings or conclusion of value set forth in such appraisal.

is manned with two firefighter/EMTs consisting of a Lieutenant and a Firefighter. The Lieutenant is the officer in charge of the rescue.

*b. Station 7: 2847 Flat River Road*

Station 7 is located at the western end of CCFD and is equipped with Engine 7, a 2006 Pumper, and Rescue 7, a 2007 Ford E450 Ambulance. This fire station is typically manned with four (4) personnel consisting of two (2) Lieutenants and two (2) Firefighters. Out of the three platoons making up the shifts, one of the platoons has a Captain assigned. The senior Captain or Lieutenant assigned to the station is the officer in charge and responsible for the day to day activities. The Captain or Lieutenant reports to the Captain at Engine 4 headquarters. The Captain/Lieutenant assigned to Engine 7 is the Incident Commander for fire and EMS incidents until relieved by a senior officer (often the Captain from Station 4).

2. Other Property

a. *Marine Equipment*

CCFD owns four marine boat units, of which two are currently used in service. Marine boat 4, which is a 12 foot inflatable boat that is towed on a trailer by Engine 4 when needed, operates from Arnold Road. Marine boat 7, which is a fiberglass hull boat (formerly a police department boat), is docked on Johnson Pond during the summer months and is immediately available for response to the pond for emergencies.

b. *Fire Equipment*

In addition to the apparatus and equipment described above, CCFD has a back-up fire Engine 5, a Ferrera Pumper that is placed into service when Engine 4 or Engine 7 is out of service for preventative maintenance or mechanical issues. In addition, Rescue 5, an E450 Ford Ambulance, is used as a back- up for Rescue 3 and Rescue 7 when those vehicles are out of service for preventative maintenance or mechanical issues.

3. Claims and Rights of Action against Third Parties

CCFD is a party to the following litigation:

a. *Mark Pfeiffer, Receiver of the Central Coventry Fire District v. Robert W. Seltzer, KB 2014-0442*

On April 30, 2014 CCFD filed a complaint against former fire chief Robert Seltzer asserting claims for mismanagement and breach of fiduciary duty. The allegations in the complaint relate to the former chief's conduct while in charge of CCFD. Mr. Seltzer answered the complaint and essentially denied all allegations. The parties engaged in written discovery, and Mr. Seltzer was deposed on February 19, 2015. At this time, discovery is ongoing.

b. *Mark Pfeiffer, Receiver of the Central Coventry Fire District v. American Alternative Insurance Corporation, Case No. 1:14-CV-00521-L-PAS*

On or about November 12, 2014, CCFD filed a complaint against its insurer alleging breach of insurance contract, bad faith refusal to pay a claim and other claims. On December 4, 2014, based on diversity jurisdiction, the Defendant removed the case to the United States District Court for the District of Rhode Island (the "District Court"). The parties attended a pre-trial conference in April 2015. The District Court subsequently entered an order directing that all factual discovery be closed by June 17, 2016. The parties have engaged in limited written discovery. On July 9, 2015, the Defendant filed a motion for summary judgment. CCFD objected to the Defendant's summary judgment motion and filed a cross-motion for summary judgment. The District Court has not yet scheduled a hearing on the motion for summary judgment.

c. *Jeanne Graeminger v. Central Coventry Fire District, WCC 2013-05123*

In August of 2013 Jeanne Graeminger filed a Petition in the Rhode Island Workers' Compensation Court alleging an occupational stress claim with a resulting incapacity from October 4, 2011 to the present and continuing. In light of the Special Mastership proceedings in place at the time, Petitioner's counsel obtained permission from the Superior Court to move forward with the workers' compensation petition.

The matter was assigned for pretrial hearing before Judge Sowa. A Pretrial Order entered denying the Petition on October 29, 2013. The petitioner demanded a trial, and the parties commenced discovery. Discovery has involved depositions of alleged fact witnesses and keepers of records of medical providers. During the discovery process, CCFD filed its Bankruptcy Petition. Petitioner's counsel has obtained relief from stay in the Bankruptcy proceedings to continue pursuing the workers' compensation claim. Judge Sowa retired on June 30, 2015 and the petition was reassigned to Judge Hardman. The parties agreed to keep the initial Pretrial Order in place.

d. *Tax Abatement Proceedings.*

CCFD routinely is involved in proceedings brought by CCFD taxpayers seeking to challenge tax assessments or process tax abatements. In the course of these proceedings, CCFD may agree to a new value for tax assessment purposes, issue a credit for future tax years, or commence collection actions to recover tax revenues. CCFD will continue to process these proceedings in the ordinary course of its operations.

e. *Central Coventry Fire District v. Gralinski, et al., Case No. KC 2015-0796*

On August 31, 2015, CCFD filed a verified complaint against the members of CCFD's elected Board of Directors seeking injunctive relief and attorneys' fees. CCFD seeks to enjoin the action of one or more members of the Board of Directors who solicited applicants for firefighter positions without the knowledge or authorization of the Receiver. On August 31, 2015, the Superior Court granted the motion for temporary restraining order. CCFD and the Board of Directors agreed to a *Stipulated Order of Permanent Injunction*, pursuant to which the Board of Directors agreed to stop advertising, promoting and soliciting applicants for firefighter

positions. The Board of Directors also agreed to turn over any communications with job applicants to the Receiver.

Parties in interest may not rely on the absence of a reference in this Disclosure Statement or in the Plan as any indication that CCFD ultimately will not pursue any and all available Rights of Action. **All parties who previously dealt with CCFD are on notice that the Plan preserves certain of CCFD's Rights of Action. CCFD expects that any and all Rights of Action will be pursued and litigated after the Effective Date to the extent they remain vested in CCFD.**

4. Bank Accounts.

CCFD maintains a checking account at Centreville Savings Bank into which CCFD deposits all revenues other than insurance reimbursements for rescue services. CCFD also has a savings account at Centreville Savings Bank. In addition, CCFD maintains a savings account and petty cash account at Coventry Credit Union. CCFD deposits insurance reimbursements for rescue services into the Coventry Credit Union savings account.

**F. Liabilities**

1. Employment Obligations

CCFD's primary financial obligation is to its employees. The firefighters in CCFD are organized to collectively bargain the terms of their employment under the IAFF, Local 3372. The firefighters are full time compensated employees and are certified to national standards in firefighting Level 1 & 2 NFPA (National Fire Protection Association) 1001, Incident Management Level 100-700, Hazardous Materials - Operational level, Driver Operator – Aerial NFPA 1002, Driver Operator - Pumper NFPA 1002, Emergency Vehicle Operator, Weapons of Mass Destruction Awareness, and other specialty trainings.

Some of the firefighters are Nationally Certified Fire Instructors who teach for the Rhode Island Fire Academy. Each of the employees is also licensed as an Emergency Medical Cardiac technician (EMT-C), and certain employees also are licensed as paramedics (EMT-P). Several of these employees are EMS-Instructor/Coordinators for the emergency medical technician and paramedic courses and teach throughout the area, including the Community College of Rhode Island.

In addition to base salaries, the CBA obligates CCFD to provide Union employees with additional compensation, including overtime pay, holiday pay, additional pay when employees performing duties out of rank, and annual salary increases as negotiated in the collective bargaining agreement. CCFD also provided other benefits, including a retirement plan (MERS), a clothing allowance, health insurance, dental insurance, vision insurance, and a district sponsored post-employment health insurance plan. Collectively, these costs comprise the overwhelming majority of CCFD's budget, totaling more than \$4,000,000/year.

For FY 2015, CCFD's projected personnel costs, without a plan of adjustment, will be in excess of \$6.4 million, which expense by itself exceeds projected revenues for FY 2015. Even if CCFD were able to ignore *every other expense*, CCFD still cannot meet its projected personnel



costs. Simply, CCFD generates too little revenue to meet its existing obligations. The majority of CCFD's expenses relates to personnel working under a collective bargaining agreement, and, pursuant to longstanding Rhode Island law, CCFD cannot unilaterally reduce expenses sufficient to restore CCFD to financial viability. For perspective, CCFD's pre-petition annual personnel costs alone exceed the amount of the annual tax levy of any single fire district in the State other than CCFD.

As a result of its budget shortfalls, in the period leading to CCFD's Petition, CCFD did not pay all of the costs associated with Union employee compensation. The judicial receiver imposed changes to salaries, minimum staffing, district contributions to firefighters' PEHPs, health insurance plan designs, vision insurance, education reimbursements, among other changes. The Union claims that these amounts owed exceed \$884,233, which does not include reductions in overtime calculations from April 2013 through December 2014. The Union filed two proofs of claim, one for pre-petition amounts owed and one for post-petition expenses which the Union asserts should constitute Administrative Claims. CCFD disputes the characterization of the Union's post-petition Claims as Administrative Claims. The Union estimates its so-called post-petition expenses at over \$528,044 as of March 31, 2015, and this figure does not include reductions in overtime calculations or hours occurring from December 23, 2014 to March 31, 2015.

Through the Memorandum of Agreement to which the CCFD and Union agreed in conjunction with the negotiation and settlement of the CBAs through August 31, 2020, CCFD has agreed to pay the Union a total of \$323,864.00 arising out of its proofs of claims filed in the Chapter 9 Case. This represents approximately 36% of the Union's pre-petition proof of claim, or 22.9% of the Union's combined pre-petition and post-petition proof of claims. CCFD has agreed to pay this total in varying amounts over the course of six (6) fiscal years.<sup>9</sup>

In FY 2015, CCFD agreed to pay a total of \$71,766.40 – representing 50% of the 2% salary increase that was due to members on April 1, 2013 under the prior CBA and 50% of the 2% salary increase that was due to members on April 1, 2014 under the prior CBA. Also in FY 2015, CCFD agreed to pay an additional \$6,926.24 – representing 100% of unpaid, employee contributions to members' Section 457 deferred compensation accounts, which the district never transferred into such retirement accounts.

In FY 2016, CCFD agreed to pay a total of \$71,766.40 – representing the other 50% of the 2% salary increase that was due to members on April 1, 2013 under the prior CBA and the other 50% of the 2% salary increase that was due to members on April 1, 2014 under the prior CBA.

Then, in each year from FY 2016 through FY 2020, CCFD has agreed to pay a total, annual amount of \$35,065.53 – each annual payment representing 12.5% of unpaid post-employment health plan (PEHP) contributions that were due to members under the prior CBA. In FY 2016 through FY 2020, CCFD also agreed to pay a total, annual amount of \$6,628.50 – each annual payment representing 20% of unpaid, deferred overtime payments that had been incorporated into a memorandum of agreement and attached to their prior CBA.

---

<sup>9</sup> The Memorandum of Agreement contemplated Court approval of the CBA prior to the date hereof. In the event that the Memorandum of Agreement provides for CCFD to make payments by September 1, 2015, CCFD will seek the agreement of the Union to make such payments upon Court approval of the CBA. CCFD recognizes that the Union reserves its right to seek payments according to the schedule set forth in the Memorandum of Agreement.

## 2. Health Care Costs

Pursuant to the provisions of the prior collective bargaining agreement, CCFD provided to its employees a medical insurance plan with a \$1,500/\$3,000 deductible and a dental insurance plan. All deductibles, point of service charges (co-pays) and other expenses were fully funded by CCFD through a Health Reimbursement Arrangement. As of January 1, 2015, employees were to be required to contribute a flat dollar amount of \$12.50 per week for an individual plan or \$25.00 per week for a family plan, regardless of any increases or decreases in premiums by the insurance provider. Employees who opted out of such coverage were to receive payment from CCFD in the amount of 66.67% of the total premiums.

Going forward, under the new CBA, active employees will receive a medical insurance plan with a \$2,000/\$4,000 deductible and a dental insurance plan. Effective January 1, 2016, all deductibles and other expenses will be funded by the employees through individual Health Savings Accounts provided by CCFD.<sup>10</sup> Additionally, prior to CCFD joining the Rhode Island Interlocal Risk Management Trust (“Trust”), employees were required to contribute 10% of the monthly insurance premiums; subsequent to CCFD joining the Trust, the employees will be required to contribute 2.5% of the monthly premiums, with the percentage of their contribution increasing by 0.5% each year for the five (5) years of the restructuring plan. Finally, opt-out payments to employees opting out of health insurance coverage through CCFD were reduced to \$2,000 if the employee is eligible for a single plan and \$4,000 if the employee is eligible for a family plan.

CCFD expects to achieve savings of approximately \$90,000 by joining the Trust with the Town of Coventry as its partner through June 30, 2016. The Town of Coventry will not partner with CCFD after such date unless the Town of Coventry is assured that it would not receive any negative financial impact from the partnership for the next fiscal year. CCFD will continue to seek an agreement with another employer entity for a more permanent partnership to enable CCFD to benefit from the healthcare savings after July 1, 2016. CCFD will adjust payments to creditors to compensate for the savings loss if CCFD does not reach agreement for a partner from and after July 1, 2016.

## 3. Other Post-Employment Benefits (OPEB)

The collective bargaining agreement also provided that certain health insurance benefits would be provided to active employees upon their retirement from CCFD, depending upon the circumstances of their retirement. Upon service retirement from CCFD, certain “grandfathered” employees were to receive individual medical and dental coverage for up to ten (10) years, or until age 65, whichever occurred earlier, with no contribution from the retiree. Going forward, these retirees will be required to fund their own deductibles and other expenses, with CCFD paying the full amount of the premiums.

Pursuant to the prior collective bargaining agreement, the “non-grandfathered” employees would not receive health insurance provided by CCFD upon their service retirement;

---

<sup>10</sup> Until January 1, 2016, CCFD will continue to provide a Health Reimbursement Arrangement to its employees, with the employees funding 100% of the deductible amounts through payroll deductions reimbursing CCFD.

instead, they were enrolled in a Post-Employment Health Plan (“PEHP”) pursuant to section 501(c)(9) of the Internal Revenue Code. Through this arrangement, the employees were to receive regular contributions to their PEHP made by CCFD during the period of their employment, in the amount of 9.5% of the employee’s salary. Upon retirement or separation of service from CCFD, the PEHP is made available to the employee for the purpose of funding his or her own eligible healthcare expenses. Going forward, CCFD will contribute to the employees’ PEHP in accordance with the following schedule:

- For employees hired prior to January 1, 2005, CCFD shall contribute 3.0% of each employee’s base salary;
- For employees hired on or after January 1, 2005, but prior to September 1, 2014, CCFD shall contribute 1.75% of each employee’s base salary; and
- For employees hired on or after September 1, 2014, CCFD shall contribute 1.0% of each employee’s base salary.

In the event of an employee’s accidental disability retirement, the prior collective bargaining agreement provided that the retiree would receive family medical and dental coverage for life, with no contribution from the retiree. Going forward, these retirees who meet additional standards for eligibility for coverage<sup>11</sup> will receive an individual medical and dental plan for up to 15 years or until Medicare eligibility, whichever occurs earlier. In the event that the retiree is completely incapacitated, enrolled in SSDI, and incapable of performing any work in any capacity whatsoever, the retiree will receive: (a) a Medicare supplement plan for life; (b) continuing health insurance coverage for the retiree’s spouse until such time as the retiree would have reached his/her twenty-fifth (25th) year of service had it not been for the disability, or until the spouse reaches Medicare eligibility, whichever occurs first; and (c) continuing health insurance coverage for any eligible dependent children of the retiree. These retirees will be required to contribute 25% of the applicable premiums for this coverage, as well as funding their own deductibles and other expenses.

For employees who retire on an ordinary disability, the prior collective bargaining agreement provided for individual medical and dental coverage for life, with no contribution from the retiree. Going forward, these retirees will receive an option to purchase health insurance coverage for up to 15 years, or until Medicare eligibility, whichever occurs earlier. These retirees will be required to fund their own deductibles and other expenses and to pay the entire premium.

Finally, pursuant to the prior collective bargaining agreement, employees who were eligible to receive health insurance coverage in retirement and opted out of such coverage at the inception of their retirement were to receive payment from CCFD in the amount of 66.67% of the total premiums. Going forward, no employees will be eligible to receive opt-out payments during their retirement in the event that they opt out of coverage.

---

<sup>11</sup> In order to be eligible to receive coverage, these retirees must establish that their gross annual earnings do not exceed twenty-five percent (25%) of his/her accidental disability retirement benefit, and that they are not eligible for equivalent health insurance through any other alternate source (e.g., the retiree’s own employment, the retiree’s spouse’s employment, or Medicare).

4. Post-Employment Benefit Obligations

CCFD has provided retiree health benefits through its collective bargaining agreements. The retirees of CCFD consist of the following: (a) former employees of CCFD who retired pursuant to the provisions of the collective bargaining agreement in effect at the time of their retirement; and (b) former employees of CCFD who retired pursuant to the provisions of an individual employment agreement or separation agreement with CCFD. In general, the collective bargaining agreements provided for health insurance coverage in retirement for eligible individuals as follows:

- Service retirees were to receive up to ten (10) years of individual medical and dental coverage, or until they reached the age of 65, whichever occurred earlier, with no contribution from the retirees.
- Ordinary disability retirees were to receive individual medical and dental coverage for life, with no contribution from the retirees.
- Accidental disability retirees were to receive family medical and dental coverage for life, with no contribution from the retirees.

In addition, surviving spouses of employees who died in the line of duty were to receive family medical and dental coverage for twenty (20) years, or until the spouse is eligible for Medicare, or until the spouse remarries, whichever occurred first, and a period of continuing coverage for eligible dependents. Finally, retirees who were eligible to receive health insurance coverage in retirement and opted out of such coverage were to receive payment from CCFD in the amount of 66.67% of the total premiums.

The individual employment agreements and separation agreements provided terms which varied by individual. For instance, one retiree was to receive free family medical and dental coverage until age 65; one retiree was to receive free individual medical and dental coverage for 10 years or until Medicare eligibility, with an option to opt-out of coverage and receive payment as described above; and one retiree was to receive a period of family medical and dental benefits, followed by a period of individual medical and dental benefits, with a contribution equaling half the amount paid by active employees for health insurance coverage.

In an effort to standardize the benefits to be provided to all retirees, the Plan provides that health insurance coverage will consist of individual medical and dental coverage for up to ten (10) years from the date of their retirement, or until age 65 or Medicare eligibility, whichever occurs earlier. A surviving spouse of an employee who died in the line of duty will receive family medical and dental coverage for up to twenty (20) years from the date of death, or until age 65 or Medicare eligibility, or until her remarriage, whichever occurs first. Retirees and survivors will not be required to contribute to the insurance premiums paid by CCFD; however, CCFD will no longer fund any portion of incurred deductibles, which are set annually at \$2,000 for an individual plan or \$4,000 for a family plan. CCFD will provide access to Health Savings Accounts maintained by CCFD to these retirees and survivors in order to fund their own deductible expenses. Finally, all opt-out payments for retirees were eliminated.

In 2011 CCFD began funding a Post-Employment Health Plan ("PEHP") established

under Internal Revenue Code 501(c)(9) for the benefit of its future retirees. Employees who complete one year of full-time employment with CCFD are eligible to participate in the PEHP, which CCFD funds on behalf of the employees; the employees have the ability to manage the investment of the funds in their accounts and may access the funds upon their retirement or separation from service. The collective bargaining agreement defines the contributions to be made by CCFD on behalf of each employee: 8.5% of the employee's salary effective April 1, 2012; 8.5% of the employee's salary effective April 1, 2013; and 9.5% of the employee's salary effective April 1, 2014. The new CBA provides for a new contribution schedule of 3% for employees hired on or before January 1, 2005, and 1.75% for employees hired after January 21, 2005. Upon retirement or separation of service, the employee may access the accumulated balance of his or her account and receive distributions in reimbursement of eligible expenses such as health insurance premiums or medical expenses.

Employees of CCFD, who, as of January 1, 2011, had ten (10) or more years of service to CCFD and were vested with the Municipal Employees Retirement System, were given a one-time option to refuse the retiree health insurance coverage described above and to enroll in the PEHP. Those employees who did not elect ten (10) years of health insurance coverage were enrolled in the PEHP.

5. ERSRI (Employees' Retirement System of Rhode Island) Contributions

CCFD's firefighters belong to the Rhode Island Municipal Employees Retirement System ("MERS"). MERS is a multiple-employer public employee retirement system administered by ERSRI and funded by participating municipalities. The statute establishes contribution requirements for employees; the employer contributions are established by annual valuations based upon data as of the end of each fiscal year ending June 30. The valuation establishes the employer contribution rates for the upcoming three (3) fiscal years.

The payment of the employer contribution is determined by the valuation and approved by the ERSRI Retirement Board, and is required to be paid pursuant to Rhode Island General Laws. Based upon the published actuarial valuation of June 30, 2014, the projected employer contributions (i.e. annual required contributions, or "ARC") are:<sup>12</sup>

|         |         |
|---------|---------|
| FY 2015 | 17.64%; |
| FY 2016 | 16.52%; |
| FY 2017 | 17.69%. |

Based upon CCFD's actual experience, notably unaccounted for disabilities pensions subsequent to June 30, 2014, CCFD's potential for an additional disability within the next five years, and a significant decrease in CCFD's payroll (approximately 20%) as compared to the payroll data of June 30, 2014, the established ARC is more probably than not substantially higher than the rates noted in the most recently published valuation. Consequently, there is a

---

<sup>12</sup> These rates assume all outstanding balances owed to MERS have been satisfied.

significant variance between the ARC as determined by the most recently published actuarial valuation and more recent information the Receivership has received from MERS. In fact, assuming no other negative impact to the pension plan, including but not limited to no more than one (1) accidental disability pension being granted within the next five years, decrease in investment assets, or a reduced investment return, the projected ARCs are estimated to be:

|         |         |
|---------|---------|
| FY 2016 | 19.24%; |
| FY 2017 | 20.81%; |
| FY 2018 | 32.28%; |
| FY 2019 | 33.53%; |
| FY 2020 | 34.71%. |

In FY 2012, the Rhode Island Retirement Security Act of 2011 effectively lowered the employer defined benefit liabilities and thus the employer contribution rates. Litigation regarding the constitutionality of this legislation is ongoing. Many parties to that litigation have reached a settlement and the General Assembly has enacted Article 21. At this time, based upon a twenty-five (25) year re-amortization estimation, the cost of the 2015 pension settlement should be cost neutral to the CCFD.

MERS is also a creditor of CCFD. As of October 16, 2012, CCFD owed \$197,559.58 for employee-member contributions deducted from each employee-member's payroll and held in trust by CCFD for deposit with MERS, which sums were never forwarded to MERS. In addition, CCFD owed MERS \$431,180.96 for employer contributions due to MERS from on or about December 17, 2011 through October 16, 2012.

**G. Liabilities Listed by CCFD in its Filings on the Petition Date**

In accordance with sections 924 and 925, and Bankruptcy Rules 1007(a) and 1007(d), CCFD filed a list of creditors and claims [Dkt. No. 22] and a list of creditors holding the twenty (20) largest unsecured claims against CCFD (the "20 Largest Creditors") [Dkt. 2]. The Creditors List and 20 Largest Creditors were based on information available to CCFD at the time CCFD filed each such document. On February 3, 2015, CCFD filed an Amended List of Creditors (the "Amended Creditors' List") A Second Amended List of Creditors was filed on March 27, 2015, which included claims of retirees' whose health benefits would be reduced under the Plan.

**H. Proofs of Claim**

The Bankruptcy Court established several deadlines for filing proofs of claim against CCFD. The first bar date was March 31, 2015. All of the creditors listed on the Amended List of Creditors received separate notice of this bar date. A second bar date of April 30, 2015 was established for those additional creditors listed on the Second Amended List of Creditors, as well as those terminated employees who received letters setting forth their right to file a claim and the bar date of April 30, 2015, and any individuals or entities who received notice through publication in the Kent County Times and the Providence Journal. The retirees whose health benefits were being

reduced under the Plan also received separate letters notifying them of their right to file a claim if they disagreed with the amount set forth on the Second Amended List of Creditors, and informing them of the April 30, 2015 bar date. In addition, CCFD assented to a motion allowing two union employees who opted out of the union settlement through May 18, 2015 by which to file their proof of claim against CCFD.

Approximately twenty-seven (27) claims were filed against CCFD. CCFD classified these claims as secured or unsecured claims, and further classified certain claims as being for indispensable services. The proofs of claim, as amended, list liabilities in the aggregate amount of \$4,528,838.71, provided that two (2) claims fail to list a specific claim amount. Certain of the claims are listed by CCFD as disputed. CCFD intends to file objections to those disputed claims that are not resolved after the confirmation of the Plan. Monies will be held in reserve in the creditors' pool for the pro rata share which would be distributed for the disputed claims, pending resolution. While CCFD is confident in its defenses to the disputed Claims, CCFD cannot be certain that it will successfully eliminate or reduce its liabilities through such objections. To the extent CCFD's liability is reduced those monies will be returned to the creditors' pool or capital fund, as disclosed herein.

## VI. THE PLAN

### A. General

THE FOLLOWING SUMMARY HIGHLIGHTS CERTAIN OF THE SUBSTANTIVE PROVISIONS OF THE PLAN, AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. CCFD URGES ALL HOLDERS OF CLAIMS TO CAREFULLY READ AND STUDY THE PLAN, A COPY OF WHICH IS ATTACHED HERETO AS Exhibit 1.

Section 1123 of the Bankruptcy Code provides that, except for Administrative Claims, a plan of debt adjustment must categorize claims against a debtor into individual classes. Although the Bankruptcy Code provides significant flexibility in classifying claims, section 1122 of the Bankruptcy Code requires claims to be placed into a class with claims that are substantially similar. The Plan identifies ten (10) Classes of Claims (certain of which encompass numerous sub-classes related to individual series of the relevant classified debt, as set forth on the Exhibits to the Plan). These Classes take into account the differing nature and priority of Claims against CCFD. Administrative Claims are not classified for purposes of voting or receiving distributions under the Plan (as is permitted by section 1123(a)(1) of the Bankruptcy Code) but are treated separately as unclassified Claims.

The Plan provides specific treatment for each Class of Claims. Only Holders of Claims that are Impaired under the Plan are entitled to vote and receive Distributions under the Plan. Unless otherwise provided in the Plan or the Confirmation Order, the treatment of any Claim under the Plan will be in full satisfaction, settlement, release, and discharge of, and in exchange for, such Claim. The following discussion sets forth the classification and treatment of all Claims against CCFD. It is qualified in its entirety by the terms of the Plan, which is attached hereto as Exhibit 1, and which should be read carefully by you in considering whether to vote to accept or reject the Plan.

## **B. Classification and Treatment of Claims**

If the Bankruptcy Court confirms the Plan, each Allowed Claim in a particular Class will receive the same treatment as the other Allowed Claims in such Class, whether or not the Holder of such Claim voted to accept the Plan. Such treatment will be in exchange for and in full satisfaction, release, and discharge of, the Holder's respective Claims against CCFD, except as otherwise provided in the Plan. Upon Confirmation, the Plan will be binding on all Holders of a Claim, regardless of whether such Holders voted to accept the Plan.

### **1. Unclassified Claims**

The Plan governs the treatment of certain Claims that are not classified into Classes under the Plan.

Administrative Claims are Claims of the kind described in sections 503(b) and 507(a)(2) of the Bankruptcy Code. Article II, Section A of the Plan provides for the treatment of Administrative Claims. Throughout the course of the Chapter 9 Case, CCFD has endeavored to satisfy administrative expenses as they became due. Accordingly, CCFD believes that most Claims that otherwise would constitute Allowed Administrative Claims previously have been or will be satisfied in the ordinary course of business prior to and after the Effective Date.

CCFD has incurred significant fees and costs to administer the Receivership and the Chapter 9 case, which have been paid in the first instance by the Department of Revenue. These fees and costs are comprised of expenses relating to the engagement of the Receiver and bankruptcy, labor and litigation counsel. The Department of Revenue seeks to have these expenses reimbursed as part of the Plan. Additionally, certain employees of the Department of Revenue have assisted with the administration of CCFD. The financial disarray of CCFD that existed when the receivership began has exacerbated these expenses by increasing the amount of time required to evaluate and correct CCFD's records and systems.

CCFD currently estimates that the fees and costs of administering the Chapter 9 case as it relates to the Receiver and counsel will be approximately \$1.5 million. The Plan will provide for the repayment of this sum to the Department of Revenue during a five (5) year period following Plan Confirmation. The figures are based on anticipated Plan confirmation by April 30, 2016. If the Chapter 9 Case extends beyond that date, and/or the total expenses exceed \$1.5 million, it would be necessary to submit an amendment to the Plan.

The Plan provides that, except as provided in Article II, Section B of the Plan, with respect to Professional Claims, or to the extent that the Holder of an Allowed Administrative Claim agrees to a different treatment, CCFD or its agent will pay to each Holder of an Allowed Administrative Claim, in full satisfaction, release and discharge of such Claim, cash in an amount equal to such Allowed Administrative Claim in the ordinary course of CCFD's operations, but in no event later than the later of the date that is practicable after (i) the Effective Date, or (ii) the date on which such Claim becomes an Allowed Administrative Claim. No professional fee claims are to be paid for professional fees incurred by or on behalf of any third party or creditors.



Article II, Section B of the Plan provides that, pursuant to section 943(a)(3) of the Bankruptcy Code, all Professional Claims must be disclosed and be reasonable and that, upon being deemed reasonable, CCFD will pay to each Holder of a Claim for professional fees, in full satisfaction, release, and discharge of such Claim, cash in an amount equal to that portion of such Claim that is deemed reasonable. Following Plan confirmation, CCFD intends to pay the reasonable fees of its bankruptcy counsel, labor counsel, and other professionals.

Article II, Section D of the Plan provides that all requests for approval of Administrative Expense and Professional Claims must be filed with the Bankruptcy Court and served upon CCFD no later than thirty (30) days after the date on which the Notice of Effective Date is mailed pursuant to the Plan.

Except as otherwise provided herein, all requests for payment or any other means of preserving and obtaining payment of Administrative Claims (other than Ordinary Course Administrative Claims) that have not been paid, released, or otherwise settled, and all requests for approval of Professional Claims, must be filed with the Bankruptcy Court and served upon CCFD no later than thirty (30) days after the date on which the Notice of Effective Date is mailed. Any request for payment of an Administrative Claim or a Professional Claim that is not timely filed by such date will be forever barred, and Holders of such Claims shall be barred from asserting such Claims in any manner against CCFD.

## 2. Classified Claims

The Plan provides for eight (8) Classes of creditors. If a creditor has Claims in more than one Class of Impaired Claims, that creditor will receive a ballot for each Class of Impaired Claims in which he/she/it is a creditor.

### a. Class 1 – Union Claims

The Union filed two amended proofs of claim against CCFD. First, the Union asserts that CCFD owes \$884,233.88 to the Union for pre-petition matters, including failure to pay promised raises, failure to make certain contributions and other claims. Second, the Union filed a claim in the amount of \$528,044.99. CCFD and the Union agreed to the terms of the Memorandum of Agreement whereby CCFD and the Union will enter into the CBA to govern their relationship. The CBA and Memorandum of Agreement include the following terms:

- CCFD paid Active Firefighters 100% of verified, unpaid employee contributions to such Active Firefighters § 457 deferred compensation accounts, up to a total of \$8,051.
- CCFD shall pay Active Firefighters the value of the 2% salary increase that was due on April 1, 2013 and the 2% salary increase that was due on April, 2014 (together, the “Salary Increase Payments”). CCFD agrees to give the Salary Increase Payments priority status and shall pay such amounts to Active Firefighters according to the following schedule:
  - 50% of the Salary Increase Payments owed to each Active Firefighter shall be paid upon the later of (i) execution of the CBA and (ii) the entry of an Order by

the Bankruptcy Court approving the CBA; and

- The remaining 50% of the Salary Increase Payments owed to each Active Firefighter shall be paid on September 1, 2015.
- CCFD shall pay to Active Firefighters 50% of their unpaid PEHP contributions through the date of execution of the Memorandum of Agreement after approval by an Order entered by the Bankruptcy Court. CCFD shall make such payments to Active Firefighters according to the following schedule:
  - 12.5% of unpaid PEHP contributions on 9/1/16;
  - 12.5% of unpaid PEHP contributions on 9/1/17;
  - 12.5% of unpaid PEHP contributions on 9/1/18; and
  - 12.5% of unpaid PEHP contributions on 9/1/19.
- CCFD shall pay to Active Firefighters any verified, unpaid deferred overtime payments through the date of the Memorandum of Agreement, up to a total of \$37,825. CCFD shall make such payments according to the following schedule:
  - 20% of verified, unpaid deferred overtime on 9/1/15;
  - 20% of verified, unpaid deferred overtime on 9/1/16;
  - 20% of verified, unpaid deferred overtime on 9/1/17;
  - 20% of verified, unpaid deferred overtime on 9/1/18;
  - 20% of verified, unpaid deferred overtime on 9/1/19.

*b. Class 2 – ERSRI Claims*

The Municipal Employees Retirement System of the State of Rhode Island (“MERS”) is a division of the Employees’ Retirement System of Rhode Island. MERS filed a claim against CCFD in the amount of \$830,464.50 seeking payment of statutory contributions which applicable law requires CCFD to pay into the State retirement system. CCFD failed to remit amounts which CCFD withheld from employee wages to MERS, and CCFD also failed to remit amounts which CCFD was obligated to pay as an employer to MERS.

CCFD will treat the ERSRI claim on a priority basis and will pay the entire principal amount of the past due contributions, plus interest accruing at the investment rate of return equal to 7.5%. CCFD shall repay the contributions to ERSRI over seven (7) years. CCFD shall pay \$21,458 per month for the twelve (12) months commencing July 2015 with respect to the employee contributions that CCFD withheld from employees but did not remit to ERSRI. Commencing July 2016, ERSRI shall receive \$11,575 per month for 60 months with respect to the employer portion of contributions owing to ERSRI. Notwithstanding the foregoing, the monthly payments are subject to adjustment based on the results of an audit being conducted by ERSRI.

*c. Class 3 – Coventry Credit Union*

Coventry Credit Union filed a claim of \$87,465.00 against CCFD. Coventry Credit Union’s claim relates to two (2) rescue vehicles which it financed, and Coventry Credit Union

asserts that its claim is secured. CCFD and Coventry Credit Union agree to a settlement whereby the value of each vehicle is \$17,000, and CCFD will recognize that Coventry Credit Union has a secured claim in the aggregate amount of \$34,000 with respect to the two (2) rescue vehicles. Central Coventry Credit Union has agreed to forgo its pro rata share of distributions made to General Unsecured Creditors from the General Unsecured Creditors' Pool.

*d. Class 4 – Element Financial Corp.*

Element Financial Corp. filed a proof of claim asserting a secured claim in the amount of \$83,196.29. Element Financial Corp. financed nine (9) "Toughbook" laptops, each of which has a value of approximately \$5,000. As stated above, CCFD shall retain three (3) laptops and return six (6) laptops to Element Financial Corp. Element Financial Corp. will have a secured claim in the amount of \$15,000 and unsecured claim of \$6,000.

*e. Class 5 – Indispensable Vendor Claims*

CCFD considers certain creditors to be indispensable vendors because the services they provide to CCFD are essential to CCFD's operations. These creditors include Kent County Water Authority, which provides water to CCFD and has an Allowed Claim of \$246,634.22, National Grid, which is CCFD's utility and has an Allowed Claim of \$59,375.63, Blue Cross/Blue Shield, which is CCFD's health insurance provider and has an Allowed Claim of \$160,370, the Rhode Island Department of Labor and Training, which has an Allowed Claim of \$29,200.00, and the Rhode Island State Fire Marshal, which has an Allowed Claim of \$4,375.00. CCFD will pay these creditors in full by making five (5) equal annual installments of each Allowed Claim, without interest.

*f. Class 6 – Leveillee Claims*

Christopher Leveillee is a former employee of CCFD who sought to retire from CCFD on or about December 27, 2011. He applied for an accidental disability pension with the State Retirement Board ("the Board"), alleging that he suffered from post-traumatic stress disorder as a result of events that occurred while working as a firefighter for CCFD. CCFD contested his accidental disability. Upon appeal, the Board awarded Mr. Leveillee an accidental disability retirement pension on September 10, 2014, retroactive to March 11, 2012. Because the Board failed to issue a written decision, CCFD asserted that Leveillee's entitlement to an accidental disability pension remains appealable and disputed. As of October 2014, Leveillee has been receiving accidental disability pension benefits from the Employees Retirement System of Rhode Island.

Leveillee's claim for accidental disability pension benefits included the right to claim family health care coverage from CCFD for life. CCFD's actuary valued this claim as amounting to over \$575,000, based on the cost of lifetime coverage and mortality tables. CCFD and Leveillee agreed to a settlement, conditioned upon Court approval. CCFD agrees not to appeal Leveillee's accidental disability pension before the State Retirement Board, and Leveillee agrees to accept payment of \$55,000 over the term of five (5) years, payable in installments of \$11,000 per year, in full and complete satisfaction of his claims, including, but not limited to, his claim for health care benefits, from CCFD.

*g. Class 7 – General Unsecured Creditor Claims*

CCFD classifies those claims listed on **Exhibit H** to the Plan as General Unsecured Claims. Retired and former employees of CCFD are included among the General Unsecured Claims. The claims of retired and former employees are comprised of two (2) components – health care rejection claims and other claims made with respect to unpaid sick and vacation time, etc.

The Holders of Allowed Claims in Class 8 shall share *pro rata* in the balance of the General Unsecured Claims Pool after full payment of the distribution to Class 8 General Unsecured Convenience Claims. The first distribution to the Holders of Allowed Class 7 Claims shall be made on or about March 1, 2016 from the balance of the General Unsecured Claims Pool after distributions are made to or reserves are created for the Holders of Allowed Class 8 General Unsecured Convenience Claims, and then the Holders of Allowed Class 7 General Unsecured Claims shall share *pro rata* with respect to quarterly distributions made each March, June, September and December through August 2020 from the General Unsecured Claims Pool, provided that the final distribution in August 2020 shall be a double distribution.

*h. Class 8 – General Unsecured Convenience Claims*

Holders of General Unsecured Claims may elect to reduce their Allowed Claims to \$5,000 (if such Allowed Claims exceed \$5,000) and receive a one-time lump sum distribution of ten percent (10%) of the amount of such Allowed Claim from the General Unsecured Claims Pool on or prior to March 15, 2016. Further, CCFD shall automatically treat any Holder of a General Unsecured Claim whose Allowed Claim is less than \$5,000 as a Holder of a General Unsecured Convenience Claim.

**C. Treatment of Executory Contracts and Unexpired Leases**

1. Rejection of Executory Contracts and Unexpired Leases

Prior to the hearing on confirmation, CCFD shall file a “Rejection Motion” if CCFD seeks to reject any additional executory contracts and unexpired leases. Any party whose executory contract or unexpired lease is rejected as the result of a Rejection Motion may have a General Unsecured Claim under Class 7 or Class 8, depending on the amount of the Claim. The Rejection Motion shall include CCFD’s recommendation as to the amount of allowance of the General Unsecured Claim which arises from the Rejection Motion, if any. The party to an executory contract or an unexpired lease that is the subject of a Rejection Motion shall have fourteen (14) days to file an objection with the Court to said Rejection Motion on any legitimate basis including, without limitation, that the party believes that the executory contract or unexpired leases should not be rejected or that the party disagrees with CCFD’s recommendation as to the amount of allowance of its General Unsecured Claim. The Court shall then schedule a hearing on each Rejection Motion to the extent that the Court determines a hearing is necessary. Parties whose executory contract or unexpired lease has already been rejected pursuant to a Court order shall file a proof of claim with the Court as to the amount of their General Unsecured Claim related to their rejected executory contract or unexpired lease

prior to the Confirmation Hearing. CCFD shall then have fourteen (14) days to file an objection with the Court to said proof of claim. The Court shall then schedule a hearing on each such objection to the extent the Court determines a hearing is necessary. If CCFD does not file an objection to a proof of claim related to a rejected executory contract or unexpired lease, the proof of claim shall be deemed allowed. All executory contracts and unexpired lease not rejected shall be deemed to be assumed by CCFD.

2. Assumed Executory Contracts and Unexpired Leases

Prior to the hearing on confirmation, CCFD shall file a schedule of all assumed executory contracts and unexpired leases with the amounts, if any, that CCFD intends to pay the parties to the assumed contracts or leases as a cure payment. Simultaneous to filing said schedule, CCFD shall file motions to approve the amounts of each such cure payment (“Cure Payment Motion”). Any party whose executory contract or unexpired lease is the subject of a Cure Payment Motion, shall have fourteen (14) days to file an objection with the Court to said Cure Payment Motion on any legitimate basis including, without limitation, that the party believes that the executory contract or unexpired should not be assumed or that the party disagrees with the amount that CCFD intends to pay as a cure payment. The Court shall then schedule a hearing on each such Cure Payment Motion to the extent that the Court determines a hearing is necessary.

Any party that believes that it has an executory contract or unexpired lease that is not the subject of a Rejection Motion or a Cure Payment Motion shall file a motion with the Court to require CCFD to assume or reject its executory contract or unexpired lease prior to the hearing on confirmation (“Motion to Require Assumption or Rejection”). CCFD shall then have fourteen (14) days to file an objection with the Court to each such Motion to Require Assumption or Rejection. The Court shall then schedule a hearing on each such Motion to Require Assumption or Rejection to the extent the Court determines a hearing is necessary.

3. Contracts and Leases Entered Into After the Petition Date

Contracts, leases and other agreements entered into after the Petition Date by CCFD, including (a) any Executory Contracts or Unexpired Leases assumed by CCFD and (b) the collective bargaining agreements identified on **Exhibits O and P** to the Plan, will be performed by CCFD in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**D. Effectiveness of the Plan**

The Plan shall become effective on the Effective Date. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

1. Condition Precedent to Confirmation

The entry of the Confirmation Order that is in form and substance satisfactory to CCFD is a condition precedent to confirmation of the Plan.

2. Conditions Precedent to Effective Date

The “effective date of the plan,” as used in section 1129, shall not occur, and the Plan shall be of no force and effect, until the Effective Date. The occurrence of the Effective Date is subject to the satisfaction or waiver of the following conditions precedent:

- **Confirmation Order.** The Confirmation Order shall have been entered, shall be in full force and effect, and shall be a Final Order (but the requirement that the Confirmation Order be a Final Order may be waived by CCFD at any time).
- **Plan Documents.** All agreements and instruments contemplated by, or to be entered into pursuant to, the Plan shall be in form and substance acceptable to CCFD; shall have been duly and validly executed and delivered. (including, but not limited to, any documents necessary to be executed on or prior to the Effective Date so as to implement the Union Settlement, the Leveillee Settlement, and the RIEMA Settlement, and the satisfaction or waiver of the conditions precedent to the Union Settlement, the Leveillee Settlement and the RIEMA Settlement), or deemed executed by the parties thereto; and all conditions to their effectiveness shall have been satisfied or waived;
- **Authorizations, Consents, Etc.** CCFD shall have received any and all authorizations, consents, or other documents that are necessary to implement the Plan and that are required by law, regulation or order; and
  - **Timing.** The Effective Date shall occur on a Business Day specified by CCFD on which the conditions set forth in Section XII(C)(1) are satisfied or waived; provided that, unless otherwise ordered by the Bankruptcy Court, the Effective Date must occur by no later than six months after the Confirmation Date.

3. Waiver of Conditions to Effective Date

CCFD may waive in whole or in part any condition to effectiveness of the Plan. Any such waiver of a condition may be effected at any time, without notice or leave or order of the Bankruptcy Court and without any formal action, other than the filing of a notice of such waiver with the Bankruptcy Court.

4. Effect of Failure of Conditions

In the event that the conditions to effectiveness of the Plan have not been timely satisfied or waived, and upon notification submitted by CCFD to the Bankruptcy Court, (a) the Confirmation Order shall be vacated, (b) no distributions under the Plan shall be made, (c) CCFD and all Holders of Claims shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred, and (d) all of CCFD’s obligations with respect to the Claims shall remain unchanged and nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against CCFD or any other entity or to prejudice in any manner the rights, remedies, or claims of CCFD or any entity in any further proceedings involving CCFD.

5. No Admission of Liability

The Plan constitutes a settlement and compromise between and among CCFD and various parties. The Plan shall not be deemed an admission or concession by any party with respect to any factual or legal contention, right, defense, or position taken by CCFD.

**E. Effect of Confirmation**

1. Discharge of CCFD

Pursuant to section 944, upon the Effective Date, CCFD shall be discharged from all debts (as defined in the Bankruptcy Code) of CCFD and any claims against CCFD other than (a) any debt specifically and expressly excepted from discharge by the Plan or the Confirmation Order, or (b) any debt owed to an entity that, before the Confirmation Date, had neither constructive notice, notice nor actual knowledge of the Chapter 9 Case. The rights afforded in the Plan and the treatment of all Holders of Claims, whether such Claims are Impaired or Unimpaired under the Plan, shall be in exchange for and in complete satisfaction, discharge and release of all Claims of any nature whatsoever arising on or before the Effective Date, known or unknown, including any interest accrued or expenses incurred thereon from and after the Petition Date, whether against CCFD or any of its properties, assets or interests in property. Except as otherwise provided herein, upon the Effective Date, all Claims against CCFD that arose prior to the Confirmation Date ("Pre-Effective Date Claims") shall be deemed to be satisfied, discharged and released in full, be they Impaired or Unimpaired under the Plan.

2. Injunction

Except as otherwise expressly provided in the Plan, all entities who have held, hold or may hold Pre-Effective Date Claims shall be permanently enjoined from and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Pre-Effective Date Claim against CCFD or its property; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree or order against CCFD or its property with respect to such Pre-Effective Date Claims; (c) creating, perfecting, or enforcing any lien or encumbrance of any kind against CCFD or its property; and (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due to CCFD with respect to any such Pre-Effective Date Claim, except as otherwise permitted by section 553.

3. Term of Existing Injunctions or Stays

All injunctions or stays provided for in the Chapter 9 Case pursuant to sections 105, 362, or 922, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

4. Rights of Action

The Plan provides that CCFD retains all of its Claims, causes of action, rights of recovery, rights of offset, recoupment rights, refunds, and similar rights after the Effective Date. Unless a Right of Action is expressly waived, relinquished, released, compromised or settled in

the Plan, CCFD expressly reserves all Rights of Action for later adjudication and, as a result, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Rights of Action upon or after the confirmation or consummation of the Plan or the Effective Date. In addition, CCFD expressly reserves the right to pursue or adopt against any other entity any claims alleged in any lawsuit in which CCFD is a plaintiff, defendant or an interested party.

Parties in interest may not rely on the absence of a reference in this Disclosure Statement or in the Plan as any indication that CCFD ultimately will not pursue any and all available claims, rights, and causes of action against them. **All parties are on notice that the Plan preserves certain of CCFD's Rights of Action, Claims, interests, and defenses. CCFD expects that any and all meritorious claims will be pursued and litigated after the Effective Date to the extent such Rights of Action remain vested in CCFD.**

5. Retention of Jurisdiction by the Bankruptcy Court

Following the Effective Date, the Bankruptcy Court shall retain and have exclusive jurisdiction over any matter arising under the Bankruptcy Code and relating to CCFD, arising in or related to the Chapter 9 Case or the Plan, and otherwise, for the following:

- a. To determine any request for specific performance against CCFD asserted under the terms of Article VII above or under any other term of the Plan asserted by any creditor.
- b. To resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which CCFD is a party or with respect to which CCFD may be liable, and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom.
- c. To enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan, and all other contracts, instruments, releases, and other agreements or documents related to this Plan.
- d. To determine any and all motions, adversary proceedings, applications, and contested or litigated matters that may be pending on the Effective Date or that, pursuant to this Plan, may be instituted by CCFD after the Effective Date or that are instituted by any Holder of a Claim before or after the Effective Date concerning any matter based upon, arising out of, or relating to the Chapter 9 Case, whether or not such action initially is filed in the Bankruptcy Court or any other court.
- e. To ensure that distributions to Holders of Allowed Claims are accomplished as provided herein.
- f. To hear and determine any objections to Claims or to proofs of claim filed, both before and after the Effective Date, including any objections to the classification of any Claim, and to allow, disallow, determine, liquidate, classify, estimate, or establish the priority of or secured or unsecured status of any Claim, in whole or in part.



g. To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed, or vacated.

h. To issue such orders in aid of execution of this Plan, to the extent authorized by section 1142(b).

i. To consider any modifications of this Plan, to cure any defects or omissions, or reconcile any inconsistencies in any order of the Bankruptcy Court, including the Confirmation Order.

j. To hear and determine all applications for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Effective Date.

k. To hear and determine all disputes or controversies arising in connection with or relating to this Plan or the Confirmation Order or the interpretation, implementation, or enforcement of this Plan or the Confirmation Order or the extent of any entity's obligations incurred in connection with or released under this Plan or the Confirmation Order.

l. To issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation or enforcement of this Plan.

m. To determine any other matters that may arise in connection with or are related to this Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document related to this Plan or the Disclosure Statement.

n. To hear any other matter or for any purpose specified in the Confirmation Order that is not in conflict with the Bankruptcy Code.

o. To enter a final decree closing the Chapter 9 Case.

## **VII. MEANS OF IMPLEMENTATION OF THE PLAN**

### **A. The Union Settlement**

CCFD shall consummate the Memorandum of Agreement on the Effective Date, substantially on the terms set forth in **Exhibit A** to the Plan.

### **B. Other Settlements**

CCFD shall consummate the Leveillee Settlement and the RIEMA Settlement on the Effective Date, substantially on the terms set forth in **Exhibits J** and **Q** to the Plan, respectively.

### **C. Procedures for Resolving Disputed Claims**

No Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) allowing such Claim. Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim. Without limiting the foregoing in any way, no partial payments and no partial Distributions will be made with respect to a disputed, contingent, or unliquidated Claim, or with respect to any Claim for which a proof of Claim has been Filed but not Allowed, until the resolution of such disputes or estimation or liquidation of such Claim by settlement or by Final Order. CCFD shall reserve a pro rata share of the Creditors' Pool for the payment of Disputed Claims until such claims are Allowed or Disallowed.

CCFD's fully preserves its right to object to, oppose, and defend against all Claims on any basis. CCFD may object to any Claims not previously Allowed by an order of the Bankruptcy Court or pursuant to the Plan prior to the Claims Objection Bar Date. Only CCFD shall have the authority to file, settle, compromise, withdraw, or litigate to judgment objections to Claims, including pursuant to any alternative dispute resolution or similar procedures approved by the Bankruptcy Court. On and after the Effective Date, CCFD may settle or compromise any Disputed Claim or any objection or controversy relating to any Claim without any further notice or any action, order or approval of the Bankruptcy Court.

To facilitate the efficient resolution of Disputed Claims, CCFD shall be permitted to file omnibus objections to Claims notwithstanding Bankruptcy Rule 3007(c).

## **VIII. VOTING REQUIREMENTS**

The Disclosure Statement Order, the notice of the Confirmation Hearing and the instructions attached to your Ballot should be read in connection with this section of this Disclosure Statement as they set forth in detail, among other things, procedures governing voting deadlines and objection deadlines.

If you have any questions about the procedure for voting your Claim, the solicitation packet of materials you received, or if you wish to obtain a paper copy of the Plan, this Disclosure Statement or any Exhibits to such documents, please contact the Ballot Tabulator Andrew S. Tugan, Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500, Providence, RI 02903. E-mail address: atugan@hinckleyallen.com.

### **A. Voting Deadline**

This Disclosure Statement and the appropriate Ballot(s) are being distributed to all holders of Claims that are entitled to vote on the Plan. In order to facilitate vote tabulation, there is a separate Ballot designated for each impaired voting Class; however, all Ballots are substantially similar in form and substance, and the term "Ballot" is used without intended reference to the Ballot of any specific Class of Claims or Interests.

**IN ACCORDANCE WITH THE DISCLOSURE STATEMENT ORDER, TO BE CONSIDERED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN, ALL**

BALLOTS MUST BE RECEIVED BY THE BALLOT TABULATOR NO LATER THAN [\_\_\_\_\_]M. (EASTERN TIME) ON [\_\_\_\_\_] , 2015. ONLY THOSE BALLOTS ACTUALLY RECEIVED BY THE BALLOT TABULATOR BEFORE THE VOTING DEADLINE WILL BE COUNTED AS EITHER ACCEPTING OR REJECTING THE PLAN. NO BALLOTS MAY BE SUBMITTED BY FACSIMILE OR ELECTRONIC MAIL, AND ANY BALLOTS SUBMITTED BY FACSIMILE OR ELECTRONIC MAIL WILL NOT BE ACCEPTED BY THE BALLOT TABULATOR.

**B. Holders of Claims Entitled to Vote**

Under section 1124, a class of claims is deemed to be "impaired" under a plan unless (1) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim entitles the holder thereof; or (2) notwithstanding any legal right to an accelerated payment of such claim, the plan (a) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy), (b) reinstates the maturity of such claim as it existed before the default, (c) compensates the holder of such claim for any damages resulting from such holder's reasonable reliance on such legal right to an accelerated payment, and (d) does not otherwise alter the legal, equitable, or contractual rights to which such claim entitles the holder of such claim.

In general, a holder of a claim may vote to accept or reject a plan if (1) the claim is "allowed," which means generally that it is not disputed, contingent, or unliquidated, and (2) the claim is impaired by a plan. However, if the holder of an impaired claim will not receive any distribution under the plan in respect of such claim, the Bankruptcy Code deems such holder to have rejected the plan and provides that the holder of such claim is not entitled to vote. If the claim is not impaired, the Bankruptcy Code conclusively presumes that the holder of such claim has accepted the plan and provides that the holder is not entitled to vote.

Except as otherwise provided in the Disclosure Statement Order, the holder of a Claim that is "impaired" under the Plan is entitled to vote to accept or reject the Plan if (1) the Plan provides a distribution in respect of such Claim, (2) the Claim has been scheduled by CCFD (and is not scheduled as disputed, contingent, or unliquidated), (3) the holder of such Claim has timely filed a proof of Claim, or (4) a proof of Claim was deemed timely filed by an order of the Bankruptcy Court prior to the Voting Deadline. AS SET FORTH IN THE NOTICE OF THE CONFIRMATION HEARING AND IN THE DISCLOSURE STATEMENT ORDER, OTHER HOLDERS OF CLAIMS MUST FILE MOTIONS TO HAVE THEIR CLAIMS TEMPORARILY ALLOWED FOR VOTING PURPOSES ON OR BEFORE [\_\_\_\_\_] , 2015.

A vote on the Plan may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e), that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Disclosure Statement Order also sets forth assumptions and procedures for tabulating Ballots that are not completed fully or correctly.

**C. Vote Required for Acceptance by a Class**

A Class of Claims shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class **that**

**have voted on the Plan** in accordance with the Disclosure Statement Order.

**D. Voting Procedures**

1. Ballots

All votes to accept or reject the Plan with respect to any Class of Claims must be cast by properly submitting the duly completed and executed form of Ballot designated for such Class. Holders of impaired Claims voting on the Plan should complete and sign the Ballot in accordance with the instructions thereon, being sure to check the appropriate box entitled "Accept the Plan" or "Reject the Plan."

ANY BALLOT RECEIVED WHICH DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN OR WHICH INDICATES BOTH ACCEPTANCE AND REJECTION OF THE PLAN WILL NOT BE COUNTED FOR PURPOSES OF DETERMINING ACCEPTANCE OR REJECTION OF THE PLAN.

ANY BALLOT RECEIVED WHICH IS NOT SIGNED OR WHICH CONTAINS INSUFFICIENT INFORMATION TO PERMIT THE IDENTIFICATION OF THE CLAIMANT WILL BE AN INVALID BALLOT AND WILL NOT BE COUNTED FOR PURPOSES OF DETERMINING ACCEPTANCE OR REJECTION OF THE PLAN.

Ballots must be delivered to the Ballot Tabulator, at its address set forth above, and received by the Voting Deadline. THE METHOD OF SUCH DELIVERY IS AT THE ELECTION AND RISK OF THE VOTER. If such delivery is by mail, it is recommended that voters use an air courier with a guaranteed next day delivery or registered mail, properly insured, with return receipt requested. In all cases, sufficient time should be allowed to ensure timely delivery. No Ballots may be submitted by facsimile or electronic mail, and any ballots submitted by facsimile or electronic mail will not be accepted by the Ballot Tabulator.

In accordance with Bankruptcy Rule 3018(c), the Ballots are based on Official Form No. 14, but have been modified to meet the particular needs of this chapter 9 case. PLEASE CAREFULLY FOLLOW THE DIRECTIONS CONTAINED ON EACH ENCLOSED BALLOT.

The Ballot enclosed with this Disclosure Statement may be encoded with the amount of the Allowed Claim for voting purposes (if the Claim is a Disputed Claim, this amount may not be the amount ultimately allowed for purposes of Distribution) and the Class into which the Claim has been placed under the Plan.

2. Withdrawal or Change of Votes on the Plan

A Ballot may be withdrawn by delivering a written notice of withdrawal to the Ballot Tabulator, so that the Ballot Tabulator receives the notice prior to the Voting Deadline. Thereafter, withdrawal may be effected only with the approval of the Bankruptcy Court.

To be valid, a notice of withdrawal must (a) specify the name of the holder who submitted the Ballot to be withdrawn, (b) contain a description of the Claim(s) to which it relates

and (c) be signed by the Holder in the same manner as on the Ballot. CCFD expressly reserves the absolute right to contest the validity of any such withdrawals of votes on the Plan.

Any Holder who has submitted a properly completed Ballot to the Ballot Tabulator prior to the Voting Deadline may change its vote by submitting to the Ballot Tabulator prior to the Voting Deadline a subsequent properly completed Ballot for acceptance or rejection of the Plan. In the case where more than one timely, properly completed Ballot is received with respect to the same Claim, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the Ballot that the Ballot Tabulator determines was the last to be received.

### 3. Voting Multiple Claims

Separate forms of Ballots are provided for voting the various Classes of Claims. A *separate* Ballot must be used for each Claim. Any Entity that holds Claims in more than one Class is required to vote separately with respect to each Claim. Please sign, and return in accordance with the instructions in this section, a separate Ballot with respect to each such Claim. However, holders of Claims are required to vote all of their Claims within a particular Class under the Plan and may not split their votes. In the event that a Ballot or a group of Ballots within a Class received from a single creditor partially rejects and partially accepts the Plan, such Ballots will *not* be accepted or counted. Ballots partially accepting and partially rejecting the Plan may be objected to by CCFD as Ballots not cast in good faith. Only Ballots with original signatures will be accepted. Ballots with copied signatures will *not* be accepted or counted.

## IX. PLAN CONFIRMATION

### A. Confirmation Hearing

The Bankruptcy Code requires the Bankruptcy Court, after notice, to conduct a Confirmation Hearing at which it will hear objections (if any) and consider evidence with respect to whether the Plan should be confirmed. At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 943(b) described below are met.

The Confirmation Hearing has been scheduled to begin on [\_\_\_\_], 2015, at [\_\_\_\_] Eastern Time before the Honorable Diane Finkle, United States Bankruptcy Judge, United States Bankruptcy Court for the State of Rhode Island, 380 Westminster Street, 6th Floor, Providence, Rhode Island 02903. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing.

### B. Deadline to Object to Confirmation

Objections, if any, to the confirmation of the Plan must: (1) be in writing; (2) state the name and address of the objecting party and the nature of the Claim of such party; (3) state with particularity the basis and nature of any objection; and (4) be filed with the Bankruptcy Court, and served on the following parties so that they are received no later than [\_\_\_\_] p.m., Eastern Time, on [\_\_\_\_], 2015:

For purposes of filing objections in these cases, the address of the Bankruptcy Court is 380 Westminster Street, 6th Floor, Providence, Rhode Island 02903. Attorneys may also file pleadings on the Bankruptcy Court's Document Filing System (ECF) by completing and submitting the Electronic Filing Registration Form, available at: <http://www.rib.uscourts.gov/?q=ecf-registration>.

### C. Requirements for Plan Confirmation

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if the Plan meets all of the requirements of section 943(b). Among the requirements for Confirmation are that the Plan (1) is accepted by the requisite holders of impaired Classes of Claims or, if not so accepted, is "fair and equitable" and does not discriminate unfairly as to the non-accepting class, (2) is in the "best interests" of each holder of a Claim and each impaired Class under the Plan, (3) is feasible, and (4) complies with the applicable provisions of the Bankruptcy Code.

#### 1. Acceptance or Cramdown

Only those holders of Claims who actually vote to accept or reject the Plan count in the tabulation. The impaired Classes must accept the Plan in order for the Plan to be confirmed without application of the "cramdown" test contained in sections 1129(b)(i), (b)(2)(A) and (b)(2)(B). The Bankruptcy Code permits the Bankruptcy Court to confirm the Plan even if all impaired classes do not accept the plan if: 1) at least one impaired Class of Claims accepts the Plan; and 2) the so-called "cramdown" provisions set forth in sections 1129(b)(1), (b)(2)(A) and (b)(2)(B) are satisfied. The Plan may be confirmed under the cramdown provisions if, in addition to satisfying the other requirements of section 943(b), the Plan is: 1) "fair and equitable;" and 2) does not discriminate unfairly with respect to each Class of Claims that is impaired under and has not accepted the Plan. CCFD believes that the Plan and the treatment of all Classes of Claims under the Plan satisfy the following requirements for nonconsensual confirmation of the Plan.

#### a. *"Fair and Equitable"*

The "fair and equitable" standard, also known as the "absolute priority rule," requires, among other things, that unless a dissenting unsecured Class of Claims receives payment in full for its Allowed Claims, no holder of Allowed Claims in any class junior to that Class may receive or retain any property on account of such Claims. The Bankruptcy Code establishes different "cramdown" tests for determining whether a plan is "fair and equitable" to dissenting impaired classes of secured creditors and unsecured creditors holders as follows:

(i) *Secured Creditors*. A plan is fair and equitable to a class of secured claims that rejects the plan if the plan provides: (A) that each of the holders of the secured claims included in the rejecting class (1) retains the liens securing its claim to the extent of the allowed amount of such claim, whether the property subject to those liens is retained by the debtor or transferred to another entity, and (2) receives on account of its secured claim deferred cash payments having a present value, as of the effective date of the plan, at least equal to such holder's interest in the estate's interest in such property; (B) that each of the holders of the secured claims included in the rejecting class realizes the

"indubitable equivalent" of its allowed secured claim; or (C) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing the claims included in the rejecting class, free and clear of such liens with such liens to attach to the proceeds of the sale, and the treatment of such liens on proceeds in accordance with clause (A) or (B) of this paragraph.

(ii) *Unsecured Creditors*. A plan is fair and equitable as to a class of unsecured claims that rejects the plan if the plan provides that: (A) each holder of a claim included in the rejecting class receives or retains under the plan, property of a value, as of the effective date of the plan, equal to the amount of its allowed claim; or (B) the holders of claims and interests that are junior to the claims of the rejecting class will not receive or retain any property under the plan.

CCFD believes the Plan is fair and equitable as to creditors holding claims in Classes 3, 4, and 5 because the Plan provides that each such creditor will receive on or as soon as reasonably practicable after the Effective Date: 1) cash in the full amount of such creditor's Allowed secured claim; and 2) its pro rata share of the distribution available to General Unsecured Creditors. CCFD also believes the Plan is fair and equitable as to the holders of unsecured claims in Classes 1, 2, and 5-9 because the Plan provides that no holder of any claim junior to these Classes will receive or retain any property under the Plan.

The Plan provides for the tax levy to increase by two percent (2%) per year during the five (5) year term of the Plan. The two percent (2%) increase is projected to have the following effect on CCFD's property owners:

- For the owner of a residential property valued at \$150,000, the tax increase would result in a payment of an additional \$8.00 - \$9.00 per year through the term of the Plan.
- For the owner of a residential property valued at \$200,000, the tax increase would result in a payment of an additional \$10.00 - \$12.00 per year through the term of the Plan.
- For the owner of a residential property valued at \$250,000, the tax increase would result in a payment of an additional \$13.00 - \$15.00 per year through the term of the Plan.

The Receiver submits that these incremental increases are fair and equitable to achieve the fiscal stability of CCFD and to ensure that residents continue to receive essential public safety services.

b. *Unfair Discrimination*

A plan of reorganization does not "discriminate unfairly" if a dissenting class is treated substantially equally with respect to other classes similarly situated, and no class receives more than it is legally entitled to receive for its claims. CCFD does not believe that the Plan discriminates unfairly against any impaired Class of Claims.

**IN THE EVENT OF REJECTION OF THE PLAN BY ONE OR MORE IMPAIRED CLASSES, CCFD RESERVES THE RIGHT TO REQUEST THE BANKRUPTCY COURT TO CONFIRM THE PLAN IN ACCORDANCE WITH SECTION 1129(b)(1), (b)(2)(A) AND (b)(2)(B),**

**CCFD HAS RESERVED THE RIGHT TO MODIFY THE PLAN TO THE EXTENT, IF ANY, THAT CONFIRMATION OF THE PLAN UNDER SECTIONS 943 AND 1129(b) REQUIRES MODIFICATION.**

c. *The “Best Interests of Creditors” Test*

Notwithstanding acceptance of the Plan by each impaired Class of Claims, the Bankruptcy Court also must determine that the Plan is in the best interests of creditors pursuant to section 943(b)(7). To satisfy this “best interests of creditors” test, CCFD must show that it is more likely than not that the Plan will leave creditors in a better position than would dismissal of the Chapter 9 Case. Because the failure of plan confirmation and dismissal of a chapter 9 debtor's bankruptcy case, in most instances, would result in a race to the courthouse that would leave many creditors with no recovery at all, the best interests of creditors test is a flexible standard that is less stringent than a test requiring that a plan be “fair and equitable.”

A chapter 9 debtor satisfies the best interests of creditors test if its plan of adjustment makes a reasonable effort to provide a recovery for creditors. The test *does not* require CCFD to increase taxes above reasonable levels to maximize creditor recoveries. Similarly, the best interest of creditors test does not prohibit a municipal debtor from retaining sufficient levels of cash and other assets that it may reasonably require to (i) provide adequate levels of services, (ii) make necessary improvements and (iii) maintain its property and continue normal operations. Although the debtor bears the burden of proving, by a preponderance of the evidence, that its plan of adjustment satisfies the best interests of creditors test, the Bankruptcy Court must limit any examination of a municipal debtor's ability to pay creditors so as to not “interfere with” the “political or governmental powers of the debtor,” the debtor's “property or revenues” or “the debtor's use or enjoyment of any income producing property,” as directed by section 904.

CCFD believes that its Plan plainly satisfies the best interest of creditors test set forth at section 943(b)(7). Confirmation of the Plan relieves CCFD of a substantial portion of its debt burden and provides CCFD with the opportunity to implement important workforce restructuring initiatives. Without this opportunity, CCFD would be forced back into the brink of liquidation. CCFD simply has insufficient revenue, absent restructuring under Chapter 9, to pay creditors and continue normal operations.

The Plan embodies CCFD's attempt to provide creditors with the highest possible recovery (relative to their rights against CCFD) while allowing CCFD to continue providing fire and rescue services to CCFD's residents. Accordingly, CCFD believes that the Plan satisfies the “best interest of creditors” test set forth at section 943(b)(7) of the Bankruptcy Code.

d. *Feasibility*

Section 943(b)(7) also requires the Plan to be feasible. To satisfy the feasibility requirement, CCFD must establish, by a preponderance of the evidence, that it can make the payments set forth in the proposed plan of adjustment while also maintaining sufficient assets to (i) provide adequate levels of municipal services, (ii) fund normal municipal operations and (iii) remain financially viable after the conclusion of the chapter 9 case and during the contemplated payment period.



To determine whether a proposed plan of adjustment satisfies the feasibility standard of section 943(b)(7), a bankruptcy court must analyze the debtor's income and expense projections. A plan of adjustment is feasible if the debtor's income and expense projections (i) are realistic, reliable and not unreasonably optimistic and (ii) the plan is workable and appears to have a reasonable prospect of success; *i.e.*, it appears reasonably probable that the debtor will be able to make the payments to creditors contemplated in the plan of adjustment while maintaining adequate levels of municipal services. As with the determination of whether a plan of adjustment satisfies the best interests of creditors test, the scope of the bankruptcy court's inquiry into the feasibility of a plan of adjustment is limited by section 904. Accordingly, the feasibility inquiry is relatively narrow. The Bankruptcy Court must simply (i) determine whether the debtor's projected revenues and expenses are reasonable and (ii) if so, decide whether the debtor will be able to make the contemplated payments while providing adequate services to residents and avoiding a recurrence of the type of financial distress that caused the debtor to commence its chapter 9 case. CCFD believes its financial projections (and the underlying assumptions) are reasonable and demonstrate a probability that CCFD will be able to satisfy its obligations under the Plan and otherwise while avoiding financial distress. Accordingly, CCFD believes that the Plan meets the feasibility requirement of section 943(b)(7) of the Bankruptcy Code.

e. *Compliance with Applicable Provisions of the Bankruptcy Code*

In addition to the foregoing, the Plan must comply with other applicable provisions of the Bankruptcy Code, as follows:

- The Plan must comply with the provisions of the Bankruptcy Code made applicable by sections 103(e) and 901 of the Bankruptcy Code (11 U.S.C. § 943(b)(1));
- The Plan must comply with the provisions of chapter 9 (11 U.S.C. § 943(b)(2));
- All amounts to be paid by CCFD or by any person for services or expenses in CCFD's chapter 9 case or incident to the Plan must be fully disclosed and must be reasonable (11 U.S.C. § 943(b)(3));
- CCFD must not be prohibited by law from taking any action necessary to carry out the Plan (11 U.S.C. § 943(b)(4));
- Except to the extent that the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan must provide that, on the Effective Date, each holder of a Claim of a kind specified in section 507(a)(2) of the Bankruptcy Code will receive on account of such Claim cash equal to the allowed amount of such Claim (11 U.S.C. § 943(b)(5));
- Any regulatory or electoral approval necessary under applicable non-bankruptcy law in order to carry out any provision of the Plan must be obtained, or such provision must be expressly conditioned upon such approval (11 U.S.C. § 943(b)(6));

- CCFD, as the proponent of the Plan, must have complied with all provisions of the Bankruptcy Code (11 U.S.C. § 1129(a)(2));
- The Plan must have been proposed in good faith and not by any means forbidden by law (11 U.S.C. § 1129(a)(3)); and
- Any governmental regulatory commission with jurisdiction, after confirmation of the Plan, over the rates of CCFD must have approved any rate change provided for in the Plan, or such rate change is expressly conditioned on such approval (11 U.S.C. § 1129(a)(6)).

2. Alternatives to Confirmation and Consummation of the Plan

The Receiver has evaluated alternatives to the Plan, including alternative structures and terms of the Plan. One such alternative which the Receiver considered, but cannot unilaterally effectuate, would be the consolidation of CCFD with one or more fire districts in the Town of Coventry. Consolidation of districts would achieve significant savings because a consolidated fire district could combine administrative functions to reduce overhead, allow sharing of specialized equipment and provide for effective staffing while reducing costs. Consolidation may be arranged only by the General Assembly and is not an alternative available to CCFD in this Chapter 9 Case. However, benefits could be achieved if legislative action resulted in consolidation.

The Plan is the best alternative available to CCFD to maximize recoveries by holders of Claims and to achieve fiscal stability for CCFD into the future. The Plan was formulated after months of difficult negotiations among numerous creditor constituencies. There can be no assurance that CCFD could formulate and propose an acceptable alternative plan of adjustment. If no plan of adjustment can be confirmed, the Bankruptcy Court may dismiss the Chapter 9 Case, in which event multi-party, multifaceted litigation likely would ensue, as Holders of Claims compete for the limited resources available to pay those Claims. Confirmation and consummation of the Plan is preferable to the alternatives described above.

**X. REVENUE ADJUSTMENTS AND TAXATION**

As part of its restructuring effort, CCFD seeks to increase tax revenues by implementing increases of two percent (2%) per annum to the annual tax levy for five consecutive years. The tax increases will enable CCFD to meet its budgetary demands and continue to provide high quality services to its residents. In addition, CCFD intends to participate in the Refund Offset Program offered by the Division of Taxation pursuant to which CCFD may recover unpaid taxes from state income tax refunds otherwise owing to residents.

Under the Fiscal Stability Act, the Receiver has the authority to effectuate tax levies, and the Receiver will effectuate the tax levy for each year during which the receivership remains in place. The Fiscal Stability Act does not give the AFO the power to effectuate tax levies, and therefore it would be incumbent upon the taxpayers of CCFD to effectuate the tax levies pursuant to the terms of CCFD Charter after the Department of Revenue terminates the receivership. In the past, CCFD's taxpayers refused to effectuate levies to provide sufficient

funding for CCFD's operations.

To address the uncertainty of whether CCFD's taxpayers would effectuate sufficient tax levies to support the funding levels required for the Plan, the Receiver believes that the best way to address the issue is for the General Assembly to pass legislation that would address: (a) tax levying authority after the receivership is terminated but before the completion of the Plan term, to ensure that the Plan has sufficient funding each year to achieve compliance with the terms thereof, (b) matters of CCFD's governance to ensure compliance with the terms of the Plan, and (c) other contingencies which may arise in the event other fire districts within the Town of Coventry cease operations.

Specifically, the proposed legislation would amend the CCFD Charter to provide that both the Receiver and an AFO engaged subsequent to the termination of the receivership would have the authority to effectuate tax levies during a restructuring period that is subject to the jurisdiction of the Bankruptcy Court. The proposed legislation would also provide that the Board of Directors of CCFD would be advisory to the AFO during the restructuring term (as the Board of Directors is advisory to the receiver when the receivership is in effect), and in such capacity, the Board would have no authority to act on behalf of CCFD. Given that CCFD anticipates that the receivership will remain in effect through April 30, 2016, the opportunity exists for the legislation to be considered and enacted by the General Assembly during its 2016 session.

The Plan further provides for attestation forms to be completed to certify compliance with the terms of the Plan for the period after the Receiver is terminated. CCFD's elected board of directors and the AFO would be responsible for completing the attestation forms and submitting them to the Bankruptcy Court. The attestation forms would not be required during any period when the Receiver remains in place.

Within thirty (30) days after the Board enacts a budget or an amended budget, each person acting with the powers of an elected official (the Chair and each representative of the Board designated to act, referred to herein as the "Designated Representatives") shall be required to sign an "Annual Attestation Form," in the form set forth as **Exhibit K** annexed to the Plan, attesting under oath, that to the best of his or her knowledge and belief, the budget is in Material Conformity with the terms of the Six-Year Financial Projection. To the extent the budget is not in Material Conformity with the Six-Year Financial Projection, such Annual Attestation Form shall identify the specific line items in the budget that are not in Material Conformity with the Six-Year Financial Projection. "Material Conformity" shall mean that the budget is consistent with the Six-Year Financial Projection and/or that any increase in expenditures in any line item is offset by increases in revenues based upon additional revenues and/or decreases in expenditures. Any assumptions regarding any such additional revenues and/or decreases in expenditures must be reasonable. Each Annual Attestation Form shall be electronically filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within forty-five (45) days after the Board enacts a budget or an amended budget, the

AFO shall file an "Annual Administrative and Finance Officer Statement" in the form set forth as **Exhibit L** annexed to the Plan stating that he or she agrees or disagrees with the attestations of the Designated Representative. If the AFO disagrees with the attestations of the Designated Representative, he or she shall explain why. Each Annual Administrative and Finance Officer Statement shall be filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within thirty (30) days after the end of each fiscal quarter, the Designated Representatives shall be required to sign a "Quarterly Attestation Form" in the form set forth as **Exhibit M** annexed to the Plan, stating under oath whether or not actual performance by CCFD during the prior quarter and year-to-date remains in Material Conformity with the terms of the Six-Year Financial Projection. To the extent that the Designated Representatives state that actual performance by CCFD during the prior quarter and year-to-date does not remain in Material Conformity with the terms of the Six-Year Financial Projection, the Designated Representatives shall identify the specific line items that do not remain in Material Conformity with the Six-Year Financial Projection. Each Quarterly Attestation Form shall be electronically filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within forty-five (45) days after the end of each fiscal quarter, the AFO shall file a "Quarterly Administrative and Finance Officer Statement" in the form set forth as **Exhibit N** annexed to the Plan stating that he or she agrees or disagrees with the attestations of the Designated Representative. If the AFO disagrees with the attestations of the Designated Representatives, he or she shall explain why. Each Quarterly Administrative and Finance Officer Statement shall be filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

## **XI. PROJECTED FINANCIAL INFORMATION**

Attached to this Disclosure Statement as Exhibit 3 are certain financial documents (together, the "Projections"), which provide details regarding CCFD's projected operations under the Plan, subject to the assumptions set forth below.

THE PROJECTIONS WERE NOT PREPARED TO COMPLY WITH THE GUIDELINES FOR PROSPECTIVE FINANCIAL STATEMENTS PUBLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, THE FINANCIAL ACCOUNTING STANDARDS BOARD, THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD OR THE RULES AND REGULATIONS OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. CCFD'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM HAS NEITHER COMPILED NOR EXAMINED THE ACCOMPANYING PROJECTIONS AND, ACCORDINGLY, DOES NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT TO THE PROJECTIONS, ASSUMES NO RESPONSIBILITY FOR THE PROJECTIONS AND DISCLAIMS ANY ASSOCIATION WITH THE PROJECTIONS. EXCEPT FOR PURPOSES

OF THIS DISCLOSURE STATEMENT, CCFD DOES NOT PUBLISH PROJECTIONS OF ITS ANTICIPATED FINANCIAL POSITION. CCFD DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THESE PROJECTIONS TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THE DATE OF THIS DISCLOSURE STATEMENT OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

ALTHOUGH PRESENTED WITH NUMERICAL SPECIFICITY, THE PROJECTIONS ARE BASED UPON A VARIETY OF ESTIMATES AND ASSUMPTIONS THAT CCFD BELIEVES ARE REASONABLE (WHICH ASSUMPTIONS ARE DESCRIBED IN FURTHER DETAIL IMMEDIATELY BELOW). THE ESTIMATES AND ASSUMPTIONS MAY NOT BE REALIZED, HOWEVER, AND ARE INHERENTLY SUBJECT TO SIGNIFICANT ECONOMIC UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND CCFD'S CONTROL. NO REPRESENTATIONS CAN BE OR ARE MADE AS TO WHETHER THE ACTUAL RESULTS WILL BE WITHIN THE RANGE SET FORTH IN THE PROJECTIONS. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE, AND EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE PROJECTIONS WERE PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED, OR MAY BE UNANTICIPATED, AND THEREFORE MAY AFFECT FINANCIAL RESULTS IN A MATERIAL AND POSSIBLY ADVERSE MANNER. THE PROJECTIONS, THEREFORE, MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR.

#### **A. Assumptions**

The Projections were prepared by CCFD with the assistance of its professionals to present the anticipated impact of the Plan. The Projections all assume that the Plan will be confirmed before and implemented on the Effective Date in accordance with its stated terms. In addition, the Projections and the Plan are premised upon other assumptions, including the anticipated future performance of CCFD, general economic and business conditions, no material changes in the laws and regulations applicable to the operation of CCFD, and other matters largely or completely outside of CCFD's control.

It is important to note that one of the principal reasons why CCFD is currently in bankruptcy is due to significant prior financial mismanagement, including a failure to keep adequate financial records. Examples include:

- Failure to prepare audited financial statements for FY 2011 to present;
- Failure to maintain a list of CCFD's assets;
- Failure to remit employees withholdings to ERSRI and others.

Each of the Projections should be read in conjunction with the significant assumptions, qualifications, and notes set forth in the Disclosure Statement, the Plan, the Projections themselves, the historical financial information for CCFD contained or referenced herein, and other information submitted to the Bankruptcy Court during the course of CCFD's chapter 9 case.

1. Revenue Assumptions

- *Property Tax* – Property tax revenues increase over the period of the Projections due to two percent (2%) increases in tax rates each year for five years.
- *Rescue Run Recovery* – CCFD anticipates that the reimbursement rates for rescue runs will increase by approximately two percent (2%) per year. Specifically, CCFD employees shall optimize the manner in which rescue services are categorized and subsequently billed to third party insurers.
- *Fire Marshal Inspections* – CCFD assumes that it will receive \$8,500 gross revenue each year for plan review and \$8,500 gross revenue each year for inspections.

2. Expense Assumptions

- *Salaries and Wages*. The Projections assume that Union salaries, including overtime, will be consistent with the terms of the collective bargaining agreements negotiated as part of the Union Settlement.
- *New equipment*. CCFD anticipates the procurement of two (2) rescue vehicles in FY 2016, a fire truck in FY 2017, and a fire truck in FY 2019. Such procurements are necessary because CCFD needs to update its aging fleet so that it may continue to effectively provide services to its residents.

## **XII. CERTAIN RISK FACTORS TO BE CONSIDERED**

The implementation of the Plan is subject to a number of material risks. Prior to voting on the Plan, each party entitled to vote should consider these risks carefully and review carefully as all of the information contained in this Disclosure Statement, including the Exhibits hereto. Occurrence of any of these risks could seriously impact CCFD's financial condition and operations. In addition to the risks set forth below, risks and uncertainties not presently known to CCFD, or risks that CCFD currently considers immaterial, may also impair CCFD's financial condition and operations.

### **A. Non-Confirmation of the Plan**

Even if all impaired Classes accept or could be deemed to have accepted the Plan, the Bankruptcy Court may not confirm the Plan. As set forth above, section 943(b) identifies the requirements for plan Confirmation. Although CCFD believes that the Plan will meet all applicable requirements, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

### **B. Nonconsensual Confirmation**

As described above, pursuant to the “cramdown” provisions of section 1129(b), the Bankruptcy Court can confirm the Plan at CCFD's request if at least one impaired Class has accepted the Plan and, as to each impaired Class that has not accepted the Plan, the Bankruptcy

Court determines that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to such impaired Class. CCFD reserves the right to modify the terms of the Plan as necessary for Confirmation without the acceptance of all impaired Classes. Such modification could result in less favorable treatment for any non-accepting Classes than the treatment currently provided for in the Plan.

**C. Conditions to Effectiveness of the Plan**

Article XII of the Plan provides for certain conditions that must be satisfied (or waived) prior to the Effective Date. Many of the conditions are outside of the control of CCFD. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions to effectiveness of the Plan will be satisfied (or waived). Accordingly, even if the Bankruptcy Court confirms the Plan, there can be no assurance that the Plan will be consummated and the adjustment of CCFD's debts completed. See Section VI.D of this Disclosure Statement for a description of the conditions to the effectiveness of the Plan.

**D. Inability to Raise Tax Revenue**

Consistent with the position of the Department of Revenue, CCFD maintains that the Receiver has the authority during the pendency of the Receivership to effectuate tax levies for CCFD without first seeking and obtaining approval from CCFD's voters. CCFD relies on its statements in Section I.B, *infra*, regarding the provisions of the Fiscal Stability Act.

Notwithstanding the foregoing, no representation can be made as to the viability of the Plan in the event a court of competent jurisdiction determines the Receiver does not have authority under the Fiscal Stability Act to levy taxes. Further, the Projections assume increases in property taxes each year for the five (5) year term of the Plan. Even if the Court confirms the Plan, CCFD cannot guarantee that the duly qualified voters will approve tax levies in amounts as contemplated by the Plan. If voters do not approve these tax levies, then CCFD's expenses would, in all likelihood, exceed its revenues, jeopardizing CCFD's ability to fulfill its obligations under the Plan.

After the Department of Revenue terminates the receivership, the right to levy taxes would revert to CCFD's voters, absent a change in the current law that would give the AFO the power to levy taxes (See discussion in section I.B.2 *infra*).

**E. Recovery of Grant Funds**

CCFD has received numerous grants from and/or through federal and state governmental entities over the past several years for which CCFD has few or no documentary records. Although no governmental entity has sought, or obtained an order of repayment of any such monies due to CCFD's alleged failure to use such grants properly, such an order would create expenses unanticipated in the Projections.

**F. Failure to Achieve Projected Financial Performance**

The Projections are dependent upon the successful implementation of CCFD's budget and the reliability of other estimates and assumptions accompanying the Projections. The Projections

are based on estimates and assumptions relating to CCFD's projected revenues and expenditures and prevailing economic conditions. In addition, the Projections assume that the Plan will be confirmed in accordance with its terms. However, these estimates and assumptions may not be realized and are inherently subject to significant economic uncertainties and contingencies, many of which are beyond CCFD's control. No representations can be or are made as to whether the actual results will be within the range set forth in the Projections. Some assumptions inevitably will not materialize, and events and circumstances occurring subsequent to the date on which the Projections were prepared may be different from those assumed or may be unanticipated and, therefore, may affect financial results in a material and possibly adverse manner. The Projections, therefore, may not be relied upon as a guarantee or other assurance of the actual results that will occur.

**G. Unforeseen Financial Circumstances Affecting CCFD's Future Financial Performance**

The Plan and the Projections underlying the Plan are based on certain assumptions about CCFD's future financial performance. Unforeseen events and circumstances may occur that affect CCFD's future financial performance, resulting in those assumptions proving inaccurate and CCFD being unable to fulfill its obligations under the Plan. No guarantee can be made as to CCFD's future financial performance due to a variety of unforeseeable circumstances that may affect such performance.

**H. Failure of Neighboring Fire District**

It has been widely reported in the media that the adjoining Coventry Fire District is in imminent danger of failure. Since the Plan does not envision resources to provide fire and rescue services to the Coventry Fire District, the District would not be able to provide such services indefinitely. One way to address this issue would be for the General Assembly to enact legislation that would provide for the restructuring and/or liquidation of the Coventry Fire District and its consolidation into one of the other fire districts within the Town of Coventry. In the event the Coventry Fire District were to fail before the General Assembly passes such legislation, it would be necessary for the Town of Coventry to provide such for fire and rescue services in the Coventry Fire District to mitigate the effect that the closure of the Coventry Fire District would have on CCFD's Plan. The Department of Revenue will not intervene under the Fiscal Stability Act as it is the position of the Department of Revenue that municipalities have a responsibility to provide basic services to their residents, including fire and rescue services. Given the position of the Department of Revenue, the Town of Coventry would be responsible for providing fire and rescue services for its residents.

**I. CCFD Has No Duty to Update**

The statements contained in this Disclosure Statement are made by CCFD as of September 18, 2015, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. CCFD bears no responsibility to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.



**J. No Representations Outside This Disclosure Statement Are Authorized**

No representations concerning or related to CCFD, the Chapter 9 Case or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement and any other Plan solicitation materials that accompany this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement should be relied upon by you at your own risk in arriving at your decision.

**K. Nature and Amount of Allowed Claims**

CCFD's review of Claims is in ongoing and, accordingly, the ultimate amount of Allowed Claims against CCFD is unknown. If the amount of Allowed Claims is higher than expected or predicted, recoveries for Holders of Claims in certain Classes may be negatively impacted.

**XIII. FEDERAL INCOME TAX CONSEQUENCES  
OF CONSUMMATION OF THE PLAN**

**A. Circular 230 Disclosure**

TO ENSURE COMPLIANCE WITH INTERNAL REVENUE SERVICE CIRCULAR 230, EACH HOLDER OF A CLAIM IS HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY HOLDER OF A CLAIM FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "IRC"); (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE CONFIRMATION OF THE PLAN TO WHICH THE TRANSACTIONS DESCRIBED IN THIS DISCLOSURE STATEMENT ARE ANCILLARY; AND (C) ANY HOLDER OF A CLAIM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

A DESCRIPTION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO HOLDERS OF CERTAIN CLAIMS IS PROVIDED BELOW. THE DESCRIPTION IS BASED ON THE IRC, TREASURY REGULATIONS, JUDICIAL DECISIONS AND ADMINISTRATIVE DETERMINATIONS, ALL AS IN EFFECT ON THE DATE OF THIS DISCLOSURE STATEMENT AND ALL SUBJECT TO CHANGE, POSSIBLY WITH RETROACTIVE EFFECT. CHANGES IN ANY OF THESE AUTHORITIES OR IN THEIR INTERPRETATION COULD CAUSE THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO DIFFER MATERIALLY FROM THE CONSEQUENCES DESCRIBED BELOW.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. NO RULING HAS BEEN REQUESTED FROM THE INTERNAL REVENUE SERVICE (THE "IRS"); NO OPINION HAS BEEN REQUESTED FROM CCFD'S COUNSEL CONCERNING ANY TAX CONSEQUENCE OF THE PLAN; AND NO TAX OPINION IS GIVEN BY THIS DISCLOSURE STATEMENT.

THE DESCRIPTION THAT FOLLOWS DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO HOLDERS OF CLAIMS. FOR EXAMPLE, THE DESCRIPTION DOES NOT ADDRESS ISSUES OF SPECIAL CONCERN TO CERTAIN TYPES OF TAXPAYERS, SUCH AS DEALERS IN SECURITIES, FINANCIAL INSTITUTIONS, INSURANCE COMPANIES, PASS-THROUGH ENTITIES AND INVESTORS THEREIN, TAX-EXEMPT ORGANIZATIONS, PERSONS SUBJECT TO THE ALTERNATIVE MINIMUM TAX AND NON-U.S. TAXPAYERS. IN ADDITION, THE DESCRIPTION DOES NOT DISCUSS STATE, LOCAL OR NON-U.S. INCOME OR OTHER TAX CONSEQUENCES (INCLUDING ESTATE OR GIFT TAX CONSEQUENCES).

FOR THESE REASONS, THE DESCRIPTION THAT FOLLOWS IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND PROFESSIONAL TAX ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM. HOLDERS OF CLAIMS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

The federal income tax consequences of the Plan to a Holder of a Claim will depend, in part, on the nature of the Claim, what type of consideration was received in exchange for the Claim, whether the Holder reports income on the accrual or cash basis, whether the Holder has taken a bad debt deduction or worthless security deduction with respect to the Claim and whether the Holder receives Distributions under the Plan in more than one taxable year.

Holders of Claims are urged to consult their tax advisors regarding the applicability of the above rules to any Distributions they may receive pursuant to the Plan.

**B. Certain Other Tax Considerations for Holders of Claims**

1. Accrued but Unpaid Interest

In general, a Claim Holder that was not previously required to include in taxable income any accrued but unpaid interest on a Claim may be required to take such amount into income as taxable interest for U.S. federal income tax purposes upon receipt of a Distribution with respect to such interest. A Claim Holder that was previously required to include in taxable income any accrued but unpaid interest on the Claim may be entitled to recognize a deductible loss to the extent that such interest is not satisfied under the Plan. The Plan provides that, to the extent applicable, all Distributions to a Holder of an Allowed Claim will apply first to the principal amount of such Claim until such principal amount is paid in full and then to any applicable accrued interest included in such Claim to the extent that interest is payable under the Plan. There is no assurance, however, that the IRS will respect this treatment and will not determine that all or a portion of amounts distributed to such Holder and attributable to principal under the Plan is properly allocable to interest. Each Holder of a Claim on which interest has accrued is urged to consult its tax advisor regarding the tax treatment of Distributions under the Plan and the deductibility of any accrued but unpaid interest for U.S. federal income tax purposes.

2. Post-Effective Date Distributions

Holders of Claims may receive Distributions of Cash or property subsequent to the Effective Date. The imputed interest provisions of the IRC may apply to treat a portion of any post-Effective Date distribution as imputed interest for U.S. federal income tax purposes. Imputed interest may, with respect to certain Holders, accrue over time using the constant interest method, in which event the Holder may, under some circumstances, be required to include imputed interest in income prior to receipt of a Distribution.

In addition, because additional Distributions may be made to Holders of Claims after the initial Distribution, any loss and a portion of any gain realized by a Holder may be deferred until the Holder has received its final Distribution. All Holders are urged to consult their tax advisors regarding the possible application of, or ability to elect out of, the "installment method" of reporting gain that may be recognized in respect of a Claim.

3. Bad Debt and/or Worthless Securities Deduction

A Holder who, under the Plan, receives in respect of an Allowed Claim an amount less than the Holder's tax basis in the Allowed Claim may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under section 166(a) of the IRC or a worthless securities deduction under section 165(g) of the IRC. The rules governing the character, timing, and amount of bad debt or worthless securities deductions place considerable emphasis on the facts and circumstances of the Holder, the obligor and the instrument with respect to which a deduction is claimed. Holders of Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

4. Information Reporting and Backup Withholding

All Distributions under the Plan will be subject to applicable U.S. federal income tax reporting and withholding. The IRC imposes "backup withholding" (currently at a rate of 28%) on certain "reportable" payments to certain taxpayers, including payments of interest. Under the IRC's backup withholding rules, a Holder of a Claim may be subject to backup withholding with respect to Distributions or payments made pursuant to the Plan, unless the Holder (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (b) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional federal income tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of income tax. A Holder of a Claim may be required to establish an exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

5. Importance of Obtaining Professional Tax Assistance

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT

A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX OR LEGAL ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

#### **XIV. ADDITIONAL INFORMATION**

Any statements in this Disclosure Statement concerning the provisions of any document are not necessarily complete, and in each instance reference is made to such document for the full text thereof. Certain documents described or referred to in this Disclosure Statement have not been attached as Exhibits because of the impracticability of furnishing copies of these documents to all recipients of this Disclosure Statement. Copies of all Exhibits to the Plan also may be obtained, free of charge, by contacting the Ballot Tabulator: Andrew S. Tugan, Hinckley, Allen & Snyder LLP, 100 Westminster Street, Suite 1500, Providence, RI 02903. E-mail address: atugan@hinckleyallen.com. All parties entitled to vote on the Plan are encouraged to obtain and review all Exhibits to the Plan prior to casting their vote

#### **XV. RECOMMENDATION AND CONCLUSION**

CCFD believes that the Confirmation and consummation of the Plan is in the best interest of CCFD's creditors and residents. Consequently, CCFD urges all parties entitled to vote to accept the Plan and to evidence their acceptance by duly completing and returning their Ballots so that they will be received on or before the Voting Deadline.

DATED: September 18, 2015

CENTRAL COVENTRY FIRE DISTRICT

By: /s/ Mark A. Pfeiffer  
as and only as Receiver of the Central  
Coventry Fire District, and not  
individually

Submitted by:

CENTRAL COVENTRY FIRE DISTRICT

/s/ Robert G. Flanders, Jr.  
Robert G. Flanders, Jr. (# 1785)  
Jennifer V. Doran (# 6553)  
Andrew S. Tugan (# 9117)  
Hinckley, Allen & Snyder LLP  
100 Westminster Street, Suite 1500  
Providence, Rhode Island 02903  
Telephone: (401) 274-2000  
Facsimile: (401) 277-9600  
Email Address: [rflanders@hinckleyallen.com](mailto:rflanders@hinckleyallen.com)

**EXHIBITS TO DISCLOSURE STATEMENT WITH RESPECT TO THE PLAN FOR THE  
ADJUSTMENT OF DEBTS OF CENTRAL COVENTRY FIRE DISTRICT**

- Exhibit 1 Plan of Debt Adjustment with Exhibits
- Exhibit 2 CCFD Charter
- Exhibit 3 Five Year Financial Projection
- Exhibit 4 Affidavit of Lawrence Sprague
- Exhibit 5 Affidavit of Joseph Andriole
- Exhibit 6 Affidavit of David Gorman
- Exhibit 7 CCFD By-Laws
- Exhibit 8 October 3, 2011 CCFD Annual Meeting Minutes
- Exhibit 9 List of Capital Assets

PROVISIONAL

# EXHIBIT 1

**SEE EXHIBIT E TO  
THE MOTION TO DISMISS,  
FILED HEREWITH**



# EXHIBIT 2

State of Rhode Island and Providence Plantations

Office of the Secretary of State / State Archives Division

A. Ralph Mollis

Secretary of State



Annexed is a true copy of an original document held in the custody of the Rhode Island State Archives

C#00210 – Public Law, 2006 Chapter 492

2006 H - 8285

AN ACT IN AMENDMENT OF THE INCORPORATION OF THE CENTRAL COVENTRY FIRE DISTRICT IN FURTHERANCE OF THE "CONSOLIDATION PLAN" OF THE CENTRAL COVENTRY FIRE DISTRICT, THE WASHINGTON LIGHTING DISTRICT, THE HARRIS FIRE & LIGHTING DISTRICT AND THE TIOGUE FIRE DISTRICT, AS APPROVED BY THE QUALIFIED VOTERS OF SAID DISTRICTS, AT DULY CALLED MEETINGS HELD ON MARCH 28, 2006

\*\*\*\*\*  
\*\*\*\*\*

State Archives Division

RI State Archives

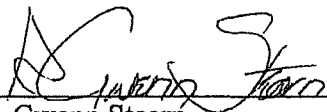
Public Records Administration

State Records Center

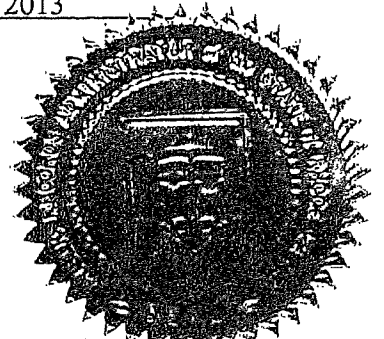
Local Government Records Program

Administrative Records (Rules and Regulations)

Administrative Offices:  
State House, Room 217,  
Providence, RI 02903  
Phone: 401-222-2357  
Fax: 401-222-1356  
www.sos.ri.gov

  
\_\_\_\_\_  
R. Gwenn Stearn  
State Archivist &  
Public Records Administrator

May 3, 2013



**PUBLIC LAWS  
CHAPTER**

**06-492**

**JT COMM. LEGISLATIVE SERVICES  
LAW REVISION OFFICE**

2006 -- H 8285

LC03514

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2006**

**A N A C T**

IN AMENDMENT OF THE INCORPORATION OF THE CENTRAL COVENTRY FIRE DISTRICT IN FURTHERANCE OF THE "CONSOLIDATION PLAN" OF THE CENTRAL COVENTRY FIRE DISTRICT, THE WASHINGTON LIGHTING DISTRICT, THE HARRIS FIRE & LIGHTING DISTRICT AND THE TIOGUE FIRE DISTRICT, AS APPROVED BY THE QUALIFIED VOTERS OF SAID DISTRICTS, AT DULY CALLED MEETINGS HELD ON MARCH 28, 2006

Introduced By: Representatives Landroche, Gorham, Moffitt, Williamson, and Sullivan

Date Introduced: June 21, 2006

Referred To: House Finance

It is enacted by the General Assembly as follows:

- 1 Section 1. BOUNDARIES OF CONSOLIDATED DISTRICT
- 2 All that part of the town of Coventry lying and being within the following lines and
- 3 bounds: Beginning at a point on the Coventry-West Greenwich town line six hundred (600) feet
- 4 easterly from the intersection of said town line with Weaver Hill road, so called; thence
- 5 continuing in a general northerly direction in a line which is at all times six hundred (600) feet
- 6 from and parallel with said Weaver Hill road to Harkney Hill road, so called; thence continuing
- 7 in a general northerly direction in a line which at all times is six hundred (600) feet from and
- 8 parallel with an old highway (formerly known as the Williams Crossing road) which leads from
- 9 the intersection of said Weaver Hill road and said Harkney Hill road to Rhode Island state
- 10 highway route 117 to a point six hundred (600) feet southerly from said route 117; thence turning
- 11 and running in general northeasterly and easterly direction in a line which at all times is six

2006 --

LC03514

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2006**

**A N A C T**

IN AMENDMENT OF THE INCORPORATION OF THE CENTRAL COVENTRY FIRE DISTRICT IN FURTHERANCE OF THE "CONSOLIDATION PLAN" OF THE CENTRAL COVENTRY FIRE DISTRICT, THE WASHINGTON LIGHTING DISTRICT, THE HARRIS FIRE & LIGHTING DISTRICT AND THE TIOGUE FIRE DISTRICT, AS APPROVED BY THE QUALIFIED VOTERS OF SAID DISTRICTS, AT DULY CALLED MEETINGS HELD ON MARCH 28, 2006

Introduced By:

Date Introduced:

Referred To:

It is enacted by the General Assembly as follows:

1 Section 1. BOUNDARIES OF CONSOLIDATED DISTRICT

2 All that part of the town of Coventry lying and being within the following lines and  
3 bounds: Beginning at a point on the Coventry-West Greenwich town line six hundred (600) feet  
4 easterly from the intersection of said town line with Weaver Hill road, so called; thence  
5 continuing in a general northerly direction in a line which is at all times six hundred (600) feet  
6 from and paralled with said Weaver Hill road to Harkney Hill road, so called; thence continuing  
7 in a general northerly direction in a line which at all times is six hundred (600) feet from and  
8 parallel with an old highway (formerly known as the Williams Crossing road) which leads from  
9 the intersection of said Weaver Hill road and said Harkney Hill road to Rhode Island state  
10 highway route 117 to a point six hundred (600) feet southerly from said route 117; thence turning  
11 and running in general northeasterly and easterly direction in a line which at all times is six

1 called which point is 900 feet more or less, easterly from the Potterville or Maple Valley school  
2 so called thence continuing in a general northerly direction in a line which at all times is six  
3 hundred (600) feet easterly from and parallel with the Nipmuc trail so called, to the Scituate-  
4 Coventry town line; (the above line is the eastern boundary of the Western Coventry fire district  
5 and was taken from their act of incorporation of 1942), thence turning and running easterly on  
6 said Scituate-Coventry town line to the northwest corner of lot 116 on AP-30 of the town of  
7 Coventry records; thence turning and running southerly on a line 300 feet east of and parallel to  
8 the east line of Read School House road until it comes to the intersection of said Read School  
9 House road with said Rhode Island state highway 117; thence crossing said route 117 and  
10 continuing in a straight line to the north end of the dam on Flat River reservoir thence running  
11 across said dam to the south end of said dam; thence running southerly in a straight line to a point  
12 on Rhode Island state highway, route 3, three hundred feet west of the intersection of Airport road  
13 with said route 3; thence continuing southerly in a straight line to the intersection of Mishnock  
14 river with the West Greenwich-Coventry town line; thence turning and running westerly along  
15 said town line to the point of beginning.

16 In addition, all those parts of the Town of Coventry within the following boundaries of  
17 the entities known as the Harris Fire & Lighting District and the Tiogue Fire District, and the  
18 Washington Lighting District, all as further described as follows:

19 And, all that land beginning at a stone bound in the dividing line between the Towns of  
20 Coventry and West Warwick, on the south side of the Woodside Avenue (said point being the  
21 northeast corner of the Coventry fire district); thence running northerly on said town line to the  
22 Cranston city line; thence turning and running westerly along the dividing line of the Town of  
23 Coventry and the City of Cranston and continuing westerly along the dividing line of the Town of  
24 Coventry and Scituate to the old New York, New Haven and Hartford Railroad right-of-way;  
25 thence turning and running in a southerly and easterly direction along said railroad to a point 250  
26 feet west of the west line of Hill Street; thence running southerly on a line 250 feet west of and  
27 parallel to the west side of said Hill Street until it comes to a point on the south line of lot 367 on  
28 Coventry assessors plat 2, 250 feet west of the west line of said Hill Street; thence southerly in a  
29 straight line to the northeast corner of lot 369 assessors nlat 2. thence southerly on the east line of

1 north line of said lot 268 to the west side of Blackrock Road; thence turning and running  
2 southerly along the west side of said Blackrock Road to the so-called black rock; thence turning  
3 and running in a northeasterly direction to the southwest corner of Greenwood Cemetery; thence  
4 turning and running easterly along the southerly line of said Greenwood Cemetery to Fairview  
5 Avenue; thence turning and running northeasterly to a point on said Fairview Avenue opposite  
6 the south side of said Woodside Avenue; thence turning and running easterly along the south side  
7 of said Woodside Avenue to the place of beginning, all such land formerly known as the Harris  
8 Fire and Lighting District.

9 And, all that land beginning at a point in the boundary line between the Towns of  
10 Coventry and West Warwick, 800 feet south of the southerly line of Tiogue Avenue (Route 3  
11 state highway); thence turning and running westerly, bounded northerly by the Coventry fire  
12 district, to the southeast corner of land now or formerly of George E. and Olive T. Bockstael,  
13 (shown on assessors plat 7, lot 420 of the Town of Coventry records); thence turning and running  
14 in a northwesterly direction to the Gate House at the outlet of Tiogue Reservoir, and continuing  
15 along the westerly and southerly banks of the Pawtuxet River, until it comes to the eastern  
16 boundary line of the Washington lighting district; thence turning and running southerly, bounded  
17 westerly by said Washington lighting district, until it comes to the intersection of the center line  
18 of Route 3, state highway and the west line of Arnold Road (Arnold Road is referred to in the  
19 Washington lighting district charter as Balm of Gilead Road); thence turning and running  
20 westerly, bounded northerly by said Washington lighting district, along the center line of Route 3,  
21 until it comes to a point 100 feet east of the northeast corner of land now or formerly of Douglas  
22 Jackson; thence turning and running in a southerly direction in a direct line to the northwest  
23 corner of Tiogue Twin Lakes no. 2 plat; thence running to the southeast corner of Lake George  
24 Plat; thence following along the eastern boundaries of properties now or formerly of Jerry  
25 Johnson, et ux, Linwood Lace Works and William J. Beattie; thence in a direct line to a stone  
26 bound in the boundary line between the Towns of Coventry and West Greenwich, this being the  
27 northwest corner of the Town of East Greenwich; thence turning and running easterly on said  
28 town line, bounded southerly by the Town of East Greenwich, until it comes to a point 300 feet  
29 east of the southeasterly line of the New London Turnpike; thence turning and running in a

1           And all that land beginning at the northeast abutment of the railroad bridge, called the  
2 Knotty Oak Bridge, and running northerly to the southeast corner of the Rathbun Cemetery and  
3 continuing in the same straight line until it comes to the seven and ten line, so called, thence  
4 turning and running westerly following the seven and ten line until it comes to a point 500 feet  
5 east of the east line of Station Street; thence turning and running northerly on a line 500 feet east  
6 of and parallel to the east line of Station Street; thence turning and running northerly on a line 500  
7 feet east of and parallel to the east line of Station Street, until it comes to a point at the southwest  
8 corner of lot 4 as depicted on the Town of Coventry 1972 Assessor's Plat 21, said point being on  
9 the southerly line of Record Lot 8 (AP 69, Lot 49) as shown on that plat entitled  
10 "SUBDIVISION PLAN OF HIGHWOOD SECTION NO. 4 SITUATED IN COVENTRY, R.I.  
11 SCALE: 1" = 50' MAY 31, 1978," which is recorded in the Town of Coventry Land Evidence  
12 Plat Book 7 at Page 22; thence westerly, bounded northerly by a portion of Record Lot 8 (AP 69,  
13 Lot 49) and Record Lot 6 (AP 69, Lot 48) as shown on said plat, to a point at the southwesterly  
14 corner of Record Lot 4 (AP 69, Lot 47) as shown on said plat; thence northwesterly, bounded  
15 northeasterly by Record Lot 4 (AP 69, Lot 47) as shown on said plat, to a point at the  
16 southwesterly corner of Record Lot 4 (AP 69, Lot 47) as shown on said plat; thence  
17 northwesterly, bounded northeasterly by Record Lot 4 (AP 69, Lot 47) as shown on said plat, to a  
18 point on the southerly line of Highwood Drive at the northwesterly corner of Record Lot 4 (AP  
19 69, Lot 47) as shown on said plat; thence northwesterly and crossing Highwood Drive to a point  
20 at the southwesterly corner of Record Lot 3 (AP 69, Lot 25) as shown on said plat; thence  
21 northwesterly, bounded northeasterly by Record Lot 3 as shown on said plat, to a point at the  
22 northwesterly corner of Record Lot 3 (AP 69, Lot 25) as shown on said plat;

23           Thence northeasterly, bounded southeasterly in part by Record Lot 3 (AP 69, Lot 25) and  
24 in part by Record Lot 5 (AP 69, Lot 24) as shown on said plat, to a point at the southwesterly  
25 corner of Record Lot 50 (AP 69, Lot 90) as shown on that plat entitled "RECORD PLAN PHASE  
26 3 Highwood Subdivision A RESIDENTIAL SUBDIVISION LOCATED IN COVENTRY, R.I.  
27 PREPARED BY DiPrete Engineering Associates, Inc. ENGINEERING, SURVEYING AND  
28 PLANNING CONSULTANTS 75 SOCKANOSSET CROSSROAD, SUITE 300 CRANSTON,  
29 R I 02920 (401) 943-1000 FAX: (401) 464-6006 P.L.L.C. 1995 Scale: 1" = 60' " which plan is

1 Record Lot 20 (AP 69, Lot 104) as shown on said plat;

2 Thence northwesterly, bounded northeasterly in part by Record Lot 20 (AP 69, Lot 104)  
3 and crossing Record Lot 68 (AP 69, Lot 3.11), to a point at the southerly corner of Record Lot 11  
4 (AP 69, Lot 116) as shown on that plat entitled "RECORD PLAN PHASE 4 Highwood  
5 Subdivision A RESIDENTIAL SUBDIVISION LOCATED IN COVENTRY, R.I. PREPARED  
6 BY DiPrete Engineering Associates, Inc. ENGINEERING, SURVEYING AND PLANNING  
7 CONSULTANTS 75 SOCKANOSSET CROSSROAD, SUITE 300 CRANSTON, R.I. 02920  
8 (401) 943-1000 FAX: (401) 464-6006 JULY, 1995 Scale: 1" = 60'," which plan is recorded in  
9 the Town of Coventry Land Evidence Plat Book 15 at Page 72;

10 Thence northeasterly, bounded northwesterly by Record Lot 11 (AP 69, Lot 116) as  
11 shown on said plat, to a point at the northeasterly corner of Record Lot 11 (AP 69, Lot 116) as  
12 shown on said plat;

13 Thence southeasterly, bounded northeasterly by AP 69 Lot 35, to a point at the  
14 southeasterly corner of AP 69 Lot 35, said point also being on the existing charter line;

15 Thence northerly, bounded westerly by AP 69 Lots 35, 36, 37, 38, 39.01 and 39.02, and  
16 running on the existing charter line to the northeasterly corner of AP 69 Lot 39.02;

17 Thence easterly, bounded northerly by AP 77 Lots 90 and 89, and running on the existing  
18 charter line to the southwesterly corner of AP 70 Lot 35;

19 Thence northerly, bounded westerly by AP 77 Lot 89, and running on the existing charter  
20 line to the northwesterly corner of AP 70 Lot 35;

21 Thence northwesterly, crossing OPEN SPACE D (AP 77, Lot 89) as shown on that plat  
22 entitled "FINAL SUBDIVISION PLAN PHASE 2 A HUNTERS CROSSING COVENTRY, R.I.  
23 Scale: 1" = 80' Date: December 21, 1995 Revision A." which plat is recorded in the Town of  
24 Coventry Land Evidence Plat Book 13 at Pages 29-31, to the southeasterly corner of Record Lot  
25 42 (AP 77, Lot 81) as shown on said plat;

26 Thence northwesterly, bounded northeasterly by Record Lot 41 (AP 77, Lot 82) as shown  
27 on said plat, to a point on the southerly line of Hunters Crossing at the northwesterly corner of  
28 said Record Lot 41 (AP 77, Lot 82);

29 Thence northwesterly, and crossing Hunters Crossing to a point at the southwesterly



1 Lots 116, 115 and crossing a portion of AP 77, Lot 174) as shown on that plat entitled "FINAL  
2 SUBDIVISION PLAN PHASE 3 B HUNTERS CROSSING COVENTRY, R.I. Scale: 1" = 80'  
3 Date: December 29, 1995 Revision A." which plat is recorded in the Town of Coventry Land  
4 Evidence Plat Book 13 at Pages 104-105, to a point at the southwesterly corner of Record Lot 116  
5 (AP 77, Lot 114) as shown on said plat;

6 Thence northerly, bounded easterly by Record Lot 116, 114, 112 and 110 (AP 77, Lots  
7 114, 113, 112 and 111) as shown on said plat, to a point at the northwesterly corner of Record Lot  
8 110 (AP 77, Lot 111) as shown on said plat;

9 Thence easterly, bounded southerly by said Record Lot 110 (AP 77, Lot 111), to a point  
10 at the southwesterly corner of Record Lot 108 (AP 77, Lot 110) as shown on said plat;

11 Thence northerly, bounded easterly by said Record Lot 108 (AP 77, Lot 110), to a point  
12 on the southerly line of Remington Farm Drive at the northwesterly corner of said Record Lot  
13 108 (AP 77, Lot 110);

14 Thence northeasterly and crossing Remington Farm Drive to the southwesterly corner of  
15 Record Lot 106 as shown on said plat (AP 77, Lot 109);

16 Thence northerly, bounded easterly by said Record Lot 106 (AP 77, Lot 109), to a point  
17 at the northwesterly corner of said Record Lot 106 (AP 77, Lot 109);

18 Thence easterly, bounded southerly by Record Lots 106, 105 and 103 (AP 77, Lots 109,  
19 108 and 107), to a point at the northeasterly corner of said Record Lot 103 (AP 77, Lot 107);

20 Thence easterly, bounded southerly by Record Lots 101, 99 and 98 (AP 77, Lots 106, 105  
21 and 104), to a point at the northeasterly corner of said Record Lot 98 (AP 77, Lot 104) as shown  
22 on that plat entitled "FINAL SUBDIVISION PLAN PHASE 3 A HUNTERS CROSSING  
23 COVENTRY, R.I. Scale: 1" = 80' Date: December 29, 1995 Revision A." which is recorded in  
24 the Town of Coventry Plat Book 13 at Page 103;

25 Thence northwesterly, crossing Record Lot OPEN SPACE L(a) (AP 78, Lot 6.7) as  
26 shown on said plat, to a point at the southeasterly corner of land now or formerly of Everett and  
27 Susie Kingsborough shown as Lot 12.1 on the Town of Coventry Assessor's Plat 85;

28 Thence northeasterly to the existing charter line between the Coventry fire District and

CORRECTED BY PLLAW REVISION  
JOINT COMMITTEE ON LEGISLATIVE SERVICE  
8-2-21  
7/28/06  
WDM

1 House Road; turning southerly along a line 300 feet east of and parallel to Read School House  
2 Road, crossing Route 117 and continuing to the north end of the dam of the Flat River Reservoir,  
3 thence running southerly across the dam to the south end of said dam; thence running  
4 southerly in a straight line to a point on state highway, Route 3, 300 feet west of the intersection  
5 of Reservoir Road and said Route 3;

6 thence crossing said Route 3 and running southerly in a straight line to a point 500 feet  
7 south of the south line of said Route 3;

8 Thence turning and running easterly on a line 500 feet south of and parallel to the south  
9 line of said Route 3 until it comes to the westerly boundary of the former Tiogue Lighting  
10 District;

11 Thence northerly along the western boundary line of said former Tiogue Lighting  
12 District until it comes to the southern line of Route 3;

13 Thence turning and running in a northeasterly direction, crossing Route 3, to the  
14 northeast corner of said Route 3 and Hopkins Hill Road; thence easterly in a straight line to the  
15 intersection of said Route 3 and Arnold Road; thence turning and running northerly in a straight  
16 line, across the Pawtuxet River, to the northeast abutment of the railroad bridge and the point of  
17 beginning, all such land being previously known as the Washington Lighting District is hereby  
18 incorporated into a consolidated district to be called the "Central Coventry Fire District."

19 Said district may have a common seal, sue and be sued, and enjoy the other powers  
20 generally incident to a corporation.

21 Sec 2. QUALIFIED VOTERS

22 The inhabitants of said district who are qualified voters in the town of Coventry shall be  
23 eligible to vote and act in meetings of the corporation.

24 Sec. 3. FIRST CONSOLIDATED DISTRICT MEETING AND ANNUAL MEETINGS  
25 OF THE CONSOLIDATED FIRE DISTRICT.

26 ~~The first meeting of said fire district shall be holden on the third Monday in June next~~  
27 ~~ensuing, at a place in said district to be named in the notice of said meeting.~~

28 (a) 2006 - First consolidated meeting:

29 ~~Commencing in the year 2006, a special meeting of the consolidated district shall be held~~

1           (b) Annual Meetings & Quorum:

2           Annual meetings of said fire district for the election of officers and the transaction of any  
3 other business of the fire district shall be held. ~~Commencing in the year 1991 and annually~~  
4 ~~thereafter said annual meeting shall be held on the second Wednesday in April. Fifteen (15)~~  
5 Twenty five (25) qualified voters shall constitute a quorum for the transaction of business at any  
6 meeting of the corporation.

7           Commencing in 2007 and continuing annually thereafter, the district shall hold an annual  
8 meeting in a public place on the second Monday in September, at 7:00 P.M. at such place within  
9 the District as the Board shall determine, for the purposes of: (1) electing a Board of Directors;  
10 (2) authorizing the assessment of all the taxable personal and real property of the District; (3)  
11 authorizing the collection of taxes, as further set forth in Section 6 hereunder; (4) authorizing an  
12 annual budget to provide for the purchase and maintenance of equipment, apparatus, real and  
13 personal property, the payment of wages and salaries, and for such other expenditures deemed  
14 necessary by the qualified voters of the District; and (5) For such other lawful purposes deemed  
15 necessary and proper by either the Board of Directors or qualified voters of the district.

16           (c) Call of the Meeting:

17           ~~Seven (7) days notice of said meeting, stating the time, place, and purpose thereof and~~  
18 ~~signed by five (5) or more of the qualified voters of said district, shall be given by posting the~~  
19 ~~same in three (3) or more public places in said district, at least one (1) week before said meeting,~~  
20 ~~and by publishing the same for at least one (1) week prior to said meeting, and by publishing the~~  
21 ~~same for at least one (1) week prior to said meeting in some newspaper published in the county of~~  
22 ~~Kent.~~

23           ~~At said meeting the question "Shall the Central Coventry fire district be established~~  
24 ~~according to the act of incorporation passed by the general assembly of the state?" shall be~~  
25 ~~submitted. All persons possessing the qualifications set forth in section 2 of this act shall be~~  
26 ~~entitled to vote on said question. If a majority of the persons so voting shall vote "yes", then, said~~  
27 ~~Central Coventry fire district shall be established, according to the provisions of this act;~~  
28 ~~otherwise this act shall become null and void.~~

29           ~~The Clerk of the District shall give notice of the annual meetings by sending a copy~~

1           Sec. 4. SPECIAL MEETINGS

2           (a) Special meetings may be called upon written request of not less than twenty-five (25)  
3 qualified voters, or may be called by a majority vote of the board of Directors. Said qualified  
4 voters may hold special meetings which, as well as the annual meetings, shall be called and notice  
5 given in such a manner as the qualified voters may prescribe. It shall be the duty of the clerk to  
6 call a special meeting upon written application signed by twelve (12) or more qualified voters.  
7 Written application for a special meeting as well as the notice thereof, shall mention the reason  
8 for such special meeting. Notice of the special meeting shall be given in the same manner as the  
9 annual meeting not less than thirty (30) days prior to the date of the meeting. The purpose of the  
10 meeting shall be stated in the notice and call for meeting and no other business shall be  
11 transacted.

12           (b) Any special meeting called for the purpose of filling a vacancy among district officers  
13 shall be advertised in the same manner as the annual meeting, as set forth in Section 3 (c) of this  
14 Charter.

15           Sec. 5. DIRECTORS & OFFICERS OF THE CORPORATION –MODERATOR -  
16 QUALIFICATIONS

17           (a) The consolidated district board shall be comprised of seven (7) directors, none of  
18 whom shall be then serving as a Treasurer or Tax Collector of any individual district, appointed  
19 by the respective Boards of each individual fire district and shall be constituted as follows: Two  
20 (2) members shall be appointed by the Central Coventry Fire District; Two (2) members shall be  
21 appointed by the Central Washington Fire District; One (1) member shall be appointed by the  
22 Harris Fire District; One (1) member shall be appointed by the Tlogue Fire District; the final  
23 member shall be appointed by the preceding six (6) members and may be from any of the  
24 individual fire districts. The consolidated district Board of Directors shall elect a President and  
25 Vice President, and all seven Directors shall be qualified to serve in office until at least the next  
26 annual meeting. At the first meeting of the consolidated district, the Board shall determine by  
27 some acceptable means, the order in which the members' seats shall come up for election.

28           (b) Thereafter, three (3) Directors will be elected to a three (3) year term at the 2007  
29 annual meeting and every third year thereafter. Two (2) directors shall be elected at the 2008

1 (c) Any inhabitant qualified to vote at any District meeting may be a candidate for  
2 District office, provided such candidate submits to the District clerk the title of the elective office  
3 sought, together with a petition signed by twenty (20) inhabitants qualified to vote at any District  
4 meeting, at least sixty (60) days prior to the date of the meeting. This list of signatures is to be  
5 certified by the clerk no later than thirty (30) days prior to an annual or special meeting of the  
6 District.

7 (d) The clerk of the District shall post in a conspicuous place a list of all persons certified  
8 to stand for election and the office to which each person seeks election in at least eight (8) public  
9 places within the district, including all actively used District stations, at least twenty (20) days  
10 prior to the annual meeting or any other special meeting called for the election of officers.

11 (e) The Board of Directors shall have the power to declare an office vacant if the person  
12 filling that office fails to attend three (3) consecutive monthly meetings of the Board.

13 (f) In the event that a vacancy in any elective office of the District occurs, the president or  
14 clerk shall call a meeting of the Board of Directors of the district within ten (10) working days  
15 after such vacancy occurs. The Board of Directors shall select a qualified elector of the District to  
16 fill the vacancy for a period of up to sixty (60) days.

17 (g) Upon the occurrence of any vacancy in any elective office of the District, the  
18 president shall call a special meeting of the District for the purpose of electing a qualified elector  
19 to fill the office vacated for the remainder of the original term of office. Said special meeting  
20 shall be held within sixty-five (65) days from the date such original vacancy occurs.

21 Sec. 6 DUTIES OF THE BOARD OF DIRECTORS

22 (a) The Board of Directors shall hold monthly public meetings to conduct the business of  
23 the District. The Board of Directors shall be empowered and responsible to: (1) Fix the amount  
24 of the bond of the Treasurer and the Tax Collector; (2) Order payment of the district's bills and  
25 indebtedness; (3) Be in charge of and supervise the care of the district's properties; (4) Cause  
26 district property to be insured; (5) Purchase equipment, property and apparatus as required by the  
27 District's needs and budget; (6) Appoint an Administrative Fire Chief, Tax Collector and  
28 Treasurer and other employees. No less than one half (1/2) of the members of the Board of  
29 Directors shall constitute a quorum at any meeting of the Board

1           (c) The members of the Board of Directors and any official appointed by said Board of  
2 Directors shall be subject to the Rhode Island Code of Ethics in Government, Chapter 14 of Title  
3 36 of the Rhode Island General Laws.

4           (d) The president of said District shall preside at all annual and special meetings as  
5 moderator; in his/her absence the vice president shall serve as moderator; in the absence of both,  
6 a temporary moderator may be elected by a majority of voters present and voting.

7           (e) The administrative duties of these Directors shall be specified in the by-laws of the  
8 fire district.

9           ~~Sec. 6.~~ 7. TAXING AUTHORITY - TAX ASSESSOR

10           (a) Said qualified voters at any of their legal meetings shall have the power to order such  
11 taxes and provide for the assessing and collecting of the same on the taxable inhabitants and  
12 property in said district as they shall deem necessary for purchasing fire engines, and all other  
13 implements and apparatus for the extinguishing of fire; for the purchase of land and buildings for  
14 keeping same; for the purchasing, installation, operation and maintenance of a suitable alarm  
15 system; for making cisterns and reservoirs; for paying the salaries of district officers and  
16 employees, firemen, as well as the members of the rescue unit known as Central Coventry  
17 Rescue. And such taxes, so ordered, shall be assessed by the assessors of said district on the  
18 taxable inhabitants and property therein according to the last valuation made by the assessors of  
19 the town of Coventry next previous to said assessment, adding, however, any taxable property  
20 which may have been omitted by said town assessors or afterwards acquired; and in assessing and  
21 collecting said taxes such proceedings shall be had by the officers of said district, as near as may  
22 be, as are required to be had by the corresponding officers of towns in assessing and collecting  
23 taxes; ~~provided, however, that the tax assessed and payable in any one year under the provisions~~  
24 ~~of this section shall not exceed six (6) mills on each dollar of valuation.~~

25           (b) The qualified voters of the Central Coventry ~~F~~ire ~~D~~istrict are also authorized to  
26 raise money through taxes to purchase the necessary vehicles and equipment to operate and  
27 maintain a rescue unit to be known as the Central Coventry Rescue.

28           (c) TAX ASSESSOR

29           There shall be at least one District Tax Assessor who may also serve as District Clerk

1 ~~Sec. 7. Entire section deleted 1992~~

2 ~~Sec. 8. Entire section 8 deleted 1992~~

3 Sec. 8 DISTRICT CLERK

4 There shall be a District Clerk who shall be appointed or employed by the District. The  
5 clerk shall keep full, fair and accurate records and minutes of the meetings of the Board of  
6 Directors and district meetings and shall make said minutes available to members of the public, in  
7 accordance with the Rhode Island Public Records Act, Chapter 2 of Title 38 of the Rhode Island  
8 General Laws. The Clerk shall be responsible to give notice of District meetings as set forth  
9 under the provisions of this Charter and pursuant to the Rhode Island Open Meetings Laws,  
10 Chapter 46 of Title 42 of the Rhode Island General Laws. The clerk shall maintain a current copy  
11 of the District Charter and by-laws.

12 Sec. 9 DISTRICT TREASURER

13 There shall be a District Treasurer who shall be appointed or employed by the District.  
14 The Treasurer shall receive all money paid to the District and deposit the same in such federally  
15 insured bank or banking system as shall be designated by the Board of Directors to the credit of  
16 the District, provided that in the event of a surplus of funds, the Board of Directors may direct  
17 deposits to be made in a savings account in some federally insured banking institution. The  
18 Treasurer shall sign all duly authorized distinct notes and bonds and shall be bonded in an amount  
19 to be determined by the Board of Directors. The Treasurer shall pay all District obligations by  
20 check, as approved by the Board of Directors and shall close the books as of the last day of each  
21 fiscal year. The Treasurer shall submit a report to the Board of Directors monthly. The Treasurer  
22 shall at every annual meeting, fully report the condition of the treasury of the District, showing  
23 receipts and expenditures of the preceding year.

24 Sec. 10 TAX COLLECTOR

25 There shall be a District Tax Collector who shall be appointed or employed by the  
26 District. The tax collector shall collect and pay to the District treasurer all taxes and interest  
27 collected by him/her as and when received and shall be bonded in a sum fixed by the Board of  
28 Directors; shall close his or her books as of the last day of each fiscal year and shall prepare and  
29 present a written report to the annual meeting; shall submit a written report to the treasurer

1 violation of or repugnant to the laws of this state.

2 The qualified voters may change any provision of the by-laws at any annual or special  
3 meeting, provided the proposed change has been noticed in the call of the meeting.

4 Sec. 10. 12 AUTHORIZATION TO BORROW FUNDS

---

5 The Central Coventry fire district is hereby authorized and empowered to borrow from  
6 time to time such sums of money as may be necessary, not however, to exceed the sum of ~~three~~  
7 ~~hundred thousand (\$300,000) dollars~~ one-half (1/2) of the annual operating budget, for the  
8 purpose of procuring real and personal estate, the erection and maintenance of buildings, the  
9 procuring of fire and water apparatus, for the payment of any legal indebtedness of said district,  
10 or for the purpose of purchasing or procuring any other property, real or personal, that may be  
11 legally acquired and held by said district.

12 Sec. ~~10A.~~ 13 The Central Coventry fire district is authorized to install lighting on the  
13 streets and highways of the district.

14 Sec. 14. PRESERVATION OF RIGHTS UNDER EXISTING LABOR CONTRACTS

15 In accordance with the provision of Section 19.1 of Chapter 7, Title 28 of the Rhode  
16 Island General Laws, this act of consolidation shall not impair the provisions of any existing labor  
17 contracts for persons employed by any of the individual fire districts. Notwithstanding this  
18 consolidation, the labor contracts shall continue in full force and effect until their termination  
19 dates or until otherwise agreed by the parties or their legal successors.

20 Sec. ~~11~~ 15. This act shall take effect no later than sixty days after its enactment and all  
21 acts or parts of acts inconsistent herewith or repugnant thereto, are hereby repealed.

=====  
LC03514  
=====



7m

PUBLIC LAWS  
CHAPTER

06-492

JT COMM. LEGISLATIVE SERVICES  
LAW REVISION OFFICE

H2006H08285

AN ACT

IN AMENDMENT OF THE INCORPORATION OF THE CENTRAL COVENTRY FIRE DISTRICT IN FURTHERANCE OF THE "CONSOLIDATION PLAN" OF THE CENTRAL COVENTRY FIRE DISTRICT, THE WASHINGTON LIGHTING DISTRICT, THE HARRIS FIRE & LIGHTING DISTRICT AND THE TIOGUE FIRE DISTRICT, AS APPROVED BY THE QUALIFIED VOTERS OF SAID DISTRICTS, AT DULY CALLED MEETINGS HELD ON MARCH 28, 2006

LC03514

Presented by

*Morgan L. Lohrley (27)*  
*Nicholas J. (40)*  
*[Crossed out signature] (27)*  
*[Crossed out signature] (25)*  
*[Crossed out signature] (25)*  
*Royce Salk Jr. (29)*

RECEIVED FROM THE GOVERNOR  
WITHOUT SIGNATURE

JUL 06 2006

EXECUTIVE

IN ACCORDANCE WITH ARTICLE XV  
OF THE CONSTITUTION  
49-15

IN THE SENATE  
Order to be placed upon the  
CONSENT CALENDAR

JUN 23 2006

*[Signature]*  
Reading Clerk

IN THE SENATE  
READ AND PASSED IN CONCURRENCE

JUN 23 2006

*[Signature]*  
Reading Clerk

READ AND PASSED IN CONCURRENCE  
TRANSMITTED TO THE GOVERNOR

JUN 28 2006

*[Signature]*  
SECRETARY OF THE SENATE

EXECUTIVE DEPARTMENT,  
JUN 28 2006

Received

NO ACTION  
TAKEN BY THE  
GOVERNOR

GOVERNOR



RHODE ISLAND HOUSE OF REPRESENTATIVES  
2005-2006

REPORT OF THE HOUSE COMMITTEE ON FINANCE

DATE 6/22

Bill Number: 06140285 Principal Sponsor: Mrs LANDROCKE  
Short Title: Consolidation - Central Coventry Fire Dist

To the Speaker of the House:  
On a motion by Representative Moffitt, seconded by Representative SanBento,  
the Finance Committee, by a vote of 18 to 0, agreed to recommend to the  
House the following action on the above referenced bill:

- Passage
- Passage of the bill as amended or in substitution form \_\_\_\_\_
- No Passage
- Without recommendation
- Held for further study

| MEMBER                                  | YEA                                 | NAY                      | ABSENT                              | ABSTAIN                  |
|---|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| Steven M. Costantino, Chairman .....    | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Paul W. Crowley, Deputy Chairman .....  | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Kenneth Carter, Vice Chairman .....     | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Jan P. Malik, Vice Chairman .....       | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| William San Bento, Jr., Secretary ..... | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Arthur J. Corvese .....                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Elizabeth M. Dennigan .....             | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Raymond J. Gallison, Jr. ....           | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Robert B. Jacquard .....                | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Peter L. Lewiss .....                   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Victor G. Moffitt .....                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Carol A. Mumford .....                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Eileen S. Naughton .....                | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Henry C. Rose .....                     | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| John A. Savage .....                    | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Joseph H. Scott .....                   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| John Patrick Shanley .....              | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Thomas C. Slater .....                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| Anastasia P. Williams .....             | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| TOTALS                                  | <u>18</u><br>(Y)                    | <u>0</u><br>(N)          | <u>1</u><br>(AB)                    | <u>0</u><br>(AN)         |

COPIES:  
White - Attach to original copy of bill  
Yellow - Room 1  
Pink - Room 322  
Canary - Clerk of the House

Respectfully submitted:  
[Signature]  
Chair Vice Chair Secretary

# EXHIBIT 3

**CCFD 5 YEAR FINANCIAL PROJECTIONS**

|  | FY 14            | FY 15              |                    | FY 16              | FY 17              | FY 18              | FY 19              | FY 20              |
|--|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  |                  | 09/1/14 - 08/31/15 |                    | 09/1/15 - 08/31/16 | 09/1/16 - 08/31/17 | 09/1/17 - 08/31/18 | 09/1/18 - 08/31/19 | 09/1/19 - 08/31/20 |
|  | Actual           | Budget             | Actual (Unaudited) | Budget             | Budget             | Budget             | Budget             | Budget             |
| <b>General Fund Appropriations</b>         |                  |                    |                    |                    |                    |                    |                    |                    |
| <b>Tax Revenue:</b>                        |                  |                    |                    |                    |                    |                    |                    |                    |
| Tax Levy (Current Year)                    | 4,364,356        | 4,454,143          | 4,529,690          | 4,554,749          | 4,657,200          | 4,761,956          | 4,869,069          | 4,978,592          |
| Tax Levy (Prior Years)                     | 1,079,626        | 375,403            | 399,620            | 398,048            | 407,002            | 416,156            | 425,517            | 444,875            |
| <b>Total Tax Revenue:</b>                  | <b>5,443,983</b> | <b>4,829,546</b>   | <b>4,929,310</b>   | <b>4,952,798</b>   | <b>5,064,202</b>   | <b>5,178,112</b>   | <b>5,294,586</b>   | <b>5,423,467</b>   |
| <b>State Revenue</b>                       |                  |                    |                    |                    |                    |                    |                    |                    |
| State Reimbursement - Fiscal Advisor (50%) | 0                | 0                  | 0                  | 56,719             | 59,856             | 61,348             | 64,934             | 67,531             |
| <b>Total State Revenue</b>                 | <b>0</b>         | <b>0</b>           | <b>0</b>           | <b>56,719</b>      | <b>59,856</b>      | <b>61,348</b>      | <b>64,934</b>      | <b>67,531</b>      |
| <b>Department Revenue</b>                  |                  |                    |                    |                    |                    |                    |                    |                    |
| Fire Marshal- Plan Review                  | 69,844           | 10,000             | 8,430              | 8,500              | 8,670              | 8,843              | 9,020              | 9,201              |
| Fire Marshall - Inspection                 | 10,138           | 10,000             | 9,590              | 8,500              | 8,670              | 8,843              | 9,020              | 9,201              |
| Rescue Run Recovery                        | 894,786          | 894,786            | 775,559            | 766,652            | 781,985            | 797,625            | 813,578            | 829,849            |
| <b>Total Departmental Revenue</b>          | <b>974,767</b>   | <b>914,786</b>     | <b>793,579</b>     | <b>783,652</b>     | <b>799,325</b>     | <b>815,312</b>     | <b>831,618</b>     | <b>848,250</b>     |
| <b>Revenue - Other</b>                     |                  |                    |                    |                    |                    |                    |                    |                    |
| Interest on Taxes                          | 185,872          | 53,762             | 164,014            | 80,650             | 82,263             | 83,909             | 85,587             | 87,299             |
| Investment Interest                        |                  | 20,000             | 3,052              | 2,000              | 2,000              | 2,000              | 2,000              | 2,000              |
| REMA - SANDY                               |                  |                    | 7,543              | 0                  | 0                  | 0                  | 0                  | 0                  |
| Detail Reimbursement                       | 4,208            | 4,292              | 8,370              | 6,437              | 6,566              | 6,698              | 6,831              | 6,968              |
| Sale of Assets                             |                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Misc. Other Rev                            | 79,144           | 1,000              | 24,803             | 1,000              | 1,000              | 1,000              | 1,000              | 1,000              |
| <b>Total Other Revenue</b>                 | <b>269,223</b>   | <b>79,054</b>      | <b>207,782</b>     | <b>90,088</b>      | <b>91,830</b>      | <b>93,606</b>      | <b>95,418</b>      | <b>97,267</b>      |
| <b>Total General Fund Revenues</b>         | <b>6,687,973</b> | <b>5,823,385</b>   | <b>5,930,672</b>   | <b>5,883,257</b>   | <b>6,015,212</b>   | <b>6,148,378</b>   | <b>6,286,556</b>   | <b>6,436,515</b>   |
| <b>General Fund Appropriations</b>         |                  |                    |                    |                    |                    |                    |                    |                    |
| <b>Personnel</b>                           |                  |                    |                    |                    |                    |                    |                    |                    |
| Salaries - Non Union                       | 171,133          | 292,828            | 200,869            | 312,388            | 318,636            | 328,195            | 338,041            | 338,041            |
| Salaries - Union                           | 2,234,496        | 2,003,791          | 1,992,565          | 1,922,540          | 1,965,553          | 1,967,751          | 2,003,354          | 2,008,194          |
| Overtime - Union                           | 387,785          | 100,612            | 309,643            | 158,104            | 161,266            | 166,104            | 171,088            | 174,509            |
| Overtime - Non-Union                       | 1,796            | 1,796              | 0                  | 1,796              | 1,796              | 1,796              | 1,796              | 1,796              |
| Holiday Pay                                | 119,192          | 111,400            | 59,702             | 37,345             | 91,627             | 91,802             | 92,153             | 92,372             |
| Longevity Pay                              | 105,694          | 3,201              | 68,975             | 0                  | 0                  | 0                  | 0                  | 0                  |
| Out of Rank & Collateral                   | 8,946            | 8,946              | 3,191              | 4,473              | 4,697              | 4,931              | 5,178              | 5,437              |
| Detail                                     | 8,210            | 4,163              | 8,740              | 6,244              | 6,369              | 6,497              | 6,627              | 6,759              |
| Clothing                                   | 63,142           | 21,000             | 19,977             | 25,410             | 25,410             | 24,640             | 24,640             | 24,640             |
| Payroll Tax                                | 231,775          | 192,382            | 169,818            | 176,249            | 184,416            | 185,026            | 188,952            | 189,373            |
| Pensions - MERS                            | 369,644          | 359,034            | 392,808            | 382,018            | 421,063            | 654,112            | 692,688            | 719,530            |
| Life Insurance                             |                  | 5,472              | 6,696              | 6,882              | 6,882              | 6,696              | 6,696              | 6,696              |
| Vision Care                                | 7,800            | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Medical Insurance (Net of Co-Share)        | 459,468          | 452,993            | 475,227            | 535,436            | 623,350            | 709,444            | 845,332            | 1,010,172          |
| HRA/HSA Contribution Cost                  | 112,774          | 30,500             | 0                  | 38,422             | 0                  | 0                  | 0                  | 0                  |
| Dental Insurance (Net of Co-Share)         | 50,800           | 32,359             | 66,331             | 38,623             | 36,910             | 37,260             | 39,149             | 40,323             |
| Health Care Buyback                        |                  | 12,000             | 16,533             | 12,000             | 12,000             | 12,000             | 12,000             | 12,000             |
| Health Care - Retirees                     | 80,355           | 119,551            | 77,749             | 81,370             | 93,110             | 109,582            | 117,909            | 140,901            |
| Dental Care - Retirees (Net of Co-Share)   |                  |                    | 8,292              | 11,042             | 11,374             | 11,715             | 12,066             | 12,428             |
| PEHP - (Employer % per contract)           |                  | 59,155             | 31,069             | 46,579             | 47,590             | 47,256             | 47,352             | 47,463             |
| OPEB ARC                                   |                  | 0                  | 0                  | 20,000             | 20,000             | 20,000             | 20,000             | 20,000             |
| Training - In House                        | 7,222            | 2,025              | 1,200              | 2,025              | 2,025              | 2,025              | 5,063              | 5,063              |
| Training - Continuing Education (Union)    | 10,000           | 5,000              | 0                  | 5,000              | 5,000              | 5,000              | 10,000             | 10,000             |
| Training - EMTC Recert/Academy             |                  | 0                  | 815                | 0                  | 3,000              | 0                  | 3,000              | 0                  |
| Promotional Exams                          |                  | 3,000              | 0                  | 0                  | 3,000              | 0                  | 3,000              | 0                  |
| Unemployment                               | 2,338            | 2,652              | 0                  | 2,523              | 2,666              | 2,701              | 2,786              | 2,819              |

**CCFD 5 YEAR FINANCIAL PROJECTIONS**

|   | FY 14            | FY 15              |                    | FY 16              | FY 17              | FY 18              | FY 19              | FY 20              |
|---|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   |                  | 09/1/14 - 08/31/15 |                    | 09/1/15 - 08/31/16 | 09/1/16 - 08/31/17 | 09/1/17 - 08/31/18 | 09/1/18 - 08/31/19 | 09/1/19 - 08/31/20 |
|   | Actual           | Budget             | Actual (Unaudited) | Budget             | Budget             | Budget             | Budget             | Budget             |
| Unemployment - Layoffs                              |                  |                    | 0                  | 18,150             | 0                  | 0                  | 0                  | 0                  |
| Employee Assistance Program                         | 1,125            | 1,530              | 1,500              | 1,561              | 1,592              | 1,624              | 1,656              | 1,689              |
| Insurance - VFIS                                    | 163,055          | 175,004            | 143,417            | 75,252             | 76,004             | 76,764             | 77,532             | 78,307             |
| Insurance - BCBS WRI                                | 0                | 0                  | 0                  | 71,983             | 78,524             | 83,048             | 88,187             | 94,448             |
| Insurance - Cooke                                   | 32,269           | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Insurance - Beacon                                  | 482              | 328                | 401                | 410                | 418                | 427                | 435                | 444                |
| Insurance - London                                  | 6,080            | 2,433              | 6,903              | 7,299              | 7,445              | 7,594              | 7,746              | 7,901              |
| Leave Accrual Fund                                  |                  | 0                  | 0                  | 11,310             | 80,327             | 11,767             | 10,001             | 63,169             |
| Recruitment - New Hire                              |                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>Total Personnel</b>                              | <b>4,635,578</b> | <b>4,003,154</b>   | <b>4,062,422</b>   | <b>4,012,434</b>   | <b>4,292,050</b>   | <b>4,575,758</b>   | <b>4,834,425</b>   | <b>5,114,476</b>   |
| <b>Administrative</b>                               |                  |                    |                    |                    |                    |                    |                    |                    |
| Payroll Service                                     | 5,707            | 10,000             | 4,159              | 5,600              | 5,712              | 5,826              | 5,943              | 6,062              |
| Tax Collector Expense                               |                  | 10,000             | 6,316              | 10,200             | 10,404             | 10,612             | 10,824             | 11,041             |
| Professional Services - (Audit)                     | 22,248           | 50,000             | 33,960             | 19,000             | 9,500              | 9,690              | 9,884              | 10,081             |
| Dues and Subscriptions                              | 910              | 928                | 305                | 947                | 966                | 985                | 1,005              | 1,025              |
| Legal - General                                     | 38,258           | 38,258             | 960                | 14,347             | 14,347             | 14,347             | 14,347             | 14,347             |
| Legal - Bankruptcy                                  |                  |                    | 0                  | 23,000             | 23,000             | 23,000             | 23,000             | 23,000             |
| Board Compensation                                  |                  | 8,000              | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Service Contracts - Alarm                           | 3,240            | 3,305              | 3,291              | 3,371              | 3,438              | 3,507              | 3,577              | 3,649              |
| Service Contracts - Dawson                          | 48,670           | 53,687             | 42,555             | 45,999             | 46,919             | 47,858             | 48,815             | 49,791             |
| Telecommunications                                  | 10,441           | 10,650             | 13,363             | 13,845             | 14,122             | 14,404             | 14,692             | 14,986             |
| <b>Total Administrative</b>                         | <b>129,474</b>   | <b>184,827</b>     | <b>104,909</b>     | <b>136,308</b>     | <b>128,407</b>     | <b>130,228</b>     | <b>132,086</b>     | <b>133,981</b>     |
| <b>Operational</b>                                  |                  |                    |                    |                    |                    |                    |                    |                    |
| Repairs - Office                                    | 1,655            | 1,688              | 1,146              | 1,722              | 1,756              | 1,791              | 1,827              | 1,864              |
| Repairs - Station                                   | 12,982           | 13,241             | 21,954             | 20,127             | 20,529             | 20,940             | 21,359             | 21,786             |
| Repairs - Truck                                     | 111,538          | 89,231             | 94,138             | 80,308             | 72,277             | 65,049             | 26,020             | 23,418             |
| Radios  | 8,975            | 9,155              | 2,500              | 4,577              | 4,669              | 4,762              | 4,857              | 4,955              |
| Truck Fuel  | 38,544           | 39,315             | 33,569             | 34,204             | 34,888             | 35,586             | 36,297             | 37,023             |
| Hydrants  | 175,000          | 178,500            | 143,444            | 195,458            | 199,367            | 203,354            | 207,421            | 211,569            |
| Election and Details                                | 7,083            | 7,225              | 2,719              | 7,369              | 7,517              | 7,667              | 7,820              | 7,977              |
| Returned Checks/Refunds                             | 13,665           | 13,509             | 8,691              | 10,286             | 10,492             | 10,702             | 10,916             | 11,134             |
| Office - Bank Fees                                  | 5,880            | 5,280              | 3,825              | 6,118              | 6,240              | 6,365              | 6,492              | 6,622              |
| Septic  |                  | 0                  | 0                  | 1,500              | 1,530              | 1,561              | 1,592              | 1,624              |
| Software  | 12,148           | 12,391             | 11,018             | 12,639             | 12,891             | 13,149             | 13,412             | 13,681             |
| Street Lights                                       | 181,783          | 185,419            | 178,286            | 189,127            | 192,910            | 196,768            | 200,703            | 204,717            |
| Supplies - Fire                                     | 5,710            | 5,825              | 5,244              | 5,941              | 6,060              | 6,181              | 6,305              | 6,431              |
| Supplies - Office                                   | 11,990           | 12,230             | 10,647             | 12,474             | 12,724             | 12,978             | 13,238             | 13,502             |
| Supplies - Rescue                                   | 25,492           | 26,002             | 17,769             | 20,802             | 21,218             | 21,642             | 22,075             | 22,516             |
| Supplies - Station                                  | 3,316            | 3,382              | 4,525              | 4,397              | 4,485              | 4,575              | 4,666              | 4,760              |
| Utilities - Electric                                | 16,827           | 17,164             | 14,123             | 17,507             | 17,857             | 18,214             | 18,578             | 18,950             |
| Utilities - Cable                                   | 12,742           | 12,997             | 2,386              | 2,599              | 2,651              | 2,704              | 2,758              | 2,814              |
| Utilities - Oil                                     | 25,532           | 26,043             | 14,515             | 18,230             | 18,595             | 18,967             | 19,346             | 19,733             |
| Utilities - Gas                                     | 7,315            | 7,461              | 8,412              | 8,953              | 9,132              | 9,315              | 9,501              | 9,691              |
| Utilities - Station Water                           | 785              | 19,941             | 1,999              | 2,402              | 2,451              | 2,500              | 2,550              | 2,601              |
| Tax Sale Expense                                    | 74,073           | 0                  | 48,902             | 0                  | 0                  | 0                  | 0                  | 0                  |
| Reimburse DOR - Receiver & Bankruptcy & Consultants |                  | 210,000            | 6,200              | 299,262            | 299,262            | 299,262            | 299,262            | 299,262            |
| Legal Costs - Insurance Claims & Other Claims       |                  |                    | 0                  | 150,000            | 0                  | 0                  | 0                  | 0                  |
| Special Master                                      | 353,820          | 100,000            | 97,765             | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>Total Operational</b>                            | <b>1,106,857</b> | <b>995,997</b>     | <b>733,776</b>     | <b>1,106,003</b>   | <b>959,501</b>     | <b>964,032</b>     | <b>936,997</b>     | <b>946,629</b>     |
| <b>Capital Improvement</b>                          |                  |                    |                    |                    |                    |                    |                    |                    |
| Capital Purchases                                   | 0                |                    | 59,045             | 147,891            | 249,627            | 126,732            | 95,986             | 111,632            |
| <b>Total Capital Improvement</b>                    |                  |                    | <b>59,045</b>      | <b>147,891</b>     | <b>249,627</b>     | <b>126,732</b>     | <b>95,986</b>      | <b>111,632</b>     |

**CCFD 5 YEAR FINANCIAL PROJECTIONS**

|  | FY 14            | FY 15              |                    | FY 16              | FY 17              | FY 18              | FY 19              | FY 20              |
|--|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  |                  | 09/1/14 - 08/31/15 |                    | 09/1/15 - 08/31/16 | 09/1/16 - 08/31/17 | 09/1/17 - 08/31/18 | 09/1/18 - 08/31/19 | 09/1/19 - 08/31/20 |
|  | Actual           | Budget             | Actual (Unaudited) | Budget             | Budget             | Budget             | Budget             | Budget             |
| <b>Projected Debt Service and Lease Obligations</b>    |                  |                    |                    |                    |                    |                    |                    |                    |
| Lease - Defibrillator                                  | 10,286           | 875                | 873                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Capital Purchases - Long Term                          |                  |                    |                    |                    |                    |                    |                    |                    |
| Interest on Principal - Trucks                         | 48,671           | 25,590             | 0                  | 0                  | 3,250              | 3,250              | 6,500              | 6,500              |
| Principal Payment - Trucks                             | 0                | 105,900            | 0                  | 0                  | 32,500             | 32,500             | 65,000             | 65,000             |
| <b>Total Debt Service and Lease Obligations</b>        | <b>58,958</b>    | <b>132,365</b>     | <b>873</b>         | <b>0</b>           | <b>35,750</b>      | <b>35,750</b>      | <b>71,500</b>      | <b>71,500</b>      |
| <b>Claims</b>  |                  |                    |                    |                    |                    |                    |                    |                    |
| Claims to be Paid in Full (Priority)                   | 0                | 288,767            | 0                  | 102,713            | 102,713            | 102,713            | 102,713            | 102,713            |
| Settled Claim Distribution                             | 0                |                    | 57,184             | 369,760            | 194,594            | 194,594            | 194,594            | 194,594            |
| Claims paid by Percentage (Unsecured)                  | 0                | 205,438            | 0                  | 59,151             | 59,151             | 59,151             | 59,151             | 59,151             |
| <b>Total Claims</b>                                    | <b>0</b>         | <b>494,205</b>     | <b>57,184</b>      | <b>531,623</b>     | <b>356,458</b>     | <b>356,458</b>     | <b>356,458</b>     | <b>356,458</b>     |
| <b>Total General Fund Appropriations</b>               | <b>5,930,867</b> | <b>5,810,548</b>   | <b>5,018,209</b>   | <b>5,934,259</b>   | <b>6,021,792</b>   | <b>6,188,958</b>   | <b>6,427,451</b>   | <b>6,734,676</b>   |
| <b>Transfers</b>                                       |                  |                    |                    |                    |                    |                    |                    |                    |
| Restricted Funds - Health Plan Reserve Fund            | 0                | 0                  | 0                  | 53,000             | 47,000             | 81,000             | 130,000            | 201,000            |
| Restricted Funds - HSA Contribution Fund               | 0                | 0                  | 0                  | 38,422             | 0                  | 0                  | 0                  | 0                  |
| Restricted Funds - Centerville Bank Fund (contingency) | 0                | 0                  | 0                  | (80,759)           | (80,759)           | (80,759)           | (80,759)           | (80,759)           |
| Restricted Funds - Admin Expense Fund                  | 0                | 0                  | 0                  | 40,340             | 40,340             | 40,340             | 91,655             | 177,920            |
| <b>Total Transfers</b>                                 | <b>0</b>         | <b>0</b>           | <b>0</b>           | <b>51,003</b>      | <b>6,581</b>       | <b>40,581</b>      | <b>140,896</b>     | <b>298,161</b>     |
| <b>SUMMARY</b>   |                  |                    |                    |                    |                    |                    |                    |                    |
| <b>Total Revenues</b>                                  | <b>6,687,973</b> | <b>5,823,385</b>   | <b>5,930,672</b>   | <b>5,883,257</b>   | <b>6,015,212</b>   | <b>6,148,378</b>   | <b>6,286,556</b>   | <b>6,436,515</b>   |
| <b>Total Transfers</b>                                 | <b>0</b>         | <b>0</b>           | <b>0</b>           | <b>51,003</b>      | <b>6,581</b>       | <b>40,581</b>      | <b>140,896</b>     | <b>298,161</b>     |
| <b>Total Expenditures</b>                              | <b>5,930,867</b> | <b>5,810,548</b>   | <b>5,018,209</b>   | <b>5,934,259</b>   | <b>6,021,792</b>   | <b>6,188,958</b>   | <b>6,427,451</b>   | <b>6,734,676</b>   |
| <b>Net Annual Operating Surplus/(Deficit)</b>          | <b>757,106</b>   | <b>12,837</b>      | <b>912,463</b>     | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           |
| <b>Cash Fund Balances</b>                              |                  |                    |                    |                    |                    |                    |                    |                    |
| <b>General Fund - Unrestricted</b>                     | <b>680,747</b>   | <b>1,437,853</b>   | <b>844,556</b>     | <b>844,556</b>     | <b>844,556</b>     | <b>844,557</b>     | <b>844,557</b>     | <b>844,558</b>     |
| <b>Restricted Funds</b>                                |                  |                    |                    |                    |                    |                    |                    |                    |
| Accrued Leave Fund                                     | 0                | 0                  | 74,212             | 85,522             | 165,850            | 177,617            | 187,617            | 250,787            |
| Union Sick Bank Fund                                   | 0                | 0                  | 7,000              | 7,000              | 7,000              | 7,000              | 7,000              | 7,000              |
| <b>Restricted Funds - Temporary</b>                    |                  |                    |                    |                    |                    |                    |                    |                    |
| Admin Expense Fund                                     | 0                | 0                  | 390,595            | 350,255            | 309,915            | 269,575            | 177,920            | 0                  |
| Capital Purchase Fund (Paid in FY16)                   | 0                | 0                  | 48,531             | 48,531             | 48,531             | 48,531             | 48,531             | 48,531             |
| Health Plan Reserve Fund                               | 0                | 0                  | 512,000            | 459,000            | 412,000            | 331,000            | 201,000            | 0                  |
| HSA Contribution Fund (Paid in FY16)                   | 0                | 0                  | 38,422             | 0                  | 0                  | 0                  | 0                  | 0                  |
| Rescue Fund (Paid in FY16)                             | 0                | 0                  | 325,000            | 325,000            | 325,000            | 325,000            | 325,000            | 325,000            |
| Union Settlement Fund (Paid in FY16)                   | 0                | 0                  | 110,000            | 110,000            | 110,000            | 110,000            | 110,000            | 110,000            |
| Claims Fund (Centerville)                              | 0                | 0                  | 0                  | 80,759             | 161,519            | 242,278            | 323,037            | 403,796            |
| <b>Total Unrestricted and Restricted Funds</b>         | <b>0</b>         | <b>0</b>           | <b>1,505,760</b>   | <b>1,466,068</b>   | <b>1,539,814</b>   | <b>1,511,001</b>   | <b>1,380,106</b>   | <b>1,145,114</b>   |
| <b>Adjusted Annual Surplus/(Deficit)</b>               | <b>757,106</b>   | <b>12,837</b>      | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           |
| <b>Total Ending Cash Balance</b>                       | <b>1,437,853</b> | <b>1,450,690</b>   | <b>2,350,316</b>   | <b>2,310,624</b>   | <b>2,384,371</b>   | <b>2,355,558</b>   | <b>2,224,663</b>   | <b>1,989,672</b>   |

# EXHIBIT 4

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
) Chapter 9  
)

**AFFIDAVIT OF LAWRENCE SPRAGUE JR.**

I, Lawrence Sprague Jr., do hereby state and affirm:

1. I am an adult resident of the State of Rhode Island. I have personal knowledge of the matters stated herein.
2. This Affidavit is made in connection with the *Motion for an Order Approving its Disclosure Statement with Respect to the Plan for the Adjustment of Debts of the Central Coventry Fire District and Setting Confirmation Procedures* filed by Central Coventry Fire District, debtor in this Chapter 9 proceeding (the "Debtor").
3. In the final collective bargaining agreement between Local 3277, affiliated with the Rhode Island State Association of Firefighters (the "Local") and the Debtor which was proposed for Court approval (the "CBA"), some of the concessions granted by the Local in the CBA include:
  - a. Movement from a four platoon 42 hour work week to a three platoon 56 hour work week without an adjustment in pay for the additional hours worked by an employee, meaning that employees would not be entitled to overtime pay for the additional hours worked.
  - b. The shifts within this platoon structure will increase from ten (10) daytime hours/fourteen (14) nighttime hour shifts to one continuous twenty-four (24) hour shift.
  - c. The Local agreed to follow the Fair Labor Standards Act with regard to moving from a 42 hour work week to a 56 hour work week, such that only hours actually worked count toward accrual of overtime pay. Under the prior agreement between the Local and the Debtor (the "Prior CBA"),



vacation, sick, and personal hours counted toward the accrual of overtime obligations.

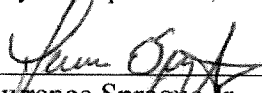
- d. Elimination of overtime in excess of forty-two (42) hours and implementation of a strict overtime calculation in accordance with Section 7(k) of the Fair Labor Standards Act as follows: no overtime unless an employee works in excess of 212 hours over a twenty-eight day period; a cap of \$120,000 per year is imposed on overtime department-wide during the next fiscal year. In the event the Debtor would have an obligation to pay more than \$120,000 in overtime in a fiscal year, then members of the Local shall only paid at their regular rate of pay for additional time actually worked.
- e. Members of the Local will be permitted to substitute and swap shifts, but only if such substitutions do not result in the payment of overtime. In addition, the CBA provides for the reduction of sick time earned by a member at one and a half times the number of hours incurred if overtime is caused by a missed substitution.
- f. Changes to the procedure to fill an anticipated vacancy and use of "floating positions" to prevent the need for expenditure on overtime.
- g. A reduction in the number of members from forty-six (46) to no less than thirty (30) and no more than thirty-two (32).
- h. Minimum manning was reduced from ten (10) members on duty to eight (8) members on duty, with one of the two being an officer, for a reduction of approximately 20% from the normal salary costs.
- i. The fire marshal and battalion chief positions will be exempt salaried positions at a forty-hour work week with no further ability to earn overtime.
- j. A reduction in the uniform allowance of forty percent (40%) per current employee.
- k. The holiday pay differential was eliminated.
- l. Longevity differential was eliminated.
- m. Continued elimination of post-retirement healthcare coverage for future normal retirements, and decreased funding of a Post-Employment Health Plan ("PEHP"). Payment rates will decrease from 9.5% of weekly pay to a schedule of 1-3% depending on date of employment.

- n. The training budget was reduced from \$10,000 to \$2,000 per member for the first four years of the CBA and then \$5,000 per member for each year thereafter.
- o. Tuition reimbursement was reduced from \$10,000 to \$5,000 per member for the first four years of the CBA.
- p. Compensatory time in lieu of overtime has been eliminated on a going forward basis. Accrued compensatory time may be used subject to limitations, including the requirement that accrued compensatory time cannot cause the Debtor to incur overtime expenses.
- q. Health benefits changed to a high deductible plan with the responsibility for the entire deductible falling on the member and ten percent (10%) of the premium paid by the member. If the Debtor joins the Interlocal Trust for insurance pooling services, and the opt-out bonus was reduced from one-half of the premium to \$2,000 for individual coverage and \$4,000 for family coverage.
- r. Life insurance provisions were reduced by approximately one-third (33.3%).
- s. Reduction of retiree healthcare in the event of an occupational disability retirement. Under the Prior CBA, a retiree as a result of occupational disability would receive family health coverage for life. The CBA reduces the benefit to only individual coverage for fifteen (15) years or Medicare eligibility, whichever occurs sooner, and payment of a premium share of twenty-five percent (25%). Other limitations are imposed as well such as coordination of benefits and income limitations.
- t. Reduction of retiree healthcare in the event of an "ordinary" or non-occupational disability retirement.
- u. Sick leave accruals were modified. Upon separation, only fifty percent (50%) of sick leave accrued would be paid instead of seventy-five percent (75%) under the Prior CBA.
- v. Provisions related to vacation changed, and vacation can no longer be converted to a cash payout. Vacation days are subject to "use it or lose it" before the expiration of the next year, except in the case of a termination or separation from service in accordance with state law.

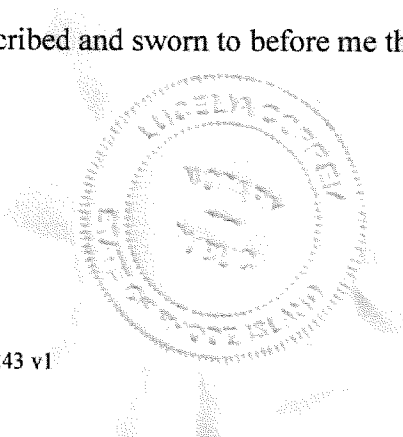
- w. Elimination of severance pay provisions and instead reliance on state law provisions.
4. The Debtor values the concessions detailed above as follows (these calculations are based upon the Debtor's cost if the terms and conditions of the Prior CBA remained in effect through 2020 versus the Debtor's costs under the new CBA):.
- a. Total savings of approximately \$13,900,000 over the five (5) year term of the CBA.
    - i. Total Overtime savings over approximately \$3,400,000.
    - ii. Total Salary savings over approximately \$3,100,000.
    - iii. Total Health benefits savings over approximately \$2,100,000.
    - iv. Total Employer MERS Contribution savings over approximately \$1,200,000.
    - v. Total Longevity savings over approximately \$1,100,000.
    - vi. Total Post Employee Health Plan savings over approximately \$1,100,000.
    - vii. Total HRA/HSA Contribution savings over approximately \$850,000.
    - viii. Total Employer Payroll Tax savings over approximately \$350,000.
    - ix. Total Holiday Compensation savings over approximately \$300,000.
    - x. Total Clothing Allowance savings over approximately \$170,000.
    - xi. Total Vision and Life Insurance savings over approximately \$85,000.
5. The Debtor and the Local agreed to reduce the Local's pre-petition and post-petition administrative claims from \$464,126 to \$323,864.


The foregoing is true and correct to the best of my knowledge and belief.

Dated at Coventry, Rhode Island the 4 day of September, 2015.

  
\_\_\_\_\_  
Lawrence Sprague Jr.

Subscribed and sworn to before me this 4<sup>th</sup> day of September, 2015.



  
\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

LUCELIA CORREIA  
NOTARY PUBLIC  
STATE OF RHODE ISLAND  
MY COMMISSION EXPIRES 02/19/2018

# EXHIBIT 5

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND

|                              |   |                      |
|------------------------------|---|----------------------|
| _____                        |   | )                    |
|                              |   | )                    |
| In re: CENTRAL COVENTRY FIRE | ) |                      |
| DISTRICT                     | ) | Case No. BK 14-12785 |
|                              | ) |                      |
| Debtor.                      | ) | Chapter 9            |
|                              | ) |                      |
| _____                        |   | )                    |

**AFFIDAVIT OF JOSEPH A. ANDRIOLE**

I, Joseph A. Andriole, do hereby state and affirm:

1. That I am an adult resident of the State of Rhode Island.
2. That I serve as the Vice-President of the Rhode Island State Association of Firefighters which is affiliated with the International Association of Fire Fighters (hereinafter "IAFF").
3. That creditor, Coventry Professional Firefighters Association (hereinafter "Local"), is a member of the IAFF as Local 3372 and the Rhode Island State Association of Firefighters.
4. That prior to my involvement, the Local took charge of its own negotiations related to contractual agreements with the Central Coventry Fire District (hereinafter "District") and grievances and arbitrations under those contracts in accordance with R.I.G.L. § 28-9.1-1 *et seq.*
5. That on approximately November 20, 2014, I began my involvement with negotiations between the Local and the District.
6. That upon my involvement, negotiations ensued in an attempt to provide concessions to the District under the collective bargaining agreement then in effect between the District and the Loan (the "Prior CBA") that would allow the District to operate without the need for Chapter 9 relief.
7. Over the course of 15 sessions, negotiations ensued—both before and after the filing of the Chapter 9 petition—in order to come to first a tentative agreement and then an executed agreement subject to approval by the court.
8. For instance, on December 19, 2014, the last negotiation session before the filing of the petition, the Local had proposed to enter into a new collective bargaining agreement that would:

- (a) increase the employee contribution for health insurance from a nominal set dollar figure to a set percentage of the premium;
- (b) reduce the estimated amount owed to members of the Local from \$1 million to 50% of its value, so that the 50% would be paid over six years and no payment would be required in the first year, and having the other 50% deposited into a creditor pool;
- (c) provide that if the District was successful recovering monies under its errors and omissions insurance, the remaining 50% referenced above would be paid to the members of the Local;
- (d) reduce minimum staffing from 10 members per shift, despite an NFPA rating requiring 15 per shift; and
- (e) reduce the table of organization from approximately 48 members to a number in the "mid-to-low 30s."

9. Despite the concessions listed above, and without further notice, the District filed its Chapter 9 petition.

10. Even after the District filed its bankruptcy petition, negotiations continued between the District and the Local. The District took the position that the concessions were not enough. The Local struggled to identify additional savings that its members could accept.

11. At several points during the negotiation process, negotiations appeared to break down and the threat of impasse appeared unavoidable.

12. A number of the issues, as are recounted herein, were not financial in nature but were critical to ensure the safety of the members of the Local and their eventual support.

13. From late December of 2014 through April of 2015, proposals were exchanged between the District and myself on behalf of the Local. In the final agreement proposed for Court approval, some of the concessions granted by the Local in the final collective bargaining agreement (the "CBA") include:

- (a) Movement from a four platoon, 42-hour work week to a three platoon, 56-hour work week without an adjustment in pay for the additional hours worked by an employee resulting in a savings of one-third (1/3) of the budget for regular salary costs.
- (b) The shifts within this platoon structure will increase from ten (10) daytime hour/fourteen (14) nighttime hour shifts to one continuous twenty-four (24) hour shift.

- (c) The Local agreed to follow the Fair Labor Standards Act with regard to moving from a forty-two (42)-hour work week to a fifty-six (56)-hour work week.
- (d) The Local agreed to eliminate overtime in excess of forty-two (42) hours and implement a strict overtime calculation in accordance with Section 7(k) of the Fair Labor Standards Act as follows: no overtime unless an employee works in excess of 212 hours over a 28 day period and a department-wide cap of \$120,000 in overtime during the next fiscal year. In the event the District would be liable for more than \$120,000 in overtime, the members shall only be paid at their regular rate of pay for additional time actually worked in excess of 212 hours over the 28 day period.
- (e) Substitutions and swapping of shifts will still be permitted, but only if they do not result in the payment of overtime and with limitations included in the agreement including the reduction of vacation time earned by a member at one and a half times the number of hours incurred if overtime is caused by a missed substitution.
- (f) The CBA changes the procedure to fill an anticipated vacancy and use of "floating positions" to prevent the need for expenditures on overtime.
- (g) A reduction in the number of members from forty-six (46) to no less than thirty (30) and no more than thirty-two (32) with corresponding reductions in the chain of command with the elimination of the assistant chief, a battalion chief, a captain and seven (7) lieutenant positions.
- (h) Minimum manning was reduced from ten (10) members on duty to eight (8) members on duty, with one of the two being an officer, for a reduction of approximately 20% from the normal salary costs.
- (i) The fire marshal and battalion chief positions will be exempt salaried positions with no further ability to work a position to earn overtime and a 40-hour work week.
- (j) The CBA reduces the uniform allowance of twenty (20%) percent for new employees and more than twenty-five (25%) percent for other employees.
- (k) The holiday pay differential was eliminated.
- (l) Longevity differential was eliminated.
- (m) Sick leave accruals were modified and, upon separation, only fifty (50%) percent of sick leave accrued would be paid instead of seventy-five (75%) percent.
- (n) Provisions related to vacation changed, and vacation can no longer be converted to a cash payout but instead becomes "use it or lose it" before the expiration of the

next year, except in the case of a termination or separation from service in accordance with state law.

- (o) The training budget was reduced from \$10,000 to \$2,000 in the aggregate for the first four years of the agreement and then \$5,000 in the aggregate for each year thereafter.
- (p) Tuition reimbursement was reduced from \$10,000 in the aggregate to \$5,000 in the aggregate for the first four years of the agreement.
- (q) Compensatory time in lieu of overtime has been eliminated on a going-forward basis. Accrued compensatory time may be used subject to limitations, including the requirement that the discharge of compensatory time cannot cause the District to incur overtime expenses.
- (r) Health benefits under the Agreement were changed to a high deductible plan with the responsibility for the entire deductible falling on the member. If the District successfully joins the Interlocal Trust (the "Trust") for insurance pooling services, each member will pay ten percent (10%) of applicable health insurance premiums before the District joins the Trust and two and a half percent (2.5%) of premiums once the District joins the Trust, provided that the employee's share of premiums shall increase by one-half percent (0.5%) per year that the District remains in the Trust. The opt-out bonus was reduced from one-half of the premium to \$2,000 for individual coverage and \$4,000 for family coverage.
- (s) Life insurance provisions were reduced by approximately one-third (33.3%).
- (t) The CBA reduces retiree healthcare in the event of an occupational disability retirement. For example, unless completely disabled, the benefit was reduced from family coverage for life to only individual coverage for fifteen (15) years or until the member is eligible for Medicare, whichever occurs sooner, and payment of a premium co-share of twenty-five (25%) percent. Other limitations are imposed as well, such as coordination of benefits and income limitations.
- (u) Reduction of retiree healthcare in the event of an "ordinary" or non-occupational disability retirement.
- (v) Continued elimination of post-retirement healthcare coverage for future normal retirements, and decreased funding of a Post-Employment Health Plan ("PEHP"). Payment rates will decrease from 9.5% of weekly pay to a schedule of 1%-3%, depending on date of employment.
- (w) Elimination of severance pay provisions and, instead, reliance on state law provisions.



- (x) Settlement of the pre-petition and post-petition administrative claims by reducing the amount to be paid by approximately \$500,000 of the single value claim.

14. The Bankruptcy Court has not yet ruled on the District's motion to reject the Prior CBA.

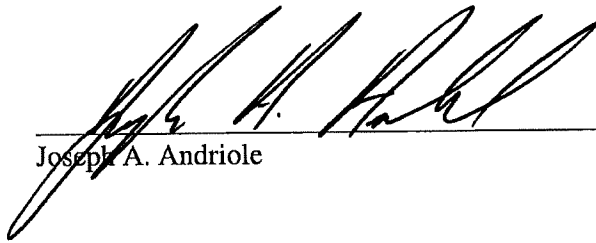
15. In the event it were in litigation, the Local was prepared to contest the District's motion to reject the Prior CBA and to file and litigate claims on all of the above-related items as being implemented under the pendency plan in violation of the Prior CBA.

16. In addition to the claims that could have been made related to the concessions the Local made that are listed in the previous paragraphs and which, without approval of the CBA might still be made, and in addition to the claims which had been filed with the bankruptcy court, others claims exist which could have been filed in the bankruptcy, but were foregone as part of the Local's concessions during the negotiation process. These include:

- (a) treble damages, statutory interest and attorneys' fees on pre-petition unpaid wages pursuant to R.I.G.L. § 28-28-14.19.2;
- (b) unfair labor practices related to the failure to address grievances in accordance with R.I.G.L. § 28-7-13(7) and the predecessor CBA;
- (c) the right to engage in interest arbitration related to contract provisions in accordance with state law;
- (d) the right to renegotiate contract provisions at the end of three years;
- (e) litigation related to the eligibility for relief under Chapter 9;
- (f) litigation related to the motion to reject the predecessor CBA; and
- (g) litigation related to the bankruptcy court's jurisdiction and Tenth Amendment claims related to the power of the State Labor Relations Board and the state statutory scheme for interest and grievance arbitration.

17. In exchange for the concessions agreed to above by the Local, the District has agreed to:

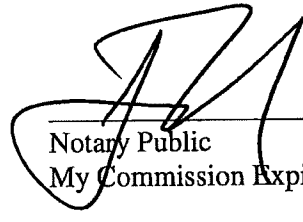
- (a) settlement of the pre-petition and administrative claims and payment of portions of said claims in April of 2015 and September of 2015; and
- (b) a no-layoff clause for the duration of the agreement and to ensure the funds to satisfy the obligations created by the agreement will be satisfied.



---

Joseph A. Andriole

Subscribed and sworn to before me this 10<sup>th</sup> day of September, 2015.



---

Notary Public  
My Commission Expires:

**Joseph F. Penza Jr.**  
**Notary Public**  
**My Commission Expires 7/9/17**  
**ID #12121**

# **EXHIBIT 6**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

|                              |   |                      |  |
|------------------------------|---|----------------------|--|
| <hr/>                        |   | )                    |  |
|                              |   | )                    |  |
| In re: CENTRAL COVENTRY FIRE | ) |                      |  |
| DISTRICT                     | ) | Case No. BK 14-12785 |  |
|                              | ) |                      |  |
| Debtor.                      | ) | Chapter 9            |  |
|                              | ) |                      |  |
| <hr/>                        |   | )                    |  |

**ATTACHMENT 1 –  
FEBRUARY 12, 2014  
SUPERIOR COURT TRANSCRIPT**

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

KENT, SC.

SUPERIOR COURT

GIRARD BOUCHARD, in his capacity )  
as President of the Board of )  
Directors of the Central )  
Coventry Fire District )

VS.

CASE NO: KB-2012-1150

CENTRAL COVENTRY FIRE DISTRICT )

HEARD BEFORE

THE HONORABLE BRIAN P. STERN

ON FEBRUARY 12, 2014

APPEARANCES:

RICHARD LAND, ESQUIRE.....SPECIAL MASTER  
DAVID M. D'AGOSTINO, ESQUIRE.....FOR THE BOARD  
NICHOLAS GORHAM, ESQUIRE.....FOR THE BOARD  
ELIZABETH WIENS, ESQUIRE.....FOR THE UNION  
FREDERICK TOBIN, ESQUIRE.....FOR THE TOWN  
MICHAEL ROBINSON, ESQUIRE.....FOR M.E.R.S.

GINA GIANFRANCESCO GOMES  
COURT REPORTER

C E R T I F I C A T I O N

I, Gina Gianfrancesco Gomes, hereby certify that the succeeding pages 1 through 31, inclusive, are a true and accurate transcript of my stenographic notes.

  
\_\_\_\_\_

GINA GIANFRANCESCO GOMES  
COURT REPORTER

1 WEDNESDAY, FEBRUARY 12, 2014

2 MORNING SESSION

3 THE COURT: Madam clerk, if you would please call  
4 the case.

5 THE CLERK: The matter before the Court is  
6 KB-2012-1150, Girard Bouchard vs. Central Coventry Fire  
7 District. This on for a decision and also a motion.  
8 Would counsel please identify themselves for the record.

9 MR. LAND: Good afternoon, your Honor. Richard  
10 Land, Special Master for the Central Coventry Fire  
11 District.

12 MR. D'AGOSTINO: David M. D'Agostino, attorney for  
13 the Board of Directors of the Central Coventry Fire  
14 District.

15 MR. GORMAN: Nicholas Gorham, attorney for the Board  
16 of Directors.

17 MS. WIENS: Elizabeth Wiens for the firefighters.

18 MR. TOBIN: Frederick Tobin for the Town of  
19 Coventry.

20 MR. ROBINSON: Mike Robinson, counsel for the  
21 Municipal Employee's Retirement System.

22 THE COURT: Thank you, counsel. The last time we  
23 had session on this case the Court had invited parties to  
24 file memos or briefs on the issue of next steps  
25 liquidation reorganization. I'm not going to go through

1 the entire order at this point. The Court did receive  
2 papers from the union, from the Municipal Employee  
3 Retirement System, from the Board of Directors, and from  
4 the Special Master. The Court has reviewed those papers  
5 but would any of the parties like to be heard at this  
6 time?

7 Okay. Thank you. The Court is prepared to rule on  
8 the issue at this point. The ruling is to a certain  
9 extent extensive as we're about a year and a half into  
10 this at this point.

11 The decision this Court is required to make today is  
12 very significant and important to the people who live,  
13 work, and visit the Central Coventry Fire District. This  
14 decision is important to the other fire districts in the  
15 Town of Coventry that the fire districts provide mutual  
16 aid, and this decision is important to the entire state  
17 as this fire district is an integral part of the State's  
18 Emergency Management Plan. The decision is also  
19 important to the employees of the fire district and their  
20 families as well as the other people and businesses the  
21 fire district has made commitments to over the years.  
22 The decision of this Court may directly affect the time  
23 it takes for an ambulance to get to your home, for a fire  
24 truck to get to your house. This is a very significant  
25 decision that the Court takes extremely seriously and has



1 wrestled with. In some small way the snow last Wednesday  
2 that resulted in the cancelling of all court calenders  
3 throughout the state and delaying this decision gave this  
4 Court the ability to further contemplate its decision.

5 On January 29, 2014, this Court directed any parties  
6 who wished to file a written position regarding the  
7 liquidation of the Central Coventry Fire District's  
8 assets to do so with the Superior Court clerk by February  
9 3, 2014. Having received and considered the position  
10 statements of the firefighters' union, the Board of  
11 Directors, the Rhode Island Municipal Employee Retirement  
12 System, and the Special Master, this Court hereby renders  
13 the following decision:

14 Background: The Central Coventry Fire District was  
15 originally created by legislative charter by our General  
16 Assembly many decades ago. The voters of the Central  
17 Coventry Fire District were given the authority to create  
18 a fire district to provide fire protection, emergency  
19 medical services, and other services to the district's  
20 residents. The charter of the fire district was amended  
21 over the years, but significant amendments were made in  
22 2006 by the General Assembly. These amendments allowed  
23 the voters of the Central Coventry Fire District and  
24 three other fire districts in the Town of Coventry to  
25 merge. This merger required the approval of the voters

1 of all the districts, including the current Central  
2 Coventry Fire District. This merger was approved by the  
3 voters, which led to the current configuration, board,  
4 and structure of the fire district.

5 Importantly, while the fire district provides  
6 valuable services to the Town of Coventry it is not  
7 controlled in any way by the Town. The Central Coventry  
8 Fire District has its own annual taxpayer meeting at  
9 which a tax levy is authorized to fund the district for  
10 the fiscal year. The voting taxpayers in attendance also  
11 vote for their representatives on the Board of Directors.  
12 The voting taxpayers, through the dually elected Board of  
13 Directors retained a chief of the fire district and are  
14 responsible for all aspects of the district's operations.

15 The legislative history does not provide much  
16 guidance as to the reasons for the merger of the four  
17 fire districts into the surviving Central Coventry Fire  
18 District, but based on anecdotal evidence it appears that  
19 there were numerous issues having at that time seven  
20 independent fire districts within the Town of Coventry  
21 each with its own independent taxing authority, command  
22 structure, and employees, some paid and some volunteer.  
23 It seems evident that increased effectiveness and  
24 efficiency along with cost savings was a driving force  
25 behind the decision that in its early iterations would

1 have combined all seven fire districts into one fire  
2 district for the Town of Coventry. Certainly the state  
3 legislature did not take this action in a vacuum. As  
4 mentioned earlier, this merger also required a vote of  
5 the taxpayers in each district.

6 The difficulties at the source of the present  
7 special mastership emerged and came to a head during the  
8 Central Coventry Fire District's October 1, 2012,  
9 meeting. At this meeting, the board proposed a budget  
10 to the taxpayers for the upcoming fiscal year. After  
11 much public comment and debate, including requests for  
12 financial information, which was not provided, a motion  
13 was made from the floor to table the budget and recess  
14 the meeting for a period of sixty days to allow the board  
15 time to prepare some basic information so the voters  
16 could make a determination about whether or not to vote  
17 for or against the proposed levy/budget. The motion was  
18 seconded from the floor and the motion was passed by the  
19 taxpayers in attendance. Because this motion was passed,  
20 the board was unable to levy taxes for the upcoming  
21 fiscal year. This action, a short delay in the  
22 authorization of tax levies, should have been able to be  
23 absorbed by a district like the Central Coventry Fire  
24 District as the board would have had a contingency plan  
25 in place, including a rainy day fund, to protect against

1 the contingency that a budget would not pass. This did  
2 not happen. Although the voters at the annual meeting  
3 were asking for information, no one outside of that  
4 current Board of Directors at that time had knowledge  
5 that this small hole in the dike would cause the entire  
6 dam to rupture.

7 The board then voted to file an application with the  
8 Superior Court on October 16, 2012, to place the fire  
9 district into receivership. The board represented to the  
10 Court that:

11 1. There was less than \$1,000 cash in the bank.

12 2. That the employees had not been paid in more  
13 than three weeks.

14 3. That Centerville Bank, one of the fire  
15 district's main creditors, had closed their credit line  
16 and,

17 4. That the district's debts were far in excess of  
18 its assets.

19 Based on these representations, this Court appointed  
20 Richard Land as temporary Special Master and subsequently  
21 on November 13, 2012, named Mr. Land permanent Special  
22 Master. The Court authorized the Special Master to take  
23 possession and charge of all assets, effects, property,  
24 and business of the fire district. This Court also  
25 ordered a stay to prevent new lawsuits and the

1 continuation of existing lawsuits and collection  
2 activities brought against the fire district by creditors  
3 and others.

4 Over the next two months, the Special Master and his  
5 staff undertook to reconstruct the fire district's  
6 financial records, which were in disarray at the time the  
7 district filed its petition for receivership. During  
8 this process, the Special Master unveiled serious  
9 discrepancies between the fire taxes that were  
10 purportedly owed to the fire district and what the  
11 district actually collected. These discrepancies  
12 resulted from the fire district's failure to pursue and  
13 collect unpaid taxes as well as a myriad of errors in the  
14 fire tax bills that the fire district issued. The most  
15 egregious tax bill error was an \$800,000 mistake  
16 contained in a tax bill issued to a large commercial  
17 taxpayer, a mistake that represented more than fifteen  
18 percent of the annual budget.

19 The Special Master discovered that the fire district  
20 had spent the entire tax levy for the 2000-2011 fiscal  
21 year, more than \$5.2 million, on operating and capital  
22 expenses even though there was a shortfall of more than  
23 \$800,000 in receipts. The Special Master further  
24 discovered that the board had never investigated the  
25 reason for this massive shortfall in tax receipts.

1 Instead, that board buried its head in the sand, perhaps  
2 hoping that the error would go away if they ignored it,  
3 but in effect doubling down on the magnitude of their  
4 mistake by making the same revenue assumption for the  
5 following fiscal year. The board sent out the exact same  
6 tax bills for 2011-2012 as it did the previous year  
7 resulting in a structural deficit of more than \$1.6  
8 million by the end of fiscal year 2011-12. There is no  
9 evidence in the board's minutes that the fire district  
10 disclosed this structural deficit to the taxpayers.

11 The board's conduct at this point became reckless.  
12 Despite the massive structural deficit that had been  
13 running for two years, the board increased the fire  
14 district's expenditures. The board hired additional  
15 firefighters, leased a new ladder truck, and entered into  
16 a new collective bargaining agreement increasing  
17 firefighters' rate of pay as well as accruing other  
18 benefits. Still, the taxpayers were not informed of the  
19 structural deficit. Having no revenue or tax proceeds to  
20 pay the bills, the board resorted to what has been  
21 quintessentially the 21st-century American thing to do.  
22 It took out a loan from a credit line with Centerville  
23 Bank to pay operating expenses and it cut corners on its  
24 obligations to its employees. Specifically, the board  
25 failed to remit employee contributions withheld from

1 their pay to the Municipal Employee Retirement System,  
2 and it failed to pay bills as they became due, including  
3 health insurance premiums for the employees. These  
4 actions, taking trust funds paid out of employees'  
5 paychecks and not paying those funds over to the pension  
6 fund, could be considered even more than reckless and  
7 those issues have been referred by this Court to the  
8 Rhode Island State Police and the Attorney General.

9 By February, 2013, the Special Master had prepared a  
10 new budget for taxpayer approval at the special meeting,  
11 which was held on February 13th. After negotiating with  
12 the Union and making other adjustments to operations, the  
13 Special Master realized annualized savings of  
14 approximately a half of a million dollars in his budget.  
15 The total levy to the taxpayers at the special meeting  
16 was \$5.4 million represented by a single tier tax rate of  
17 \$3.15 per \$1,000 assessed value. Significantly, the  
18 Special Master also had to charge a single tax rate to  
19 all property holders, commercial and residential, because  
20 the board had also charged a two-tier tax rate in  
21 violation of the charter and applicable law. As a result  
22 of the single tier rate and putting forward a budget that  
23 did not contain the mistakes in the tax assessment, the  
24 rates significantly increased. The budget and levy was  
25 presented to the voters and the measure failed by a vote

1 of 228 to 204.

2 Following the rejection of the levy, the Special  
3 Master reported to this Court that the fire district  
4 would run out of money within two weeks and recommended  
5 that the fire district be liquidated. This Court heard  
6 extensive comment and testimony on February 14, 2013, and  
7 adjourned to allow the parties the opportunity to present  
8 the Court with the public safety consequences of an  
9 immediate liquidation, as well as comment on the extent  
10 of the Court's equitable powers to take such a drastic  
11 step and give interested parties the opportunity to  
12 continue discussions and perhaps come up with an  
13 alternate solution.

14 The next date, the President of the Town of  
15 Coventry's Town Council, the Chief of the Central  
16 Coventry Fire District, the President of the Union, Mr.  
17 John Assalone, a taxpayer in Central Coventry, and the  
18 Special Master reported to this Court that there had been  
19 meetings over the interim and they had agreed to a  
20 potential pathway whereby a lower tax levy could be  
21 proposed to the fire district's taxpayers, plus a  
22 significant decrease in that levy in subsequent years.  
23 The parties represented to this Court that their plan  
24 would require a smaller budget than had been proposed at  
25 the prior special meeting.



1           These parties, with the Special Master's support,  
2           requested this Court to allow another special meeting and  
3           another vote. The Court granted this request. The  
4           Court's authorization was contingent on the finalization  
5           of a budget that included a reduced tax levy which  
6           incorporated operation and personnel changes proposed by  
7           the parties and the agreement of the Town of Coventry  
8           Board of Canvassers' that it supervise the vote. The  
9           Court also requested that the current board members  
10          resign.

11           Importantly, to hold over the fire district until  
12          this special meeting could take place, the Court ordered  
13          that the tax bills for the first, second, and third  
14          quarters of the fiscal year be paid when due at the same  
15          rate and amount as had been authorized by the taxpayers  
16          in the 2009-2010 fiscal years. The Court further ordered  
17          the Special Master formulate a plan in case the taxpayers  
18          rejected this levy.

19           Between the time of the hearing and the second vote,  
20          the taxpayers of the Central Coventry Fire District began  
21          to understand the true extent of the problems and the  
22          information that had been withheld from them by the board  
23          for several years. The yearly operating expenses of the  
24          fire district were far in excess of the amount of funds  
25          that was being generated by taxes and other fees. The

1 board had created what can only be described as an  
2 elaborate Ponzi scheme to hide this from the taxpayers,  
3 which resulted in a multimillion dollar structural  
4 deficit. A twenty, thirty, or even a fifty percent  
5 increase in taxes would not even resolve the entire  
6 structural deficit the board had created at that time.

7 On March 26, 2013, the district taxpayers  
8 overwhelmingly rejected the proposed tax levy by nearly a  
9 three to one margin, 484 votes in favor; 1,337 votes  
10 opposed. On March 29, 2013, after receiving a report  
11 from the Special Master, this Court found that the fire  
12 district did not have sufficient funds to operate for  
13 more than a week, and this Court did not have the  
14 equitable or legal authority to order additional taxes.  
15 Accordingly, this Court authorized liquidation of the  
16 fire district to take place the following week.

17 This was not the end, however. Following the  
18 hearing and the Court's order, the Town of Coventry's  
19 Town Council authorized a \$300,000 loan to keep the  
20 Central Coventry Fire District running, an amount that  
21 would allow it to operate for approximately three weeks.  
22 This Court approved the acceptance of this loan, over the  
23 strenuous objections by certain interested parties, which  
24 allowed the fire district to continue limited operations  
25 and allowed the parties to develop a contingency plan or,

1 alternatively, the General Assembly to pass legislation  
2 to address this crisis.

3 The General Assembly did address this issue passing  
4 a bill, which amended the fire district's annual  
5 appropriation under its charter, and permitted the fire  
6 district to operate under the tax levy that had last been  
7 authorized by the voters, in the event that the voters  
8 failed to authorize the assessment and collection of a  
9 new levy. This law extended the fire district's lifeline  
10 allowing it to continue to operate until September 1,  
11 2013, when the bill's sunset provision called for its  
12 repeal or until tax receipts were exhausted, whichever  
13 came first. This bill became effective on May 10, 2013,  
14 after the Governor allowed the bill to become law without  
15 his signature.

16 One of the issues that became apparent to this Court  
17 during the special mastership proceeding is that there  
18 was no representative that could speak solely for the  
19 taxpayers of the Central Coventry Fire District and that  
20 it was critical that through this process the taxpayers  
21 have a representative voice in the process. This Court  
22 on May 17, 2013, issued a written decision calling for  
23 the election by eligible fire district taxpayers of a new  
24 board and ordering this election to take place on June  
25 29, 2013. This Court especially emphasized that the

1 taxpayers of the fire district, "Through their dually  
2 elected representatives, are in the best position to  
3 decide the future of their fire district going forward,"  
4 and so this Court shifted, through its order, the  
5 delegation of certain specific powers of the Special  
6 Master on to the newly constituted board. This Court was  
7 adamant that the newly constituted board, as the direct  
8 representatives of the taxpayers, would be in the best  
9 position to make the decisions about the future of the  
10 fire district.

11 A new board was elected by the taxpayers pursuant to  
12 the voting procedures submitted to the Court by the  
13 Special Master. New board members appeared before this  
14 Court and were sworn in by this Court. The new board,  
15 led by their elected chairperson, Fred Gralinski, began  
16 working immediately on the future of the fire district,  
17 including understanding the income and expenses,  
18 formulating a budget, and at the Court's urging,  
19 negotiating with the firefighter's Union. The board  
20 retained its own legal counsel, accountant, and worked  
21 with the Special Master on a number of issues.

22 The Court, the Special Master, and the newly-elected  
23 board continued their work on the receivership. The  
24 Court approved the Special Master's petition to authorize  
25 tax sales for the delinquent taxes. The Court granted the

1 Special Master's petition to return the ladder truck  
2 finding that the board's vote to return the ladder truck  
3 was a legitimate exercise of the board's business  
4 judgment. The Court also denied a petition from certain  
5 taxpayers in the Central Coventry Fire District  
6 commercial taxpayers for the payment and priority of  
7 claims against the fire district and denied and dismissed  
8 with prejudice these taxpayers' petition based on the  
9 expiration of the various statute of limitations. The  
10 Court also significantly ruled that any deficiency owed  
11 to the Municipal Employees' Retirement System would be  
12 paid by the taxpayers of the district by levy if  
13 required.

14 In the interim, the General Assembly once again  
15 passed legislation impacting the fire district's  
16 financial crisis. At the end of the legislative session  
17 a bill was passed amending Section 44-5.2-3 of the  
18 general laws providing that if a fire district in the  
19 Town of Coventry failed to approve an annual  
20 appropriation measure, the same amounts appropriated in  
21 the previous fiscal year shall be available.  
22 Effectively, this bill did away with the previous bill's  
23 September 1, 2013, sunset clause, permitting the fire  
24 district to operate on the last authorized tax levy in  
25 perpetuity. Once again, the Governor's office allowed

1 this bill to become law without his signature and it  
2 became effective on July 19, 2013.

3           Meanwhile, work on a new budget continued. This  
4 Court ordered the board to file with the Court  
5 alternatives following consultation with a court  
6 appointed consultant. The board, through counsel,  
7 represented to this Court that a budget of over \$7  
8 million would be needed to satisfy all of the contracted  
9 costs of operations, personnel, and repayment of the  
10 entire fire district's accrued debt. The Court approved  
11 on October 16, 2013, the board's vote on the budget  
12 alternatives, which would present two options to the  
13 taxpayers for approval at the special meeting. The  
14 special meeting was to take place October 21, 2013. As  
15 the alternatives recommended to the board to be submitted  
16 to the taxpayers were both less than the amount required  
17 to operate the fire district under its current  
18 obligations, the Court ordered that the board consider  
19 the following question should the budget pass and  
20 agreements were not entered into to bring the budget into  
21 balance, "Whether or not the voter's approve or reject  
22 the board's tax levy and assessment at the special  
23 meeting on October 21st, if the resulting budget is not  
24 balanced, expenses greater than revenue, does the board  
25 recommend that this Court authorize the Special Master to

1 close and liquidate the Central Coventry Fire District?"  
2 On October 17, 2013, the board through a local vote  
3 answered this question unanimously in the affirmative.

4 The voters approved the levy and assessment on  
5 October 21, 2013, special meeting, but the levy and  
6 assessment they approved was less than what the fire  
7 district required to operate and meet all of its  
8 obligations, taking into account accrued liabilities and  
9 current operations. Based on the board's local vote, the  
10 voters knew what would happen if they did not pass a  
11 budget and there was no agreement by the creditors that  
12 the board would pursue liquidation and closure of the  
13 fire district. Despite this knowledge, the voters passed  
14 a much smaller levy. In fact, the people had spoken.

15 On January 29, 2014, in an order denying three  
16 petitions by the fire district's board, this Court stated  
17 its belief that it was critical to decide the issue of  
18 whether or not the liquidation of the fire district under  
19 Rhode Island law should be authorized. The Court also  
20 found it imperative to determine the extent of its  
21 authority to permit or not permit future operations of  
22 the fire district if liquidation was ordered by the  
23 Court. The Court directed all parties wishing to file a  
24 written position regarding liquidation to do so by  
25 February 3rd.

1 First, the Central Coventry Fire District is a  
2 quasi-municipal corporation that is subject to  
3 liquidation. Fire districts like the Central Coventry  
4 Fire District have long been regarded, under Rhode Island  
5 law, to be quasi-municipal corporations. This goes back  
6 to an 1878 case, Cole vs. East Greenwich Fire District,  
7 by our Rhode Island Supreme Court. In that case our  
8 Supreme Court held that a fire engine company's power to  
9 tax creates an enforceable duty to levy a tax in order to  
10 pay off a judgement. The Supreme Court rejected the  
11 defendant fire engine company's contention that it was a  
12 private corporation, finding that its charter, "created a  
13 close corporation, resembling the old English borough  
14 corporations rather than an ordinary municipal or  
15 quasi-municipal corporation," but nonetheless, because  
16 the fire district had a public object and because the  
17 General Assembly had vested in it an important public  
18 franchise of assessing and levying taxes, the fire engine  
19 company must be regarded as a public or quasi-municipal  
20 corporation.

21 The Court further reemphasized this holding both  
22 again later in the 1800s and 1898, and then again in 1952  
23 in the case of Kennelly vs. Kent County Water Authority.  
24 In addition, the Rhode Island General Laws contemplate  
25 the liquidation of the assets of a fire district. Rhode



1 Island General Law 7-5-19 prescribe a dissolution process  
2 for when a quasi-municipal corporation, banks, saving  
3 banks, trust company, loan, or investment company has  
4 been liquidated in voluntary liquidation or in  
5 receivership or otherwise. However, although  
6 quasi-municipal corporations, such as the one here, can  
7 be dissolved after they are liquidated under the law, the  
8 general laws do not specify a way for courts to liquidate  
9 quasi-municipal corporations in the first place. Lacking  
10 specific statutory authority and solution for this  
11 problem, this Court must turn to its equitable  
12 jurisdiction for direction.

13 This Court has the inherent power in equity to look  
14 to substance rather than form of a right asserted. In  
15 Rhode Island it has been held that the office of equity  
16 is to supplement, not supplant the law, so when there is  
17 a remedy at law, that must be followed.

18 The Court looks to part 13 of the Rhode Island  
19 Business Corporation Act called Dissolution and  
20 Revocation. This part of the Business Corporation Act  
21 confers on the Superior Court jurisdiction to liquidate  
22 the assets and business of a corporation. It does not  
23 provide for the Superior Court's jurisdiction to  
24 liquidate the assets and business of a quasi-municipal  
25 corporation like the Central Coventry Fire District.

1           However, this Section 7-1.2-1314 is the closest analog in  
2           the Rhode Island General laws available to the Court to  
3           deal with the issue of liquidating the fire district's  
4           assets. Our General Assembly left a gap in the law with  
5           respect to the liquidation of a quasi-municipal  
6           corporation. Although, on the one hand, a  
7           quasi-municipal corporation, such as this, can be  
8           dissolved after being liquidated. On the other hand, the  
9           law is silent about how to go about liquidating a  
10          quasi-municipal corporation in the first place. In other  
11          words, the remedy at law is inadequate to allow this  
12          Court to deal with the extant circumstances.

13                 The Business Corporation Act is a liquidation  
14          template. Section 7-1.2-1314(a)(1) of the Business  
15          Corporation Act provides for the liquidation of assets  
16          and business of a corporation in an action by a  
17          shareholder. This section gives the Court jurisdiction  
18          to liquidate when it is established that dissolution  
19          would be beneficial to the shareholders under one of six  
20          scenarios. Two of the scenarios are pertinent in this  
21          case.

22                 Section IV, which is the corporate assets are being  
23          misapplied or in danger of being wasted or lost, or

24                 Section VI, the holders of one half or more of all  
25          outstanding shares have voted to dissolve the

1 corporation.

2 This case, including the instant matter respecting  
3 the liquidation of the Central Coventry Fire District's  
4 assets, has been brought before this Court as an action  
5 by the chairman and president of the then Central  
6 Coventry's Board of Directors, who originally sought, on  
7 behalf of the taxpayers, placement of the fire district  
8 into receivership. Thus, if the fire district was a  
9 corporation, the statute would apply and in equity this  
10 Court does apply this section for guidance. Scenarios in  
11 Subsection IV and VI of the Business Corporation Act are  
12 most congruous, and, therefore, the most applicable.

13 So the first section, the fire district's assets are  
14 in danger of being wasted or lost. This Court will  
15 exercise its equitable jurisdiction to liquidate the fire  
16 district's assets according to the remedy provided under  
17 this law, corporate assets are being misapplied or in  
18 danger of being wasted or lost. There is no question  
19 here that the fire district's assets are in danger of  
20 being wasted or lost.

21 Before this Court is evidence from the Special  
22 Master and testimony from the Central Coventry Fire  
23 District Chief revealing a vehicle fleet, physical plant,  
24 and firefighting communication equipment that are  
25 vulnerable to decay and deterioration without adequate

1 funds and manpower for maintenance. Fire trucks break  
2 down, radio equipment needs maintenance, stationhouse  
3 roofs leak, firehoses and others must be inspected and  
4 man hours are needed to provide services to the residents  
5 and visitors of the fire district. Without sufficient  
6 funding and with insufficient staffing the assets of the  
7 fire district are in danger of being seriously and  
8 irreversibly depleted and the potential liability to the  
9 individual taxpayers in the district will continue to  
10 increase.

11 Furthermore, the extent of the fire district's  
12 structural deficit is itself a vortex of waste and loss.  
13 In purely economic terms, the evidence before this Court  
14 indicates that the marginal cost of operating the fire  
15 district is greater than the marginal economic benefit  
16 derived from the expenditure. The taxpayers' refusal to  
17 pass a budget that at least balanced the fire district's  
18 books means that every dollar that is spent on the future  
19 of the fire district operation yields more than a dollar  
20 of future liability. This is the very definition of  
21 waste. Since the corporate assets of the fire district  
22 are in danger of being wasted or lost, and, in fact, are  
23 being misapplied or were misapplied, this Court finds it  
24 has equitable jurisdiction to liquidate the assets.

25 In addition, the fire district voters have

1 effectively voted to liquidate and dissolve the fire  
2 district. An additional basis exists for the Court to  
3 exercise its equitable jurisdiction to liquidate the fire  
4 district's assets. The Court will exercise jurisdiction  
5 according to the remedy provided in the Business  
6 Corporation Act, "If the holders of one half or more of  
7 the outstanding shares of the corporation have voted to  
8 dissolve the corporation."

9 On October 21, 2013, the Central Coventry Fire  
10 District taxpayers were presented with a budget that was  
11 less than needed to satisfy the costs of operations,  
12 personnel, and repayment of the fire district's accrued  
13 debt. The money that the fire district's board needed to  
14 meet all of these obligations was as much as slightly  
15 over \$7 million. Four days before this meeting on  
16 October 17, 2013, the board explicitly found unanimously  
17 through a roll call vote that if the voters rejected the  
18 board's tax levy and assessment, the board would  
19 recommend to the Court to liquidate the fire district's  
20 assets and close the fire district.

21 This Court finds the voters knew full well what was  
22 at stake for the future of their fire district at this  
23 crucial vote, and yet they passed a budget that was less  
24 than what was required to balance the books, if a  
25 suitable agreement could not be reached. The fire

1 district voters, by failing to vote for a balanced budget  
2 or at least a budget equal to that in the legislation,  
3 effectively voted for liquidation and dissolution.

4 Accordingly, this Court finds that it has the  
5 equitable jurisdiction to liquidate the fire district's  
6 assets pursuant to the language in the Business  
7 Corporation Act. As a result of the above, this Court  
8 will take the unprecedented step of authorizing the  
9 Special Master to move forward with the liquidation of  
10 the fire district.

11 Reorganization: Having exercised its jurisdiction  
12 to order the liquidation of the fire district's assets,  
13 the question becomes: What now? There is an important  
14 distinction between liquidation and dissolution.  
15 Liquidation is the process of marshaling the assets,  
16 selling them, and distributing those assets to creditors  
17 and others. Dissolution is the act that terminates the  
18 existence of the entity and may be accomplished either  
19 voluntarily or involuntarily by decree of this court.  
20 Liquidation then is merely one step in the process that  
21 may terminate with the dissolution of the entity. The  
22 question then becomes can the Central Coventry Fire  
23 District during the liquidation process through this  
24 Court enter into contracts agreements to provide fire,  
25 emergency medical, and other services. While this Court

1 need not address the terminal issue of dissolution today,  
2 the pressing issue is this question.

3 This Court determines that the answer is clear.  
4 Unless and until all debts of the fire district have been  
5 satisfied or discharged at the end of the liquidation,  
6 the Central Coventry Fire District cannot continue to  
7 provide these services as the Central Coventry Fire  
8 District. This is due to the fact that nowhere in our  
9 general laws is the fire district or this Court given the  
10 authority to reorganize. This Court only has the power  
11 to liquidate, unless there is an agreement among all  
12 parties to do otherwise.

13 In fact, our General Assembly could have and  
14 recently did provide a mechanism for other government  
15 entities to seek reorganization with the passage of the  
16 Fiscal Stability Act based in large part on the issues  
17 emanating from the receivership which began in state  
18 court of the City of Central Falls. The process under  
19 the Fiscal Stability Act provides that the executive  
20 branch of state government after proceeding through a  
21 series of explicit steps to ultimately file for a type of  
22 reorganization under Chapter 9 of the Federal Bankruptcy  
23 Code. The General Assembly chose not to include fire  
24 districts under the umbrella of the Fiscal Stability Act  
25 and this Court will not infer such an intent.

1 In fact, without express statutory authority it is  
2 doubtful that the Federal Bankruptcy Court would allow a  
3 Chapter 9 bankruptcy filing by the fire district to be  
4 maintained. With the exception of a negotiated agreement  
5 between all of the creditors and parties, this Court  
6 finds that its legal and equitable powers extend only to  
7 liquidation and not the power to alter or, as known in  
8 the bankruptcy context, to cram down on parties a  
9 different contract or agreement than the one that was  
10 bargained for.

11 This Court, however is also keenly cognizant of the  
12 special public policy and public protection  
13 considerations that relate to the fire district's  
14 incorporation under Rhode Island law. The Rhode Island  
15 Supreme Court has considered the political nature of a  
16 fire district, and this Court relies on that case law to  
17 reach a determination about the future of the district.

18 The question turns to who is the appropriate party  
19 or in this case the appropriate branch of government to  
20 determine the future provision of fire, emergency  
21 medical, and other services in the Central Coventry Fire  
22 District. As stated above, this Court does not have the  
23 authority and it is not the appropriate branch of  
24 government to exercise this authority without specific  
25 authorization by statute.



1 In the end the taxpayers of Central Coventry have  
2 sent a clear message to the Town of Coventry, the  
3 legislative and executive branches of state government  
4 that it will no longer provide these services to the  
5 residents of the district. Branches of government,  
6 outside of the judicial branch, must determine how to  
7 proceed forward. The judicial branch is certainly not  
8 the appropriate place to make these public safety and, as  
9 stated by our Supreme Court, political decisions. With  
10 respect to public safety, this Court is not ultimately  
11 charged with public safety. It does not have the  
12 authority to create and fund a fire department. It does  
13 not have the expertise to determine what the most  
14 appropriate number of stations, firefighters, or  
15 equipment should be in place. It does not have under its  
16 authority an emergency management agency, department of  
17 health, or fire marshal to help inform these decisions.  
18 Ultimately, if a fire truck or ambulance does not  
19 respond, the public does not cry out, Why didn't the  
20 judiciary send an ambulance. They demand their town  
21 council and the executive branch of the state to provide  
22 for the public safety needs.

23 Again, this Court is also not the best branch of  
24 government suited to make the policy and political  
25 decisions going forward. That is best accomplished by

1 the town council or the legislative branch of state  
2 government. These are the representatives directly  
3 elected by the people to publicly debate and decide these  
4 important issues. It is far more appropriate for the  
5 town council and/or the General Assembly to be making  
6 these important decisions as opposed to an unelected  
7 judiciary. The policymakers and politicians created this  
8 district and must, now that it has failed, determine the  
9 next steps.

10 When we think about the concept of separation of  
11 powers, a dynamic that has changed in Rhode Island very  
12 recently, the question is when there is more than one  
13 branch of government that can assert authority to deal  
14 with certain issues, what is the most appropriate branch  
15 of government to do so. In this case the future  
16 provision of fire and emergency services in Central  
17 Coventry it is the branch that makes the law, the  
18 legislature, and the branch that has the responsibility  
19 for public safety that are the best branches of  
20 government to deal with future issues.

21 What we are left with is liquidation going forward  
22 that will result in this fire district no longer  
23 providing services under current law. This Court must  
24 remember that for public safety reasons the fire district  
25 cannot close their doors tomorrow. However, the funds to

1 continue to run the district are quickly being depleted.  
2 After reviewing the financials of the fire district, it  
3 appears that the fire district can remain open for  
4 approximately three months until May 16, 2014. This will  
5 allow time for the Town and the state to determine how  
6 fire, emergency medical, lighting, and other services  
7 will be provided for the district.

8 As a result the Central Coventry Fire District will  
9 move forward as follows:

10 1. The Special Master is hereby appointed the  
11 liquidating receiver of the Central Coventry Fire  
12 District.

13 2. The liquidating receiver shall immediately  
14 commence liquidation and shall file with this Court a  
15 plan of liquidation closing the district on or before  
16 May 16, 2014.

17 3. This Court's order delegating certain specific  
18 powers to the Board of Directors is hereby vacated.

19 4. The Board of Directors will remain constituted  
20 and is charged with representing the interest of the  
21 Central Coventry Fire District and its taxpayers during  
22 the liquidation process.

23 5. The liquidation receiver will provide notice of  
24 liquidation within the next 24 hours to the Town of  
25 Coventry, the Town of Coventry Emergency Management

1 Agency, the Governor of the State of Rhode Island, the  
2 State Emergency Management Agency, the State Fire  
3 Marshall, the Department of Health, the President of the  
4 Rhode Island Senate, and the Speaker of the House of  
5 Representatives.

6 Finally, the liquidating receiver shall order an  
7 expedited transcript of this decision and make it part of  
8 the final court order.

9 This is a very difficult decision and I want to  
10 sincerely thank all the people who tirelessly tried to  
11 work through this horrible situation. Unfortunately, the  
12 hole in the dike left by the old board was just too large  
13 and the water was coming in too fast to be repaired. It  
14 is not the Special Master, the Union, or the new board  
15 that prior to the special mastership had a fiduciary  
16 obligation to their fellow residents and taxpayers to  
17 properly manage this fire district when the problems  
18 occurred. What brought down this fire district was not  
19 being open, honest, and confronting a problem head on by  
20 sweeping it under the rug hoping it would go away.

21 If these problems were disclosed at the time of the  
22 merger in 2006, it may have been solved. If these  
23 problems were disclosed after the first mistake in tax  
24 bills, it may have been resolved. If the mistake was not  
25 repeated the next year, it may have been solved. It the

1 credit line had not been used to cover this up, it may  
2 have been solved. If the trust and confidence of the  
3 taxpayers of the Central Coventry Fire District was not  
4 violated over and over again, this may have been solved.

5 In the end the taxpayers of the fire district have  
6 lost complete faith in one of the most important  
7 institutions that a government can provide to its  
8 citizens. After seeing this case through and after the  
9 actions of the board prior to the special mastership, and  
10 very clearly I am not including the members of the board  
11 that were elected at that last meeting just days and  
12 weeks before the filing, I can't necessarily blame them.

13 The Special Master who is now the liquidating  
14 receiver shall prepare the appropriate order for this  
15 Court. And with that, this Court will be in recess.

16 (A D J O U R N E D.)

17  
18  
19  
20  
21  
22  
23  
24  
25

# EXHIBIT 6

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

|                              |  |   |                      |
|------------------------------|--|---|----------------------|
| <hr/>                        |  | ) |                      |
|                              |  | ) |                      |
| In re: CENTRAL COVENTRY FIRE |  | ) |                      |
| DISTRICT                     |  | ) | Case No. BK 14-12785 |
|                              |  | ) |                      |
| Debtor.                      |  | ) | Chapter 9            |
|                              |  | ) |                      |
| <hr/>                        |  | ) |                      |

**ATTACHMENT 2 –  
MARCH 31, 2014  
SUPERIOR COURT ORDER**

STATE OF RHODE ISLAND  
KENT, SC.

SUPERIOR COURT

Girard Bouchard, in his capacity as  
President of the Board of Directors  
of the Central Coventry Fire District  
*Plaintiff*

vs.

Central Coventry Fire District  
*Defendant*

K.B. No. 12-1150

KENT SUPERIOR COURT  
FILED  
NANCY STRULL, CLERK  
14 MAR 31 PM 2:17

**ORDER**

This matter having come before the Court for hearing on March 14, 2014, on the Liquidating Receiver's Petition for Order Affirming Post-Petition Obligations and to Establish Claims Bar Date ("Petition"), and after proper notice to interested parties and consideration thereof, it is hereby:

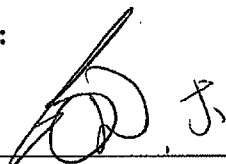
**ORDERED, ADJUDGED AND DECREED:**

1. That the Liquidating Receiver's Petition is hereby granted.
2. That the post-petition claims attached to the Petition as Exhibit 1 are approved and affirmed, subject to the following:
  - a. Kent County Water Authority's claim is approved in the amended amount of \$232,519.57 as of March 13, 2014;
  - b. The Town of Coventry's claim is approved in the amount of \$300,000, but payment of the approved amount is subject to further hearing and order of this Court;
  - c. The Union's claim, as described in the Petition, is approved at this time in an amount not to exceed \$829,073.51, subject to further review and confirmation by the Liquidating Receiver and Union, and if necessary by the Court;



3. The Liquidating Receiver is directed to file with the Court a recommendation on the use of the District's cash on hand to pay accrued and approved administrative and post-petition claims.

**ENTER:**



Associate Justice

Dated: 3/31/14

**BY ORDER:**

 3/31/14

Clerk, Superior Court Deputy

# **EXHIBIT 6**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

|                              |   |                      |  |
|------------------------------|---|----------------------|--|
| <hr/>                        |   | )                    |  |
|                              |   | )                    |  |
| In re: CENTRAL COVENTRY FIRE | ) |                      |  |
| DISTRICT                     | ) | Case No. BK 14-12785 |  |
|                              | ) |                      |  |
| Debtor.                      | ) | Chapter 9            |  |
|                              | ) |                      |  |
| <hr/>                        |   | )                    |  |

**ATTACHMENT 3 –  
AMENDED CLAIM 11**

B10 (Official Form 10) (04/13)

|   |  |  |   |
|---|--|--|---|
| UNITED STATES BANKRUPTCY COURT  |  | District of Rhode Island   | <b>PROOF OF CLAIM</b>   |
| Name of Debtor:<br><b>Central Coventry Fire District</b>  |  | Case Number:<br><b>1:14-bk-12785</b>   |   |
| NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.   |  |  |   |
| Name of Creditor (the person or other entity to whom the debtor owes money or property):<br><b>Coventry Professional Firefighters, IAFF Local 3372</b>  |  |  | <b>COURT USE ONLY</b>   |
| Name and address where notices should be sent:<br><b>Coventry Professional Firefighters, IAFF Local 3372<br/>c/o Olenn &amp; Penza, LLP<br/>530 Greenwich Ave, Warwick, RI 02886</b>                              |  |  | <input checked="" type="checkbox"/> Check this box if this claim amends a previously filed claim.<br><br>Court Claim Number: <u>11</u><br>(If known)<br><br>Filed on: <u>03/31/2015</u> |
| Name and address where payment should be sent (if different from above):<br><b>Coventry Professional Firefighters, IAFF Local 3372<br/>PO Box 336<br/>Coventry, RI 02816</b>                                      |  |  | <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.               |
| Telephone number: (401) 737-3700 email: mbf@olenn-penza.com   |  |  |   |
| 1. Amount of Claim as of Date Case Filed: \$ <u>884,223.88</u>  |  |  |   |
| If all or part of the claim is secured, complete item 4.  |  |  |   |
| If all or part of the claim is entitled to priority, complete item 5.   |  |  |   |
| <input checked="" type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.        |  |  |   |
| 2. Basis for Claim: <u>Prepetition Wages</u><br>(See instruction #2)  |  |  |   |
| 3. Last four digits of any number by which creditor identifies debtor:  | 3a. Debtor may have scheduled account as:<br><br>(See instruction #3a)   | 3b. Uniform Claim Identifier (optional):<br><br>(See instruction #3b)  |   |
| 4. Secured Claim (See instruction #4)<br>Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. |  | Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:<br>\$ _____ |   |
| Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other<br>Describe:  |  | Basis for perfection: _____  |   |
| Value of Property: \$ _____   |  | Amount of Secured Claim: \$ _____  |   |
| Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable<br>(when case was filed)   |  | Amount Unsecured: \$ <u>884,223.88</u>   |   |
| 5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.               |  |  |   |
| <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).   | <input checked="" type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4). | <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).                         | Amount entitled to priority:<br>\$ <u>195,574.18</u>  |
| <input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).                                    | <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).   | <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).                          |   |
| *Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.  |  |  |   |
| 6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)  |  |  |   |

B10 (Official Form 10) (04/13)

2

**7. Documents:** Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

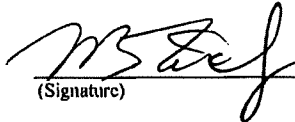
**8. Signature:** (See instruction #8)

Check the appropriate box.

- I am the creditor.     I am the creditor's authorized agent.     I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.)     I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Michael B. Forte, Jr., Esq.  
 Title: Attorney  
 Company: Olenn & Penza LLP  
 Address and telephone number (if different from notice address above):  
530 Greenwich Avenue, Warwick, RI 02886

  
 (Signature)

9.14.15  
 (Date)

Telephone number: (401) 737-3700 email: mbf@olenn-penza.com

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

**Items to be completed in Proof of Claim form**

**Court, Name of Debtor, and Case Number:**  
 Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

**Creditor's Name and Address:**  
 Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**  
 State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**  
 State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:**  
 State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**  
 Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

**3b. Uniform Claim Identifier:**  
 If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

**4. Secured Claim:**  
 Check whether the claim is fully or partially secured. Skip this section if the

claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

**5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).**  
 If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

**6. Credits:**  
 An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**  
 Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

**8. Date and Signature:**  
 The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS**

**INFORMATION**

**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

**Claim**

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

**Secured Claim Under 11 U.S.C. § 506 (a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority Under 11 U.S.C. § 507 (a)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system ([www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)) for a small fee to view your filed proof of claim.

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(c), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

**Unpaid Administrative Expenses for October 2012 - Dec 31st 2012**

| First     | Last        | Longevity | Clothing | Tuition     | PEHP   | Deferred OT | P/employee  |
|-----------|-------------|-----------|----------|-------------|--------|-------------|-------------|
| Charles   | Bowen Jr    | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| David     | Godin       | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Russell   | Giles       | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$2,309.46  | \$2,309.46  |
| James     | Cady        | \$0.00    | \$0.00   | \$2,160.00  | \$0.00 | \$429.03    | \$2,589.03  |
| Ted       | Dion        | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Mark      | Blanding    | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| David     | Gorman      | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Richard   | Shannon     | \$0.00    | \$0.00   | \$1,800.00  | \$0.00 | \$0.00      | \$1,800.00  |
| Kevin     | Cady        | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Robert    | Paul        | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$2,064.98  | \$2,064.98  |
| Dale      | White       | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$736.84    | \$736.84    |
| Matthew   | Medeiros    | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Roland    | Tellier     | \$0.00    | \$0.00   | \$1,080.00  | \$0.00 | \$0.00      | \$1,080.00  |
| James     | Almagno     | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| James     | Harrington  | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| David     | Simpson     | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Michael   | Stevens     | \$0.00    | \$0.00   | \$7,718.98  | \$0.00 | \$0.00      | \$7,718.98  |
| Raymond   | Castelli    | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$1,674.59  | \$1,674.59  |
| Timothy   | Dougan      | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Adam      | Dauplaise   | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Christian | Coupe       | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Kenneth   | Marcotte    | \$0.00    | \$0.00   | \$6,200.00  | \$0.00 | \$0.00      | \$6,200.00  |
| Ronald    | Preston     | \$0.00    | \$0.00   | \$540.00    | \$0.00 | \$1,351.65  | \$1,891.65  |
| Ryan S    | Garrahan    | \$0.00    | \$0.00   | \$1,007.00  | \$0.00 | \$0.00      | \$1,007.00  |
| Peter J   | Fratantuono | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Peter     | Gingerella  | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Raymond   | Gervais     | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Joshua    | Shannon     | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Kevin     | McCann      | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Joseph    | Tremblay    | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
| Benjamin  | Octeau      | \$0.00    | \$0.00   | \$0.00      | \$0.00 | \$0.00      | \$0.00      |
|           |             | \$0.00    | \$0.00   | \$20,505.98 | \$0.00 | \$8,566.55  | \$29,072.53 |

Administrative Expenses Owed  
 1/1/13-12/28/13

| Last        | First     | Longevity | Hourly Rate as of 1/1/2013 | Weekly Salary as of 1/1/2013 | Hourly Rate as of 4/1/2013 | Weekly Salary as of 4/1/2013 |
|-------------|-----------|-----------|----------------------------|------------------------------|----------------------------|------------------------------|
| Bowen Jr    | Charles   | 10.00%    | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Godin       | David     | 10.00%    | \$30.11                    | \$1,204.30                   | \$30.71                    | \$1,228.39                   |
| Giles       | Russell   | 10.00%    | \$27.27                    | \$1,145.39                   | \$27.82                    | \$1,168.39                   |
| Cady        | James     | 10.00%    | \$30.11                    | \$1,204.30                   | \$30.71                    | \$1,228.89                   |
| Blanding    | Mark      | 10.00%    | \$27.27                    | \$1,145.49                   | \$27.82                    | \$1,168.39                   |
| Dion        | Ted       | 10.00%    | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Gorman      | David     | 10.00%    | \$27.27                    | \$1,145.49                   | \$27.82                    | \$1,168.39                   |
| Shannon     | Richard   | 9.00%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Cady        | Kevin     | 9.00%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Paul        | Robert    | 9.00%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| White       | Dale      | 9.00%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Medeiros    | Matthew   | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Tellier     | Roland    | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Almagno     | James     | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Harrington  | James     | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Simpson     | David     | 8.50%     | \$23.34                    | \$980.48                     | \$23.81                    | \$1,000.09                   |
| Stevens     | Michael   | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Castelli    | Raymond   | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Dougan      | Timothy   | 8.50%     | \$23.34                    | \$980.48                     | \$23.81                    | \$1,000.09                   |
| Dauplaise   | Adam      | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Coupe       | Christian | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Marcotte    | Kenneth   | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Preston     | Ronald    | 8.50%     | \$24.54                    | \$1,030.52                   | \$25.03                    | \$1,051.13                   |
| Garrahan    | Ryan S    | 8.50%     | \$23.34                    | \$980.48                     | \$23.81                    | \$1,009.09                   |
| Fratantuono | Peter J   | 8.50%     | \$23.34                    | \$980.48                     | \$23.81                    | \$1,009.09                   |
| Gingerella  | Peter     | 8.50%     | \$23.34                    | \$980.48                     | \$23.81                    | \$1,009.09                   |
| Gervais     | Raymond   |           | \$23.34                    | \$980.48                     | \$23.81                    | \$1,009.09                   |
| Shannon     | Joshua    |           | \$19.25                    | \$808.50                     | \$21.55                    | \$905.01                     |
| McCann      | Kevin     |           | \$19.25                    | \$808.50                     | \$21.55                    | \$905.01                     |
| Tremblay    | Joseph    |           | \$19.25                    | \$808.50                     | \$21.55                    | \$905.01                     |
| Stabile     | Brian     |           | \$19.25                    | \$808.50                     | \$21.55                    | \$905.01                     |
| Campion     | John      |           | \$19.25                    | \$808.50                     | \$19.64                    | \$824.67                     |
| Octeau      | Benjamin  |           | \$19.25                    | \$808.50                     | \$19.64                    | \$824.67                     |
| Bourquin    | Joseph    |           | \$19.25                    | \$808.50                     | \$19.64                    | \$824.67                     |
| Foster      | Derek     |           | \$19.25                    | \$808.50                     | \$19.64                    | \$824.67                     |



Administrative Expenses Owed  
 1/1/13-12/28/13

| <b>Last</b>  | <b>Annual Salary</b> | <b>Total Longevity Owed</b> | <b>HOLIDAY Owed</b> | <b>Holiday Differential Owed</b> | <b>Clothing Owed</b> | <b>Deferred Overtime 2013 Owed</b> | <b>MERS 16.34% Owed</b> |
|--------------|----------------------|-----------------------------|---------------------|----------------------------------|----------------------|------------------------------------|-------------------------|
| Bowen Jr     | \$54,379.47          | \$5,437.95                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,161.16              |
| Godin        | \$63,548.94          | \$6,354.89                  | \$964.92            | \$0.00                           | \$1,200.00           | \$0.00                             | \$1,348.62              |
| Giles        | \$60,442.20          | \$6,044.22                  | \$917.73            | \$50.00                          | \$1,200.00           | \$2,309.46                         | \$1,290.28              |
| Cady         | \$63,548.94          | \$6,354.89                  | \$964.92            | \$0.00                           | \$1,200.00           | \$429.03                           | \$1,348.62              |
| Blanding     | \$60,442.20          | \$6,044.22                  | \$917.73            | \$50.00                          | \$1,200.00           | \$2,295.15                         | \$1,290.28              |
| Dion         | \$54,379.47          | \$5,437.95                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,161.16              |
| Gorman       | \$60,442.20          | \$5,439.80                  | \$917.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,191.52              |
| Shannon      | \$54,379.47          | \$4,894.15                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,072.30              |
| Cady         | \$54,379.47          | \$4,894.15                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,072.30              |
| Paul         | \$54,379.47          | \$4,894.15                  | \$825.66            | \$50.00                          | \$1,200.00           | \$2,064.98                         | \$1,072.30              |
| White        | \$54,379.47          | \$4,894.15                  | \$825.66            | \$50.00                          | \$1,200.00           | \$976.50                           | \$1,072.30              |
| Medeiros     | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,027.87              |
| Tellier      | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,027.87              |
| Almagno      | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,027.87              |
| Harrington   | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,027.87              |
| Simpson      | \$51,746.99          | \$4,398.49                  | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$979.81                |
| Stevens      | \$54,379.47          | \$4,622.26                  | \$825.66            | \$0.00                           | \$1,200.00           | \$0.00                             | \$1,019.70              |
| Castelli     | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$1,674.59                         | \$1,027.87              |
| Dougan       | \$51,746.99          | \$4,398.49                  | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$979.81                |
| Daupleiso    | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$1,637.60                         | \$1,027.87              |
| Coupe        | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$349.60                           | \$1,029.70              |
| Marcotte     | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$0.00                             | \$1,029.70              |
| Preston      | \$54,379.47          | \$4,622.26                  | \$825.66            | \$50.00                          | \$1,200.00           | \$1,351.65                         | \$1,029.70              |
| Garrahan     | \$51,746.99          | \$4,398.49                  | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$979.81                |
| Frantantuono | \$51,746.99          | \$4,398.49                  | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$979.81                |
| Gingerella   | \$51,746.99          | \$4,398.49                  | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$979.81                |
| Gervais      | \$51,744.42          | \$0.00                      | \$785.73            | \$50.00                          | \$1,200.00           | \$0.00                             | \$262.35                |
| Shannon      | \$45,793.02          | \$0.00                      | \$710.82            | \$50.00                          | \$1,200.00           | \$0.00                             | \$737.23                |
| McCann       | \$45,793.02          | \$0.00                      | \$710.82            | \$50.00                          | \$1,200.00           | \$0.00                             | \$737.23                |
| Tromblay     | \$45,793.02          | \$0.00                      | \$710.82            | \$50.00                          | \$1,200.00           | \$0.00                             | \$737.23                |
| Stabile      | \$45,793.02          | \$0.00                      | \$710.82            | \$50.00                          | \$1,200.00           | \$0.00                             | \$737.23                |
| Campion      | \$42,664.44          | \$0.00                      | \$647.79            | \$50.00                          | \$1,200.00           | \$0.00                             | \$215.73                |
| Octeau       | \$42,664.44          | \$0.00                      | \$647.79            | \$50.00                          | \$1,200.00           | \$0.00                             | \$726.94                |
| Bourquin     | \$42,664.44          | \$0.00                      | \$647.79            | \$50.00                          | \$1,200.00           | \$0.00                             | \$726.94                |
| Foster       | \$42,664.44          | \$0.00                      | \$647.79            | \$50.00                          | \$1,200.00           | \$0.00                             | \$726.94                |
|              |                      | <b>\$128,905.57</b>         | <b>\$28,042.41</b>  | <b>\$1,600.00</b>                | <b>\$42,000.00</b>   | <b>\$13,088.56</b>                 | <b>\$33,863.73</b>      |

Administrative Expenses Owed  
 1/1/13-12/28/13

| Last        | Vision Care Owed | Medic Pay Owed | PEHP Owed    | BCBS Co-Share Owed | Salary Increase 2% Owed | OT Diff. 2013 Owed | Total to Indiv. Jan. 1, 2013 to Dec. 28, 2013 |
|-------------|------------------|----------------|--------------|--------------------|-------------------------|--------------------|---|
| Bowen Jr    | \$200.00         | \$0.00         | \$0.00       | \$867.62           | \$792.63                | \$257.11           | \$9,630.97                                    |
| Godin       | \$200.00         | \$0.00         | \$4,071.09   | \$867.62           | \$933.66                | \$0.00             | \$14,592.18                                   |
| Giles       | \$200.00         | \$0.00         | \$3,871.99   | \$867.62           | \$884.52                | \$723.96           | \$17,069.50                                   |
| Cady        | \$200.00         | \$0.00         | \$4,071.09   | \$867.62           | \$933.66                | \$24.30            | \$15,045.51                                   |
| Blanding    | \$200.00         | \$0.00         | \$3,871.99   | \$867.62           | \$884.52                | \$1,040.05         | \$17,371.28                                   |
| Dion        | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$102.10           | \$12,959.49                                   |
| Gorman      | \$200.00         | \$0.00         | \$3,871.99   | \$867.62           | \$884.52                | \$618.84           | \$14,050.50                                   |
| Shannon     | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$35.88            | \$12,349.47                                   |
| Cady        | \$200.00         | \$0.00         | \$0.00       | \$867.62           | \$792.63                | \$45.18            | \$8,875.24                                    |
| Paul        | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$357.36           | \$14,735.93                                   |
| White       | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$34.03            | \$13,324.12                                   |
| Medeiros    | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$38.84            | \$12,080.54                                   |
| Tellier     | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$304.83           | \$12,346.53                                   |
| Almagno     | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$233.06           | \$12,274.76                                   |
| Harrington  | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$156.86           | \$12,198.56                                   |
| Simpson     | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$762.16                | \$140.79           | \$11,719.86                                   |
| Stevens     | \$200.00         | \$0.00         | \$3,483.53   | \$0.00             | \$792.63                | \$0.00             | \$11,124.08                                   |
| Castelli    | \$200.00         | \$700.00       | \$3,483.53   | \$867.62           | \$792.63                | \$159.07           | \$14,575.36                                   |
| Dougan      | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$762.16                | \$27.31            | \$11,606.38                                   |
| Dauplaise   | \$200.00         | \$0.00         | \$3,483.53   | \$867.62           | \$792.63                | \$287.07           | \$13,966.37                                   |
| Coupe       | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$803.79                | \$107.63           | \$12,341.63                                   |
| Marcotte    | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$803.79                | \$266.36           | \$12,150.76                                   |
| Preston     | \$200.00         | \$700.00       | \$3,315.07   | \$867.62           | \$803.79                | \$150.09           | \$14,086.14                                   |
| Garrahan    | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$762.16                | \$76.32            | \$11,655.39                                   |
| Fratantuono | \$200.00         | \$700.00       | \$3,315.07   | \$867.62           | \$762.16                | \$33.61            | \$12,312.68                                   |
| Gingerella  | \$200.00         | \$0.00         | \$3,315.07   | \$239.98           | \$762.16                | \$213.65           | \$11,165.08                                   |
| Gervais     | \$200.00         | \$0.00         | \$3,315.07   | \$867.62           | \$769.86                | \$163.10           | \$7,351.38                                    |
| Shannon     | \$200.00         | \$0.00         | \$2,999.01   | \$867.62           | \$3,751.02              | \$35.88            | \$9,814.35                                    |
| McCann      | \$200.00         | \$0.00         | \$2,999.01   | \$867.62           | \$3,751.02              | \$168.37           | \$9,946.84                                    |
| Tremblay    | \$200.00         | \$0.00         | \$2,999.01   | \$867.62           | \$3,751.02              | \$221.57           | \$10,000.04                                   |
| Stabile     | \$200.00         | \$0.00         | \$2,999.01   | \$431.46           | \$3,751.02              | \$111.32           | \$9,453.63                                    |
| Campion     | \$200.00         | \$0.00         | \$2,733.08   | \$431.46           | \$622.44                | \$140.01           | \$6,024.78                                    |
| Oteau       | \$200.00         | \$0.00         | \$2,733.08   | \$867.62           | \$3,751.02              | \$83.47            | \$9,532.98                                    |
| Bourquin    | \$200.00         | \$0.00         | \$2,418.43   | \$867.62           | \$3,751.02              | \$106.13           | \$9,240.99                                    |
| Foster      | \$200.00         | \$0.00         | \$2,733.08   | \$394.74           | \$3,751.02              | \$156.94           | \$9,133.57                                    |
|             | \$7,000.00       | \$2,100.00     | \$110,526.32 | \$27,526.24        | \$48,696.68             | \$6,621.09         | \$416,106.87                                  |

| <b>LastName</b> | <b>MERS<br/>16.84%</b> | <b>Total<br/>Owed<br/>for 2014</b> |
|-----------------|------------------------|------------------------------------|
| Bowen Jr        | \$ 2,149.51            | \$2,149.51                         |
| Godin           | \$ 2,245.86            | \$ 2,245.86                        |
| Giles           | \$ 2,142.27            | \$ 2,142.27                        |
| Cady            | \$ 2,245.86            | \$ 2,245.86                        |
| Blanding        | \$ 2,142.27            | \$ 2,142.27                        |
| Dion            | \$ 1,944.21            | \$ 1,944.21                        |
| Gorman          | \$ 2,428.60            | \$ 2,428.60                        |
| Shannon         | \$ 2,080.99            | \$ 2,080.99                        |
| Cady            | \$ 2,294.28            | \$ 2,294.28                        |
| Paul            | \$ 2,080.99            | \$ 2,080.99                        |
| White           | \$ 1,933.87            | \$ 1,933.87                        |
| Medeiros        | \$ 2,062.68            | \$ 2,062.68                        |
| Tellier         | \$ 2,062.68            | \$ 2,062.68                        |
| Almagno         | \$ 2,062.68            | \$ 2,062.68                        |
| Harrington      | \$ 2,062.68            | \$ 2,062.68                        |
| Simpson         | \$ 1,980.53            | \$ 1,980.53                        |
| Stevens         | \$ 2,062.68            | \$ 2,062.68                        |
| Castelli        | \$ 2,062.68            | \$ 2,062.68                        |
| Dougan          | \$ 1,783.02            | \$ 1,783.02                        |
| Dauplaise       | \$ 1,928.70            | \$ 1,928.70                        |
| Coupe           | \$ 1,922.27            | \$ 1,922.27                        |
| Marcotte        | \$ 1,928.15            | \$ 1,928.15                        |
| Preston         | \$ 1,922.27            | \$ 1,922.27                        |
| Garrahan        | \$ 1,853.03            | \$ 1,853.03                        |
| Fratantuono     | \$ 1,853.03            | \$ 1,853.03                        |
| Gingerella, P   | \$ 1,922.27            | \$ 1,922.27                        |
| Gervais         | \$ 1,391.26            | \$ 1,391.26                        |
| Shannon         | \$ 2,460.10            | \$ 2,460.10                        |
| McCann          | \$ 2,460.10            | \$ 2,460.10                        |
| Tremblay        | \$ 2,460.10            | \$ 2,460.10                        |
| Stabile         | \$ 2,460.10            | \$ 2,460.10                        |
| Campion         | \$ 1,172.01            | \$ 1,172.01                        |
| Octeau          | \$ 1,172.01            | \$ 1,172.01                        |
| Bourquin        | \$ 1,172.01            | \$ 1,172.01                        |
| Foster          | \$ 1,172.01            | \$ 1,172.01                        |
|                 |                        | <b>\$69,077.76</b>                 |

| LastName      | FirstName | Longevity | Hourly   | Weekly      | Hourly    | Weekly      | Annual       | Salary       | Longevity |
|---------------|-----------|-----------|----------|-------------|-----------|-------------|--------------|--------------|-----------|
|               |           | 2012      | 9/1/2012 | (ACTUAL)    | Effective | W/ 2%       | BASE Salary  | Increase     | WEEKLY    |
|               |           |           | (ACTUAL) | (ACTUAL)    | 1/1/2014  | 4/1/2013    |              | 2%           | (ACTUAL)  |
| Bowen Jr      | Charles   | 9%        | \$24.54  | \$ 1,030.52 | \$ 25.03  | \$ 1,051.26 | \$ 54,665.52 | \$ 290.41    | \$ 94.61  |
| Godin         | David     | 9%        | \$28.67  | \$ 1,204.14 | \$ 29.24  | \$ 1,228.08 | \$ 63,860.16 | \$ 335.16    | \$ 110.53 |
| Giles         | Russell   | 9%        | \$27.27  | \$ 1,145.34 | \$ 27.81  | \$ 1,168.02 | \$ 60,737.04 | \$ 317.52    | \$ 105.12 |
| Cady          | James     | 9%        | \$28.67  | \$ 1,204.14 | \$ 29.24  | \$ 1,228.08 | \$ 63,860.16 | \$ 335.16    | \$ 110.53 |
| Blanding      | Mark      | 9%        | \$27.27  | \$ 1,145.34 | \$ 27.81  | \$ 1,168.02 | \$ 60,737.04 | \$ 317.52    | \$ 105.12 |
| Dion          | Ted       | 9%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 94.58  |
| Gorman        | David     | 9%        | \$27.27  | \$ 1,145.34 | \$ 27.81  | \$ 1,168.02 | \$ 60,737.04 | \$ 317.52    | \$ 105.12 |
| Shannon       | Richard   | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Cady, capt    | Kevin     | 8%        | \$27.27  | \$ 1,145.34 | \$ 27.81  | \$ 1,168.02 | \$ 60,737.04 | \$ 317.52    | \$ 93.44  |
| Paul          | Robert    | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| White         | Dale      | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Medeiros      | Matthew   | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Tellier       | Roland    | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Almagno       | James     | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Harrington    | James     | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Simpson       | David     | 8%        | \$23.34  | \$ 980.48   | \$ 23.81  | \$ 1,000.02 | \$ 52,001.04 | \$ 273.60    | \$ 80.00  |
| Stevens       | Michael   | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Castelli      | Raymond   | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 84.07  |
| Dougan        | Timothy   | 8%        | \$23.34  | \$ 980.48   | \$ 23.81  | \$ 1,000.02 | \$ 52,001.04 | \$ 273.60    | \$ 80.00  |
| Dauplaise     | Adam      | 8%        | \$24.54  | \$ 1,030.52 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 284.53    | \$ 78.81  |
| Coupe         | Christian | 8%        | \$24.54  | \$ 1,030.68 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 282.24    | \$ 78.81  |
| Marcotte      | Kenneth   | 8%        | \$24.53  | \$ 1,030.26 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 288.12    | \$ 78.81  |
| Preston       | Ronald    | 8%        | \$24.54  | \$ 1,030.68 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 282.24    | \$ 78.81  |
| Garrahan      | Ryan S    | 8%        | \$23.34  | \$ 980.48   | \$ 23.81  | \$ 1,000.02 | \$ 52,001.04 | \$ 273.60    | \$ 75.00  |
| Fratantuono   | Peter J   | 8%        | \$23.34  | \$ 980.48   | \$ 23.81  | \$ 1,000.02 | \$ 52,001.04 | \$ 273.60    | \$ 75.00  |
| Gingerella, P | Peter     | 8%        | \$24.54  | \$ 1,030.68 | \$ 25.02  | \$ 1,050.84 | \$ 54,643.68 | \$ 282.24    | \$ 78.81  |
| Gervais       | Raymond   | 0%        | \$23.34  | \$ 980.28   | \$ 23.81  | \$ 1,000.02 | \$ 52,001.04 | \$ 276.36    | \$ -      |
| Shannon       | Joshua    | 0%        | \$19.25  | \$ 808.50   | \$ 21.54  | \$ 904.68   | \$ 47,043.36 | \$ 1,346.52  | \$ -      |
| McCann        | Kevin     | 0%        | \$19.25  | \$ 808.50   | \$ 21.54  | \$ 904.68   | \$ 47,043.36 | \$ 1,346.52  | \$ -      |
| Tremblay      | Joseph    | 0%        | \$19.25  | \$ 808.50   | \$ 21.54  | \$ 904.68   | \$ 47,043.36 | \$ 1,346.52  | \$ -      |
| Stabile       | Brian     | 0%        | \$19.25  | \$ 808.50   | \$ 21.54  | \$ 904.68   | \$ 47,043.36 | \$ 1,346.52  | \$ -      |
| Campion       | John      | 0%        | \$19.25  | \$ 808.50   | \$ 19.63  | \$ 824.46   | \$ 42,871.92 | \$ 223.44    | \$ -      |
| Octeau        | Benjamin  | 0%        | \$19.25  | \$ 808.50   | \$ 19.63  | \$ 824.46   | \$ 42,871.92 | \$ 223.44    | \$ -      |
| Bourquin      | Joseph    | 0%        | \$19.25  | \$ 808.50   | \$ 19.63  | \$ 824.46   | \$ 42,871.92 | \$ 223.44    | \$ -      |
| Foster        | Derek     | 0%        | \$19.25  | \$ 808.50   | \$ 19.63  | \$ 824.46   | \$ 42,871.92 | \$ 223.44    | \$ -      |
|               |           |           |          |             |           |             |              | \$ 14,146.10 |           |

January 1, 2014 to April 1, 2014

| LastName      | FirstName | Longevity Rate 2013' | Longevity Weekly (Should Be) | Longevity   | OT -1/1/2014 to 3/7/2014 | PEHP         |      | BCBS Co-share |             |
|---------------|-----------|----------------------|------------------------------|-------------|--------------------------|--------------|------|---------------|-------------|
|               |           |                      |                              |             |                          | OWED         | OWED | OWED          | OWED        |
| Bowen Jr      | Charles   | 10.0%                | \$ 105.13                    | \$ 147.18   | \$ 276.62                | \$ -         |      |               | 258.44      |
| Godin         | David     | 10.0%                | \$ 122.81                    | \$ 171.93   | \$ -                     | \$ 1,461.42  |      |               | 258.44      |
| Giles         | Russell   | 10.0%                | \$ 116.80                    | \$ 163.52   | \$ 152.28                | \$ 1,389.94  |      |               | 258.44      |
| Cady          | James     | 10.0%                | \$ 122.81                    | \$ 171.93   | \$ 3.60                  | \$ 1,461.42  |      |               | 258.44      |
| Blanding      | Mark      | 10.0%                | \$ 116.80                    | \$ 163.52   | \$ 143.37                | \$ 1,389.94  |      |               | 258.44      |
| Dion          | Ted       | 10.0%                | \$ 105.08                    | \$ 147.12   | \$ 52.16                 | \$ 1,250.50  |      |               | 258.44      |
| Gorman        | David     | 10.0%                | \$ 116.80                    | \$ 163.52   | \$ 92.34                 | \$ 1,389.94  |      |               | 258.44      |
| Shannon       | Richard   | 10.0%                | \$ 105.08                    | \$ 294.24   | \$ 15.64                 | \$ 1,250.50  |      |               | 258.44      |
| Cady, capt    | Kevin     | 10.0%                | \$ 116.80                    | \$ 327.05   | \$ 17.98                 | \$ 1,389.94  |      |               | 258.44      |
| Paul          | Robert    | 10.0%                | \$ 105.08                    | \$ 294.24   | \$ 34.40                 | \$ 1,250.50  |      |               | 258.44      |
| White         | Dale      | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 0.37                  | \$ 1,250.50  |      |               | 258.44      |
| Medeiros      | Matthew   | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 21.70                 | \$ 1,250.50  |      |               | 258.44      |
| Tellier       | Roland    | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 6.66                  | \$ 1,250.50  |      |               | 258.44      |
| Almagnò       | James     | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 7.40                  | \$ 1,250.50  |      |               | 258.44      |
| Harrington    | James     | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 10.36                 | \$ 1,250.50  |      |               | 258.44      |
| Simpson       | David     | 9.0%                 | \$ 90.00                     | \$ 140.00   | \$ 50.68                 | \$ 1,190.02  |      |               | 258.44      |
| Stevens       | Michael   | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ -                     | \$ 1,250.50  |      |               | 258.44      |
| Castelli      | Raymond   | 9.0%                 | \$ 94.58                     | \$ 147.12   | \$ 27.38                 | \$ 1,250.50  |      |               | 258.44      |
| Dougan        | Timothy   | 8.5%                 | \$ 85.00                     | \$ 70.00    | \$ 9.80                  | \$ 1,190.02  |      |               | 258.44      |
| Dauplaise     | Adam      | 8.5%                 | \$ 89.32                     | \$ 147.12   | \$ 18.50                 | \$ 1,250.50  |      |               | 258.44      |
| Coupe         | Christian | 8.5%                 | \$ 89.32                     | \$ 147.12   | \$ 28.12                 | \$ 1,250.50  |      |               | 258.44      |
| Marcotte      | Kenneth   | 8.5%                 | \$ 89.32                     | \$ 147.12   | \$ 28.12                 | \$ 1,250.50  |      |               | 258.44      |
| Preston       | Ronald    | 8.5%                 | \$ 89.32                     | \$ 147.12   | \$ 19.50                 | \$ 1,250.50  |      |               | 258.44      |
| Garrahan      | Ryan S    | 8.5%                 | \$ 85.00                     | \$ 140.00   | \$ 26.61                 | \$ 1,190.02  |      |               | 258.44      |
| Fratantuono   | Peter J   | 8.5%                 | \$ 85.00                     | \$ 140.00   | \$ 26.61                 | \$ 1,190.02  |      |               | 258.44      |
| Gingerella, P | Peter     | 8.5%                 | \$ 89.32                     | \$ 147.12   | \$ 17.64                 | \$ 1,250.50  |      |               | 258.44      |
| Gervais       | Raymond   | 0.0%                 | \$ -                         | \$ -        | \$ 44.10                 | \$ 1,190.02  |      |               | 258.44      |
| Shannon       | Joshua    | 0.0%                 | \$ -                         | \$ -        | \$ 8.14                  | \$ 1,076.57  |      |               | 258.44      |
| McCann        | Kevin     | 0.0%                 | \$ -                         | \$ -        | \$ 15.01                 | \$ 1,076.57  |      |               | 258.44      |
| Tremblay      | Joseph    | 0.0%                 | \$ -                         | \$ -        | \$ 43.15                 | \$ 1,076.57  |      |               | 258.44      |
| Stabile       | Brian     | 0.0%                 | \$ -                         | \$ -        | \$ 21.26                 | \$ 1,076.57  |      |               | 128.52      |
| Campion       | John      | 0.0%                 | \$ -                         | \$ -        | \$ 15.64                 | \$ 981.11    |      |               | 128.52      |
| Octeau        | Benjamin  | 0.0%                 | \$ -                         | \$ -        | \$ 45.03                 | \$ 981.11    |      |               | 258.44      |
| Bourquin      | Joseph    | 0.0%                 | \$ -                         | \$ -        | \$ 45.03                 | \$ 981.11    |      |               | 258.44      |
| Foster        | Derek     | 0.0%                 | \$ -                         | \$ -        | \$ 50.35                 | \$ 981.11    |      |               | 128.52      |
|               |           |                      |                              | \$ 4,299.66 | \$ 1,375.55              | \$ 41,420.93 |      |               | \$ 8,655.64 |

January 1, 2014 to April 1, 2014

| LastName      | FirstName | Hourly<br>9/1/2012<br>(ACTUAL) | Hourly<br>Effective<br>1/1/2014 | Holiday<br>3 Days<br>11 Hour Day<br>OWED | Subtotal to<br>Employee<br>1/1-4/1/14 | TOTAL<br>TO<br>EMPLOYEE |
|---------------|-----------|--------------------------------|---------------------------------|--|---------------------------------------|-------------------------|
| Bowen Jr      | Charles   | \$24.54                        | \$ 25.03                        | \$ 16.30                                 | \$ 988.95                             | \$ 988.95               |
| Godin         | David     | \$28.67                        | \$ 29.24                        | \$ 18.81                                 | \$2,245.76                            | \$ 2,245.76             |
| Giles         | Russell   | \$27.27                        | \$ 27.81                        | \$ 17.82                                 | \$2,299.53                            | \$ 2,299.53             |
| Cady          | James     | \$28.67                        | \$ 29.24                        | \$ 18.81                                 | \$2,249.36                            | \$ 2,249.36             |
| Blanding      | Mark      | \$27.27                        | \$ 27.81                        | \$ 17.82                                 | \$2,290.62                            | \$ 2,290.62             |
| Dion          | Ted       | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$2,008.72                            | \$ 2,008.72             |
| Gorman        | David     | \$27.27                        | \$ 27.81                        | \$ 17.82                                 | \$2,239.59                            | \$ 2,239.59             |
| Shannon       | Richard   | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$2,119.32                            | \$ 2,119.32             |
| Cady, capt    | Kevin     | \$27.27                        | \$ 27.81                        | \$ 17.82                                 | \$2,328.75                            | \$ 2,328.75             |
| Paul          | Robert    | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$2,138.08                            | \$ 2,138.08             |
| White         | Dale      | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,956.93                            | \$ 1,956.93             |
| Medeiros      | Matthew   | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,978.26                            | \$ 1,978.26             |
| Tellier       | Roland    | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,963.22                            | \$ 1,963.22             |
| Almagno       | James     | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,963.96                            | \$ 1,963.96             |
| Harrington    | James     | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,966.92                            | \$ 1,966.92             |
| Simpson       | David     | \$23.34                        | \$ 23.81                        | \$ 15.35                                 | \$1,928.10                            | \$ 1,928.10             |
| Stevens       | Michael   | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,956.56                            | \$ 1,956.56             |
| Castelli      | Raymond   | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,983.94                            | \$ 1,983.94             |
| Dougan        | Timothy   | \$23.34                        | \$ 23.81                        | \$ 15.35                                 | \$1,817.22                            | \$ 1,817.22             |
| Dauplaise     | Adam      | \$24.54                        | \$ 25.02                        | \$ 15.97                                 | \$1,975.06                            | \$ 1,975.06             |
| Coupe         | Christian | \$24.54                        | \$ 25.02                        | \$ 15.84                                 | \$1,982.26                            | \$ 1,982.26             |
| Marcotte      | Kenneth   | \$24.54                        | \$ 25.02                        | \$ 15.84                                 | \$1,988.14                            | \$ 1,988.14             |
| Preston       | Ronald    | \$24.54                        | \$ 25.02                        | \$ 15.84                                 | \$1,973.64                            | \$ 1,973.64             |
| Garrahan      | Ryan S    | \$23.34                        | \$ 23.81                        | \$ 15.35                                 | \$1,904.03                            | \$ 1,904.03             |
| Fratantuono   | Peter J   | \$23.34                        | \$ 23.81                        | \$ 15.35                                 | \$1,904.03                            | \$ 1,904.03             |
| Gingerella, P | Peter     | \$24.54                        | \$ 25.02                        | \$ 15.84                                 | \$1,971.78                            | \$ 1,971.78             |
| Gervais       | Raymond   | \$23.34                        | \$ 23.81                        | \$ 15.51                                 | \$1,784.43                            | \$ 1,784.43             |
| Shannon       | Joshua    | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$2,703.86                            | \$ 2,703.86             |
| McCann        | Kevin     | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$2,710.73                            | \$ 2,710.73             |
| Tremblay      | Joseph    | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$2,738.87                            | \$ 2,738.87             |
| Stabile       | Brian     | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$2,587.06                            | \$ 2,587.06             |
| Campion       | John      | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$1,362.90                            | \$ 1,362.90             |
| Octeau        | Benjamin  | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$1,522.21                            | \$ 1,522.21             |
| Bourquin      | Joseph    | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$1,522.21                            | \$ 1,522.21             |
| Foster        | Derek     | \$21.12                        | \$ 21.55                        | \$ 14.19                                 | \$1,397.61                            | \$ 1,397.61             |
|               |           |                                |                                 | \$ 554.66                                | \$ 70,452.54                          | \$ 70,452.54            |

April 1, 2014 to July 26, 2014

| LastName         | Longevity | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Hourly<br>Effective<br>1/1/2014 | Weekly<br>W/2%<br>4/1/2013 | Weekly<br>W/2%<br>4/1/2014 | Annual<br>Salary<br>4/1/2014 | Salary<br>Increase<br>DUE 4/1/14 | Annual<br>Longevity<br>WEEKLY<br>Should Be |
|------------------|-----------|--------------------------------|--------------------|---------------------------------|----------------------------|----------------------------|------------------------------|----------------------------------|--|
| Bowen Jr         | 10%       | \$24.54                        | \$ 1,030.52        | \$ 25.03                        | \$ 1,051.26                | \$ 1,072.29                | \$ 55,758.83                 | \$ 710.07                        | \$ 107.23                                  |
| Godin            | 10%       | \$28.67                        | \$ 1,204.14        | \$ 29.24                        | \$ 1,228.08                | \$ 1,252.64                | \$ 65,137.36                 | \$ 824.53                        | \$ 125.26                                  |
| Giles            | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 782.69                        | \$ 119.14                                  |
| Cady             | 10%       | \$28.67                        | \$ 1,204.14        | \$ 29.24                        | \$ 1,228.08                | \$ 1,252.64                | \$ 65,137.36                 | \$ 824.53                        | \$ 125.26                                  |
| Blanding         | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 782.69                        | \$ 119.14                                  |
| Dion             | 10%       | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 107.19                                  |
| Gorman           | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 782.69                        | \$ 119.14                                  |
| Shannon          | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Cady             | 9%        | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 782.69                        | \$ 107.22                                  |
| Paul             | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| White            | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Medeiros         | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Tellier          | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Almagnio         | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Harrington       | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Simpson          | 9.00%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 672.23                        | \$ 91.80                                   |
| Stevens          | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Castelli         | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 96.47                                   |
| Dougan           | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 672.23                        | \$ 86.70                                   |
| Dauplaise        | 8.50%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 702.79                        | \$ 91.11                                   |
| Coupe            | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 700.01                        | \$ 91.11                                   |
| Marcotte         | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 700.01                        | \$ 91.11                                   |
| Preston          | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 700.01                        | \$ 91.11                                   |
| Garrahan         | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 672.23                        | \$ 86.70                                   |
| Fratantuono      | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 672.23                        | \$ 86.70                                   |
| Gingerella, Pvt. | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 700.01                        | \$ 91.11                                   |
| Gervais          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 675.59                        | \$ -                                       |
| Shannon          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 675.59                        | \$ -                                       |
| McCann           |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 675.59                        | \$ -                                       |
| Tremblay         |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 675.59                        | \$ -                                       |
| Stabile          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 675.59                        | \$ -                                       |
| Campion          |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 551.64                        | \$ -                                       |
| Octeau           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 551.64                        | \$ -                                       |
| Bourquin         |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 551.64                        | \$ -                                       |
| Foster           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 551.64                        | \$ -                                       |
|                  |           |                                |                    |                                 |                            |                            |                              | \$ 24,293.99                     |  |

| LastName         | FirstName | Longevity<br>9/1/2012<br>(ACTUAL) | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Longevity<br>PAID W/k<br>(ACTUAL) | Longevity   | Longevity   | HOLIDAY     | Holiday<br>Shift Diff<br>25 |
|------------------|-----------|-----------------------------------|--------------------------------|--------------------|-----------------------------------|-------------|-------------|-------------|-----------------------------|
|                  |           |                                   |                                |                    |                                   | OWED        | OWED        | OWED        |                             |
| Bowen Jr         | Charles   | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 246.20   | \$ 10.94    | \$ 32.82    | \$ 75.00                    |
| Godin            | David     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 67.57    | \$ 12.70    | \$ 38.11    | \$ 75.00                    |
| Giles            | Russell   | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 64.23    | \$ 12.06    | \$ 36.17    | \$ 75.00                    |
| Cady             | James     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 67.57    | \$ 12.70    | \$ 38.11    | \$ 75.00                    |
| Blanding         | Mark      | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 64.23    | \$ 12.06    | \$ 36.17    | \$ 75.00                    |
| Dion             | Ted       | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 57.76    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Gorman           | David     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 110.04   | \$ 12.06    | \$ 36.17    | \$ 75.00                    |
| Shannon          | Richard   | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 56.10    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Cady, capt       | Kevin     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 62.39    | \$ 12.06    | \$ 36.17    | \$ 75.00                    |
| Paul             | Robert    | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 56.10    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| White            | Dale      | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 56.10    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Medeiros         | Matthew   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Tellier          | Roland    | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Almagno          | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Harrington       | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Simpson          | David     | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 73.06    | \$ 10.36    | \$ 31.07    | \$ 75.00                    |
| Stevens          | Michael   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Castelli         | Raymond   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 76.71    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Dougan           | Timothy   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 52.66    | \$ 10.36    | \$ 31.07    | \$ 75.00                    |
| Dauplaise        | Adam      | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 55.28    | \$ 10.83    | \$ 32.48    | \$ 75.00                    |
| Coupe            | Christian | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 55.23    | \$ 10.78    | \$ 32.35    | \$ 75.00                    |
| Marcotte         | Kenneth   | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 55.23    | \$ 10.78    | \$ 32.35    | \$ 75.00                    |
| Preston          | Ronald    | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 55.23    | \$ 10.78    | \$ 32.35    | \$ 75.00                    |
| Garrahan         | Ryan S    | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 52.66    | \$ 10.36    | \$ 31.07    | \$ 75.00                    |
| Fratantuono      | Peter J   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 52.66    | \$ 10.36    | \$ 31.07    | \$ 75.00                    |
| Gingerella, Pvt. | Peter     | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 55.23    | \$ 10.78    | \$ 32.35    | \$ 75.00                    |
| Gervais          | Raymond   |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 10.41    | \$ 31.22    | \$ 75.00                    |
| Shannon          | Joshua    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 10.41    | \$ 31.22    | \$ 75.00                    |
| McCann           | Kevin     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 10.41    | \$ 31.22    | \$ 75.00                    |
| Tremblay         | Joseph    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 10.41    | \$ 31.22    | \$ 75.00                    |
| Stabile          | Brian     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 10.41    | \$ 31.22    | \$ 75.00                    |
| Campion          | John      |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 8.50     | \$ 25.50    | \$ 75.00                    |
| Octeau           | Benjamin  |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 8.50     | \$ 25.50    | \$ 75.00                    |
| Bourquin         | Joseph    |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 8.50     | \$ 25.50    | \$ 75.00                    |
| Foster           | Derek     |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 8.50     | \$ 25.50    | \$ 75.00                    |
|                  |           |                                   |                                |                    |                                   | \$ 1,875.81 | \$ 1,122.83 | \$ 2,625.00 |                             |



| LastName         | FirstName | Deferred Overtime 2014 | OT ** 4/1/14 to 8/2/2014 | PEHP         | BCBS Co-share | SUBTOTAL FOR 4/1-8/2/14 | Total owed to Indv. 4/1/14 to 8/2/2014 | Total for Jan 1 14' to Aug 2, 14' |
|------------------|-----------|------------------------|--------------------------|--------------|---------------|-------------------------|--|-----------------------------------|
|                  |           | OWED                   |                          | OWED         | OWED          |                         |  |                                   |
| Bowen Jr         | Charles   | \$ -                   |                          | \$ -         | 313.82        | \$ 1,377.91             | \$ 1,377.91                            | \$ 2,366.85                       |
| Godin            | David     | \$ -                   |                          | \$ 2,023.02  | 313.82        | \$ 3,342.04             | \$ 3,342.04                            | \$ 5,587.79                       |
| Giles            | Russell   | \$ 2,309.46            |                          | \$ 1,924.08  | 313.82        | \$ 5,505.45             | \$ 5,505.45                            | \$ 7,804.98                       |
| Cady             | James     | \$ -                   |                          | \$ 2,023.02  | 313.82        | \$ 3,342.04             | \$ 3,342.04                            | \$ 5,591.39                       |
| Blanding         | Mark      | \$ 429.03              |                          | \$ 1,924.08  | 313.82        | \$ 3,625.02             | \$ 3,625.02                            | \$ 5,915.64                       |
| Dion             | Ted       | \$ 1,124.89            |                          | \$ 1,731.05  | 156.06        | \$ 3,880.03             | \$ 3,880.03                            | \$ 5,888.75                       |
| Gorman           | David     | \$ -                   |                          | \$ 1,924.08  | 313.82        | \$ 3,241.80             | \$ 3,241.80                            | \$ 5,481.39                       |
| Shannon          | Richard   | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,911.24             | \$ 2,911.24                            | \$ 5,030.56                       |
| Cady, capt       | Kevin     | \$ -                   |                          | \$ -         | 313.82        | \$ 1,270.07             | \$ 1,270.07                            | \$ 3,598.82                       |
| Paul             | Robert    | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,911.24             | \$ 2,911.24                            | \$ 5,049.32                       |
| White            | Dale      | \$ 2,064.98            |                          | \$ 1,731.05  | 313.82        | \$ 4,976.22             | \$ 4,976.22                            | \$ 6,933.15                       |
| Medeiros         | Matthew   | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,910.11                       |
| Tellier          | Roland    | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,895.07                       |
| Almagno          | James     | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,895.81                       |
| Harrington       | James     | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,898.77                       |
| Simpson          | David     | \$ -                   |                          | \$ 1,647.33  | 313.82        | \$ 2,812.52             | \$ 2,812.52                            | \$ 4,740.62                       |
| Stevens          | Michael   | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,888.41                       |
| Castelli         | Raymond   | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,931.85             | \$ 2,931.85                            | \$ 4,915.79                       |
| Dougan           | Timothy   | \$ -                   |                          | \$ 1,647.33  | 313.82        | \$ 2,792.12             | \$ 2,792.12                            | \$ 4,609.33                       |
| Dauplaise        | Adam      | \$ 1,674.59            |                          | \$ 1,731.05  | 313.82        | \$ 4,585.01             | \$ 4,585.01                            | \$ 6,560.07                       |
| Coupe            | Christian | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,907.45             | \$ 2,907.45                            | \$ 4,889.71                       |
| Marcotte         | Kenneth   | \$ 1,637.60            |                          | \$ 1,731.05  | 313.82        | \$ 4,545.05             | \$ 4,545.05                            | \$ 6,533.19                       |
| Preston          | Ronald    | \$ 349.60              |                          | \$ 1,731.05  | 313.82        | \$ 3,257.05             | \$ 3,257.05                            | \$ 5,230.69                       |
| Garrahan         | Ryan S    | \$ -                   |                          | \$ 1,647.33  | 313.82        | \$ 2,792.12             | \$ 2,792.12                            | \$ 4,696.15                       |
| Fratantuono      | Peter J   | \$ 1,351.65            |                          | \$ 1,647.33  | 313.82        | \$ 4,143.77             | \$ 4,143.77                            | \$ 6,047.80                       |
| Gingerella, Pvt. | Peter     | \$ -                   |                          | \$ 1,731.05  | 313.82        | \$ 2,907.45             | \$ 2,907.45                            | \$ 4,879.23                       |
| Gervais          | Raymond   | \$ -                   |                          | \$ -         | 313.82        | \$ 1,095.63             | \$ 1,095.63                            | \$ 2,880.07                       |
| Shannon          | Joshua    | \$ -                   |                          | \$ -         | 313.82        | \$ 1,095.63             | \$ 1,095.63                            | \$ 3,799.49                       |
| McCann           | Kevin     | \$ -                   |                          | \$ 1,647.33  | 313.82        | \$ 2,742.96             | \$ 2,742.96                            | \$ 5,453.69                       |
| Tremblay         | Joseph    | \$ -                   |                          | \$ 1,647.33  | 313.82        | \$ 2,742.96             | \$ 2,742.96                            | \$ 5,481.83                       |
| Stabile          | Brian     | \$ -                   |                          | \$ 1,647.33  | 156.06        | \$ 2,585.20             | \$ 2,585.20                            | \$ 5,172.26                       |
| Campion          | John      | \$ -                   |                          | \$ 1,358.13  | 156.06        | \$ 2,166.33             | \$ 2,166.33                            | \$ 3,529.22                       |
| Octeau           | Benjamin  | \$ -                   |                          | \$ 1,358.13  | 313.82        | \$ 2,324.09             | \$ 2,324.09                            | \$ 3,846.29                       |
| Bourquin         | Joseph    | \$ -                   |                          | \$ 1,358.13  | 313.82        | \$ 2,324.09             | \$ 2,324.09                            | \$ 3,846.29                       |
| Foster           | Derek     | \$ -                   |                          | \$ 1,358.13  | 156.06        | \$ 2,166.33             | \$ 2,166.33                            | \$ 3,563.93                       |
|                  |           | \$10,941.80            | \$ -                     | \$ 52,747.86 | \$ 10,352.66  | \$ 103,959.96           | \$ 103,959.96                          | \$ 174,412.50                     |

\*\* Overtime Figure unknown at this stage and requires a review of the district's records

July 27th 2014 to December 22, 2014

| LastName         | Longevity | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Hourly<br>Effective<br>1/1/2014 | Weekly<br>W/2%<br>4/1/2013 | Weekly<br>W/2%<br>4/1/2014 | Annual<br>Salary<br>4/1/2014 | Salary<br>Increase<br>DUE 4/1/14 | Annual<br>Longevity<br>WEEKLY<br>Should Be |
|------------------|-----------|--------------------------------|--------------------|---------------------------------|----------------------------|----------------------------|------------------------------|----------------------------------|--|
| Bowen Jr         | 10%       | \$24.54                        | \$ 1,030.52        | \$ 25.03                        | \$ 1,051.26                | \$ 1,072.29                | \$ 55,758.83                 | \$ 877.15                        | \$ 107.23                                  |
| Godin            | 10%       | \$28.67                        | \$ 1,204.14        | \$ 29.24                        | \$ 1,228.08                | \$ 1,252.64                | \$ 65,137.36                 | \$ 1,018.53                      | \$ 125.26                                  |
| Giles            | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 966.85                        | \$ 119.14                                  |
| Cady             | 10%       | \$28.67                        | \$ 1,204.14        | \$ 29.24                        | \$ 1,228.08                | \$ 1,252.64                | \$ 65,137.36                 | \$ 1,018.53                      | \$ 125.26                                  |
| Blanding         | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 966.85                        | \$ 119.14                                  |
| Dion             | 10%       | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 107.19                                  |
| Gorman           | 10%       | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 966.85                        | \$ 119.14                                  |
| Shannon          | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Cady             | 9%        | \$27.27                        | \$ 1,145.34        | \$ 27.81                        | \$ 1,168.02                | \$ 1,191.38                | \$ 61,951.78                 | \$ 966.85                        | \$ 107.22                                  |
| Paul             | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| White            | 9%        | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Medeiros         | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Tellier          | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Almagno          | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Harrington       | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Simpson          | 9.00%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 830.40                        | \$ 91.80                                   |
| Stevens          | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Castelli         | 9.00%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 96.47                                   |
| Dougan           | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 830.40                        | \$ 86.70                                   |
| Dauplaise        | 8.50%     | \$24.54                        | \$ 1,030.52        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 868.15                        | \$ 91.11                                   |
| Coupe            | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 864.71                        | \$ 91.11                                   |
| Marcotte         | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 864.71                        | \$ 91.11                                   |
| Preston          | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 864.71                        | \$ 91.11                                   |
| Garrahan         | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 830.40                        | \$ 86.70                                   |
| Fratantuono      | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 830.40                        | \$ 86.70                                   |
| Gingerella, Pvt. | 8.50%     | \$24.54                        | \$ 1,030.68        | \$ 25.02                        | \$ 1,050.84                | \$ 1,071.86                | \$ 55,736.55                 | \$ 864.71                        | \$ 91.11                                   |
| Gervais          | 8.50%     | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 834.55                        | \$ 86.70                                   |
| Shannon          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 834.55                        | \$ -                                       |
| McCann           |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 834.55                        | \$ -                                       |
| Tremblay         |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 834.55                        | \$ -                                       |
| Stabile          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$ 1,000.02                | \$ 1,020.02                | \$ 53,041.06                 | \$ 834.55                        | \$ -                                       |
| Campion          |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 681.43                        | \$ -                                       |
| Octeau           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 681.43                        | \$ -                                       |
| Bourquin         |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 681.43                        | \$ -                                       |
| Foster           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                  | \$ 840.95                  | \$ 43,729.36                 | \$ 681.43                        | \$ -                                       |
|                  |           |                                |                    |                                 |                            |                            |                              | \$ 30,010.23                     |  |

| LastName         | FirstName | Longevity<br>9/1/2012<br>(ACTUAL) | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Longevity<br>PAID W/k<br>(ACTUAL) | Longevity<br>OWBD | Longevity<br>OWBD | HOLIDAY<br>OWBD | Holiday<br>Shift Diff<br>25 |
|------------------|-----------|-----------------------------------|--------------------------------|--------------------|-----------------------------------|-------------------|-------------------|-----------------|-----------------------------|
| Bowen Jr         | Charles   | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 304.12         | \$ 10.94          | \$ 54.70        | \$ 125.00                   |
| Godin            | David     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 354.72         | \$ 12.70          | \$ 63.51        | \$ 125.00                   |
| Giles            | Russell   | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 337.21         | \$ 12.06          | \$ 60.29        | \$ 125.00                   |
| Cady             | James     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 354.72         | \$ 12.70          | \$ 63.51        | \$ 125.00                   |
| Blanding         | Mark      | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 337.21         | \$ 12.06          | \$ 60.29        | \$ 125.00                   |
| Dion             | Ted       | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 303.22         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Gorman           | David     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 577.73         | \$ 12.06          | \$ 60.29        | \$ 125.00                   |
| Shannon          | Richard   | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 294.54         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Cady, capt       | Kevin     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 327.54         | \$ 12.06          | \$ 60.29        | \$ 125.00                   |
| Paul             | Robert    | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 294.54         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| White            | Dale      | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 294.54         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Medeiros         | Matthew   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Tellier          | Roland    | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Almagno          | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Harrington       | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Simpson          | David     | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 383.59         | \$ 10.36          | \$ 51.78        | \$ 125.00                   |
| Stevens          | Michael   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Castelli         | Raymond   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 402.75         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Dougan           | Timothy   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 276.48         | \$ 10.36          | \$ 51.78        | \$ 125.00                   |
| Dauplaise        | Adam      | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 290.20         | \$ 10.83          | \$ 54.14        | \$ 125.00                   |
| Coupe            | Christian | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 289.94         | \$ 10.78          | \$ 53.92        | \$ 125.00                   |
| Marcotte         | Kenneth   | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 289.94         | \$ 10.78          | \$ 53.92        | \$ 125.00                   |
| Preston          | Ronald    | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 289.94         | \$ 10.78          | \$ 53.92        | \$ 125.00                   |
| Garrahan         | Ryan S    | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 276.48         | \$ 10.36          | \$ 51.78        | \$ 125.00                   |
| Fratantuono      | Peter J   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 276.48         | \$ 10.36          | \$ 51.78        | \$ 125.00                   |
| Gingerella, Pvt. | Peter     | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 289.94         | \$ 10.78          | \$ 53.92        | \$ 125.00                   |
| Gervais          | Raymond   |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -              | \$ 10.41          | \$ 52.04        | \$ 125.00                   |
| Shannon          | Joshua    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -              | \$ 10.41          | \$ 52.04        | \$ 125.00                   |
| McCann           | Kevin     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -              | \$ 10.41          | \$ 52.04        | \$ 125.00                   |
| Tremblay         | Joseph    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -              | \$ 10.41          | \$ 52.04        | \$ 125.00                   |
| Stabile          | Brian     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -              | \$ 10.41          | \$ 52.04        | \$ 125.00                   |
| Campion          | John      |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -              | \$ 8.50           | \$ 42.49        | \$ 125.00                   |
| Octeau           | Benjamin  |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -              | \$ 8.50           | \$ 42.49        | \$ 125.00                   |
| Bourquin         | Joseph    |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -              | \$ 8.50           | \$ 42.49        | \$ 125.00                   |
| Foster           | Derek     |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -              | \$ 8.50           | \$ 42.49        | \$ 125.00                   |
|                  |           |                                   |                                |                    |                                   | \$ 8,859.59       |                   | \$ 1,871.39     | \$ 4,375.00                 |

| LastName         | FirstName | Deferred Overtime 2014 | PEHP         | BCBS Co-share | SUBTOTAL FOR 7/26/14 to 12/23/14 | Total owed to Indv. 7/26/14 to 11/28/2014 | Total for Jan 1 14' to Dec 23, 14' |
|------------------|-----------|------------------------|--------------|---------------|----------------------------------|---|------------------------------------|
|                  |           | OWED                   | OWED         | OWED          |                                  |   |                                    |
| Bowen Jr         | Charles   | \$ -                   | \$ -         | 387.66        | \$ 1,748.63                      | \$ 1,748.63                               | \$ 4,115.48                        |
| Godin            | David     | \$ -                   | \$ 2,499.02  | 387.66        | \$ 4,448.45                      | \$ 4,448.45                               | \$ 10,036.24                       |
| Giles            | Russell   | \$ 2,309.46            | \$ 2,376.80  | 387.66        | \$ 6,563.27                      | \$ 6,563.27                               | \$ 14,368.25                       |
| Cady             | James     | \$ -                   | \$ 2,499.02  | 387.66        | \$ 4,448.45                      | \$ 4,448.45                               | \$ 10,039.84                       |
| Blanding         | Mark      | \$ 429.03              | \$ 2,376.80  | 387.66        | \$ 4,682.84                      | \$ 4,682.84                               | \$ 10,598.48                       |
| Dion             | Ted       | \$ 1,124.89            | \$ 2,138.35  | 192.78        | \$ 4,806.54                      | \$ 4,806.54                               | \$ 10,695.28                       |
| Gorman           | David     | \$ -                   | \$ 2,376.80  | 387.66        | \$ 4,494.33                      | \$ 4,494.33                               | \$ 9,975.72                        |
| Shannon          | Richard   | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,867.85                      | \$ 3,867.85                               | \$ 8,898.41                        |
| Cady, capt       | Kevin     | \$ -                   | \$ -         | 387.66        | \$ 1,867.34                      | \$ 1,867.34                               | \$ 5,466.16                        |
| Paul             | Robert    | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,867.85                      | \$ 3,867.85                               | \$ 8,917.17                        |
| White            | Dale      | \$ 2,064.98            | \$ 2,138.35  | 387.66        | \$ 5,932.83                      | \$ 5,932.83                               | \$ 12,865.98                       |
| Medeiros         | Matthew   | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,886.16                        |
| Tellier          | Roland    | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,871.12                        |
| Almagnò          | James     | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,871.86                        |
| Harrington       | James     | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,874.82                        |
| Simpson          | David     | \$ -                   | \$ 2,034.94  | 387.66        | \$ 3,813.37                      | \$ 3,813.37                               | \$ 8,553.99                        |
| Stevens          | Michael   | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,864.46                        |
| Castelli         | Raymond   | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,976.05                      | \$ 3,976.05                               | \$ 8,891.84                        |
| Dougan           | Timothy   | \$ -                   | \$ 2,034.94  | 387.66        | \$ 3,706.27                      | \$ 3,706.27                               | \$ 8,315.60                        |
| Dauplaise        | Adam      | \$ 1,674.59            | \$ 2,138.35  | 387.66        | \$ 5,538.09                      | \$ 5,538.09                               | \$ 12,098.16                       |
| Coupe            | Christian | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,859.59                      | \$ 3,859.59                               | \$ 8,749.30                        |
| Marcotte         | Kenneth   | \$ 1,637.60            | \$ 2,138.35  | 387.66        | \$ 5,497.19                      | \$ 5,497.19                               | \$ 12,030.38                       |
| Preston          | Ronald    | \$ 349.60              | \$ 2,138.35  | 387.66        | \$ 4,209.19                      | \$ 4,209.19                               | \$ 9,439.88                        |
| Garrahan         | Ryan S    | \$ -                   | \$ 2,034.94  | 387.66        | \$ 3,706.27                      | \$ 3,706.27                               | \$ 8,402.42                        |
| Fratantuono      | Peter J   | \$ 1,351.65            | \$ 2,034.94  | 387.66        | \$ 5,057.92                      | \$ 5,057.92                               | \$ 11,105.72                       |
| Gingerella, Pvt. | Peter     | \$ -                   | \$ 2,138.35  | 387.66        | \$ 3,859.59                      | \$ 3,859.59                               | \$ 8,738.82                        |
| Gervais          | Raymond   | \$ -                   | \$ -         | 387.66        | \$ 1,399.25                      | \$ 1,399.25                               | \$ 4,279.31                        |
| Shannon          | Joshua    | \$ -                   | \$ -         | 387.66        | \$ 1,399.25                      | \$ 1,399.25                               | \$ 5,198.74                        |
| McCann           | Kevin     | \$ -                   | \$ 2,034.94  | 387.66        | \$ 3,434.19                      | \$ 3,434.19                               | \$ 8,887.88                        |
| Tremblay         | Joseph    | \$ -                   | \$ 2,034.94  | 387.66        | \$ 3,434.19                      | \$ 3,434.19                               | \$ 8,916.02                        |
| Stabile          | Brian     | \$ -                   | \$ 2,034.94  | 192.78        | \$ 3,239.31                      | \$ 3,239.31                               | \$ 8,411.57                        |
| Campion          | John      | \$ -                   | \$ 1,677.69  | 192.78        | \$ 2,719.40                      | \$ 2,719.40                               | \$ 6,248.62                        |
| Octeau           | Benjamin  | \$ -                   | \$ 1,677.69  | 387.66        | \$ 2,914.28                      | \$ 2,914.28                               | \$ 6,760.57                        |
| Bourquin         | Joseph    | \$ -                   | \$ 1,677.69  | 387.66        | \$ 2,914.28                      | \$ 2,914.28                               | \$ 6,760.57                        |
| Foster           | Derek     | \$ -                   | \$ 1,677.69  | 192.78        | \$ 2,719.40                      | \$ 2,719.40                               | \$ 6,283.33                        |
|                  |           | \$10,941.80            | \$ 65,159.13 | \$ 12,788.58  | \$ 134,005.71                    | \$ 134,005.71                             | \$ 308,418.21                      |

Plus Clothing For Almagnò and Gei \$ 1,200.00

\$ 909,618.21

| Last Name        | FirstName | 2012        | Interest    | 2013        | Interest    | MERS 2014   | 1/1/14-4/1/14 | Interest   | 4/1/14-7/26/14 | Interest   | 7/27/14-12/22/14 | Totals        |
|------------------|-----------|-------------|-------------|-------------|-------------|-------------|---------------|------------|----------------|------------|------------------|---------------|
|                  |           | 23 months   | 11 months   |             | 7 months    |             | 4 months      |            |                |            |                  |               |
| Bowen Jr         | Charles   | \$0.00      | \$9,630.97  | \$1,059.41  | \$2,149.51  | \$888.95    | \$1,377.91    | \$69.23    | \$1,377.91     | \$55.12    | \$1,748.63       | \$17,079.71   |
| Godin            | David     | \$0.00      | \$14,592.18 | \$1,605.14  | \$2,245.86  | \$2,245.76  | \$3,342.04    | \$157.20   | \$3,342.04     | \$133.68   | \$4,448.45       | \$28,770.31   |
| Giles            | Russell   | \$2,309.46  | \$17,069.50 | \$1,877.65  | \$2,142.27  | \$2,299.53  | \$5,505.45    | \$160.97   | \$5,505.45     | \$220.22   | \$6,563.27       | \$38,679.48   |
| Cady             | James     | \$2,589.03  | \$15,045.51 | \$1,655.01  | \$2,245.86  | \$2,249.36  | \$3,342.04    | \$157.45   | \$3,342.04     | \$133.68   | \$4,448.45       | \$32,461.87   |
| Blanding         | Mark      | \$0.00      | \$17,371.28 | \$1,910.84  | \$2,142.27  | \$2,290.62  | \$3,625.02    | \$160.34   | \$3,625.02     | \$145.00   | \$4,682.84       | \$32,328.21   |
| Dion             | Ted       | \$0.00      | \$12,959.49 | \$1,425.54  | \$1,944.21  | \$2,008.72  | \$3,880.03    | \$140.61   | \$3,880.03     | \$155.20   | \$4,806.54       | \$27,320.33   |
| Gorman           | David     | \$0.00      | \$14,050.50 | \$1,545.56  | \$2,428.60  | \$2,239.59  | \$3,241.80    | \$156.77   | \$3,241.80     | \$129.67   | \$4,494.33       | \$28,286.82   |
| Shannon          | Richard   | \$1,800.00  | \$12,349.47 | \$1,358.44  | \$2,080.99  | \$2,119.32  | \$2,911.24    | \$148.35   | \$2,911.24     | \$116.45   | \$3,867.85       | \$27,166.11   |
| Cady, capt       | Kevin     | \$0.00      | \$8,875.24  | \$976.28    | \$2,294.28  | \$2,328.75  | \$1,270.07    | \$163.01   | \$1,270.07     | \$50.80    | \$1,867.34       | \$17,825.77   |
| Paul             | Robert    | \$2,064.98  | \$14,735.93 | \$1,620.95  | \$2,080.99  | \$2,138.08  | \$2,911.24    | \$149.67   | \$2,911.24     | \$116.45   | \$3,867.85       | \$30,161.08   |
| White            | Dale      | \$736.84    | \$13,324.12 | \$1,465.65  | \$1,933.87  | \$1,956.93  | \$4,976.22    | \$136.99   | \$4,976.22     | \$199.05   | \$5,932.83       | \$30,831.97   |
| Medeiros         | Matthew   | \$0.00      | \$12,080.54 | \$1,358.12  | \$2,062.68  | \$1,978.26  | \$2,931.85    | \$138.48   | \$2,931.85     | \$117.27   | \$3,976.05       | \$24,614.00   |
| Tellier          | Roland    | \$1,080.00  | \$12,346.53 | \$1,358.12  | \$2,062.68  | \$1,963.22  | \$2,931.85    | \$137.48   | \$2,931.85     | \$117.27   | \$3,976.05       | \$26,221.56   |
| Almagro          | James     | \$0.00      | \$12,198.56 | \$1,350.22  | \$2,062.68  | \$1,963.96  | \$2,931.85    | \$137.48   | \$2,931.85     | \$117.27   | \$3,976.05       | \$24,814.28   |
| Harrington       | James     | \$0.00      | \$11,719.86 | \$1,289.18  | \$2,062.68  | \$1,966.92  | \$2,931.85    | \$137.68   | \$2,931.85     | \$117.27   | \$3,976.05       | \$24,732.87   |
| Simpson          | David     | \$0.00      | \$11,124.08 | \$1,223.65  | \$1,980.53  | \$1,928.10  | \$2,812.52    | \$134.97   | \$2,812.52     | \$112.50   | \$3,813.37       | \$23,791.03   |
| Stevens          | Michael   | \$7,718.98  | \$11,775.37 | \$1,223.65  | \$2,062.68  | \$1,956.56  | \$2,931.85    | \$136.96   | \$2,931.85     | \$117.27   | \$3,976.05       | \$33,023.46   |
| Castelli         | Raymond   | \$1,674.59  | \$14,575.36 | \$1,603.29  | \$2,062.68  | \$1,983.94  | \$2,931.85    | \$138.88   | \$2,931.85     | \$117.27   | \$3,976.05       | \$29,449.07   |
| Dougan           | Timothy   | \$0.00      | \$11,606.38 | \$1,276.70  | \$1,783.02  | \$1,817.22  | \$2,792.12    | \$127.21   | \$2,792.12     | \$111.68   | \$3,706.27       | \$23,220.60   |
| Dauplaise        | Adam      | \$0.00      | \$13,966.37 | \$1,536.30  | \$1,928.70  | \$1,975.06  | \$4,585.01    | \$138.25   | \$4,585.01     | \$183.40   | \$5,538.09       | \$29,851.19   |
| Coupe            | Christian | \$0.00      | \$12,341.63 | \$1,357.58  | \$1,922.27  | \$1,982.26  | \$2,907.45    | \$138.76   | \$2,907.45     | \$116.30   | \$3,859.59       | \$24,625.84   |
| Marcotte         | Kenneth   | \$6,200.00  | \$12,150.76 | \$1,336.58  | \$1,928.15  | \$1,988.14  | \$4,545.05    | \$139.17   | \$4,545.05     | \$181.80   | \$5,497.19       | \$35,392.85   |
| Preston          | Ronald    | \$1,891.65  | \$14,086.14 | \$1,549.48  | \$1,922.27  | \$1,973.64  | \$3,257.05    | \$138.15   | \$3,257.05     | \$130.28   | \$4,209.19       | \$29,592.93   |
| Garrahan         | Ryan S    | \$1,007.00  | \$11,655.39 | \$1,282.09  | \$1,853.03  | \$1,904.03  | \$2,792.12    | \$133.28   | \$2,792.12     | \$111.68   | \$3,706.27       | \$24,676.50   |
| Franthomo        | Peter J   | \$0.00      | \$12,312.68 | \$1,354.39  | \$1,853.03  | \$1,904.03  | \$4,143.77    | \$133.28   | \$4,143.77     | \$165.75   | \$5,057.92       | \$26,924.85   |
| Gingerella, Pvt. | Peter     | \$0.00      | \$11,165.08 | \$1,228.16  | \$1,922.27  | \$1,971.78  | \$2,907.45    | \$138.02   | \$2,907.45     | \$116.30   | \$3,859.59       | \$23,308.65   |
| Gervais          | Raymond   | \$0.00      | \$7,351.38  | \$808.65    | \$1,391.26  | \$1,784.43  | \$1,095.63    | \$124.91   | \$1,095.63     | \$43.83    | \$1,399.25       | \$13,999.34   |
| Shaunon          | Joshua    | \$0.00      | \$9,814.35  | \$1,079.58  | \$2,460.10  | \$2,703.86  | \$1,889.27    | \$189.27   | \$1,889.27     | \$43.83    | \$1,399.25       | \$18,785.86   |
| McCaun           | Kevin     | \$0.00      | \$9,946.84  | \$1,094.15  | \$2,460.10  | \$2,710.73  | \$2,742.96    | \$189.75   | \$2,742.96     | \$109.72   | \$3,434.19       | \$22,688.45   |
| Tremblay         | Joseph    | \$0.00      | \$10,000.04 | \$1,100.00  | \$2,460.10  | \$2,738.87  | \$2,585.20    | \$191.72   | \$2,585.20     | \$109.72   | \$3,434.19       | \$22,777.61   |
| Stabile          | Brian     | \$0.00      | \$9,453.63  | \$1,039.90  | \$2,460.10  | \$2,587.06  | \$2,585.20    | \$181.09   | \$2,585.20     | \$103.41   | \$3,239.31       | \$21,649.71   |
| Campion          | John      | \$0.00      | \$6,024.78  | \$662.73    | \$1,172.01  | \$1,362.90  | \$2,166.33    | \$95.40    | \$2,166.33     | \$86.65    | \$2,719.40       | \$14,290.19   |
| Octeau           | Benjamin  | \$0.00      | \$9,532.98  | \$1,048.63  | \$1,172.01  | \$1,522.21  | \$2,324.09    | \$106.55   | \$2,324.09     | \$92.96    | \$2,914.28       | \$18,713.71   |
| Bourquin         | Joseph    | \$0.00      | \$9,240.99  | \$1,016.51  | \$1,172.01  | \$1,522.21  | \$2,324.09    | \$106.55   | \$2,324.09     | \$92.96    | \$2,914.28       | \$18,389.60   |
| Koster           | Dean      | \$0.00      | \$9,133.57  | \$1,004.69  | \$1,172.01  | \$1,397.61  | \$2,166.33    | \$97.83    | \$2,166.33     | \$86.65    | \$2,719.40       | \$17,778.09   |
|                  |           | \$29,072.53 | \$6,686.68  | \$45,771.76 | \$69,077.76 | \$70,452.54 | \$103,959.96  | \$4,158.40 | \$134,005.71   | \$4,158.40 | \$134,005.71     | \$ 884,223.88 |

Number of members 35  
 Max priority for wages per member \$ 12,475.00  
 Maximum priority for wages within 180 days of Petition \$ 436,625.00  
 Portion of claim given actual Priority (180 days = 1/2 of G, 1/4 of J and K and all of L) \$ 195,574.18

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

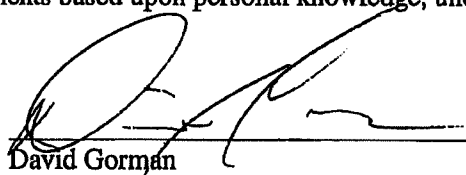
In re: CENTRAL COVENTRY FIRE DISTRICT ) Case No. 14-12785  
Debtor. ) Chapter 9

**VERIFIED STATEMENT UNDER RULE 2019**

Now comes David Gorman President of the Coventry Professional Firefighters Association, IAFF Local 3372 who makes the following statement:

1. I, David Gorman, am President of Local 3372.
2. That the Local has distributed waivers to each member who is an active employee of the Central Coventry Fire District.
3. That each member has executed a waiver providing the Local with the authority to make a claim on their behalf and to compromise, settle or litigate their claims as part of the group of active firefighter employees.
4. That the Exhibit A attached hereto is a list of the names and addresses of the active firefighters who have executed the waivers described herein and the Exhibits attached to the Proof of claims contains a breakdown identifying the amount of each member's claim which is incorporated herein.

I, David Gorman, make the above statements based upon personal knowledge, under the pains and penalties of perjury.

  
David Gorman

Subscribed and sworn to before me this 11th day of September, 2015.


  
Notary Public  
My Commission Expires: **Joseph F. Penza Jr.**  
Notary Public  
My Commission Expires 7/9/17  
ID #12121

EXHIBIT A

| Prefix | First Name | Middle  | Last Name   | Suffix | Home Address             | City             | State/Prov |
|--------|------------|---------|-------------|--------|--------------------------|------------------|------------|
| Mr.    | James      | E.      | Almagno     | Sr.    | 14 Mountain laurel Dr    | Coventry         | RI         |
| Mr.    | Mark       | S.      | Blanding    |        | 13 Soneric Ln            | Carolina         | RI         |
| Mr.    | Joseph     | K.      | Bourquin    |        | 71 Beach Rd              | Pascoag          | RI         |
| Mr.    | Charles    | E.      | Bowen       | Jr.    | 15 Hendricken Ct         | Warwick          | RI         |
| Mr.    | James      | L.      | Cady        |        | 191 Mile Rd              | Coventry         | RI         |
| Mr.    | Kevin      | R.      | Cady        |        | 277 Plainfield Pike      | Greene           | RI         |
|        | John       |         | Campion     |        | 517 Woodward Rd #2       | North Providence | RI         |
| Mr.    | Raymond    | V.      | Castelli    |        | 25 Carpenter Rd          | Foster           | RI         |
|        | Christian  | S.      | Coupe       |        | 1988 Village Grn S Apt   | Riverside        | RI         |
|        | Adam       |         | Dauplaise   |        | 35 Chestnut St           | Douglas          | MA         |
| Mr.    | Ted        |         | Dion        |        | 441 Read School House Rd | Coventry         | RI         |
| Mr.    | Timothy    | Wallace | Dougan      |        | 19 Enterprise Rd         | Warwick          | RI         |
|        | Derek      |         | Foster      |        | 2944 Diamond Hill Rd     | Cumberland       | RI         |
| Mr.    | Peter      | J.      | Fratantuono |        | 9 Meadowchase Ln         | West Warwick     | RI         |
| Mr.    | Ryan       | S.      | Garrahan    |        | 89 Pulaski St            | West Warwick     | RI         |
|        | Raymond    |         | Gervais     |        | 44 Fry Pond Rd           | West Greenwich   | RI         |
| Mr.    | Russel     | G.      | Giles       |        | 4 Cove Rd                | Coventry         | RI         |
| Mr.    | Peter      | W.      | Gingerella  |        | PO Box 255               | Hopkinton        | RI         |
| Mr.    | David      |         | Godin       |        | 23 Lydia Rd              | Coventry         | RI         |
| Mr.    | David      | J.      | Gorman      |        | 24 Hornbeam Rd           | Coventry         | RI         |
| Mr.    | James      | E.      | Harrington  |        | 145 Waterman Hill Rd     | Greene           | RI         |
| Mr.    | Kenneth    | A.      | Marcotte    | Jr.    | 127 Benbridge Ave        | Warwick          | RI         |
| Mr.    | Kevin      |         | McCann      |        | 11 Old Mishnock Hwy      | Coventry         | RI         |
| Mr.    | Matthew    | J.      | Medeiros    |        | 4 Kowalik Dr             | West Warwick     | RI         |
|        | Benjamin   | M.      | Octeau      |        | 2212 Cranston St Ste A   | Cranston         | RI         |
| Mr.    | Robert     | A.      | Paul        | Jr.    | 15 Colvintown Rd         | Coventry         | RI         |
| Mr.    | Ronald     | J.      | Preston     |        | 30 Ebony Dr              | East Greenwich   | RI         |
| Mr.    | Richard    |         | Shannon     |        | 245 Hill Farm Rd         | Coventry         | RI         |
|        | Joshua     |         | Shannon     |        | 45 High School Ave       | Cranston         | RI         |
| Mr.    | David      |         | Simpson     |        | 26 Aborn Ave             | Warwick          | RI         |
|        | Brian      |         | Stabile     |        | 41 Pitman Rd             | Warwick          | RI         |
| Mr.    | Michael    |         | Stevens     | III    | 2 Mountain Laurel Dr     | Coventry         | RI         |
| Mr.    | Roland     | J.      | Tellier     |        | 4 Lions Dr               | Coventry         | RI         |
|        | Joseph     | A.      | Tremblay    |        | 224 Garden Hills Dr      | Cranston         | RI         |
| Mr.    | Dale       | E.      | White       | Sr.    | 2194 Flat River Rd       | Coventry         | RI         |

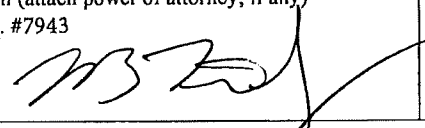
# EXHIBIT 6



**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

|        |                       |   |                      |
|--------|-----------------------|---|----------------------|
| <hr/>  |                       | ) |                      |
|        |                       | ) |                      |
| In re: | CENTRAL COVENTRY FIRE | ) |                      |
|        | DISTRICT              | ) | Case No. BK 14-12785 |
|        |                       | ) |                      |
|        | Debtor.               | ) | Chapter 9            |
|        |                       | ) |                      |
| <hr/>  |                       | ) |                      |

**ATTACHMENT 4 –  
AMENDED CLAIM 12**

| UNITED STATES BANKRUPTCY COURT FOR<br>THE DISTRICT OF RHODE ISLAND  |  | PROOF OF<br>ADMINISTRATIVE<br>CLAIM  |
|---|--|--|
| In re:<br><b>Central Coventry Fire District</b><br>Debtors  | Chapter 9,<br>Case No. 14-12785  | Filed pursuant to 11 U.S.C. §§ 501 and 503   |
| NOTE: This form should only be used to make a claim for an administrative expense arising on or after December 23, 2014. <b>IT SHOULD NOT BE USED FOR CLAIMS ARISING PRIOR TO December 23, 2014.</b>  |  |  |
| <b>Name of Creditor and Address:</b><br>Coventry Professional Firefighters, IAFF Local 3372,<br>PO Box 336,<br>Coventry, RI 02816<br><br>c/o Olenn & Penza, LLP<br>530 Greenwich Ave<br>Warwick, RI 02886   |  |  |
| Creditor Telephone Number: (401) 737-3700   |  |  |
| CREDITOR TAX ID #:  | ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:   |  |
| <b>1. BASIS FOR ADMINISTRATIVE CLAIM</b><br><input type="checkbox"/> Goods sold <input type="checkbox"/> Personal injury/wrongful death/property damage <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a)<br><input type="checkbox"/> Services performed <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Wages, salaries, and compensation (Fill out below)<br><input type="checkbox"/> Money loaned <input type="checkbox"/> Other (describe briefly)                      Your social security number - <u>filed by Union - see attached</u><br><input type="checkbox"/> Contractual or lease obligations                      Unpaid compensation for services performed from 12/23/14 to 3/31/15 |  |  |
| 2. DATE DEBT WAS INCURRED: December 24, 2014-March 30, 2015   |  | 3. IF COURT JUDGMENT, DATE OBTAINED:   |
| 4. TOTAL AMOUNT OF ADMINISTRATIVE CLAIM:  |  | \$ 528,044.99<br>(Total)   |
| If all or part of your claim is secured, also complete Item 5 below.<br><input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.  |  |  |
| 5. Please identify the Debtor against whom your claim is asserted†:<br><br>_____  |  | 6. Offsets, Credits and Setoffs:<br><input type="checkbox"/> All payments made on this claim by the Debtors have been credited and deducted from the amount claimed herein.<br><input type="checkbox"/> This claim is not subject to any setoff or counterclaim.<br><input checked="" type="checkbox"/> This claim is subject to setoff or counter claim as follows:<br>This claim is a protective claim subject to the Court's final decision on debtor's motion for rejection of collective bargaining agreement |
| 7. This Administrative Proof of Claim:<br><input type="checkbox"/> is the first filed proof of claim evidencing the claim asserted herein<br><input checked="" type="checkbox"/> amends/supplements a proof of claim filed on <u>3/31/2015 (Claim 12)</u> , or<br><input type="checkbox"/> replaces/suspends a proof of claim filed on _____  |  | 8. Assignment:<br><input type="checkbox"/> If the claimant has obtained this claim by Assignment, a copy is attached hereto.   |
| 9. Supporting Documentation:<br><input checked="" type="checkbox"/> This claim is supported by documentation that is attached hereto, or<br><input type="checkbox"/> This claim is supported by documentation that is not attached hereto because _____<br>_____  |  | <b>THIS SPACE FOR COURT USE ONLY</b>   |
| DATE SIGNED:<br><br>9/14/2015   | SIGN and print the name and title, if any, of the creditor or other person authorized to file this claim (attach power of attorney, if any)<br>Michael B. Forte, Jr, Esq. #7943<br>Olenn & Penza, LLP<br>530 Greenwich Avenue<br>Warwick, RI 02886<br> |  |

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Administrative Claims

POST PETITION 12-23-14 to 3/31/15

| LastName         | Longevity | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Hourly<br>Effective<br>1/1/2014 | Weekly<br>W/ 2%<br>4/1/2013 | Weekly<br>W/2%<br>4/1/2014 | Annual<br>Salary<br>4/1/2014 | Salary<br>Increase<br>DUE 4/1/14<br>Owed | Annual<br>Longevity<br>WEEKLY<br>Should Be |
|------------------|-----------|--------------------------------|--------------------|---------------------------------|-----------------------------|----------------------------|------------------------------|--|--|
| Bowen Jr         | 10%       | \$24.54                        | \$1,030.52         | \$ 25.03                        | \$1,051.26                  | \$1,072.29                 | \$55,758.83                  | \$ 626.54                                | \$ 107.23                                  |
| Godin            | 10%       | \$28.67                        | \$1,204.14         | \$ 29.24                        | \$1,228.08                  | \$1,252.64                 | \$65,137.36                  | \$ 630.52                                | \$ 125.26                                  |
| Giles            | 10%       | \$27.27                        | \$1,145.34         | \$ 27.81                        | \$1,168.02                  | \$1,191.38                 | \$61,951.78                  | \$ 598.53                                | \$ 119.14                                  |
| Cady             | 10%       | \$28.67                        | \$1,204.14         | \$ 29.24                        | \$1,228.08                  | \$1,252.64                 | \$65,137.36                  | \$ 630.52                                | \$ 125.26                                  |
| Blanding         | 10%       | \$27.27                        | \$1,145.34         | \$ 27.81                        | \$1,168.02                  | \$1,191.38                 | \$61,951.78                  | \$ 598.53                                | \$ 119.14                                  |
| Dion             | 10%       | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 107.19                                  |
| Gorman           | 10%       | \$27.27                        | \$1,145.34         | \$ 27.81                        | \$1,168.02                  | \$1,191.38                 | \$61,951.78                  | \$ 598.53                                | \$ 119.14                                  |
| Shannon          | 9%        | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Cady             | 9%        | \$27.27                        | \$1,145.34         | \$ 27.81                        | \$1,168.02                  | \$1,191.38                 | \$61,951.78                  | \$ 598.53                                | \$ 107.22                                  |
| Paul             | 9%        | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| White            | 9%        | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Medeiros         | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Tellier          | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Almagno          | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Harrington       | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Simpson          | 9.00%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 514.06                                | \$ 91.80                                   |
| Stevens          | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Castelli         | 9.00%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 96.47                                   |
| Dougan           | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 514.06                                | \$ 86.70                                   |
| Dauplaise        | 8.50%     | \$24.54                        | \$1,030.52         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 537.43                                | \$ 91.11                                   |
| Coupe            | 8.50%     | \$24.54                        | \$1,030.68         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 535.30                                | \$ 91.11                                   |
| Marcotte         | 8.50%     | \$24.54                        | \$1,030.68         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 535.30                                | \$ 91.11                                   |
| Preston          | 8.50%     | \$24.54                        | \$1,030.68         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 535.30                                | \$ 91.11                                   |
| Garrahan         | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 514.06                                | \$ 86.70                                   |
| Fratantuono      | 8.50%     | \$23.34                        | \$ 980.48          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 514.06                                | \$ 86.70                                   |
| Gingerella, Pvt. | 8.50%     | \$24.54                        | \$1,030.68         | \$ 25.02                        | \$1,050.84                  | \$1,071.86                 | \$55,736.55                  | \$ 535.30                                | \$ 91.11                                   |
| Gervais          | 8.50%     | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 516.63                                | \$ 86.70                                   |
| Shannon          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 516.63                                | \$ -                                       |
| McCann           |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 516.63                                | \$ -                                       |
| Tremblay         |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 516.63                                | \$ -                                       |
| Stabile          |           | \$23.34                        | \$ 980.28          | \$ 23.81                        | \$1,000.02                  | \$1,020.02                 | \$53,041.06                  | \$ 516.63                                | \$ -                                       |
| Campion          |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                   | \$ 840.95                  | \$43,729.36                  | \$ 421.84                                | \$ -                                       |
| Octeau           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                   | \$ 840.95                  | \$43,729.36                  | \$ 421.84                                | \$ -                                       |
| Bourquin         |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                   | \$ 840.95                  | \$43,729.36                  | \$ 421.84                                | \$ -                                       |
| Foster           |           | \$19.25                        | \$ 808.50          | \$ 19.63                        | \$ 824.46                   | \$ 840.95                  | \$43,729.36                  | \$ 421.84                                | \$ -                                       |
|                  |           |                                |                    |                                 |                             |                            |                              | \$ 18,661.30                             |  |

**Administrative Claims**  
**POST PETITION 12-23-14 to 3/31/15**

| LastName         | FirstName | Longevity<br>9/1/2012<br>(ACTUAL) | Hourly<br>9/1/2012<br>(ACTUAL) | Weekly<br>(ACTUAL) | Longevity<br>PAID W/k<br>(ACTUAL) | Longevity   | HOLIDAY      | Holiday<br>Shift Diff | Cardiac<br>MEDIC |
|------------------|-----------|-----------------------------------|--------------------------------|--------------------|-----------------------------------|-------------|--------------|-----------------------|------------------|
|                  |           |                                   |                                |                    |                                   | OWED        | OWED         | OWED                  | OWED             |
| Bowen Jr         | Charles   | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 217.23   | \$ 825.99    | \$ 112.50             | \$ 600.00        |
| Godin            | David     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 253.37   | \$ 964.92    | \$ 112.50             | \$ 600.00        |
| Giles            | Russell   | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 240.86   | \$ 917.73    | \$ 112.50             | \$ 600.00        |
| Cady             | James     | 9%                                | \$28.67                        | \$ 1,204.14        | \$ 108.37                         | \$ 253.37   | \$ 964.92    | \$ 112.50             | \$ 600.00        |
| Blanding         | Mark      | 9%                                | \$27.27                        | \$ 1,145.34        | \$ 103.08                         | \$ 240.86   | \$ 917.73    | \$ 112.50             | \$ 600.00        |
| Dion             | Ted       | 9%                                | \$24.54                        | \$ 1,030.52        | \$ 92.75                          | \$ 216.59   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Gorman           | David     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 412.66   | \$ 917.73    | \$ 112.50             | \$ 600.00        |
| Shannon          | Richard   | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 210.39   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Cady, capt       | Kevin     | 8%                                | \$27.27                        | \$ 1,145.34        | \$ 91.63                          | \$ 233.96   | \$ 917.73    | \$ 112.50             | \$ 600.00        |
| Paul             | Robert    | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 210.39   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| White            | Dale      | 8%                                | \$24.54                        | \$ 1,030.52        | \$ 82.44                          | \$ 210.39   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Medeiros         | Matthew   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Tellier          | Roland    | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Almagno          | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Harrington       | James     | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Simpson          | David     | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 273.99   | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Stevens          | Michael   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Castelli         | Raymond   | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 287.68   | \$ 825.66    | \$ 112.50             | \$ 900.00        |
| Dougan           | Timothy   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 197.49   | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Dauplaise        | Adam      | 7.50%                             | \$24.54                        | \$ 1,030.52        | \$ 77.29                          | \$ 207.29   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Coupe            | Christian | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 207.10   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Marcotte         | Kenneth   | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 207.10   | \$ 825.66    | \$ 112.50             | \$ 900.00        |
| Preston          | Ronald    | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 207.10   | \$ 825.66    | \$ 112.50             | \$ 900.00        |
| Garrahan         | Ryan S    | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 197.49   | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Fratantuono      | Peter J   | 7.50%                             | \$23.34                        | \$ 980.48          | \$ 73.54                          | \$ 197.49   | \$ 785.73    | \$ 112.50             | \$ 900.00        |
| Gingerella, Pvt. | Peter     | 7.50%                             | \$24.54                        | \$ 1,030.68        | \$ 77.30                          | \$ 207.10   | \$ 825.66    | \$ 112.50             | \$ 600.00        |
| Gervais          | Raymond   |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ 1,300.53 | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Shannon          | Joshua    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| McCann           | Kevin     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Tremblay         | Joseph    |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Stabile          | Brian     |                                   | \$23.34                        | \$ 980.28          | \$ -                              | \$ -        | \$ 785.73    | \$ 112.50             | \$ 600.00        |
| Campion          | John      |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 647.79    | \$ 112.50             | \$ 600.00        |
| Octeau           | Benjamin  |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 647.79    | \$ 112.50             | \$ 600.00        |
| Bourquin         | Joseph    |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 647.79    | \$ 112.50             | \$ 600.00        |
| Foster           | Derek     |                                   | \$19.25                        | \$ 808.50          | \$ -                              | \$ -        | \$ 647.79    | \$ 112.50             | \$ 600.00        |
|                  |           |                                   |                                |                    |                                   | \$ 7,628.80 | \$ 28,474.38 | \$ 3,937.50           | \$ 22,200.00     |

Administrative Claims

POST PETITION 12-23-14 to 3/31/15

| LastName         | FirstName | PEHP                | BCBS                | BCBS                | Clothing           |
|------------------|-----------|---------------------|---------------------|---------------------|--------------------|
|                  |           |                     | Co-share            | Deductible          |                    |
|                  |           | Premium             |                     |                     |                    |
|                  |           | OWED                | OWED                | OWED                |                    |
| Bowen Jr         | Charles   | \$ -                | \$ 812.63           | \$ 499.98           | \$ -               |
| Godin            | David     | \$ 1,666.01         | \$ 812.63           | \$ 499.98           | \$ -               |
| Giles            | Russell   | \$ 1,584.54         | \$ 812.63           | \$ 499.98           | \$ -               |
| Cady             | James     | \$ 1,666.01         | \$ 812.63           | \$ 499.98           | \$ -               |
| Blanding         | Mark      | \$ 1,584.54         | \$ 1,099.02         | \$ -                | \$ -               |
| Dion             | Ted       | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Gorman           | David     | \$ 1,584.54         | \$ 812.63           | \$ 499.98           | \$ -               |
| Shannon          | Richard   | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Cady, capt       | Kevin     | \$ -                | \$ 812.63           | \$ 499.98           | \$ -               |
| Paul             | Robert    | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| White            | Dale      | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Medeiros         | Matthew   | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Tellier          | Roland    | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Almagno          | James     | \$ 1,425.57         | \$ 1,099.02         | \$ -                | \$ 600.00          |
| Harrington       | James     | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Simpson          | David     | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ -               |
| Stevens          | Michael   | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Castelli         | Raymond   | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Dougan           | Timothy   | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ 1,200.00        |
| Dauplaise        | Adam      | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Coupe            | Christian | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Marcotte         | Kenneth   | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Preston          | Ronald    | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ 1,200.00        |
| Garrahan         | Ryan S    | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ 1,200.00        |
| Fratantuono      | Peter J   | \$ 1,356.63         | \$ 1,099.02         | \$ -                | \$ -               |
| Gingerella, Pvt. | Peter     | \$ 1,425.57         | \$ 812.63           | \$ 499.98           | \$ -               |
| Gervais          | Raymond   | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ 600.00          |
| Shannon          | Joshua    | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ -               |
| McCann           | Kevin     | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ -               |
| Tremblay         | Joseph    | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ -               |
| Stabile          | Brian     | \$ 1,356.63         | \$ 812.63           | \$ 499.98           | \$ -               |
| Campion          | John      | \$ 1,118.46         | \$ 156.06           | \$ 249.99           | \$ -               |
| Octeau           | Benjamin  | \$ 1,118.46         | \$ 812.63           | \$ 499.98           | \$ -               |
| Bourquin         | Joseph    | \$ 1,118.46         | \$ 812.63           | \$ 499.98           | \$ -               |
| Foster           | Derek     | \$ 1,118.46         | \$ 156.06           | \$ 249.99           | \$ -               |
|                  |           | <b>\$ 46,152.67</b> | <b>\$ 27,988.08</b> | <b>\$ 15,499.38</b> | <b>\$ 4,800.00</b> |

Administrative Claims

POST PETITION 12-23-14 to 3/31/15

| LastName      | Hourly<br>9/1/2012<br>(ACTUAL) | Hourly<br>1/1/2014<br>Effective | 42 Hours-56<br><b>OWED</b> | MERS<br>16.84%      | Sub-total<br>12/23/15 to<br>3/31/2015 |
|---------------|--------------------------------|---------------------------------|----------------------------|---------------------|---------------------------------------|
| Bowen Jr      | \$24.54                        | \$ 25.03                        | \$ 7,884.45                | \$ 2,382.26         | \$ 13,961.57                          |
| Godin         | \$28.67                        | \$ 29.24                        | \$ 9,210.60                | \$ 2,561.31         | \$ 17,311.85                          |
| Giles         | \$27.27                        | \$ 27.81                        | \$ 8,760.15                | \$ 2,469.62         | \$ 16,596.53                          |
| Cady          | \$28.67                        | \$ 29.24                        | \$ 9,210.60                | \$ 2,561.31         | \$ 17,311.85                          |
| Blanding      | \$27.27                        | \$ 27.81                        | \$ 8,760.15                | \$ 2,469.62         | \$ 16,382.94                          |
| Dion          | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,292.18         | \$ 15,203.83                          |
| Gorman        | \$27.27                        | \$ 27.81                        | \$ 8,760.15                | \$ 2,641.42         | \$ 16,940.13                          |
| Shannon       | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,285.98         | \$ 15,191.43                          |
| Cady          | \$27.27                        | \$ 27.81                        | \$ 8,760.15                | \$ 2,462.71         | \$ 14,998.18                          |
| Paul          | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,285.98         | \$ 15,191.43                          |
| White         | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,285.98         | \$ 15,191.43                          |
| Medeiros      | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,363.26         | \$ 15,346.01                          |
| Tellier       | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,363.26         | \$ 15,346.01                          |
| Almagno       | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,363.26         | \$ 15,732.42                          |
| Harrington    | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,363.26         | \$ 15,346.01                          |
| Simpson       | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,286.28         | \$ 14,741.95                          |
| Stevens       | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,363.26         | \$ 15,346.01                          |
| Castelli      | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,663.26         | \$ 15,946.01                          |
| Dougan        | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,209.78         | \$ 15,788.94                          |
| Dauplaise     | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,282.87         | \$ 15,185.23                          |
| Coupe         | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,280.56         | \$ 15,180.60                          |
| Marcotte      | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,580.56         | \$ 15,780.60                          |
| Preston       | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,580.56         | \$ 16,980.60                          |
| Garrahan      | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,209.78         | \$ 15,788.94                          |
| Fratantuono   | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,509.78         | \$ 14,975.35                          |
| Gingerella, P | \$24.54                        | \$ 25.02                        | \$ 7,881.30                | \$ 2,280.56         | \$ 15,180.60                          |
| Gervais       | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 3,315.38         | \$ 17,400.15                          |
| Shannon       | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,014.86         | \$ 14,199.10                          |
| McCann        | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,014.86         | \$ 14,199.10                          |
| Tremblay      | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,014.86         | \$ 14,199.10                          |
| Stabile       | \$23.34                        | \$ 23.81                        | \$ 7,500.15                | \$ 2,014.86         | \$ 14,199.10                          |
| Campion       | \$19.25                        | \$ 19.63                        | \$ 6,183.45                | \$ 1,782.13         | \$ 11,272.22                          |
| Octeau        | \$19.25                        | \$ 19.63                        | \$ 6,183.45                | \$ 1,782.13         | \$ 12,178.78                          |
| Bourquin      | \$19.25                        | \$ 19.63                        | \$ 6,183.45                | \$ 1,782.13         | \$ 12,178.78                          |
| Foster        | \$19.25                        | \$ 19.63                        | \$ 6,183.45                | \$ 1,782.13         | \$ 11,272.22                          |
|               |                                |                                 | <b>\$ 271,800.90</b>       | <b>\$ 80,901.98</b> | <b>\$ 528,044.99</b>                  |

This DOES NOT INCLUDE MISSED OVERTIME  
CALCULATIONS AND COMPENSATION FOR HOURS WORKED OR SUFFERED

Page 4

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND

In re: CENTRAL COVENTRY FIRE DISTRICT ) Case No. 14-12785  
Debtor. ) Chapter 9

VERIFIED STATEMENT UNDER RULE 2019


Now comes David Gorman President of the Coventry Professional Firefighters Association, IAFF Local 3372 who makes the following statement:

1. I, David Gorman, am President of Local 3372.
2. That the Local has distributed waivers to each member who is an active employee of the Central Coventry Fire District.
3. That each member has executed a waiver providing the Local with the authority to make a claim on their behalf and to compromise, settle or litigate their claims as part of the group of active firefighter employees.
4. That the Exhibit A attached hereto is a list of the names and addresses of the active firefighters who have executed the waivers described herein and the Exhibits attached to the Proof of claims contains a breakdown identifying the amount of each member's claim which is incorporated herein.

I, David Gorman, make the above statements based upon personal knowledge, under the pains and penalties of perjury.

  
David Gorman

Subscribed and sworn to before me this 11<sup>th</sup> day of September, 2015.

  
Notary Public

My Commission Expires:

Joseph F. Penza Jr.  
Notary Public  
My Commission Expires 7/9/17  
ID #12121

EXHIBIT A

| Prefix | First Name | Middle  | Last Name   | Suffix | Home Address             | City             | State/Prov |
|--------|------------|---------|-------------|--------|--------------------------|------------------|------------|
| Mr.    | James      | E.      | Almagno     | Sr.    | 14 Mountain laurel Dr    | Coventry         | RI         |
| Mr.    | Mark       | S.      | Blanding    |        | 13 Soneric Ln            | Carolina         | RI         |
| Mr.    | Joseph     | K.      | Bourquin    |        | 71 Beach Rd              | Pascoag          | RI         |
| Mr.    | Charles    | E.      | Bowen       | Jr.    | 15 Hendricken Ct         | Warwick          | RI         |
| Mr.    | James      | L.      | Cady        |        | 191 Mile Rd              | Coventry         | RI         |
| Mr.    | Kevin      | R.      | Cady        |        | 277 Plainfield Pike      | Greene           | RI         |
|        | John       |         | Campion     |        | 517 Woodward Rd #2       | North Providence | RI         |
| Mr.    | Raymond    | V.      | Castelli    |        | 25 Carpenter Rd          | Foster           | RI         |
|        | Christian  | S.      | Coupe       |        | 1988 Village Grn S Apt   | Riverside        | RI         |
|        | Adam       |         | Dauplaise   |        | 35 Chestnut St           | Douglas          | MA         |
| Mr.    | Ted        |         | Dion        |        | 441 Read School House Rd | Coventry         | RI         |
| Mr.    | Timothy    | Wallace | Dougan      |        | 19 Enterprise Rd         | Warwick          | RI         |
|        | Derek      |         | Foster      |        | 2944 Diamond Hill Rd     | Cumberland       | RI         |
| Mr.    | Peter      | J.      | Fratantuono |        | 9 Meadowchase Ln         | West Warwick     | RI         |
| Mr.    | Ryan       | S.      | Garrahan    |        | 89 Pulaski St            | West Warwick     | RI         |
|        | Raymond    |         | Gervais     |        | 44 Fry Pond Rd           | West Greenwich   | RI         |
| Mr.    | Russel     | G.      | Giles       |        | 4 Cove Rd                | Coventry         | RI         |
| Mr.    | Peter      | W.      | Gingerella  |        | PO Box 255               | Hopkinton        | RI         |
| Mr.    | David      |         | Godin       |        | 23 Lydia Rd              | Coventry         | RI         |
| Mr.    | David      | J.      | Gorman      |        | 24 Hornbeam Rd           | Coventry         | RI         |
| Mr.    | James      | E.      | Harrington  |        | 145 Waterman Hill Rd     | Greene           | RI         |
| Mr.    | Kenneth    | A.      | Marcotte    | Jr.    | 127 Benbridge Ave        | Warwick          | RI         |
| Mr.    | Kevin      |         | McCann      |        | 11 Old Mishnock Hwy      | Coventry         | RI         |
| Mr.    | Matthew    | J.      | Medeiros    |        | 4 Kowalik Dr             | West Warwick     | RI         |
|        | Benjamin   | M.      | Octeau      |        | 2212 Cranston St Ste A   | Cranston         | RI         |
| Mr.    | Robert     | A.      | Paul        | Jr.    | 15 Colvintown Rd         | Coventry         | RI         |
| Mr.    | Ronald     | J.      | Preston     |        | 30 Ebony Dr              | East Greenwich   | RI         |
| Mr.    | Richard    |         | Shannon     |        | 245 Hill Farm Rd         | Coventry         | RI         |
|        | Joshua     |         | Shannon     |        | 45 High School Ave       | Cranston         | RI         |
| Mr.    | David      |         | Simpson     |        | 26 Aborn Ave             | Warwick          | RI         |
|        | Brian      |         | Stabile     |        | 41 Pitman Rd             | Warwick          | RI         |
| Mr.    | Michael    |         | Stevens     | III    | 2 Mountain Laurel Dr     | Coventry         | RI         |
| Mr.    | Roland     | J.      | Tellier     |        | 4 Lions Dr               | Coventry         | RI         |
|        | Joseph     | A.      | Tremblay    |        | 224 Garden Hills Dr      | Cranston         | RI         |
| Mr.    | Dale       | E.      | White       | Sr.    | 2194 Flat River Rd       | Coventry         | RI         |



# EXHIBIT 7

## **BY-LAWS OF THE CENTRAL COVENTRY FIRE DISTRICT**

October 3, 2006

### **ARTICLE I – MEETINGS**

#### **SECTION 1. Voting List and Seating**

The Clerk of the District shall have present at all annual and special meetings of the District voters a list of all the taxable inhabitants qualified to vote, examined by the Tax Assessor and certified by the Clerk. The Clerk and the Tax Assessor shall determine whether or not each individual present at the meeting is qualified to vote in the District. Those not qualified shall be seated separately from those qualified.

#### **SECTION 2. Ground Rules**

The Moderator shall state any ground rules for the annual or special meeting of the District at the start of said meeting.

#### **SECTION 3. Counting Votes**

When a ballot, hand, or standing vote is taken, the moderator shall be responsible for counting all votes, affirmative and negative; he or she may appoint tellers for this purpose.

### **ARTICLE II – BOARD OF DIRECTORS**

#### **SECTION 1. Duties of the Board of Directors**

1.A. The Board of Directors shall develop an annual budget, with information provided by the Treasurer and the Chief, and shall present said budget at the annual meeting, or a special meeting if necessary, for approval by the eligible voters present.

1.B. The Board of Directors shall propose a range for the tax levy and shall present said levy range at the annual meeting, or a special meeting if necessary, for approval by the eligible voters present.

1.C. The Board of Directors shall set the tax rate, with information provided by the Tax Collector and Tax Assessor, and in accordance with the tax levy approved by the eligible voters. If the annual assessment has been completed and a proposed tax rate calculated by the date of the annual or special meeting, the Board of Directors may present said tax rate, in lieu of or in addition to a range for the tax levy, for approval by the eligible voters present.

1.D. The Board of Directors shall propose any change in the interest rate charged on overdue taxes and shall present said proposal at the annual or a special meeting for approval by the eligible voters present.

1.E. The Board of Directors shall propose the amount of any funds to be borrowed and shall present said proposal at the annual or a special meeting for approval by the eligible voters present. The Board shall have the authority to approve short term borrowing (in anticipation of tax receipts) necessary for the continued operation of the District without the approval of the eligible voters.

1.F. The Board of Directors shall give final approval for the hiring of any and all persons being considered for employment by the District.

1.G. The Board of Directors shall determine the duties, salaries or wages, benefits, and conditions of employment of all appointees and/or employees, in addition to the duties listed in the District charter and by-laws.

1.H. The Board of Directors shall be responsible for the negotiation of all labor contracts; may appoint a subcommittee of no less than three (3) individuals, including no less than one (1) Director to represent them in negotiations; shall have final approval of said contracts.

1.I. The Board of Directors shall review the by-laws of the District at least every five (5) years and propose additions, deletions, or amendments if needed at an annual or special meeting for approval by the eligible voters present.

## SECTION 2. Duties of the President

2.A. The President shall preside at all meetings of the District in accordance with the District charter; shall enforce and observe the provisions of the charter and by-laws; shall enforce and maintain order and decorum; and when present, shall preside at each meeting of the Board of Directors.

2.B. For annual and special meetings of the District, the President shall provide the agenda to the clerk, who shall advertise the meeting and post the agenda in accordance with Rhode Island law and the District charter. For meetings of the Board of Directors, the President shall provide the agenda to the clerk who shall distribute said agenda to the Board of Directors and Appointees of the Board, and post the agenda in accordance with Rhode Island law.

2.C. The President shall maintain frequent contact with the Chief for the purpose of staying informed of District business and activities; shall maintain periodic contact with full time employees; shall report his or her findings from said contacts to the Board of Directors.

2.D. The President shall be the official spokesperson for the Board of Directors; shall sign official District documents on behalf of the Board, with the Board's prior approval.

2.E. The President shall, on any vote by the Board of Directors, only cast a vote in the case of a tie.

### SECTION 3. Duties of the Vice President

The Vice President shall assume the duties of the President when he or she is unable to perform such duties; shall assist the President as needed. In the absence of the President and the Vice President at any meeting of the Board of Directors, the Directors shall appoint a temporary moderator for said meeting.

## ARTICLE III – DUTIES OF APPOINTEES

### SECTION 1. Duties of the Tax Collector

In addition to the duties listed in the District charter, the Tax Collector shall be responsible for the preparation and mailing of the annual tax bills; shall maintain timely and accurate records of payments received and amounts owed for each District taxpayer; shall submit a report to the Board of Directors monthly; shall present to the Board of Directors for their approval all abatements and any proposed exemptions, such exemptions to be presented by the Board at the annual meeting for approval by the eligible voters present.

### SECTION 2. Duties of the Tax Assessor

In addition to the duties listed in the District charter, the Tax Assessor shall assist the Tax Collector in the preparation and mailing of the annual tax bills; shall receive tax payments in the absence of or in assistance to the Tax Collector.

### SECTION 3. Duties of the Treasurer

In addition to the duties listed in the District charter, the Treasurer shall maintain timely and accurate records of all receipts and expenditures by budget or fund account; shall, in the monthly report to the Board, show the receipts and expenditures to date as compared with the annual budget, as well as a balance sheet showing cash assets, liabilities and equities to date; shall be responsible to account for, and report on the payroll and associated liabilities and required reporting of said liabilities for the District employees.

### SECTION 4. Duties of the Clerk

In addition to the duties listed in the District charter, the Clerk shall submit at each annual meeting the minutes of the previous annual meeting for approval by the eligible voters present; shall submit at each meeting of the Board of Directors the minutes of the previous Board meeting for approval by the Board; shall distribute meeting agenda, provided by the President, to the Board of Directors and Appointees of the Board, post it at each station in the District and post it accordance with Rhode Island Law; shall assist the Board of Directors with any correspondence as needed.

## SECTION 5. Duties of the Chief

The Chief shall have general supervision and command of the fire department; shall, at all times; cause the fire department property and apparatus to be kept in good order and repair; shall cause the officers and firefighters to perform their duties efficiently; shall be responsible for the response to requests for emergency assistance within the District and, in accordance with mutual aid agreements, requests for emergency assistance outside the District; shall cause for fiscal responsibility of the budget; shall report annually to the District; shall report monthly to the Board of Directors.

## SECTION 6. Reporting Structure

6.A. All appointees shall report directly to the Board of Directors; shall be present at Board of Directors meetings as directed by the Board.

6.B. If an appointee has two(2) consecutive unexcused absences from meetings of the Board of Directors, such individual may be addressed by the Board, in Executive Session per Rhode Island General Laws and Rhode Island Open Meeting Laws, to review the job performance status of such individual.

**Note: STRIKEOUT = Deletion**

**UNDERLINE = Addition**

**As approved at Annual Meeting on 10/4/2011**

# EXHIBIT 8

**Central Coventry Fire District**  
**Annual Meeting**

October 3, 2011– 7:00pm

Coventry Town Hall Annex  
1675 Flat River Rd  
Coventry, RI 02816

**Minutes**

1. Call to Order – 8:10 pm
2. Declaration of Quorum – Clerk stated we met the Quorum
3. Pledge of Allegiance – led by Christine Moniz
4. Review of Emergency Evacuation Plan – President Bouchard.
5. President Girard Bouchard Jr. reviewed the rules of questions and comments. To keep comments down to three minutes and also any new resolutions presented tonight needs to be presented in writing.

The President also addressed the issue of a letter that was distributed among various park communities in regards to the erroneous actuations made against the Fire District and the false information on the increased tax rate. He also explained that we are not imposing an auto tax.

6. Minutes of Annual Meeting 10/04/2010  
Motion to accept as presented  
Motion: Made by Mr. Christopher Leveillee Seconded: Mr. Ted Dion  
All Vote Aye
7. Tax Collector's Report  
Mrs. Graemiger's report is included in the packets distributed. Motion to dispense with reading and accept as presented  
Motion: Made by Christopher Leveillee Seconded: Mr. Ted Dion  
All Vote Aye
8. Treasurer's Report  
Mr. LaColle's report is included in the packets distributed. Motion to dispense with reading and accept as presented  
Motion: Mr. Ted Dion Seconded: Mr. William Hall  
All Vote Aye
9. Chief's Report  
Chief Seltzer's report is included in the packets distributed.  
Motion to Accept: Mr. Parker Seconded: Mr. Ted Dion  
All Vote Aye

Minutes taken by Christine Moniz – Clerk – 10/3/2011  
Presented to Taxpayers – 10/1/2012

10. Election of Directors – Two (2) Seats up for Election

Certified Candidates are:

Mr. Joe Bonn

Ms. Anna Mae Lapinski

Mr. Conrad Burns wanted to move the election of the Board members after new business. Motion made by Mr. Burns and it was seconded by Seconded by Mr. Parker. The President stated we have two board positions open and two members running for the positions.

Mr. Leo Blaise argued that the present charter of the fire district the Annual Meeting was not valid and it should be held in September not October and the candidates did not make the deadline to turn in their paperwork for the election being held at this meeting. Therefore, move the table for elections to a special election to be held in 90 days so that those who wanted to run for the board may reapply. A motion was made by Mr. Blaise. The President stated that we presented it to the public at an Annual Meeting the change of date for the Annual Meeting and it was approved so at this point the members up for election is valid. The President Bouchard also stated that at this point Mr. Blaise's motion is out of order. Mr. Parker seconded the motion made by Mr. Blaise.

Discussion continued on the validity of our last four Annual Meetings.

Mr. Blaise reiterated that our meeting should be held in September not October so all the candidates are not valid and that they should resubmit new paperwork and the District should allow another election.

The President explained that at this point there were two motions on the floor one was to move the election to new business and the second was to vote on a new special election in 90 days. We need to vote on or remove the motion and then proceed to the next motion of setting a date for a Special Meeting in 90 days. The discussion of the special election and will be moved to new Business so we can move on with the agenda. Motion was made to move discussion under new business by Mr. Blaise and Seconded by Mr. Parker. Motion so moved.

11. Resolution to Adopt the 2011 - 2012 Budget – was not adopted
12. Resolution to set Tax Rate – was not set
13. Resolution Regarding Tax Anticipation Notes – was not voted on
14. Old Business – no old business from last year's meeting.



15. New Business – Motion remained on the floor to move for a new election allowing for candidates to submit paperwork for a new election. Mr. Blaise so moved that we table the election for 90 days. Mr. Parker proposed to move forward on the motion made by Mr. Blaise to hold a special election in 90 days. Motion was made by Mr. Blaise Seconded by Mr. Parker.

Mr. Assalone had the floor and proposed that we collect the \$800,000.00 in back taxes, get our house in order and also seek legal council to see if our Annual Meeting was valid. The President asked Mr. Assalone if he would like to place that in a form of a resolution and if so he needs to put it in writing. Mr. Burns stated that if we do not proceed with voting in the new budget and the new tax rate that we are then to proceed on using last year's budget and to level fund this year. The proposal that was presented by Mr. Assalone was to level fund this year's budget, work on collecting the back taxes due and to hold a special meeting in 6 months to report on the progress. The President then asked the floor to clarify the motions since at this point there were still two motions on the floor one was to hold a special election in 90 days that had a motion and was seconded. The next motion on the floor was proposed by Mr. Assalone. The motion made by Mr. Blaise was then amended to state that anyone who wishes to run for the two seats that are open on the Board may do so at the Special Meeting that will be held in six months as oppose to 90 days. Mr. Parker stated before we move on voting on the special meeting that we set a date. It was set for the first Monday in April 2012. The motion was made by Mr. Assalone to adjourn the meeting, set the special meeting and also go after back taxes. The President stated that we will use last year's assessments and lasts year's rate. The motion on the floor was clarified to read for the District to level fund, go after the back taxes, hold another election and to report back on the progress of the collections in six months. Motion made by Mr. Assalone it was seconded by Mr. Blaise and all voted aye. The motion was carried to read as follows that we set the Special Meeting to be held the first Monday in April 2012, and to collect on the \$800,000.00 still outstanding and to level fund the budget. Motion approved.

16. Adjournment – 9:18 pm  
Motion: Mr. John Assalone Seconded: Mr. William Hall  
All Vote Aye

# EXHIBIT 9

|    | A  | B   | C        | D        | E    |
|----|--|---|----------|----------|------|
| 1  | Category                                     | Description                                   | Quantity | Per Unit | Cost |
| 2  | Office and Household Furniture and Equipment |   |          |          |      |
| 3  |  | Bookcases                                     | 11       | 100      | 1100 |
| 4  |  | Cabinets                                      | 2        | 100      | 200  |
| 5  |  | Two Drawer Filing Cabinet                     | 7        | 200      | 1400 |
| 6  |  | Four Drawer Filing Cabinet                    | 9        | 200      | 1800 |
| 7  |  | Five Drawer Filing Cabinet                    | 4        | 250      | 1000 |
| 8  |  | Four Drawer Wood Filing Cabine                | 3        | 200      | 600  |
| 9  |  | Gladiator Cabinet                             | 1        | 300      | 300  |
| 10 |  | Laminate Cabinets                             | 2        | 50       | 100  |
| 11 |  | Two Door Cabinet                              | 2        | 200      | 400  |
| 12 |  | Sentry single door case                       | 2        | 200      | 400  |
| 13 |  | Stationary Chairs                             | 5        | 200      | 1000 |
| 14 |  | Rolling Chairs                                | 10       | 70       | 700  |
| 15 |  | Credenza                                      | 2        | 500      | 1000 |
| 16 |  | File Cabinets                                 | 2        | 200      | 400  |
| 17 |  | Laminated Desk                                | 1        | 800      | 800  |
| 18 |  | Desk  | 4        | 100      | 400  |
| 19 |  | Executive Desk Chair                          | 1        | 300      | 300  |
| 20 |  | Table   | 1        | 50       | 50   |
| 21 |  | 8" Folding Chair                              | 9        | 15       | 135  |
| 22 |  | Bedding                                       | 11       | 150      | 1650 |
| 23 |  | Leather Chair                                 | 2        | 100      | 200  |
| 24 |  | Wood Table                                    | 3        | 100      | 300  |
| 25 |  | Wood Chairs                                   | 8        | 50       | 400  |
| 26 |  | Sony Wega Projector                           | 2        | 100      | 200  |
| 27 |  | Shredder                                      | 1        | 70       | 70   |
| 28 |  | Metal Desk                                    | 1        | 150      | 150  |
| 29 |  | Mail Sorting Unit                             | 1        | 150      | 150  |
| 30 |  | Kitchen Table                                 | 2        | 200      | 400  |
| 31 |  | Large Suede Couches                           | 3        | 800      | 2400 |
| 32 |  | Red Leather Recline                           | 1        | 500      | 500  |
| 33 |  | Light Brown Recline                           | 1        | 500      | 500  |
| 34 |  | Rocking Chair                                 | 1        | 350      | 350  |
| 35 |  | Leather Sofa                                  | 1        | 1500     | 1500 |
| 36 |  | Bedding Sets                                  | 11       | 150      | 1650 |
| 37 | Appliances                                   |   |          |          | 0    |
| 38 |  | Washing Machine                               | 1        | 500      | 500  |
| 39 |  | Maytag Dryer                                  | 1        | 500      | 500  |
| 40 |  | Americana Stove                               | 1        | 1500     | 1500 |
| 41 |  | Frigidaire Stove                              | 1        | 1200     | 1200 |
| 42 |  | Kenmore Freezer                               | 1        | 200      | 200  |
| 43 |  | Sharp Microwave                               | 3        | 60       | 180  |
| 44 |  | Black and Decker Food Steamer                 | 1        | 30       | 30   |
| 45 |  | Air Conditioners (10+ years old)              | 10       | 150      | 1500 |
| 46 |  | Cuisinart Toaster                             | 1        | 30       | 30   |
| 47 |  | Bissell Vacuum                                | 1        | 70       | 70   |
| 48 |  | Portable Heater                               |          | 50       | 0    |
| 49 | Gym  |   |          |          | 0    |
| 50 |  | Body Guard Treadmill                          | 1        | 800      | 800  |
| 51 |  | Body Guard Recumbent Bike                     | 1        | 1200     | 1200 |
| 52 |  | Detecto Floor Scale                           | 1        | 800      | 800  |
| 53 |  | Fitness Gear 2 piece bench                    | 1        | 200      | 200  |
| 54 |  | Life Fitness Elliptical                       | 1        | 2000     | 2000 |
| 55 |  | Parabody Lef Lift                             | 1        | 900      | 900  |
| 56 |  | Precor S345 multi-station                     | 1        | 2500     | 2500 |
| 57 |  | Reebok ACD Treadmill                          |          |          | 0    |
| 58 | Technology                                   |   |          |          | 0    |
| 59 |  | Brother HL-52                                 | 1        | 400      | 400  |
| 60 |  | Brother HL-5370DW                             | 1        | 500      | 500  |
| 61 |  | Minolta CSPro 3000                            | 1        | 750      | 750  |
| 62 |  | Transcat ITH-PJ15-S-1-DG (Ithaca POSjet 1500) | 1        | 500      | 500  |
| 63 |  | Dell Inspiron 570                             | 1        | 300      | 300  |
| 64 |  | Dell Optiplex 330                             | 1        | 200      | 200  |
| 65 |  | HP LaserJet 6P                                | 1        | 100      | 100  |
| 66 |  | HP LaserJet 2000 Series                       | 1        | 150      | 150  |
| 67 |  | Dell PowerEdge 860                            | 2        | 250      | 500  |
| 68 |  | Netgear Prosafe JGS524                        | 2        | 150      | 300  |
| 69 |  | Poweredge T310                                | 1        | 700      | 700  |
| 70 |  | Dell Tower                                    | 1        | 800      | 800  |
| 71 |  | HP Pavilliona600 Tower                        | 1        | 300      | 300  |
| 72 |  | Motion Computing Tablet Model T501            | 1        | 200      | 200  |
| 73 |  | 24" Flat Monitor                              | 1        | 120      | 120  |
| 74 |  | Evolis ID Printer                             | 1        | 1500     | 1500 |
| 75 |  | HP Officejet K5400 Printer                    | 1        | 140      | 140  |
| 76 |  | HP Pavillion All In One PC                    | 1        | 600      | 600  |
| 77 |  | Kodak ESP Office 2150 Printer                 | 1        | 100      | 100  |

|     | A                     | B  | C  | D     | E     |
|-----|-----------------------|--|----|-------|-------|
| 78  |                       | Paper Shredder   | 2  | 70    | 140   |
| 79  |                       | Batter Backup and Surge Protector                              | 1  | 100   | 100   |
| 80  |                       | Wireless Keyboard  | 1  | 40    | 40    |
| 81  |                       | Acer 22" Flat Monitor  | 1  | 100   | 100   |
| 82  |                       | Brother Laser Printer  | 2  | 100   | 200   |
| 83  |                       | Dell Latitude 6500 Laptop                                      | 1  | 180   | 180   |
| 84  |                       | Dell Monitor   | 4  | 150   | 600   |
| 85  |                       | PH Photosmart printer  | 1  | 200   | 200   |
| 86  |                       | HP Scanjet 4890  | 1  | 500   | 500   |
| 87  |                       | Panasomic Toughbook  | 3  | 500   | 0     |
| 88  |                       | 32" TV   | 4  | 150   | 600   |
| 89  |                       | 47" TV   | 1  | 400   | 400   |
| 90  |                       | 36" TV   | 2  | 275   | 550   |
| 91  |                       | 24" TV   | 1  | 150   | 150   |
| 92  |                       | Uniden Bearcat BCT15 Scanner                                   | 1  | 150   | 150   |
| 93  |                       | Dell Vostro 230  | 4  | 150   | 600   |
| 94  |                       | Cisco ASA- 5505  | 2  | 330   | 660   |
| 95  |                       | Dell Z324 Switches   | 1  | 120   | 120   |
| 96  |                       | HP Pritner   | 4  | 150   | 600   |
| 97  |                       | HP Server Cabinet  | 1  | 150   | 150   |
| 98  |                       | HP Color LaserJet 2600n  | 1  | 130   | 130   |
| 99  |                       | Cannon MX 860 All In One                                       | 1  | 300   | 300   |
| 100 |                       | Lexmark Printer  | 1  | 130   | 130   |
| 101 |                       | HP LaserJet 2300n  | 1  | 100   | 100   |
| 102 |                       | Dell Dimension 2400 PC with 15" Acer monitor                   | 1  | 150   | 150   |
| 103 |                       | HP LaserJet 1012 Printer                                       | 1  | 75    | 75    |
| 104 |                       | APC Battery Backup ES 550                                      | 2  | 50    | 100   |
| 105 |                       | Dell V505 Fac/Copier   | 1  | 100   | 100   |
| 106 |                       | HP Color Copler 190  | 1  | 150   | 150   |
| 107 |                       | HP Desklet 6940 Printer  | 1  | 150   | 150   |
| 108 |                       | PC Power Pack  | 1  | 40    | 40    |
| 109 |                       | Cannon ImageRunner 32451                                       | 1  | 4215  | 4215  |
| 110 |                       | Sony 5 CD Sterio   | 1  | 30    | 30    |
| 111 |                       | MFC Brother Printer  | 1  | 600   | 600   |
| 112 |                       | Antenna  | 1  | 17500 | 17500 |
| 113 |                       |  |    |       | 0     |
| 114 | Lifesaving Devices    | Lifepacs   | 3  | 10000 | 30000 |
| 115 |                       | Oxygen Tree  | 2  | 200   | 400   |
| 116 |                       | Airpacs  | 20 | 500   | 10000 |
| 117 |                       | AED Defibrillator  | 4  | 1000  | 4000  |
| 118 |                       |  |    |       | 0     |
| 119 | Misc. Tools/Equipment | Craftsman Battery Charger                                      | 2  | 60    | 120   |
| 120 |                       | Super Cribbing Set C   | 1  | 8000  | 8000  |
| 121 |                       | Misc. Cribbing   | 1  | 100   | 100   |
| 122 |                       | Denver Tool  | 1  | 170   | 170   |
| 123 |                       | Ruggert Stair Chair  | 1  | 3000  | 3000  |
| 124 |                       | Axe and Pike   | 7  | 120   | 840   |
| 125 |                       | Halligan   | 1  | 200   | 200   |
| 126 |                       | Craftsman Hydraulic Jack                                       | 1  | 120   | 120   |
| 127 |                       | DeWalt Hammer Drill  | 1  | 230   | 230   |
| 128 |                       | Exhaust Fan  | 2  | 100   | 200   |
| 129 |                       | Holmatro Jaws of Life with spreader and raw compressor         | 3  | 5000  | 15000 |
| 130 |                       | Holmatro Jaws of Life- PPU 15 w/ Core Tech Power Unit and Hose | 1  | 4500  |       |
| 131 |                       | Milwaukee Sawzalls   | 2  | 150   | 300   |
| 132 |                       | Milwaukee Band Saw   | 1  | 200   | 200   |
| 133 |                       | Milwaukee Drill  | 1  | 200   | 200   |
| 134 |                       | Vent Master Chain Saw  | 1  | 2250  | 2250  |
| 135 |                       | Milwaukee Electric 18v Circular Saw Kit                        | 1  | 2250  | 2250  |
| 136 |                       | Stihl MS MS460 Chain Saw                                       | 1  | 2250  | 2250  |
| 137 |                       | Milwaukee Skill Saw  | 1  | 160   | 160   |
| 138 |                       | Brad Nailer  | 1  | 80    | 80    |
| 139 |                       | Endurance Power Inverter                                       | 2  | 3000  | 6000  |
| 140 |                       | Craftsman Chain Saw  | 1  | 150   | 150   |
| 141 |                       | Husqvarna Chain Saw  | 3  | 200   | 600   |
| 142 |                       | Hydra Ram unlimited Portable Ran                               | 1  | 1700  | 1700  |
| 143 |                       | Cutters Edge CE2171RS Chain Saw                                | 1  | 1500  | 1500  |
| 144 |                       | Floor Auto Jack  | 2  | 60    | 120   |
| 145 |                       | Air Compressor   | 4  | 200   | 800   |
| 146 |                       | Rigid Shop Vac   | 1  | 100   | 100   |
| 147 |                       | Rope Reels   | 1  | 200   | 200   |
| 148 |                       | Schumacher Battery Charger                                     | 1  | 120   | 120   |
| 149 |                       | Bogen Amplifier  | 1  | 500   | 500   |
| 150 |                       | Ride On Lawn Mower   | 1  | 1700  | 1700  |
| 151 |                       | Yard Machines Push Lawn Mower                                  | 1  | 60    | 60    |
| 152 |                       | Ryobi Weed Wacker  | 1  | 100   | 100   |
| 153 |                       | Bolens Weed Wacker   | 2  | 100   | 200   |

|     | A                        | B   | C  | D     | E     |
|-----|--------------------------|---|----|-------|-------|
| 154 |                          | Honda GX240 Generator                                       | 1  | 2200  | 2200  |
| 155 |                          | Honda 5000 generator  | 1  | 2200  | 2200  |
| 156 |                          | Husky Flood Lights  | 2  | 50    | 100   |
| 157 |                          | Partner Rotary Saw  | 1  | 500   | 500   |
| 158 |                          | Windshield Saw  | 1  | 200   | 200   |
| 159 |                          | Husky 2000 Power Washer                                     | 1  | 100   | 100   |
| 160 |                          | Pacer Gas Powered Sump Pump                                 | 1  | 300   | 300   |
| 161 |                          | Plymovent Exhaust system with Two Stations                  | 4  | 200   | 800   |
| 162 |                          | Westward Model 4TW29B serial L11/5/2007 2 hp air compressor | 1  | 600   | 600   |
| 163 |                          | Wayne 1/2 hp Electric Sump Pump                             | 1  | 120   | 120   |
| 164 |                          |   |    |       | 0     |
| 165 | Radios and Communication | Minitor V UHF Pagers w/ChG                                  | 28 | 250   | 7000  |
| 166 |                          | XTS 2500 800 Mhz Radios                                     | 45 | 550   | 24750 |
| 167 |                          | XTS 5000 Portables  | 8  | 90    | 720   |
| 168 |                          | XTL 2500 Mobiles  | 13 | 400   | 5200  |
| 169 |                          | HT 1250   | 13 | 900   | 11700 |
| 170 |                          | Truck Sprint Cellphone                                      | 4  | 25    | 100   |
| 171 |                          | APC Smart UPS 1400 XL                                       | 1  | 400   | 400   |
| 172 |                          | APC Smart 1500  | 1  | 500   | 500   |
| 173 |                          | Avaya Telephone   | 8  | 80    | 640   |
| 174 |                          | Repeaters   | 4  | 7000  | 28000 |
| 175 |                          |   |    |       | 0     |
| 176 |                          |   |    |       | 0     |
| 177 | Fire Safety Equipment    |   |    |       | 0     |
| 178 |                          | 24' Extension Ladder  | 3  | 200   | 600   |
| 179 |                          | 3300' 4" Hose   | 2  | 33000 | 66000 |
| 180 |                          | 14' Ladder  | 3  | 200   | 600   |
| 181 |                          | 200' 2 1/2" Hose  | 2  | 875   | 1750  |
| 182 |                          | 400' 3" Hose  | 2  | 4000  | 8000  |
| 183 |                          | 1800' 1 3/4" Hose   | 2  | 7200  | 14400 |
| 184 |                          | EMS First Aid Bag   | 8  | 400   | 3200  |
| 185 |                          | Water Extingulsher  | 3  | 80    | 240   |
| 186 |                          | Chemical Extingulsher                                       | 3  | 80    | 240   |
| 187 |                          | CO2 Extingulsher  | 3  | 60    | 180   |
| 188 |                          | Grace Alarm Box   | 4  | 450   | 1800  |
| 189 |                          | Hard Suction Floating Strainer                              | 3  | 600   | 1800  |
| 190 |                          | 60ft Hard Suctions  | 1  | 100   | 100   |
| 191 |                          | Heat Gun  | 1  | 100   | 100   |
| 192 |                          | Lucas 2 Thumper   | 1  | 3000  | 3000  |
| 193 |                          | Pike Pulls  | 10 | 100   | 1000  |
| 194 |                          | Thermal Imaging Camera                                      | 2  | 1000  | 2000  |
| 195 |                          | Bullard Thermal Imaging Camera                              | 1  | 1000  | 1000  |
| 196 |                          | Air Shock Pants   | 3  | 400   | 1200  |
| 197 |                          | ALS Bag   | 1  | 300   | 300   |
| 198 |                          | Intubation Kit  | 7  | 400   | 2800  |
| 199 |                          | IV Bag Warmer Model 3000                                    | 3  | 600   | 1800  |
| 200 |                          | IV Pump   | 3  | 400   | 1200  |
| 201 |                          | Long Board  | 16 | 300   | 4800  |
| 202 |                          | Masimo Pulse Gauge  | 1  | 1200  | 1200  |
| 203 |                          | Medtronic Port Suction                                      | 1  | 150   | 150   |
| 204 |                          | Pediatric Bag   | 3  | 200   | 600   |
| 205 |                          | Pediatric Immobilization Board                              | 3  | 200   | 600   |
| 206 |                          | Scoop Stretcher   | 3  | 600   | 1800  |
| 207 |                          | Stryker Pro XT Stretcher 700 lb limit                       | 3  | 5000  | 15000 |
| 208 |                          | Lincoln Port A Torch  | 1  |       | 0     |
| 209 |                          | Paratech Manual Air Compressor                              | 1  | 300   | 300   |
| 210 |                          | Gas Detection Monitor                                       | 1  | 1000  | 1000  |
| 211 |                          | Medtronic Physio Battery Charger                            | 1  | 1500  | 1500  |
| 212 |                          | 10' Ladder  | 3  | 125   | 375   |
| 213 |                          | Portable Gas Meter Model 096-3264                           | 1  | 500   | 500   |
| 214 |                          | 8' Aluminum Step Ladder                                     | 2  | 60    | 120   |
| 215 |                          | 10' Aluminum Step Ladder                                    | 1  | 75    | 75    |
| 216 |                          | 8' Fiberglass Ladder  | 1  | 90    | 90    |
| 217 |                          | Ferno ProFlexx Hartwell Medical Catchall Rescue Rolling Bed | 1  | 80    | 80    |
| 218 |                          | Rescue Escape Kit   | 1  | 200   | 200   |
| 219 |                          | Safety Harness Kit  | 1  | 100   | 100   |
| 220 |                          | Search Kit  | 1  | 100   | 100   |
| 221 |                          | Pair of Scuba Fines   | 5  | 40    | 200   |
| 222 |                          | Rescue Alive Suit   | 1  | 800   | 800   |
| 223 |                          | Cold Water Suit   | 5  | 300   | 1500  |
| 224 |                          | Rescue Alive Ice Rescue Sled                                | 2  | 500   | 1000  |
| 225 |                          | Life Jackets  | 3  | 30    | 90    |
| 226 |                          | Sea Otter Camera CEORP 66284 with Controller and Cording    | 1  | 30000 | 30000 |
| 227 |                          | Dive Knife  | 1  | 20    | 20    |

|     | A | B  | C  | D    | E     |
|-----|---|--|----|------|-------|
| 228 |   | Dive Suits                               | 4  | 70   | 280   |
| 229 |   | Dive Tank and Vest with Regulator Setups | 4  | 400  | 1600  |
| 230 |   | Firefighters Fire Protection Gear        | 34 | 1000 | 34000 |



**THE DRAFT DISCLOSURE STATEMENT ACCOMPANYING THIS DRAFT PLAN OF ADJUSTMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THE DISTRIBUTION OF THE DRAFT DISCLOSURE STATEMENT AND OF THIS DRAFT PLAN IS NOT INTENDED AS, AND SHOULD NOT BE CONSTRUED TO BE, THE SOLICITATION OF A VOTE ON THIS DRAFT PLAN OR ON ANY OTHER PLAN.**

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

In re CENTRAL COVENTRY FIRE DISTRICT, )  
Debtor. ) Case No. 14-12785  
)  
) Chapter 9  
)

**PLAN OF DEBT ADJUSTMENT**

**THIS IS A PROVISIONAL PLAN OF DEBT ADJUSTMENT FILED IN CONNECTION WITH THE DEBTOR'S MOTION TO DISMISS THIS CHAPTER 9 CASE AND SHALL NOT BE CONSIDERED IN CONNECTION WITH THE CONFIRMATION OF A PLAN OF DEBT ADJUSTMENT**



**TABLE OF CONTENTS**

|  | <b><u>PAGE</u></b> |
|--|--------------------|
| Exhibit List to Plan of Debt Adjustment .....  | vi                 |
| <b>I. DEFINITIONS, INTERPRETATION AND RULES OF CONSTRUCTION .....</b>  | <b>1</b>           |
| A. Definitions.....  | 1                  |
| B. Rules of Construction .....   | 9                  |
| <b>II. TREATMENT AND DEADLINE FOR THE ASSERTION OF ADMINISTRATIVE CLAIMS AND PROFESSIONAL CLAIMS.....</b>  | <b>9</b>           |
| A. Treatment of Administrative Claims.....   | 9                  |
| B. Treatment of Professional Claims.....   | 10                 |
| C. Priority Claims in Chapter 9 .....  | 10                 |
| D. Deadline for the Filing and Assertion of Administrative Claims (other than Ordinary Course Administrative Claims) and Professional Claims ..... | 10                 |
| <b>III. DESIGNATION OF CLASSES OF CLAIMS.....</b>  | <b>11</b>          |
| <b>IV. TREATMENT OF CLAIMS.....</b>  | <b>12</b>          |
| A. Class 1 Union Claims .....  | 12                 |
| 1. <i>Impairment and Voting</i> .....  | 12                 |
| 2. <i>Treatment</i> .....  | 12                 |
| B. Class 2 ERSRI Claims .....  | 13                 |
| 1. <i>Impairment and Voting</i> .....  | 13                 |
| 2. <i>Treatment</i> .....  | 13                 |
| C. Class 3 Coventry Credit Union Claims .....  | 14                 |

|  | <u>PAGE</u> |
|--|-------------|
| 1. <i>Impairment and Voting</i> .....                                  | 14          |
| 2. <i>Treatment</i> .....  | 14          |
| <b>D. Class 4 Element Financial Corp. Claims</b> .....                 | 14          |
| 1. <i>Impairment and Voting</i> .....                                  | 14          |
| 2. <i>Treatment</i> .....  | 14          |
| <b>E. Class 5 Indispensable Vendor Claims</b> .....                    | 15          |
| 1. <i>Impairment and Voting</i> .....                                  | 15          |
| 2. <i>Treatment</i> .....  | 15          |
| <b>F. Class 6 Christopher Leveillee Claims</b> .....                   | 15          |
| 1. <i>Impairment and Voting</i> .....                                  | 15          |
| 2. <i>Treatment</i> .....  | 15          |
| <b>G. Class 7 General Unsecured Claims</b> .....                       | 16          |
| 1. <i>Impairment and Voting</i> .....                                  | 16          |
| 2. <i>Treatment</i> .....  | 16          |
| <b>H. Class 8 General Unsecured Convenience Claims</b> .....           | 16          |
| 1. <i>Impairment and Voting</i> .....                                  | 16          |
| 2. <i>Treatment</i> .....  | 17          |
| <b>V. ACCEPTANCE OR REJECTION: CRAM DOWN</b> .....                     | 17          |
| <b>VI. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES</b> ..... | 17          |
| A. <b>Rejection of Executory Contracts and Unexpired Leases</b> .....  | 17          |
| B. <b>Assumed Executory Contracts and Unexpired Leases</b> .....       | 18          |

|   | <u>PAGE</u> |
|---|-------------|
| <b>VII. IMPLEMENTATION AND MEANS FOR IMPLEMENTATION OF THIS PLAN.....</b> | <b>19</b>   |
| <b>A. Claims and Causes of Action.....</b>                                | <b>19</b>   |
| <b>B. Compliance with Plan Terms by Elected Officials.....</b>            | <b>20</b>   |
| 1. <i>CCFD's Budget Must Remain in Balance during the Plan Term</i> ..... | 20          |
| 2. <i>Reporting Requirements</i> .....                                    | 20          |
| 3. <i>Enforcement</i> .....   | 22          |
| <b>C. Termination of Receiver .....</b>                                   | <b>23</b>   |
| <b>VIII. DISTRIBUTIONS.....</b>   | <b>23</b>   |
| <b>A. Delivery of Distributions .....</b>                                 | <b>23</b>   |
| <b>B. Undeliverable Distributions .....</b>                               | <b>23</b>   |
| 1. <i>Response to Undeliverable Distributions</i> .....                   | 23          |
| 2. <i>Unclaimed Property</i> .....  | 23          |
| 3. <i>Notification and Forfeiture of Unclaimed Property</i> .....         | 24          |
| <b>C. Distributions of Cash .....</b>                                     | <b>24</b>   |
| <b>D. Timeliness of Payments .....</b>                                    | <b>24</b>   |
| <b>E. Compliance With Tax Requirements .....</b>                          | <b>24</b>   |
| <b>F. Time Bar to Cash Payments.....</b>                                  | <b>25</b>   |
| <b>G. No Distributions on Account of Disputed Claims .....</b>            | <b>25</b>   |
| <b>H. No Post-Petition Accrual .....</b>                                  | <b>26</b>   |
| <b>I. No De Minimis Distributions .....</b>                               | <b>26</b>   |
| <b>J. Incorporation of Agreements and Documents .....</b>                 | <b>26</b>   |

|  | <u>PAGE</u> |
|--|-------------|
| K. Administrative Claims of Professionals .....  | 27          |
| <b>IX. DISPUTED CLAIMS; OBJECTIONS TO CLAIMS;<br/>PROSECUTION OF OBJECTIONS TO DISPUTED CLAIMS .....</b> | <b>27</b>   |
| A. Claims Objection Deadline; Prosecution of Objections .....  | 27          |
| B. Reserves, Payments, and Distributions with Respect to<br>Disputed Claims .....                        | 28          |
| <b>X. EFFECT OF CONFIRMATION .....</b>   | <b>29</b>   |
| A. Discharge of CCFD .....   | 29          |
| B. Injunction.....   | 29          |
| C. Term of Existing Injunctions or Stays.....  | 30          |
| <b>XI. RETENTION OF AND CONSENT TO JURISDICTION.....</b>   | <b>30</b>   |
| <b>XII. CONDITIONS PRECEDENT .....</b>   | <b>32</b>   |
| A. Condition Precedent to Confirmation.....  | 32          |
| B. Conditions Precedent to Effective Date .....  | 32          |
| 1. <i>Confirmation Order</i> .....   | 32          |
| 2. <i>Plan Documents</i> .....   | 33          |
| 3. <i>Authorizations, Consents, etc.</i> .....   | 33          |
| 4. <i>Timing</i> .....   | 33          |
| C. Waiver of Conditions to Effective Date.....   | 33          |
| D. Effect of Failure of Conditions.....  | 34          |
| E. No Admission of Liability.....  | 34          |
| <b>XIII. MISCELLANEOUS PROVISIONS.....</b>   | <b>34</b>   |

|  | <u>PAGE</u> |
|--|-------------|
| A. Severability .....                                    | 34          |
| B. Governing Law.....                                    | 35          |
| C. Effectuating Documents and Further Transactions ..... | 35          |
| D. Notice of Effective Date .....                        | 35          |

PROVISIONAL

**EXHIBIT LIST TO PROVISIONAL PLAN OF DEBT ADJUSTMENT**

- Exhibit A Union Memorandum of Agreement
- Exhibit B Class 1 – Union Claims
- Exhibit C Class 2 – ERSRI Claims
- Exhibit D Class 3 – Coventry Credit Union Claims
- Exhibit E Class 4 – Element Financial Corp. Claims
- Exhibit F Class 5 – Indispensable Vendor Claims
- Exhibit G Class 6 – Christopher Leveillee Claims
- Exhibit H Class 7 – General Unsecured Claims
- Exhibit I Class 8 – General Unsecured Convenience Class Claims
- Exhibit J Leveillee Settlement Agreement
- Exhibit K Annual Attestation Form
- Exhibit L Annual Administration and Finance Officer Statement
- Exhibit M Quarterly Attestation Form
- Exhibit N Quarterly Administration and Finance Officer Statement
- Exhibit O Collective Bargaining Agreement between International Association of Firefighters Local 3372 and Central Coventry Fire District for April 19, 2015 to August 31, 2015
- Exhibit P Collective Bargaining Agreement between International Association of Firefighters Local 3372 and Central Coventry Fire District for September 1, 2015 to August 31, 2020
- Exhibit Q Settlement Agreement between the Debtor and the Rhode Island Emergency Management Agency dated September 14, 2015

The Central Coventry Fire District (“CCFD”), a debtor under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the case styled as *In re Central Coventry Fire District*, Case No. 14-12785, currently pending in the United States Bankruptcy Court for the District of Rhode Island, hereby proposes the following Plan of Debt Adjustment (the “Plan”) pursuant to section 941 of the Bankruptcy Code. All section references in the Plan refer to the Bankruptcy Code unless stated otherwise.

Please refer to the accompanying Disclosure Statement for a discussion of CCFD’s financial condition, the developments throughout the Chapter 9 Case, a summary and analysis of this Plan, and for other important information. CCFD encourages you to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject the Plan. No materials other than the Disclosure Statement and the various exhibits and schedules attached to or incorporated therein have been approved for use in soliciting acceptance or rejection of the Plan.

**I. DEFINITIONS, INTERPRETATION AND RULES OF CONSTRUCTION.**

**A. Definitions.**

1. **Administrative Claim** means the cost or expenses of administration of the Chapter 9 Case not already paid by CCFD, Allowed under section 503(b), and entitled to priority under section 507(a)(2) to the extent made applicable in Chapter 9, and which: (i) CCFD agrees is an Allowed administrative expense claim; or (ii) the Bankruptcy Court determines is an Allowed administrative expense claim. CCFD’s consent to the Bankruptcy Court adjudicating Administrative Claim status is given without CCFD in any way consenting or agreeing that other Claims for post-petition obligations of CCFD would be entitled to status as Administrative Claims as “the actual necessary costs and expenses of preserving the estate” under section 503(b), and CCFD reserves its right to maintain that such Claims would instead constitute Other Post-petition Claims.

2. **AFO** means Administration and Finance Officer.

3. **Allowed**, with reference to a Claim, means a Claim that:

a. is asserted in a proof of claim filed in compliance with section 501 and

any applicable orders of the Bankruptcy Court and as to which: (i) no objection has been filed within the deadlines established pursuant to Article II, § D of the Plan; (ii) the Bankruptcy Court has entered a Final Order allowing all or a portion of such Claim (but only in the amount so allowed); or (iii) the Bankruptcy Court has entered a Final Order under § 502(c) of the Bankruptcy Code estimating the amount of the Claim for purposes of allowance;

b. has been listed on the list of creditors filed by CCFD, as such list may be amended from time to time pursuant to Bankruptcy Rule 1009, is not listed as unliquidated, contingent or disputed, and for which no proof of claim has been filed claiming a different amount due;

c. is subject to a stipulation between CCFD and the Holder of such Claim providing for the allowance of such Claim;

d. is deemed "Allowed" pursuant to this Plan;

e. is designated as "Allowed" in a pleading to be entitled "Designation of Allowed Claims" (or a similar title of the same import) which CCFD may file with the Bankruptcy Court on or after the Effective Date; or

f. is an Administrative Claim as to which the Bankruptcy Court has entered a Final Order allowing all or a portion of such Claim (but only in the amount so Allowed).

4. **Ballot** means the ballot(s), in the form(s) approved by the Bankruptcy Court in the Plan Solicitation Order, accompanying the Disclosure Statement and provided to each Holder of a Claim entitled to vote to accept or reject this Plan. Each such ballot shall also provide creditors who hold Allowed Class 7 General Unsecured Claims that exceed \$5,000 with the option of reducing their claims to \$5,000 in order to become classified as part of the **Class 8**



**General Unsecured Convenience Claims.**

5. **Bankruptcy Code** means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 9 Case.
6. **Bankruptcy Court** means the United States Bankruptcy Court for the District of Rhode Island, or such other court that lawfully exercises jurisdiction over the Chapter 9 Case.
7. **Bankruptcy Rules** means the Federal Rules of Bankruptcy Procedure, as amended from time to time, as applicable to the Chapter 9 Case, together with the local rules of the Bankruptcy Court applicable to the Chapter 9 Case. Unless otherwise indicated, references in this Plan to “Bankruptcy Rule \_\_\_\_\_” are to the specifically identified rule of the Federal Rules of Bankruptcy Procedure.
8. **Bar Date** means the applicable date(s) by which particular proofs of claim must be filed, as established by the Bankruptcy Court or under the terms of this Plan.
9. **Business Day** means a day other than a Saturday, a Sunday or any other day on which banking institutions in Providence, Rhode Island are required or authorized to close by law.
10. **Cash** means cash and cash equivalents including withdrawable bank deposits, wire transfers, checks, and other similar items.
11. **Chapter 9 Case** means the case under Chapter 9 of the Bankruptcy Code commenced by CCFD, styled as *In re Central Coventry Fire District*, Case No. 14-12785, currently pending in the Bankruptcy Court.
12. **CCFD** means the Central Coventry Fire District, the debtor in the Chapter 9 Case.
13. **Claim** means a Claim against CCFD or the property of CCFD within the meaning of section 101(5).

14. **Class** means one of the classes of Claims established under section 1123(a).

15. **Confirmation Date** means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

16. **Confirmation Order** means the order of the Bankruptcy Court confirming this Plan pursuant to section 943.

17. **Convenience Class Claim** means any Allowed Claim that is greater than \$0.00 and less than or equal to \$5,000 in Allowed amount, or irrevocably reduced to \$5,000 in Allowed amount at the election of the Holder of the Allowed Claim as evidenced by the Ballot submitted by such Holder.

18. **Department of Revenue** means the Rhode Island Department of Revenue.

19. **Disallowed** means a Claim or portion thereof that: (i) has been disallowed by a Final Order of the Bankruptcy Court; (ii) has been listed by CCFD in its list of creditors, as it may be amended from time to time in accordance with Bankruptcy Rule 1009, as in the amount of \$0.00, contingent, disputed, or unliquidated, and as to which no proof of claim has been filed by the applicable deadline or deemed timely filed pursuant to any Final Order of the Bankruptcy Court; (iii) as to which the Holder thereof has agreed to be equal to \$0.00 or to be withdrawn, disallowed or expunged; or (iv) has not been listed in the list of creditors and as to which no proof of claim has been filed by the applicable deadline or deemed timely filed pursuant to a Final Order of the Bankruptcy Court.

20. **Disclosure Statement** means the Disclosure Statement, and all exhibits and schedules incorporated therein, that relates to this Plan and that is approved by the Bankruptcy Court pursuant to section 1125 in an order filed on September 18, 2015, as the same may be amended, modified or supplemented in accordance with the Bankruptcy Code.

21. **Disputed Claim** means any Claim or portion thereof that has not been

Allowed or Disallowed and is disputed by CCFD. In the event that any part of a Claim is Disputed, except as otherwise provided in this Plan, such Claim shall be deemed Disputed in its entirety for purposes of distribution under this Plan, unless CCFD otherwise agrees in writing in its sole discretion. Without limiting the foregoing, a Claim that is the subject of a pending application, motion, complaint, objection, or any other legal proceeding seeking to disallow, limit, reduce, subordinate, or estimate such Claim shall be deemed to be Disputed.

22. **Effective Date** means a Business Day after the Confirmation Date specified by CCFD on which the conditions specified in Article XII of the Plan have been satisfied or waived.

23. **ERSRI** means the Employees' Retirement System of Rhode Island.

24. **Final Order** means a judgment, order, ruling, or other decree issued and entered by the Bankruptcy Court or by any state or other federal court or other tribunal having jurisdiction over the subject matter thereof which judgment, order, ruling, or other decree has not been reversed, stayed, modified, or amended and as to which: (a) the time to appeal or petition for review, rehearing or certiorari has expired and no appeal or petition for review, rehearing or certiorari is then pending; or (b) any appeal or petition for review, rehearing or certiorari has been finally decided and no further appeal or petition for review, rehearing or certiorari can be taken or granted.

25. **Fiscal Stability Act** means that certain Act Relating to Cities and Towns – Providing Financial Stability, R.I.G.L. 1956 §§ 45-9-1, *et seq.*

26. **FY** means fiscal year.

27. **General Fund** means CCFD's chief operating fund, which is used to account for all financial resources.

28. **General Unsecured Claim** means any unsecured Claim *that is not* an Administrative Claim.
29. **General Unsecured Convenience Claims** means a General Unsecured Claim, in the amount of \$5,000 or less, and any Class 7 General Unsecured Claims in an amount exceeding \$5,000 in which the Holder has exercised the option to reduce the amount of the Claim to \$5,000.
30. **General Unsecured Claims Pool** means the aggregate of approximately \$300,000 for *pro rata* distribution to Holders of Allowed General Unsecured Claims.
31. **General Unsecured Claims Payment Dates** means the first day of March, June, September and December in the years 2016 through August 2020 (provided that the final payment in August 2020 shall be a double distribution), or such earlier date(s) on which CCFD determines to make its quarterly distribution to Holders of Allowed Class 8 General Unsecured Claims. CCFD shall make its distribution to the Holder of Allowed Class 8 General Unsecured Convenience Claims on or about March 15, 2016.
32. **Holder** means a creditor that holds a Claim.
33. **Impaired** means a Claim or Interest that is impaired within the meaning of section 1124.
34. **Memorandum of Agreement** means that certain Memorandum of Agreement dated April 28, 2015 between CCFD and the Union, a copy of which is annexed hereto as **Exhibit A**.
35. **Notice of Effective Date** shall have the meaning ascribed to such phrase in Article XIII, Section D of the Plan.

36. **Ordinary Course Administrative Claim** means an Administrative Claim, other than a Professional Claim, that represents an obligation incurred post-petition in the ordinary course of operations of CCFD (as determined by CCFD in its sole discretion).

37. **Plan** means this Plan of Debt Adjustment for the Central Coventry Fire District dated September 18, 2015, together with any exhibits and schedules incorporated herein, each in their present form or as they may be altered, amended or modified from time to time in accordance with the provisions of this Plan, the Confirmation Order, the Bankruptcy Code, the Bankruptcy Rules, and Orders of the Bankruptcy Court.

38. **Petition Date** means December 23, 2014.

39. **Plan Solicitation Order** means the Order Approving the Disclosure Statement with respect to Plan of Debt Adjustment for the Central Coventry Fire District; Establishing Confirmation Procedures; and Scheduling Confirmation Hearing entered on \_\_\_\_\_ 2015 [Dkt. No. --], pursuant to which the Bankruptcy Court approved the Disclosure Statement as containing adequate information for the purpose of dissemination and solicitation of votes on and confirmation of this Plan and established certain deadlines and procedures for the solicitation of votes with respect to the Plan.

40. **Pre-Effective Date Claims** shall have the meaning ascribed to such phrase in Article X, Section A.

41. **Professional Claim** means a Claim required to be disclosed pursuant to Article II, Section D of the Plan, which Claim must be reasonable and which shall be paid on or after the Effective Date for services or expenses in the Chapter 9 Case or incident to this Plan rendered by professionals employed by CCFD or rendering services on behalf of CCFD.

42. **Receiver** means, singularly, jointly, and/or collectively, Steven T. Hartford and Mark A. Pfeiffer, each in their respective legal capacities as state-appointed receiver for CCFD, and any successor state-appointed receiver for CCFD.

43. **Rejection Motion** means a motion which may be filed by CCFD pursuant to section 365(a), pursuant to which CCFD shall seek approval and authorization for the rejection of an executory contract and unexpired lease, as shall be identified in said Rejection Motion.

44. **Rights of Action** means any rights, claims, or causes of action owned by, accruing to, or assigned to CCFD pursuant to the Bankruptcy Code or pursuant to any contract, statute, or legal theory, including without limitation any rights to, claims, or causes of action for recovery under any policies of insurance issued to or on behalf of CCFD.

45. **Secured Claim** means a Claim that is secured, in whole or in part, (a) by a lien that is not subject to avoidance or subordination under the Bankruptcy Code or applicable non-bankruptcy law; or (b) as a result of rights of setoff under section 553; but in any event only to the extent of the value, determined in accordance with section 506(a), of the Holder's interest in CCFD's interest in property or to the extent of the amount subject to such setoff, as the case may be.

46. **State of Rhode Island** means the State of Rhode Island and Providence Plantations and all subordinate, divisions, departments, agencies, and corporations thereof, except that ERSRI shall not be included in this definition for the purposes of designation of Classes of Claims.

47. **Unclaimed Property** shall have the meaning set forth in Article VIII, Section B(2) of the Plan.

48. **Union** means the International Association of Firefighters, Local 3372.

49. **Unimpaired** means a Claim that is not Impaired within the meaning of section 1124.

**B. Rules of Construction.**

The following rules of construction apply to this Plan: (a) unless otherwise specified, all references in this Plan to “sections” (lowercase) are references to a section of the Bankruptcy Code; (b) unless otherwise specified, all references in this Plan to “Sections” and “Exhibits” (uppercase) are to the respective Section in or Exhibit to this Plan, as the same may be amended or modified from time to time; (c) the headings in this Plan are for convenience of reference only and do not limit or otherwise affect the provisions of this Plan; (d) words denoting the singular number include the plural number and vice versa; (e) the rules of construction set forth in section 102 apply; (f) in computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006(a) apply; and (g) the words “herein,” “hereof,” “hereto,” “hereunder,” and others of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained in this Plan.

**II. TREATMENT AND DEADLINE FOR THE ASSERTION OF ADMINISTRATIVE CLAIMS AND PROFESSIONAL CLAIMS.**

**A. Treatment of Administrative Claims.**

Except to the extent that the Holder of an Allowed Administrative Claim agrees to a different treatment, CCFD shall pay to each Holder of an Allowed Administrative Claim, in full satisfaction, release and discharge of such Claim, Cash in an amount equal to such Allowed Administrative Claim on the later of (i) the Effective Date, or (ii) the date on which such Claim becomes an Allowed Administrative Claim.

**B. Treatment of Professional Claims.**

Pursuant to section 943(a)(3), CCFD shall disclose to the Bankruptcy Court all amounts paid following the Effective Date for services or expenses of professionals in the Chapter 9 Case or incident to this Plan, which amounts must be reasonable. CCFD shall pay to each Holder of a Professional Claim, in full satisfaction, release and discharge of such Claim, Cash in an amount equal to that portion of such Claim that the Bankruptcy Court approves as reasonable, on or as soon as reasonably practicable following the date on which the Bankruptcy Court enters an Order determining such reasonableness. CCFD, in the ordinary course of its operations, and without the requirement for Bankruptcy Court approval, may pay for those professional services rendered and those costs incurred following the Effective Date.

**C. Priority Claims in Chapter 9.**

The only type of priority Claims expressly incorporated into Chapter 9 through section 901 are Administrative Claims allowed under section 507(a)(2). The treatment of all such Administrative Claims is set forth above in Article II, Section A. No other types of priority Claims set forth in section 507 are recognized in cases under Chapter 9 of the Bankruptcy Code, and Claims that would constitute priority Claims in a case under another chapter of the Bankruptcy Code are treated in Chapter 9 and in this Plan as General Unsecured Claims.

**D. Deadline for the Filing and Assertion of Administrative Claims and Professional Claims.**

Except as otherwise provided herein, all requests for payment or any other means of preserving and obtaining payment of Administrative Claims (other than Ordinary Course Administrative Claims) that have not been paid, released, or otherwise settled, and all requests for approval of Professional Claims, must be filed with the Bankruptcy Court and served upon CCFD no later than thirty (30) days after the date on which the Notice of Effective Date is



mailed. Any request for payment of an Administrative Claim or a Professional Claim that is not timely filed by such date will be forever barred, and Holders of such Claims shall be barred from asserting such Claims in any manner against CCFD.

### **III. DESIGNATION OF CLASSES OF CLAIMS.**

Pursuant to sections 1122 and 1123(a)(1), all Claims other than Administrative Claims and Professional Claims are classified for all purposes, including voting, confirmation, and distribution pursuant to this Plan, as follows:

- A. **Class 1** – Union Claims filed herewith as **Exhibit B**.
- B. **Class 2** – ERSRI Claims filed herewith as **Exhibit C**.
- C. **Class 3** – Coventry Credit Union Claim filed herewith as **Exhibit D**.
- D. **Class 4** - Element Financial Corp. Claims filed herewith as **Exhibit E**.
- E. **Class 5** – Indispensable Vendor Claims filed herewith as **Exhibit F**.
- F. **Class 6** – Christopher Leveillee Claims filed herewith as **Exhibit G**.
- G. **Class 7** – The Class 7 Claimants are identified in **Exhibit H** filed herewith.

These Claims will hereinafter be referred to as the “Class 7 General Unsecured Claims.”

H. **Class 8** – The Class 8 Claimants are specifically identified in **Exhibit I** filed herewith; provided however, that any Holder of a Class 7 General Unsecured Claim (**Exhibit H**) may become a Holder of a Class 8 General Unsecured Convenience Claim, defined below, by electing to reduce his/her/its General Unsecured Claim to Five Thousand Dollars (\$5,000) when said Holder submits his/her/its Ballot to CCFD. This Class is being established for convenience purposes so that CCFD does not incur the administrative burden of paying these small claims in separate distributions over a period of years. These Claims, inclusive of Class 7 General Unsecured Claimants which have elected to reduce their Claims to be included within

the Class 8 General Unsecured Convenience Claims, will hereinafter be referred to as the “Class 8 General Unsecured Convenience Claims.”

**IV. TREATMENT OF CLAIMS.**

**A. Class 1 Union Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of the Union, the holder of the Claims. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order and the Memorandum of Agreement, attached hereto as **Exhibit A**. The Memorandum of Agreement provides that the Union shall be entitled to vote to accept or reject this Plan as the duly authorized representative of its members. Accordingly, the Union will receive a single Ballot and individual members will not receive Ballots.

**2. *Treatment.***

On April 29, 2015, CCFD and the Union filed a joint motion with the Bankruptcy Court in which they requested that the Bankruptcy Court enter an order approving the Union Memorandum of Agreement [Doc. No. 123]. The Memorandum of Agreement and the joint motion contain the terms of the Union’s treatment, including the settlement of certain claims and the entry into a proposed collective bargaining agreement by CCFD and the Union.

Among other things, the Memorandum of Agreement requires CCFD to formulate and submit a Plan of Debt Adjustment that incorporates the terms of the collective bargaining agreements agreed upon and settles the Union’s outstanding claims.<sup>1</sup> CCFD agrees to: provide

---

<sup>1</sup> This summary is presented for convenient reference by the Court and parties in interest, but is not intended as a complete or exhaustive description of all terms of the Union Memorandum of Agreement, which is the definitive and controlling document. To the extent that there is any discrepancy between the terms as stated in this Plan and the

Union firefighters with two percent (2%) pay increases; pay Union firefighters fifty percent (50%) of their unpaid Public Employees Health Plan; pay Union firefighters one hundred percent (100%) of unpaid employee deferred compensation account contributions on a priority basis; and pay Union firefighters unpaid deferred overtime payments up to a total of \$38,825. The Union, as the representative of the Holders of Class 1 Claims, is entitled to vote to accept or reject this Plan.

**B. Class 2 ERSRI Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of ERSRI, the holder of the Claims. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

Class 2 contains three categories of obligations: 1) those debts relating to employee contributions to ERSRI not yet forwarded by CCFD to ERSRI; 2) those debts relating to CCFD's own unpaid contributions to ERSRI as an employer; and 3) those debts relating to attorneys' fees which ERSRI incurred prior to the Petition Date with respect to CCFD collections issues. ERSRI will receive full payment on the first category over a period of one year, with interest accruing at the then-effective investment rate of return, commencing in July 2015. ERSRI will receive full payment on the second category in equal monthly installments over a five (5) year period, with interest accruing at the then-effective investment rate of return, commencing July 2016 and continuing through June 2021. ERSRI will receive full payment on

---

terms as stated in the Union Memorandum of Agreement, the terms of the Union Memorandum of Agreement prevail.

the third category in equal monthly installments over a one year period, without interest, commencing July 2021.

**C. Class 3 Coventry Credit Union Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of Coventry Credit Union, the Holder of the Claim. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

Class 3 will receive, on the Effective Date, a payment in the amount of \$34,000, which is the agreed value of the property securing its Claim, without interest. Coventry Credit Union waives its right to have a General Unsecured Claim for the remaining amount of its Claim.

**D. Class 4 Element Financial Corp. Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of Element Financial Corp., the Holder of the Claims. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

Class 4 will receive, five (5) annual installments of \$3,000.00 each, commencing on the Effective Date, representing payment equal to the value of its security which CCFD is retaining, without interest. Element Financial Corp. also has a Claim of \$6,000.00 which will be treated as a General Unsecured Claim in Class 7.

**E. Class 5 Indispensable Vendor Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of the Holders of the Claim. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

This Class consists of those creditors that provide continued, necessary services to CCFD. The Class 5 creditors will receive full payment of the Allowed Amount of their Claims in equal annual installments over a five year period, without interest, commencing on the Effective Date.

**F. Class 6 Christopher Leveillee Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of Christopher Leveillee, the Holder of the Claim. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

Class 6 will receive treatment pursuant to the Leveillee Settlement Agreement filed herewith in **Exhibit J**. The Leveillee Settlement Agreement is summarized as follows:<sup>2</sup>

- Mr. Leveillee will receive five (5) yearly installments of \$11,000, commencing within thirty (30) days after the Effective Date;

---

<sup>2</sup> This summary is presented for convenient reference by the Court and parties in interest, but is not intended as a complete or exhaustive description of all terms of the Leveillee Settlement Agreement, which is the definitive and controlling document. To the extent that there is any discrepancy between the terms as stated in this Plan and the terms as stated in the Leveillee Settlement Agreement, the terms of the Leveillee Settlement Agreement prevail.

- Mr. Leveillee will release all Claims against CCFD; and
- Mr. Leveillee will not oppose the Plan and will vote in favor of the Plan, provided that the Plan incorporates the Leveillee Settlement Agreement.

**G. Class 7 General Unsecured Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of Holders of the Claims. Accordingly, this Class is entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. *Treatment.***

The Holders of Allowed Claims in Class 7 shall share *pro rata* in the balance of the approximately \$300,000 General Unsecured Claims Pool after full payment of the distribution to Class 8 General Unsecured Convenience Claims. The first distribution to the Holders of these Claims shall be made on or about March 1, 2016 from the balance of the General Unsecured Claims Pool after distributions are made to or reserves are created for the Holders of Allowed Class 8 General Unsecured Convenience Claims, and then the Holders of Allowed Class 7 General Unsecured Claims shall share *pro rata* with respect to quarterly distributions made each March, June, September and December through August 2020 from the General Unsecured Claims Pool. Any monies remaining in the General Unsecured Claims Pool after all distributions have been made shall be deposited in CCFD's General Fund.

**H. Class 8 General Unsecured Convenience Claims.**

**1. *Impairment and Voting.***

This Class is Impaired by the Plan because the treatment of this Class will affect the legal, equitable, or contractual rights of the Holders of the Claims. Accordingly, this Class is

entitled to vote to accept or reject this Plan in accordance with the Plan Solicitation Order.

**2. Treatment.**

The Holders of these Allowed Claims shall receive a one-time lump sum distribution of ten percent (10%) of the amount of their Allowed Claim from the General Unsecured Claims Pool on or about March 15, 2016.

**V. ACCEPTANCE OR REJECTION; CRAM DOWN.**

Each Holder of an Allowed Claim classified into Classes 1, 2, 3, 4, 5, 6, 7, and 8 shall be entitled to vote each such Claim to accept or reject this Plan.

With respect to any Impaired Class of Claims that fails to accept this Plan, if any, CCFD, as proponent of this Plan, intends to request that the Bankruptcy Court nonetheless confirm this Plan pursuant to the so-called “cramdown” powers set forth in section 1129(b).

**VI. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES.**

**A. Rejection of Executory Contracts and Unexpired Leases.**

Prior to the hearing on confirmation, CCFD shall file a “Rejection Motion” if CCFD seeks to reject any additional executory contracts and unexpired leases. Any party whose executory contract or unexpired lease is rejected as the result of a Rejection Motion may have a General Unsecured Claim under Class 7 or Class 8, as the case may be. The Rejection Motion shall include CCFD’s recommendation as to the amount of allowance of said General Unsecured Claim, if any. The party to an executory contract or an unexpired lease that is the subject of a Rejection Motion shall have fourteen (14) days to file an objection with the Court to said Rejection Motion on any legitimate basis including, without limitation, that the party believes that the executory contract or unexpired leases should not be rejected or that the party disagrees with CCFD’s recommendation as to the amount of allowance of its General

Unsecured Claim. The Court shall then schedule a hearing on each Rejection Motion to the extent that the Court determines a hearing is necessary. Parties whose executory contract or unexpired lease has already been rejected pursuant to a court order shall file a proof of claim with the Court as to the amount of their General Unsecured Claim related to their rejected executory contract or unexpired lease prior to the hearing on confirmation. CCFD shall then have fourteen (14) days to file an objection with the Court to said proof of claim. The Court shall then schedule a hearing on each such objection to the extent the Court determines a hearing is necessary. If CCFD does not file an objection to a proof of claim related to a rejected executory contract or unexpired lease, the proof of claim shall be deemed allowed. All executory contracts and unexpired lease not rejected shall be deemed to be assumed by CCFD.

**B. Assumed Executory Contracts and Unexpired Leases.**

Prior to the hearing on confirmation, CCFD shall file a schedule of all assumed executory contracts and unexpired leases with the amounts, if any, that CCFD intends to pay the parties to such assumed contracts or leases as a cure payment. Simultaneous to filing said schedule, CCFD shall file motions to approve the amounts of each such cure payment (“Cure Payment Motion”). Any party whose executory contract or unexpired lease is the subject of a Cure Payment Motion shall have fourteen (14) days to file an objection with the Court to said Cure Payment Motion on any legitimate basis including, without limitation, that the party believes that the executory contract or unexpired should not be assumed or that the party disagrees with the amount that CCFD intends to pay as a cure payment. The Court shall then schedule a hearing on each such Cure Payment Motion to the extent that the Court determines a hearing is necessary. Any party that believes that it has an executory contract or unexpired lease that is not the subject of a Rejection Motion or a Cure Payment Motion shall file a motion



with the Court to require CCFD to assume or reject its executory contract or unexpired lease prior to the hearing on confirmation (“Motion to Require Assumption or Rejection”). CCFD shall then have fourteen (14) days to file an objection with the Court to each such Motion to Require Assumption or Rejection. The Court shall then schedule a hearing on each such Motion to Require Assumption or Rejection to the extent the Court determines a hearing is necessary.

**VII. IMPLEMENTATION AND MEANS FOR IMPLEMENTATION OF THIS PLAN.**

Following the Effective Date, CCFD will continue to operate pursuant to the Fiscal Stability Act, the Charter of the Central Coventry Fire District, the Constitution of the State of Rhode Island, and other applicable laws. While CCFD has submitted a Five-Year Financial Projection to allocate CCFD's unrestricted resources, annexed to the Disclosure Statement as Exhibit 3 (the “Five-Year Financial Projection”), CCFD acknowledges and understands that financial plans and budgets are not fixed, and that CCFD will make on-going adjustments during the course of the five-year Plan duration in order to enable CCFD to adjust to changing economic, operational needs and other conditions and contingencies. However, this Plan and CCFD’s Five-Year Financial Projection represent CCFD's commitment to the binding treatment of the Holders of Claims in the various Classes as enumerated in this Plan.

**A. Claims and Causes of Action.**

All of CCFD's claims, causes of action, rights of recovery, rights of offset, recoupment rights to refunds and similar rights shall be retained by CCFD, including, without limitation, any claims that CCFD may hold under sections 544, 547, 548, and the other avoidance provisions of the Bankruptcy Code. The failure to list in the Disclosure Statement any potential or existing Right of Action retained by CCFD is not intended to and shall not limit the rights of CCFD to pursue any such action. Unless CCFD expressly waived, relinquished, released,

compromised or settled a Right of Action in this Plan, CCFD expressly reserves all Rights of Action for later adjudication and, as a result, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Rights of Action upon or after the confirmation or consummation of this Plan or the Effective Date. In addition, CCFD expressly reserves the right to pursue or adopt against any other entity any claims alleged in any lawsuit in which CCFD is a defendant or an interested party.

**B. Compliance with Plan Terms by Elected Officials.**

**1. *CCFD's Budget Must Remain in Balance during the Plan Term.***

This Plan is a contract between CCFD and its creditors. Although CCFD's elected Board of Directors (the "Board") shall continue to make policy decisions during the Plan term, they may do so only to the extent that such policy decisions do not make CCFD's fiscal budgets unbalanced. In this Plan, CCFD establishes reporting requirements so that during the Plan term, creditors, including the State of Rhode Island, and CCFD's other major stakeholders, including the Union, will have adequate and timely financial information necessary to monitor whether CCFD remains in balance and whether CCFD is otherwise complying with the Plan terms.

**2. *Reporting Requirements.***

CCFD's Board and the AFO would be responsible for completing the attestation forms and submitting them to the Bankruptcy Court. The attestation forms would not be required during any period when the Receiver remains in place.

Within thirty (30) days after the Board enacts a budget or an amended budget, each person acting with the powers of an elected official (the Chair and each representative of the Board designated to act, referred to herein as the "Designated Representatives") shall be required

to sign an “Annual Attestation Form,” in the form set forth as **Exhibit K** hereto, attesting under oath, that to the best of his or her knowledge and belief, the budget is in Material Conformity with the terms of the Five-Year Financial Projection. To the extent the budget is not in Material Conformity with the Five-Year Financial Projection, such Annual Attestation Form shall identify the specific line items in the budget that are not in Material Conformity with the Five-Year Financial Projection. “Material Conformity” shall mean that the budget is consistent with the Five-Year Financial Projection and/or that any increase in expenditures in any line item is offset by increases in revenues based upon additional revenues and/or decreases in expenditures. Any assumptions regarding any such additional revenues and/or decreases in expenditures must be reasonable. Each Annual Attestation Form shall be electronically filed with the Bankruptcy Court, and a copy shall be sent by first class mail to the Rhode Island Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within forty-five (45) days after the Board enacts a budget or an amended budget, the AFO shall file an “Annual Administration and Finance Officer Statement” in the form set forth as **Exhibit L** annexed to the Plan stating that he or she agrees or disagrees with the attestations of the Designated Representative. If the AFO disagrees with the attestations of the Designated Representative, he or she shall explain why. Each Annual Administration and Finance Officer Statement shall be filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within thirty (30) days after the end of each fiscal quarter, the Designated Representatives shall be required to sign a “Quarterly Attestation Form” in the form set forth as **Exhibit M** annexed to the Plan, stating under oath whether or not actual performance by CCFD

during the prior quarter and year-to-date remains in Material Conformity with the terms of the Five-Year Financial Projection. To the extent that the Designated Representatives state that actual performance by CCFD during the prior quarter and year-to-date does not remain in Material Conformity with the terms of the Five-Year Financial Projection, the Designated Representatives shall identify the specific line items that do not remain in Material Conformity with the Five-Year Financial Projection. Each Quarterly Attestation Form shall be electronically filed with the Bankruptcy Court, and a copy shall be sent by first class mail to the Rhode Island Director of Revenue State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

Within forty-five (45) days after the end of each fiscal quarter, the AFO shall file a “Quarterly Administration and Finance Officer Statement” in the form set forth as **Exhibit N** annexed to the Plan stating that he or she agrees or disagrees with the attestations of the Designated Representative. If the AFO disagrees with the attestations of the Designated Representatives, he or she shall explain why. Each Quarterly Administration and Finance Officer Statement shall be filed with the Bankruptcy Court and a copy shall be sent by first class mail to the Rhode Island Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, Rhode Island 02908.

**3. *Enforcement.***

Any creditor or stakeholder of CCFD under the Plan shall have power to seek specific enforcement from the Bankruptcy Court to require CCFD to comply with the Plan terms and/or to require CCFD to make changes necessary for CCFD to be in Material Conformity with the Five-Year Financial Projection.

**C. Termination of Receiver.**

In the event that the Rhode Island Director of Revenue terminates the Receiver in conformity with the terms of the Fiscal Stability Act after confirmation of the Plan, the rights and obligations of the Receiver under the Plan and the Confirmation Order shall transfer to the appropriate CCFD officials as authorized under Rhode Island General Laws and the Central Coventry Fire District Charter. Notwithstanding the foregoing, in the event that the State enacts legislation amending the Fiscal Stability Act, the terms of the Fiscal Stability Act, as amended, shall determine the governance of CCFD.

**VIII. DISTRIBUTIONS**

**A. Delivery of Distributions.**

All distributions to any Holder of an Allowed Claim shall be made at the address of such Holder as set forth in the Schedule of Claims filed with Bankruptcy Court, as amended, unless CCFD receives written notice from such Holder providing an address for such Holder different from the address reflected in said Schedule of Claims.

**B. Undeliverable Distributions.**

**1. *Response to Undeliverable Distributions.***

If any distribution to any Holder is returned to CCFD as undeliverable, no further distributions shall be made to such Holder unless and until CCFD is notified in writing of such Holder's then-current address. Unless and until CCFD is so notified, such distribution shall be deemed to be "Unclaimed Property" and shall be treated in accordance with the following subsection.

**2. *Unclaimed Property.***

If any Holder entitled to receive distributions pursuant to this Plan does not present itself

on the Effective Date or on such other date on which such Holder becomes eligible for distribution, such distributions shall be deemed to be “Unclaimed Property.”

**3. *Notification and Forfeiture of Unclaimed Property.***

CCFD shall file a notice with the Court within ninety (90) days after the date of the first distributions under the Plan, which notice shall state all unclaimed distributions and the name and last known address of each Holder of an unclaimed distribution. CCFD shall not be required to take any further action to locate any such Holders. Any distribution under the Plan that remains unclaimed after one hundred eighty (180) days after the date of the first distributions under the Plan shall be deemed not to have been made and shall be transferred to and shall vest in the General Fund, except as may be provided under the laws of the State of Rhode Island. Such Claims shall be deemed Disallowed, and the Holder of any such Claim shall be forever estopped from enforcing such Claim against CCFD.

**C. Distributions of Cash.**

Any payment of Cash to be made by CCFD pursuant to this Plan shall be made by check drawn on a domestic bank or by wire transfer, at the sole option of CCFD.

**D. Timeliness of Payments.**

Any payments or distributions to be made pursuant to this Plan shall be deemed to be timely made if made within fourteen (14) days after the dates specified in this Plan. Whenever any distribution to be made under this Plan shall be due on a day that is not a Business Day, such distribution instead shall be made, without interest, on the immediately succeeding Business Day, but shall be deemed to have been timely made on the date due.

**E. Compliance With Tax Requirements.**

CCFD shall comply with all tax withholding and reporting requirements imposed on it

by any governmental unit, and all distributions pursuant to this Plan shall be subject to such withholding and reporting requirements. In connection with each distribution with respect to which the filing of an information return (such as Internal Revenue Service Forms W-2, 1099 or 1042) or withholding is required, CCFD shall file such information return with the Internal Revenue Service and provide any required statements in connection therewith to the recipients of such distribution, or effect any such withholding and deposit all monies so withheld to the extent required by law. With respect to any entity from whom a tax identification number, certified tax identification number, or other tax information is required by law to avoid withholding has not been received by CCFD, CCFD at its sole option, may withhold the amount required and distribute the balance to such entity or decline to make such distribution until the information is received.

**F. Time Bar to Cash Payments.**

Checks issued by CCFD on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days from and after the date of issuance thereof. Requests for reissuance of any check shall be made directly to CCFD by the Holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in respect of such a voided check shall be made on or before the second anniversary of the Effective Date. After such date, all Claims in respect of voided checks shall be discharged and forever barred and CCFD shall retain all monies related thereto.

**G. No Distributions on Account of Disputed Claims.**

Notwithstanding anything to the contrary in this Plan, and consistent with Article IX, no distributions shall be made on account of any part of any Disputed Claim until such Claim becomes Allowed (and then only to the extent so Allowed). Distributions made after the

Effective Date in respect of Claims that were not Allowed as of the Effective Date (but which later became Allowed) shall be deemed to have been made as of the Effective Date.

**H. No Post-petition Accrual.**

Except as specifically provided in this Plan or Allowed by order of the Bankruptcy Court, CCFD shall not be required to pay to any Holder of a Claim any interest, penalty or late charge accruing with respect to such Claim on or after the Petition Date.

**I. No De Minimis Distributions.**

Notwithstanding any other provision of this Plan, CCFD shall not make any payment of less than \$20.00 on account of any Allowed Claim.

**J. Incorporation of Agreements and Documents.**

The following agreements are incorporated into this Plan by reference:

a. CCFD and International Association of Firefighters Local 3372 Collective Bargaining Agreement for April 19, 2015 to August 31, 2015, annexed hereto as **Exhibit O**. The Court will retain jurisdiction over this matter. However, nothing in the Plan shall impair any rights that the parties may have under the collective bargaining agreement or state law. In the event of a conflict between the Plan and the collective bargaining agreement or state law, the collective bargaining agreement or state law shall prevail.

b. Collective Bargaining Agreement between CCFD and International Association of Firefighters Local 3372, September 1, 2015 to August 31, 2020, annexed hereto as **Exhibit P**. The Court will retain jurisdiction over this matter. However, nothing in the Plan shall impair any rights the parties may have under the collective bargaining agreement or state law. In the event of a conflict between the Plan and the collective bargaining agreement or state law, the collective bargaining agreement or state law shall prevail.



c. Union Bankruptcy Memorandum of Agreement, annexed hereto as **Exhibit A.**

d. Settlement and Release Agreement between CCFD and Christopher Leveillee, annexed hereto as **Exhibit J.** Notwithstanding anything set forth herein to the contrary, to the extent that the terms of Settlement and Release Agreement are inconsistent with the terms of the Plan, the terms of the Settlement and Release Agreement shall govern.

e. Settlement Agreement between CCFD and the Rhode Island Emergency Management Agency dated September 14, 2015, annexed hereto as **Exhibit Q.**

f. Five-Year Financial Projection, annexed to the Disclosure Statement as Exhibit 3.

**K. Administrative Claims of Professionals.**

Pursuant to section 943, CCFD must disclose professional fees to be paid by CCFD or by any person for services or expenses in the case or incident to the Plan. At the hearing on confirmation, CCFD shall offer evidence on the reasonableness of the fees.

**IX. DISPUTED CLAIMS; OBJECTIONS TO CLAIMS; PROSECUTION OF OBJECTIONS TO DISPUTED CLAIMS.**

**A. Claims Objection Deadline; Prosecution of Objections.**

CCFD shall have the right to object to the allowance of Claims filed with the Bankruptcy Court with respect to which liability or allowance is disputed in whole or in part. Unless otherwise ordered by the Bankruptcy Court, CCFD shall file and serve any such objections to Claims by the later of (i) the date such distribution would otherwise be due or (ii) one hundred and eighty (180) days after the Effective Date (or, in the case of Claims lawfully filed after the Effective Date, by not later than one hundred and eighty (180) days after the date of filing of such Claims).

**B. Reserves, Payments, and Distributions with Respect to Disputed Claims.**

Prior to making a *pro rata* distribution to Holders of Class 7 General Unsecured Claims or Class 8 General Unsecured Convenience Claims, CCFD shall reserve from the amount of the distribution a reserve for such Class 7 General Unsecured Claims or Class 8 General Unsecured Convenience Claims to the extent that such Claims are Disputed Claims. The amount reserved for each such Claim shall be on the same *pro rata* basis as the distribution to Allowed Class 7 General Unsecured Claims and Allowed Class 8 General Unsecured Convenience Claims, as the case may be, based upon the lesser of (a) the amount asserted by the Holder of the Claim to be owing, and (b) such amount as the Bankruptcy Court may estimate for all distribution purposes upon motion of CCFD, which motion may be made initially or from time to time. At such time as a Disputed Claim becomes an Allowed Claim, in whole or in part, CCFD or its agent shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under this Plan. Such distributions, if any, shall be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim becomes a Final Order (or such other date as the Claim becomes an Allowed Claim), but in no event more than sixty (60) days thereafter. Unless otherwise specifically provided in this Plan or Allowed by order of the Bankruptcy Court, no interest shall be paid on Disputed Claims that later become Allowed Claims. To the extent that a Disputed Claim is disallowed, the amounts held in escrow for that Disputed Claim shall be removed from escrow and re-allocated to the remaining Allowed Claims and Disputed Claims for pro rata distribution or escrowed for distribution on the next scheduled payment date.

**X. EFFECT OF CONFIRMATION.**

**A. Discharge of CCFD.**

Pursuant to section 944, upon the Effective Date, CCFD shall be discharged from all debts (as defined in the Bankruptcy Code) of CCFD and any claims against CCFD other than (a) any debt specifically and expressly excepted from discharge by this Plan or the Confirmation Order, or (b) any debt owed to an entity that, before the Confirmation Date, had neither constructive notice, notice nor actual knowledge of the Chapter 9 Case. The rights afforded in this Plan and the treatment of all Holders of Claims, whether such Claims are Impaired or Unimpaired under this Plan, shall be in exchange for and in complete satisfaction, discharge and release of all Claims of any nature whatsoever arising on or before the Effective Date, known or unknown, including any interest accrued or expenses incurred thereon from and after the Petition Date, whether against CCFD or any of its properties, assets or interests in property. Except as otherwise provided herein, upon the Effective Date, all Claims against CCFD that arose prior to the Confirmation Date (“**Pre-Effective Date Claims**”) shall be deemed to be satisfied, discharged and released in full, whether such Claims are Impaired or Unimpaired under this Plan.

**B. Injunction.**

Except as otherwise expressly provided in this Plan, all entities who have held, hold or may hold Pre-Effective Date Claims shall be permanently enjoined from and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Pre-Effective Date Claim against CCFD or its property; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree or order against CCFD or its property with respect to such Pre- Effective Date Claims;

(c) creating, perfecting, or enforcing any lien or encumbrance of any kind against CCFD or its property; and (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due to CCFD with respect to any such Pre-Effective Date Claim, except as otherwise permitted by section 553.

**C. Term of Existing Injunctions or Stays.**

All injunctions or stays provided for in the Chapter 9 Case pursuant to sections 105, 362, or 922, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

**XI. RETENTION OF AND CONSENT TO JURISDICTION.**

Following the Effective Date, the Bankruptcy Court shall retain and have exclusive jurisdiction over any matter arising under the Bankruptcy Code and relating to CCFD, arising in or related to the Chapter 9 Case or this Plan, and otherwise, for the following:

1. To determine any request for specific performance against CCFD asserted under the terms of Article VII above or under any other term of the Plan asserted by any creditor.
2. To resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which CCFD is a party or with respect to which CCFD may be liable, and to hear, determine and, if necessary, liquidate, any Claims arising therefrom.
3. To enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan, and all other contracts, instruments, releases, and other agreements or documents related to this Plan.
4. To determine any and all motions, adversary proceedings, applications and contested or litigated matters that may be pending on the Effective Date or that, pursuant to this

Plan, may be instituted by CCFD after the Effective Date or that are instituted by any Holder of a Claim before or after the Effective Date concerning any matter based upon, arising out of, or relating to the Chapter 9 Case, whether or not such action initially is filed in the Bankruptcy Court or any other court.

5. To ensure that distributions to Holders of Allowed Claims are accomplished as provided herein.

6. To hear and determine any objections to Claims or to proofs of claim filed, both before and after the Effective Date, including any objections to the classification of any Claim, and to allow, disallow, determine, liquidate, classify, estimate or establish the priority of or secured or unsecured status of any Claim, in whole or in part.

7. To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed or vacated.

8. To issue such orders in aid of execution of this Plan, to the extent authorized by section 1142(b).

9. To consider any modifications of this Plan, to cure any defects or omissions, or reconcile any inconsistencies in any order of the Bankruptcy Court, including the Confirmation Order.

10. To hear and determine all applications for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Effective Date.

11. To hear and determine all disputes or controversies arising in connection with or relating to this Plan or the Confirmation Order or the interpretation, implementation, or enforcement of this Plan or the Confirmation Order or the extent of any entity's obligations incurred in connection with or released under this Plan or the Confirmation Order.

12. To issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation or enforcement of this Plan.

13. To determine any other matters that may arise in connection with or are related to this Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document related to this Plan or the Disclosure Statement.

14. To hear any other matter or for any purpose specified in the Confirmation Order that is not inconsistent with the Bankruptcy Code.

15. To enter a final decree closing the Chapter 9 Case.

## **XII. CONDITIONS PRECEDENT.**

### **A. Condition Precedent to Confirmation.**

The entry of the Confirmation Order that is in form and substance satisfactory to CCFD is a condition precedent to confirmation of this Plan.

### **B. Conditions Precedent to Effective Date.**

The “effective date of the plan,” as used in section 1129, shall not occur, and this Plan shall be of no force and effect, until the Effective Date. The occurrence of the Effective Date is subject to the satisfaction (or waiver as set forth in Section XII(C)) of the following conditions precedent:

#### ***1. Confirmation Order.***

The Confirmation Order shall have been entered, shall be in full force and effect, and shall be a Final Order (but the requirement that the Confirmation Order be a Final Order may be waived by CCFD at any time).

**2. *Plan Documents.***

All agreements and instruments contemplated by, or to be entered into pursuant to, this Plan shall be in form and substance acceptable to CCFD; shall have been duly and validly executed and delivered. (including, but not limited to, any documents necessary to be executed on or prior to the Effective Date so as to implement the Union Settlement, the Leveillee Settlement, and the Rhode Island Emergency Management Agency Settlement, respectively, and the satisfaction or waiver of the conditions precedent to the Union Settlement, the Leveillee Settlement, and the Rhode Island Emergency Management Agency Settlement, respectively), or deemed executed by the parties thereto; and all conditions to their effectiveness shall have been satisfied or waived.

**3. *Authorizations, Consents, etc.***

CCFD shall have received any and all authorizations, consents, regulatory approvals, rulings, no-action letters, opinions, and documents that are necessary to implement the Plan and that are required by law, regulation or order.

**4. *Timing.***

The Effective Date shall occur on a Business Day specified by CCFD on which the conditions set forth in Section XII(B)(1) and (B)(2) are satisfied or waived; *provided that*, unless otherwise ordered by the Bankruptcy Court, the Effective Date must occur by no later than ninety (90) days after the Confirmation Date.

**C. Waiver of Conditions to Effective Date.**

CCFD may waive in whole or in part any condition to effectiveness of this Plan. Any such waiver of a condition may be effected at any time, without notice or leave or order of the

Bankruptcy Court and without any formal action, other than the filing of a notice of such waiver with the Bankruptcy Court.

**D. Effect of Failure of Conditions.**

In the event that the conditions to effectiveness of this Plan have not been timely satisfied or waived, and upon notification submitted by CCFD to the Bankruptcy Court, (a) the Confirmation Order shall be vacated, (b) no distributions under this Plan shall be made, (c) the CCFD and all Holders of Claims shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred, and (d) all of CCFD's obligations with respect to the Claims shall remain unchanged and nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against CCFD or any other entity or to prejudice in any manner the rights, remedies, or claims of CCFD or any entity in any further proceedings involving CCFD.

**E. No Admission of Liability.**

The Plan constitutes a settlement and compromise by and among CCFD and various parties. The Plan shall not be deemed an admission or concession by any party with respect to any factual or legal contention, right, defense, or position taken by CCFD.

**XIII. MISCELLANEOUS PROVISIONS.**

**A. Severability.**

If, prior to the Confirmation Date, any term or provisions of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, with the consent of CCFD, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be



applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

**B. Governing Law.**

Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent that an Exhibit hereto or Plan Document provides otherwise, the rights, duties and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Rhode Island, without giving effect to principles of conflicts of laws.

**C. Effectuating Documents and Further Transactions.**

The Receiver (or the appropriate elected official when the tenure of the Receiver is terminated, except as provided by the Fiscal Stability Act) and authorized employees of CCFD are, and each of them, acting singly, is, authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and provisions of this Plan.

**D. Notice of Effective Date.**

On or before fourteen (14) days after occurrence of the Effective Date, CCFD or its agent shall mail or cause to be mailed to all Holders of Claims a Notice that informs such Holders of: (a) entry of the Confirmation Order; (b) the occurrence of the Effective Date; (c)

the assumption and rejection of CCFD's executory contracts and unexpired leases pursuant to this Plan, as well as the deadline for the filing of Claims arising from such rejection; (d) the deadline established under this Plan for the filing of Administrative Claims; (e) the procedures for changing an address of record pursuant to Article VII of the Plan and such other matters as CCFD deems to be appropriate.

DATED: September 18, 2015

CENTRAL COVENTRY FIRE DISTRICT

By: /s/ Mark A. Pfeiffer  
as and only as Receiver of the Central  
Coventry Fire District, and not individually

Submitted by:

CENTRAL COVENTRY FIRE DISTRICT

/s/ Robert G. Flanders, Jr.  
Robert G. Flanders, Jr. (# 1785)  
Jennifer V. Doran (# 6553)  
Andrew S. Tugan (# 9117)  
Hinckley, Allen & Snyder LLP  
100 Westminster Street, Suite 1500  
Providence, Rhode Island 02903  
Telephone: (401) 274-2000  
Facsimile: (401) 277-9600  
Email Address: [rflanders@hinckleyallen.com](mailto:rflanders@hinckleyallen.com)  
[jdoran@hinckleyallen.com](mailto:jdoran@hinckleyallen.com)  
[atugan@hinckleyallen.com](mailto:atugan@hinckleyallen.com)

# EXHIBIT A

**MEMORANDUM OF AGREEMENT BETWEEN THE INTERNATIONAL  
ASSOCIATION OF FIRE FIGHTERS, LOCAL 3372 AND JUDGE MARK  
PFEIFFER, AS RECEIVER FOR THE CENTRAL COVENTRY FIRE DISTRICT  
REGARDING THE NEW COLLECTIVE BARGAINING AGREEMENT**

This Memorandum of Agreement is entered into by and between the Receiver for the Central Coventry Fire District ("CCFD") and the International Association of Fire Fighters, Local 3372 ("Union") (collectively referred to as the "Parties").

WHEREAS, the Parties have entered into a new Collective Bargaining Agreement ("the 2015-2020 CBA") for a term from September 1, 2015 through August 31, 2020, to have full force and effect as of the date of execution, a copy of which is annexed hereto as **Exhibit A** and a new Collective Bargaining Agreement ("2015 CBA"), for a term from April 19, 2015 through August 31, 2015 a copy of which is attached as **Exhibit B**.

WHEREAS, the Parties acknowledge their mutual desire to resolve and settle all claims between them that have arisen or could have arisen by virtue of CCFD's filing of its Bankruptcy Petition with the United States Bankruptcy Court for the District of Rhode Island on December 23, 2014 (the "Bankruptcy Case"), including all claims set forth in the Proofs of Claim that were timely filed on behalf of the Union on March 31, 2015 (Claim Numbers 11 and 12) with the Bankruptcy Court, with respect to the prior Collective Bargaining Agreement through the execution of this Memorandum of Agreement (the "Released Claims") and further acknowledge that the below described settlement is a settlement of disputed claims undertaken to avoid the uncertainty and expense of litigation in the bankruptcy proceeding or in another forum. The parties acknowledge and agree that the Released Claims do not include any and all timely filed Proofs of Claim individually filed by retired fire fighters or former employees.

WHEREAS, the Parties acknowledge that the terms of the 2015-2020 CBA and the 2015 CBA at the time of signing immediately replaced and superseded the terms of the so-called Pendency Plan put in place by the Receiver subsequent to the filing of the Bankruptcy Case, as it applies to members of the Union.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein and in the 2015-2020 CBA and the 2015 CBA, and intending to be legally and equitably bound thereby, the CCFD and the Union agree as follows:

1. CCFD shall formulate and submit a Plan of Debt Adjustment (a "Plan") to (i) incorporate the terms of the 2015-2020 CBA and the 2015 CBA; (ii) provide that the Union and its members shall be deemed to have released the CCFD for the Released Claims; and (iii) provide that the Union, CCFD, the Receiver, and the Director of the Rhode Island Department of Revenue shall have standing post confirmation to seek performance of the terms of the confirmed Plan and the order confirming the Plan. If such a Plan complies with the paragraph, the Union and its members shall support such a Plan and shall not object to such a Plan.
2. The CCFD hereby agrees to withdraw with prejudice its pending motion to reject the Prior Collective Bargaining Agreement as it applies to the Union upon Court

approval of the Joint Motion to Approve the Collective Bargaining Agreements and Settlement of Claims.

3. The CCFD agrees that all monies to be paid to members of the Union pursuant to the tentative agreement as described in the next paragraph are to be considered priority claims as an agreement in compromise of disputed claims pursuant to the District's governmental powers under 11 U.S.C. § 904.

4. Outstanding Claims

A. The District will pay to active Union firefighters (as of the date of this agreement) the value of the 2% salary increase that was due on April 1, 2013 and the 2% salary increase that was due on April 1, 2014 through the date of execution of this agreement, as set forth in *Exhibit A1* attached hereto. The District shall give such payments priority status and shall pay such amounts to active firefighters according to the following schedule:

i.) 50% of each active paid upon execution of the CBA and approval by an Order entered by the United States Bankruptcy Court for the District of Rhode Island; and

ii.) The remaining 50% of each active paid on September 1, 2015.

B. The District shall pay to active Union firefighters (as of the date of this agreement) 50% of their unpaid PEHP contributions through the date of execution of this agreement and approval by an Order entered by the United States Bankruptcy Court for the District of Rhode Island, as set forth in *Exhibit B1* attached hereto. The District shall make such payments into active firefighters according to the following schedule:

a) 12.5% of unpaid PEHP contributions on 9/1/16;

b) 12.5% of unpaid PEHP contributions on 9/1/17;

c) 12.5% of unpaid PEHP contributions on 9/1/18; and

d) 12.5% of unpaid PEHP contributions on 9/1/19.

C. The District shall pay to active Union firefighters (as of the date of this agreement), 100% of verified, unpaid employee contributions to members' § 457, deferred compensation accounts, up to a total of \$8,051. Such verified amounts will be set forth in *Exhibit C* attached hereto. The District shall give such payments priority status, and shall pay such amounts into the active firefighters' §

457 accounts upon execution of the CBA and approval by an Order entered by the United States Bankruptcy Court for the District of Rhode Island.

D. The District shall pay to active Union firefighters (as of the date of this agreement), any verified, unpaid deferred overtime payments through the date of the Memorandum of Agreement attached to the parties' CBA, up to a total of \$37,825. Such verified amounts will be set forth in *Exhibit D* attached hereto. The District shall make such payments according to the following schedule:

- i.) 20% of verified, unpaid deferred overtime on 9/1/15;
- ii.) 20% of verified, unpaid deferred overtime on 9/1/16;
- iii.) 20% of verified, unpaid deferred overtime on 9/1/17;
- iv.) 20% of verified, unpaid deferred overtime on 9/1/18;
- v.) 20% of verified, unpaid deferred overtime on 9/1/19.

E. The parties agree that any amounts paid pursuant to (A) through (D) herein shall not be pensionable.

F. If any active member entitled to a payment under (A) through (D) herein voluntarily separates from service prior to September 1, 2020, any outstanding payment(s) due under Section (A) and/or (B) herein shall be accelerated and paid to the member in the next regular payroll after their voluntary separation from service, but no sooner than September 1, 2015.

G. The payments set forth in Section (A) through (D) herein shall be conditioned upon:

- i.) Each individual bargaining unit member who desires to participate in the settlement of the Released Claims signing a waiver authorizing the Union to negotiate his/her claim and settle and release all claims on his or her behalf;
- ii) The Union, as duly authorized representative of its members who have signed waivers in the context of the bankruptcy proceeding, hereby completely and totally releasing all claims said members brought or could

have brought against the District; including, but not limited to, Proof of Claim Numbers 11 and 12 which are hereby fully and completely resolved in accordance with this Memorandum of Agreement;

iii.) The Union as duly authorized representative of its members who have signed waivers in the context of the bankruptcy proceeding agreeing to waive any and all objections to the District's "eligibility" to be a debtor under Chapter 9 of Title 11 and to withdraw any previously filed objections thereto with prejudice; and

iv.) The Union as duly authorized representative of its members who have signed waivers in the context of the bankruptcy proceeding shall vote to approve the final Plan of Debt Adjustment submitted by the Receiver to Bankruptcy Court provided said Plan of Debt Adjustment incorporates the terms of this Memorandum of Agreement and the terms of the Collective Bargaining Agreements.

5. The CCFD Plan shall ensure that sufficient monies are designated in the Plan to ensure that all monies to be paid under paragraph 4 herein are paid irrespective of the treatment of other claims of creditors as secured or of higher or lower priority. In the event this paragraph or paragraph 4 cannot be complied with or is not approved by the Bankruptcy Court then this whole agreement and the Collective Bargaining Agreements attached as Exhibits A & B shall be voidable at the option of either party.
6. The CCFD shall file a motion to request an immediate allowance of the payments described in paragraph 4 and permission from the Bankruptcy Court to make an immediate disbursement, if allowed by the Court, so that the members of the Union will not be required to wait for a confirmation of the Plan to receive said payments.
7. Nothing herein shall be deemed to be an admission of liability or culpability by either party; nor shall this Memorandum of Agreement be deemed to constitute a past practice or considered as precedent for any future case or proceeding before any court, arbitrator, or quasi-judicial body.
8. This Memorandum of Agreement is subject to the approval of the Bankruptcy Court as a settlement of disputes among the parties.

IN WITNESS WHEREOF, the CCFD and the Union have caused this Memorandum of Agreement to be executed by their respective representatives who have actual authority to bind and enter into the various obligations set forth herein.

FOR CCFD

ATTEST

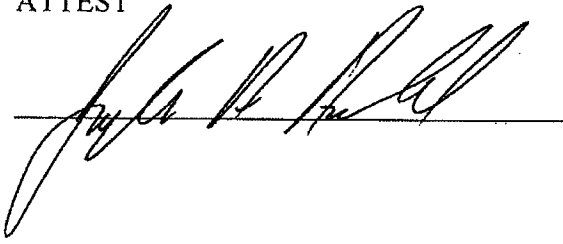
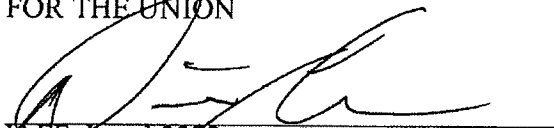


**MARK A. PFEIFFER**, in his capacity as  
State Appointed Receiver of the Central  
Coventry Fire District

DATED: 4-28-15

FOR THE UNION

ATTEST



**IAFF Local 3372**  
David Gorman, President

DATED: 4/28/15



# EXHIBIT B

**Exhibit B**

**Class 1 – Union Claims**

| CLAIMANT  | CLAIMED AMOUNT | ALLOWED AMOUNT                                     |
|---|----------------|--|
| Coventry Professional Firefighters, IAFF Local 3372 (pre-petition)  | \$869,135.02   | <u>See</u> Memorandum of Agreement, Ex. 10 to Plan |
| Coventry Professional Firefighters, IAFF Local 3372 (post-petition) | \$488,827.27   | <u>See</u> Memorandum of Agreement, Ex. 10 to Plan |

# EXHIBIT C

**Exhibit C**

**Class 2 – ERSRI Claims**

| CLAIMANT  | CLAIMED AMOUNT | ALLOWED AMOUNT |
|---|----------------|----------------|
| Municipal Employees'<br>Retirement System of the<br>State of RI | \$830,464.50   | \$830,464.50   |

# EXHIBIT D

**Exhibit D**

**Class 3 – Coventry Credit Union Claims**

| CLAIMANT              | CLAIMED AMOUNT | ALLOWED AMOUNT  |
|-----------------------|----------------|---|
| Coventry Credit Union | \$87,465.00    | Secured Claim: \$34,000<br>General Unsecured Claim: \$0 |

# EXHIBIT E

**Exhibit E**

**Class 4- Element Financial Corp. Claims**

| CLAIMANT                      | CLAIMED AMOUNT | ALLOWED AMOUNT                                      |
|-------------------------------|----------------|---|
| Element Financial Corporation | \$83,196.29    | Secured Claim: \$15,000<br>Unsecured Claim: \$6,000 |



# EXHIBIT F

**Exhibit F**

**Class 5 – Indispensable Vendor Claims**

| CLAIMANT                            | CLAIMED AMOUNT | ALLOWED AMOUNT |
|-------------------------------------|----------------|----------------|
| Blue Cross & Blue Shield RI         | \$160,370.00   | \$160,370.00   |
| Kent County Water Authority         | \$246,634.22   | \$246,634.22   |
| National Grid                       | \$59,375.63    | \$59,375.63    |
| RI Department of Labor and Training | \$29,200.00    | \$29,200.00    |
| RI State Fire Marshal               | \$4,375.00     | \$4,375.00     |

# EXHIBIT G

**Exhibit G**

**Class 6 – Christopher Leveillee Claims**

| CLAIMANT              | CLAIMED AMOUNT | ALLOWED AMOUNT  |
|-----------------------|----------------|---|
| Christopher Leveillee | Unliquidated   | \$55,000.00 (see Settlement Agreement attached as Exhibit 11 to the Plan) |

# EXHIBIT H

**Exhibit H**

**Class 7 –General Unsecured Claims**

| CLAIMANT                                     | CLAIMED AMOUNT | ALLOWED AMOUNT          |
|--|----------------|-------------------------|
| Dean F. Bentley                              | \$1,000.00     | \$1,000.00              |
| CCFD Board of Directors                      | \$27,960.00    | \$0.00                  |
| Centreville Savings Bank                     | \$942,523.74   | \$942,523.74            |
| Loren Dailey                                 | \$18,173.40    | Subject to verification |
| Keith J. DeCesare, Jr.                       | \$43,238.00    | Subject to verification |
| Michael DeCesare                             | \$88,527.83    | Subject to verification |
| Christopher Dubowski                         | \$7,595.59     | Subject to verification |
| William Fontaine                             | \$5,000.00     | \$5,000.00              |
| Ryan Garrahan                                | \$9,237.69     | Subject to verification |
| Gorham & Gorham                              | \$21,025.00    | \$0.00                  |
| Tracy Lynn Hall                              | \$36,000.00    | \$36,000.00             |
| David Keith Hankins                          | \$16,910.36    | Subject to verification |
| Motorola Solutions                           | \$85,203.84    | \$85,203.84             |
| Scott J. Murray                              | \$18,040.00    | \$18,040.00             |
| Thomas J. Noonan                             | \$28,018.00    | \$28,040.00             |
| James Peltier                                | \$376,816.00   | \$376,816.00            |
| Alexander Potts                              | \$9,090.72     | Subject to verification |
| RI Emergency Management Agency               | \$102,605.10   | \$0 (settlement)        |
| Donald Roderick                              | \$28,901.00    | Subject to verification |
| Kevin Schnell                                | \$23,639.89    | Subject to verification |
| Kevin Schnell                                | \$9,000.00     | \$9,000.00              |
| Kevin Schnell                                | \$4,387.00     | Subject to verification |
| The Dawson Group, Inc.                       | \$8,885.00     | \$8,885.00              |
| Town of Coventry (pre-petition rent)         | \$30,500.00    | \$0                     |
| Town of Coventry (post-petition rent)        | \$1,500.00     | \$0                     |
| Town of Coventry (pre-petition loan)         | \$300,000.00   | \$300,000.00            |
| Volunteer Firemen's Insurance Services, Inc. | \$8,227.00     | \$8,227.00              |
| Wex Bank                                     | \$12,054.00    | \$12,054.00             |
| Linton Wilder IV                             | \$13,637.53    | Subject to verification |

# EXHIBIT I

**Exhibit I**

**Class 8 –General Unsecured Convenience Claims**

| CLAIMANT  | CLAIMED AMOUNT | ALLOWED AMOUNT          |
|---|----------------|-------------------------|
| Artcraft & Foremost Inc. dba<br>Foremost Promotions | \$659.00       | \$659.00                |
| Airhart Electric, Inc.                              | \$240.00       | \$240.00                |
| Bound Tree Medical                                  | \$501.00       | \$501.00                |
| C&S Specialty, Inc.                                 | \$3,936.00     | \$3,936.00              |
| Coastline EAP                                       | \$1,500.00     | \$1,500.00              |
| Industrial Welders Supply                           | \$381.00       | \$381.00                |
| Internal Revenue Service                            | \$0.00         | \$0.00                  |
| Susannah & George Lacombe                           | \$770.00       | \$770.00                |
| Gregory D. Marques                                  | \$2,720.00     | Subject to verification |
| Minuteman Trucks, Inc.                              | \$824.00       | \$824.00                |
| Providence Journal Company                          | \$1,053.00     | \$1,053.00              |
| Purvis Systems Inc.                                 | \$3,980.00     | \$3,980.00              |
| Racman, Inc.  | \$565.00       | \$565.00                |
| Ray Plante & Sons, Inc.                             | \$210.00       | \$210.00                |
| William Reid  | \$297.00       | \$297.00                |
| Shipman's Fire Equipment<br>Co., Inc.               | \$805.00       | \$805.00                |
| Sprint  | \$2,029.00     | \$2,029.00              |
| Staples Advantage                                   | \$459.00       | \$459.00                |
| Sullivan Tire Co.                                   | \$1,035.00     | \$1,035.00              |
| Universal Gold, Inc.                                | \$1,051.00     | \$1,051.00              |
| WS Acquisition LLC dba<br>Western Shelter Sys       | \$907.00       | \$907.00                |



# EXHIBIT J

### **SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (this "Agreement") is entered into as of the date last signed below (the "Effective Date"), by and between the Central Coventry Fire District (the "District") and Christopher Leveillee ("Mr. Leveillee"). The District and Mr. Leveillee are collectively referred to as the "Parties."

WHEREAS, Mr. Leveillee could file a claim against the District in the United States Bankruptcy Court for the District of Rhode Island (In re Central Coventry Fire District, Case No. 14-12785 (the "Claim")) for health care insurance benefits in his capacity as a retiree of the District;

WHEREAS, the District denies any wrongdoing or liability in connection with the Claim and disputes Mr. Leveillee's right to an accidental disability pension from the District with related health care insurance benefits; and

WHEREAS, the Parties agree that it is in their best interest to avoid the costs and uncertainty involved in future litigation and to resolve any and all claims and disputes between them arising out of facts, events, or conduct leading up to or related in any way to the Claim, on the terms and conditions set forth below;

NOW, THEREFORE, for and in consideration of the promises, terms, conditions, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Settlement Payment.**

(a) In consideration of the execution of this Agreement, the District will pay to Mr. Leveillee, or his lawful heirs, if applicable, the amount of Fifty-Five Thousand Dollars (\$55,000) (the "Settlement Payment"). The Settlement Payment will be paid in five (5) yearly installments of Eleven Thousand Dollars (\$11,000) commencing on September 1, 2015.

(b) The District will issue to Mr. Leveillee yearly Form 1099's for the amount of the Settlement Payment installments. Mr. Leveillee acknowledges that the District makes no representations or warranties regarding the taxability of the Settlement Payment. Mr. Leveillee agrees that he shall bear responsibility for, and shall indemnify and hold harmless the District and its attorneys from any taxes, penalties or interest, if any, determined by any taxing authority to result therefrom.

2. **General Release by Mr. Leveillee.**

(a) In consideration of the Settlement Payment and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Mr. Leveillee, for himself, his heirs and assigns, does hereby forever release and discharge the District and its affiliates, predecessors, successors, assigns, officers, directors, agents, employees, and insurers and any other related entities or persons, present and former, (collectively referred to as the "District Released Parties") from any and all causes of action, actions, judgments, liens, indebtedness, damages, losses, claims, liabilities and demands of whatsoever kind and character in any manner whatsoever arising

prior to the Effective Date of this Agreement, and, without limiting the generality of the foregoing, specifically from all claims or allegations related to Mr. Leveillee's employment by the District and termination of his employment with the District and all claims or allegations which could have been asserted by Mr. Leveillee in the Bankruptcy proceedings or in subsequent litigation, including claims for attorneys' fees (collectively, "Leveillee's Released Claims"). This General Release of Claims does not apply to any claim by Mr. Leveillee for unemployment benefits.

(b) Mr. Leveillee acknowledges and agrees that (i) he may have sustained damages, expenses and losses in connection with the subject matter of Leveillee's Released Claims, which are presently unknown or not suspected and that such damages, expenses and losses, if any, may give rise to additional damages, expenses and losses in the future which are not now anticipated by him, and (ii) that the release set forth in subparagraph 2(a) above ("Leveillee Release") has been negotiated and agreed upon despite this realization and, being fully advised, Mr. Leveillee expressly waives any and all rights he may have under any agreement, statute, or common law principle which would limit the effect of the Leveillee Release to those claims actually known or suspected to exist at the time of the effectiveness of the Leveillee Release.

(c) Notwithstanding any possibility that Mr. Leveillee or his counsel may discover or gain a more complete understanding of the facts, events or law which, if presently known or fully understood, would have affected the Leveillee Release, the Leveillee Release shall be deemed to have fully, finally and forever settled any and all claims encompassed by the Leveillee Release, without regard to the subsequent discovery or existence of different or additional facts, events or law.

(d) Mr. Leveillee acknowledges that the execution of this Agreement is not, and shall not be construed for any purpose as, an admission of fault or wrongdoing by the District. Mr. Leveillee further acknowledges that the Settlement Payment shall not constitute an admission of any liability by the District for the matters alleged in the Claim, but rather the Settlement Payment constitutes the settlement of disputed claims between the Parties and reflects the Parties' desire to avoid further costs and expenses associated with the Claim and any related litigation.

(e) Mr. Leveillee represents that he has not commenced and that he will not at any time after the Effective Date commence any action, lawsuit, or other legal proceeding or file any charge or complaint with any federal, state or local agency against the District Released Parties arising from events prior to the Effective Date. Mr. Leveillee specifically waives any right to become and promise to take all necessary steps to be excluded as a member of any class in a case in which a claim against any of the District Released Parties is made involving any event up to and including the Effective Date, except where such waiver is prohibited by law. Mr. Leveillee further agrees not to in any way assist or cooperate with any individual or entity in commencing or prosecuting any action or proceedings against any of the District Released Parties, including providing documents, testimony, statements or otherwise participating or permitting others to participate on their behalf, in any such litigation or investigation arising from such proceedings except by order of a court of competent jurisdiction, subpoena or as otherwise required by law. Mr. Leveillee agrees to provide prompt notice to the District upon receipt of any such order or subpoena.

(f) Mr. Leveillee understands and expressly agrees that this Agreement extends to all claims of every nature and kind, asserted or unasserted, known or unknown, suspected or

unsuspected, which now exist or may hereafter accrue, arising from, relating or attributable to any alleged conduct of the District Released Parties occurring prior to the Effective Date of this Agreement, whether referred to herein or not. These claims include, but are not limited to, claims arising under federal, state and local statutory law, any common law or equitable claims alleging breach of contract, defamation, fraud, outrageous conduct, promissory estoppel, violation of public policy, or any other tort, contract or equitable theory.

(g) Nothing in this release prohibits Mr. Leveillee from filing a charge or complaint with, communicating with, or cooperating with any investigation of unfair or illegal employment practices by, the United States Equal Employment Opportunity Commission (E.E.O.C.) or equivalent state equal employment agency or any other equivalent state human rights agency. However, Mr. Leveillee agrees that he will not accept any monetary recovery from any Action or complaint filed against the District Released Parties before the E.E.O.C. or equivalent state equal employment agency.

3. Post Settlement Obligations of Mr. Leveillee with Respect to the Bankruptcy Proceeding

(a) Mr. Leveillee hereby agrees that he will execute a ballot approving the District's Plan of Debt Adjustment provided it conforms to the terms and conditions set forth herein.

(b) Mr. Leveillee hereby agrees that it will not object to the District's eligibility to file for bankruptcy protection pursuant to Chapter 9 of the United States Bankruptcy Code.

(c) Mr. Leveillee hereby agrees that he will not object to the District's Plan of Debt Adjustment provided it conforms to the terms and conditions set forth herein.

3. General Release by the District.

The District hereby releases and forever discharges Mr. Leveillee from any and all causes of action, actions, judgments, liens, indebtedness, damages, losses, claims, liabilities and demands of whatsoever kind and character in any manner whatsoever arising prior to the Effective Date of this Agreement, including any challenge to Mr. Leveillee's initial eligibility for disability retirement benefits.

4. No Disparagement.

Mr. Leveillee agrees he will not directly or indirectly make or issue or cause to be made or issued any disclosure, announcement or statement (including, without limitation, any disclosure or statement to any journalist or member of the media) which disparages the District Released Parties or in any manner solicit or encourage any other individual or entity to do so and that he will not otherwise do or say anything that could harm the District Released Parties' interests or the reputation of any of the District's officers or employees. Mr. Leveillee agrees that he has advised the members of his family (defined as his spouse, children, parents and siblings, if any) that they should not disparage the District Released Parties as it relates to the substance of the Action. The District will take reasonable steps to inform administrative /management personnel believed to have knowledge

of the circumstances of Mr. Leveillee's separation and/or of this Agreement that they should refrain from making any statement that disparages Mr. Leveillee.

5. No Future Employment.

Mr. Leveillee agrees not to seek employment by the District at any time.

6. Signing Knowingly and Voluntarily.

Mr. Leveillee acknowledges that he is signing this Agreement knowingly and voluntarily and that he has not been pressured or coerced to do so by anyone connected with the District. Nor does Mr. Leveillee believe that the process by which he has been offered this Agreement is discriminatory in any manner. Mr. Leveillee acknowledges that he has been encouraged to seek the advice of legal counsel before executing this Agreement.

7. Miscellaneous.

(a) Each term of this Agreement is contractual and not merely a recital.

(b) This Agreement may be executed in multiple counterparts, each of which shall be fully effective as an original, but which together shall constitute one instrument.

(c) This Agreement contains all of the representations and warranties, express and implied, oral and written, of the Parties hereto, and the entire understanding and agreement between and among the Parties hereto with respect to the subject matter hereof. No other agreements, covenants, representations, or warranties, express or implied, oral or written, have been made by any Party with respect to the subject matter of this Agreement. All prior and contemporaneous conversations, negotiations, proposed agreements, representations, covenants, and warranties with respect to the subject matter of this Agreement are merged herein, waived, superseded, and replaced in total by this Agreement. This is an integrated agreement. It may not be altered or modified except by a writing signed by all Parties in interest at the time of the alteration or modification.

(d) Each of the Parties agrees to execute all documents and take all such further action as may be necessary to evidence and effect the provisions of this Agreement.

(e) If any provision of this Agreement is held to be illegal or invalid by a court of competent jurisdiction, such provision shall be severed and deleted and neither such provision nor its severance and deletion shall affect the validity of the remaining provisions.

(f) This Agreement shall be considered to be jointly drafted by the Parties hereto and shall not be construed against any Party.

(g) This Agreement will be governed by the laws of the State of Rhode Island. The Parties to this Agreement consent to the jurisdiction of any state and/or federal court within the State of Rhode Island.

(h) This Agreement shall continue perpetually and shall be binding on the Parties, their heirs, officers, directors, employees, representatives, agents, parents, affiliates, subsidiaries, predecessors, successors, related companies, assigns, and all other persons, firms and corporations with any interest therein.

(i) The Parties agree that neither the waiver by any Party of a breach of or default under any of the provisions of this Agreement, nor the failure of any Party, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any provisions, rights or privileges hereunder.

(j) All notices and other communications which are required and may be given pursuant to the terms of this Agreement shall be in writing and shall be sufficient and effective in all respects if given in writing or facsimile, delivered or mailed by registered or certified mail, postage prepaid, as follows:

If to Mr. Leveillee: Christopher Leveillee  
3115 Patriot Way  
West Greenwich, RI 02817

If to the District: Heather L. Martino, Esq.  
Chief of Staff to the Receiver of the  
Central Coventry Fire District  
Rhode Island Department of Revenue  
One Capitol Hill  
Providence, RI 02908  
Phone: (401) 574-9907  
Fax: (401) 574-8997

With a copy to: Timothy Cavazza, Esq.  
Whelan, Corrente, Kinder & Siket LLP  
100 Westminster St., Suite 710  
Providence, RI 02903  
(401) 270-4500 (tel.)  
(401) 270-3760 (fax)

WHEREFORE, the Parties have executed this Agreement or have caused this Agreement to be executed on their behalf by the signatures of duly authorized representatives.

**CENTRAL COVENTRY  
FIRE DISTRICT**

By: \_\_\_\_\_  
Mark Pfeiffer,  
State Appointed Receiver

Dated: \_\_\_\_\_

**CHRISTOPHER LEVELLEE**

Signed:  \_\_\_\_\_

Dated: 05/19/2015

00013944.DOCXv2

# EXHIBIT K



**ANNUAL ATTESTATION FORM**

**THIS IS THE "ANNUAL ATTESTATION FORM" REFERRED TO IN THE PLAN OF DEBT ADJUSTMENT OF THE CENTRAL COVENTRY FIRE DISTRICT DATED SEPTEMBER 18, 2015, AS CONFIRMED BY THE COURT BY ORDER ENTERED [ ]**

The Plan of Debt Adjustment of the Central Coventry Fire District dated September 18, 2015 (the "Plan"), requires that, through fiscal year ending August 31, 2020, within thirty (30) days after the Central Coventry Fire District (the "District") enacts a budget or an amended budget, each person acting with the powers of an elected official (i.e. the members of the Board of Directors or state-appointed fiduciary, as the case may be) (the "Elected Official"), must sign an Annual Attestation Form to attest, under oath, that to the best of his or her knowledge and belief, the budget is in "Material Conformity" with the Five-Year Financial Projection to the Plan, or to the extent that the budget is not in Material Conformity with the Five-Year Financial Projection to the Plan, the Elected Official shall identify the specific line items in the budget that are not in Material Conformity with the Five-Year Financial Projection to the Plan. "Material Conformity" shall mean that the budget is consistent with the Five-Year Financial Projection to the Plan and/or that any increase in expenditures in any line item as compared to the Five-Year Financial Projection to the Plan is offset by increases in revenues and/or decreases in expenditures as compared to the Five-Year Financial Projection to the Plan. Any assumptions regarding additional revenues and/or decreases in expenditures must be reasonable.

-----  
The Central Coventry Fire District enacted a budget or amended budget on [Date] (the "Budget"), a copy of which is annexed hereto. This Annual Attestation Form is submitted in connection with the Budget.

**Under the pains and penalties of perjury, I, the undersigned, hereby attest under oath that to the best of my knowledge and belief, the Budget, referenced above, is in Material Conformity with the Five-Year Financial Projection to the Plan of Debt Adjustment:**

**WITNESS**

**ELECTED OFFICIAL OR FIDUCIARY  
ACTING WITH THE POWERS OF  
AN ELECTED OFFICIAL**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

Case 1:14-bk-12785 Doc 231-29 Filed 09/18/15 Entered 09/18/15 13:00:38 Desc Exhibit K to Provisional Plan of Debt Adjustment Page 2 of 4

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

**Under the pains and penalties of perjury, I, the undersigned, attest under oath that to the best of my knowledge and belief, the Budget, referenced above, is NOT in Material Conformity with the Five-Year Financial Projection to the Plan of Debt Adjustment. I have identified the specific line items in the Budget, referenced above, that are NOT in Material Conformity with the Five-Year Financial Projection to the Plan of Debt Adjustment in the Note attached hereto, which I have signed.**

**WITNESS**

**ELECTED OFFICIAL OR FIDUCIARY  
ACTING WITH THE POWERS OF  
AN ELECTED OFFICIAL**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

This Annual Attestation Form must be electronically filed with the United States Bankruptcy Court for the District of Rhode Island, and a copy must be sent by first class mail to Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, RI 02908.

# EXHIBIT L

**ANNUAL ADMINISTRATION AND FINANCE OFFICER STATEMENT**

**THIS IS THE “ANNUAL ADMINISTRATION AND FINANCE OFFICER STATEMENT” REFERENCED IN THE PLAN OF DEBT ADJUSTMENT OF THE CENTRAL COVENTRY FIRE DISTRICT DATED SEPTEMBER 18, 2015, AS CONFIRMED BY THE COURT BY ORDER ENTERED [            ].**

The Plan of Debt Adjustment of the Central Coventry Fire District, dated September 18, 2015 (the “Plan”), requires that, through fiscal year ending August 31, 2020, within thirty (30) days after the Central Coventry Fire District (the “District”) enacts a budget or an amended budget, each person acting with the powers of an elected official (i.e. the members of the Board of Directors or state-appointed fiduciary, as the case may be) (an “Elected Official”), must sign an Annual Attestation Form to attest, under oath, that to the best of his or her knowledge and belief, the budget is in “Material Conformity” with the Five-Year Financial Projection to the Plan, or to the extent that the budget is not in Material Conformity with the Five-Year Financial Projection to the Plan, the Elected Official shall identify the specific line items in the budget that are not in Material Conformity with the Five-Year Financial Projection to the Plan. “Material Conformity” shall mean that the budget is consistent with the Five-Year Financial Projection to the Plan and/or that any increase in expenditures in any line item as compared to the Five-Year Financial Projection to the Plan is offset by increases in revenues and/or decreases in expenditures as compared to the Five-Year Financial Projection to the Plan. Any assumptions regarding additional revenues and/or decreases in expenditures must be reasonable.

The Plan further requires that, through fiscal year ending August 31, 2020, within fourteen (14) days after Elected Officials file an Annual Attestation Form, the Administration and Finance Officer appointed under R.I. Gen. Laws Section 45-9-10 shall file an “Annual Administration and Finance Officer Statement” stating whether he or she agrees or disagrees with the attestations of the Elected Officials. If the Administration and Finance Officer disagrees with the attestations of an Elected Official, he or she shall explain why.

-----

The Elected Officials filed an Annual Attestation Form with the Bankruptcy Court on or about \_\_\_\_\_, 20\_\_\_. This Annual Administration and Finance Officer Statement is submitted in connection with that Annual Administration and Finance Officer Statement.

**I, the undersigned, am the Administration and Finance Officer for the Central Coventry Fire District.**

*[check one]*

- I agree with all of the attestations on the Annual Attestation Form referenced above.**
- I do not agree with all of the attestations on the Annual Attestation Form referenced above for the reasons set forth in the Note annexed hereto.**

---

Administration and Finance Officer  
Printed Name:  
Date:

This Annual Administration and Finance Officer Statement must be electronically filed with the United States Bankruptcy Court for the District of Rhode Island and a copy must be sent by first class mail to Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, RI 02908.

# EXHIBIT M

Case 1:14-bk-12785 Doc 231-31 Filed 09/18/15 Entered 09/18/15 13:00:38 Desc Exhibit M to Provisional Plan of Debt Adjustment Page 1 of 5

**QUARTERLY ATTESTATION FORM**

**THIS IS THE “QUARTERLY ATTESTATION FORM” REFERRED TO IN THE PLAN OF DEBT ADJUSTMENT OF THE CENTRAL COVENTRY FIRE DISTRICT DATED SEPTEMBER 18, 2015, AS CONFIRMED BY THE COURT BY ORDER ENTERED [                      ].**

The Plan of Debt Adjustment of the Central Coventry Fire District, dated September 18, 2015 (the “Plan”), requires through fiscal year ending August 31, 2020, that within thirty (30) days after the end of each fiscal quarter, each person acting with the powers of an elected official (i.e. the members of the Board of Directors or state-appointed fiduciary, as the case may be) (an “Elected Official”) must sign an Quarterly Attestation Form, stating under oath whether or not actual financial performance by the Central Coventry Fire District (the “District”) during the prior fiscal quarter and year-to-date remains in Material Conformity with the terms of the Five-Year Financial Projection. To the extent that an Elected Official states that actual financial performance by the District during the prior fiscal quarter and year-to-date does not remain in Material Conformity with the terms of the Five-Year Financial Projection, the Elected Official shall identify the specific line items that do not remain in Material Conformity with the Five-Year Financial Projection. “Material Conformity” shall mean that the budget is consistent with the Five-Year Financial Projection to the Plan and/or that any increase in expenditures in any line item as compared to the Five-Year Financial Projection to the Plan is offset by increases in revenues and/or decreases in expenditures as compared to the Five-Year Financial Projection to the Plan. Any assumptions regarding additional revenues and/or decreases in expenditures must be reasonable.

-----

This Quarterly Attestation Form covers the prior fiscal quarter which includes the period \_\_\_\_\_ through \_\_\_\_\_. This Quarterly Attestation Form is submitted in connection with this period.



**Under the pains and penalties of perjury I, the undersigned, hereby attest under oath that to the best of my knowledge and belief, actual financial performance by the District during the prior fiscal quarter and year-to-date remains in Material Conformity with the terms of the Five-Year Financial Projection:**

**WITNESS**

**ELECTED OFFICIAL OR FIDUCIARY  
ACTING WITH THE POWERS OF AN  
ELECTED OFFICIAL**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

**Under the pains and penalties of perjury, I, the undersigned, hereby attest under oath that to the best of my knowledge and belief, actual financial performance by the District during the prior fiscal quarter and year-to-date does NOT remain in Material Conformity with the terms of the Five-Year Financial Projection. I have identified the specific line items in which actual financial performance are NOT in Material Conformity with the Five-Year Financial Projection to the Plan of Debt Adjustment in the Note attached hereto, which I have signed.**

**WITNESS**

**ELECTED OFFICIAL OR FIDUCIARY  
ACTING WITH THE POWERS OF AN  
ELECTED OFFICIAL**

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name:  
Board Member  
Date:

This Quarterly Attestation Form must be electronically filed with the United States Bankruptcy Court for the District of Rhode Island and a copy must be sent by first class mail to Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, RI 02908.

# EXHIBIT N

**QUARTERLY ADMINISTRATION AND FINANCE OFFICER STATEMENT**

**THIS IS THE "QUARTERLY ADMINISTRATION AND FINANCE OFFICER STATEMENT" REFERRED TO IN THE PLAN OF DEBT ADJUSTMENT OF THE CENTRAL COVENTRY FIRE DISTRICT DATED SEPTEMBER 18, 2015, AS CONFIRMED BY THE COURT BY ORDER ENTERED [            ] .**

The Plan of Debt Adjustment of the Central Coventry Fire District, dated September 18, 2015 (the "Plan"), requires through fiscal year ending August 31, 2020, that within thirty (30) days after the end of each fiscal quarter, each person acting with the powers of an elected official (i.e. the members of the Board of Directors or state-appointed fiduciary, as the case may be) (an "Elected Official") must sign an Quarterly Attestation Form, stating under oath whether or not actual financial performance by the Central Coventry Fire District (the "District") during the prior fiscal quarter and year-to-date remains in Material Conformity with the terms of the Five-Year Financial Projection. To the extent that an Elected Official states that actual financial performance by the District during the prior fiscal quarter and year-to-date does not remain in Material Conformity with the terms of the Five-Year Financial Projection, the Elected Official shall identify the specific line items that do not remain in Material Conformity with the Five-Year Financial Projection. "Material Conformity" shall mean that the budget is consistent with the Five-Year Financial Projection to the Plan and/or that any increase in expenditures in any line item as compared to the Five-Year Financial Projection to the Plan is offset by increases in revenues and/or decreases in expenditures as compared to the Five-Year Financial Projection to the Plan. Any assumptions regarding additional revenues and/or decreases in expenditures must be reasonable.

The Plan further requires through fiscal year ending August 31, 2020, that within fourteen (14) days after the Elected Officials file a Quarterly Attestation Form, the Administration and Finance Officer appointed under R.I. Gen. Laws Section 45-9-10 shall file an "Quarterly Administration and Finance Officer Statement" stating whether he or she agrees or disagrees with the attestations of the Elected Officials. If the Administration and Finance Officer disagrees with the attestations of an Elected Official, he or she shall explain why.

-----

The Elected Officials filed a Quarterly Attestation Form with the Bankruptcy Court on or about \_\_\_\_\_. This Quarterly Administration and Finance Officer Statement is submitted in connection with that Quarterly Attestation Form.

**I, the undersigned, am the Administration and Finance Officer for the  
Central Coventry Fire District.**

*[check one]*

- I agree with all of the attestations on the Quarterly Attestation Form  
referenced above.**
- I do not agree with all of the attestations on the Quarterly Attestation Form  
referenced above for the reasons set forth in the Note annexed hereto.**

---

Administration and Finance Officer

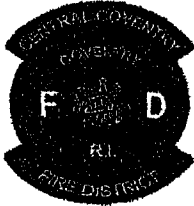
Printed Name:

Date:

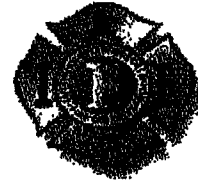
This Quarterly Administration and Finance Officer Statement must be electronically filed with the United States Bankruptcy Court for the District of Rhode Island and a copy must be sent by first class mail to Director of Revenue, State of Rhode Island, Department of Revenue, One Capitol Hill, Providence, RI 02908.

# EXHIBIT O

# AGREEMENT



Between the



**CENTRAL COVENTRY FIRE DISTRICT**

and

**International Association of Fire Fighters**

**LOCAL 3372**

**April 19, 2015 – August 31, 2015**

FINAL VERSION DO NOT C...



INDEX

**ARTICLE I - GENERAL**

|                             |    |
|-----------------------------|----|
| 1. Contract                 | 4  |
| 2. Recognition              | 4  |
| 3. Union Security           | 4  |
| 4. Management Rights        | 5  |
| 5. Definition of Employee   | 5  |
| 6. Duties                   | 6  |
| 7. Permanent Status         | 9  |
| 8. Personnel Records        | 10 |
| 9. Discharge and Discipline | 11 |
| 10. Safety and Health       | 12 |

**ARTICLE II - EMPLOYEE BENEFITS**

|                                   |    |
|-----------------------------------|----|
| 1. Seniority                      | 17 |
| 2. Bid System                     | 17 |
| 3. Temporary Service out of Rank  | 20 |
| 4. Staffing                       | 22 |
| 5. Minimum Staffing               | 23 |
| 6. Layoffs and Contracting Out    | 23 |
| 6A. Successor and Assignee Clause | 23 |
| 7. Probation Period               | 24 |
| 8. Promotions                     | 25 |
| 9. Hours                          | 33 |
| 10. Substitutions                 | 34 |
| 11. Clothing Allowance            | 34 |
| 11A. Protective Equipment         | 36 |
| 12. Deferred Compensation Plan    | 37 |

**ARTICLE III - COMPENSATION**

|  |    |
|--|----|
| 1. Salaries  | 37 |
| 2. Paid Holidays                                     | 37 |
| 3. FLSA Overtime                                     | 38 |
| 4. Collateral Pay                                    | 40 |
| 5. Procedures for filling Vacancies in 3-Platoons    | 41 |
| 6. Procedures for filling Vacancies for Fire Marshal | 42 |
| 7. Callback  | 43 |
| 8. Details   | 43 |
| 9. Court Attendance                                  | 44 |
| 10. No Pyramiding of Premium Pay                     | 45 |

**INDEX**

**ARTICLE IV - LEAVE**

|                                |    |
|--------------------------------|----|
| 1. Sick Leave                  | 45 |
| 2. Family Illness Leave        | 46 |
| 3. Death in the Family         | 47 |
| 4. Personal Days               | 47 |
| 5. Vacation                    | 48 |
| 6. Time Off for Union Business | 50 |
| 7. Educational Leave           | 51 |
| 8. Tuition Reimbursement       | 52 |
| 9. Extended Leave of Absence   | 53 |
| 10. Military Leave             | 53 |
| 11. Emergency Leave            | 54 |
| 12. Compensatory Time          | 54 |
| 13. Extended Sick Leave Pool   | 55 |
| 14. Leave Transfers Prohibited | 56 |

**ARTICLE V - MEDICAL / PENSION**

|                                   |    |
|-----------------------------------|----|
| 1. Medical and Dental             | 56 |
| 2. Life Insurance                 | 58 |
| 3. Vision Care                    | 59 |
| 4. Pension                        | 59 |
| 5. In-Line-of-Duty-Illness/Injury | 60 |
| 6. In-Line-of-Duty-Death          | 61 |
| 7. Disability Retirement          | 62 |
| 8. Retired Employee Benefits      | 64 |

**ARTICLE VI - GRIEVANCE - ARBITRATION**

|                        |    |
|------------------------|----|
| 1. Grievance Procedure | 64 |
| 2. Arbitration         | 66 |
| 3. Severability        | 66 |
| 4. Duration            | 66 |

|                |    |
|----------------|----|
| Signature Page | 67 |
|----------------|----|

**Appendices:**

- Appendix A: Deferred Clothing Allowance Schedule.
- Appendix B: Salary Scale.
- Appendix C: Health Insurance Summary Plan Document
- Appendix D: Dental Insurance Summary Plan Document.
- Appendix E: Participating Provider Network and Pharmacies.
- Appendix F: Memorandum of Agreement for Keith J. DeCesare Jr.

**ARTICLE I  
GENERAL**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

**1. CONTRACT**

Pursuant to the provisions of Title 28, Chapter 9.01 of the General Laws of Rhode Island 1956 as amended, entitled "Fire Fighters' Arbitration", and Title 45, Chapter 9 of the General Laws of Rhode Island, entitled the "Fiscal Stability Act," this contract is made and entered into this \_\_\_\_ day of April 2015 by and between the CENTRAL COVENTRY FIRE DISTRICT ("District") acting through the State appointed Receiver ("Receiver") and LOCAL 3372, INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, AFL-CIO.

**2. RECOGNITION**

A. The Central Coventry Fire District (District) recognizes Local 3372, International Association of Fire Fighters, AFL - CIO (Union) as the sole and exclusive bargaining agent for full-time employees of the Central Coventry Fire District engaged in firefighting and rescue services, fire prevention and investigation, training and education, dispatching, and any other positions other than the Chief and Deputy Chief of the department, for the purpose of collective bargaining relative to wages, salaries, pension, hours, and terms and working conditions of employment. The rights of the District and its employees shall be respected, and the provisions of this contract shall be observed for the orderly settlement of all questions.

**3. UNION SECURITY**

A. The District agrees not to discharge or discriminate in any way against employees for Union membership or lawful Union activities. It is agreed by the parties that employees as defined herein, after the effective date of this contract, may become members of the Union and continue their membership throughout the life of this contract. Should the employee choose not to be a member of the Union, he/she shall then pay to the Union a representation fee equal to the annual dues paid by Union members. This representation fee shall be paid by payroll deduction on the same schedule as outlined for Union dues.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

B. The District shall deduct Union dues and or representation fees upon receipt of the written authorization from each fire fighter, and shall forward to the Treasurer of the Union such amounts as deducted. The Union hereby agrees to indemnify the District and hold it harmless from any and all claims, demands, and the cost of litigation for any action arising from the agency shop provisions of this Article.

**4. MANAGEMENT RIGHTS**

A. The District shall retain the right to issue rules and regulations governing the internal conduct of the District as provided by law and further shall at all times retain the right to manage and direct the operation of the District and discipline the District's members, except as modified by the terms of this contract and the duly established past practices of the parties.

B. The District shall also retain all other rights and responsibilities inherent in its Governing Board, the Board of Directors, the Executive Committee and any subcommittee thereof by virtue of existing statutory and charter provisions and District rules and regulations which are not inconsistent with the terms of this Agreement. Such rights and responsibilities shall include, but not be limited to, the responsibility for the efficient operation of the services of the District, administration of the district, discipline of its members and for the enforcement and execution of all laws, ordinances, and rules and regulations of the District.

C. The District will retain all rights and powers to recruit, select, and determine the qualifications of employees subject to the applicable sections of this Agreement.

D. Union officials will be permitted to meet with the Chief and/or representative of the District Board, to develop policies, procedures, or changes affecting personnel, working conditions, or general procedures by rule, regulation, or general order when such are in the process of development or institution. This allows for employee input in policies and procedures so that such are developed keeping the best interest of the professional operation of the district.

**5. DEFINITION OF EMPLOYEE**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

The term "employee" as used in this Agreement, means a full-time permanent employee of the District engaged in firefighting, fire prevention, fire investigation, training, rescue, emergency medical services, fire alarm and communication, and dispatching.

**6. DUTIES**

**A. Duties of Firefighter/EMT**

1. It shall be the duty of the Firefighter/EMT to perform the functions needed to assist in the prevention, control and extinguishment of fires; provision of rescue services; provide emergency medical services, perform the necessary administrative and service functions presently conducted by the fire department; and the upkeep of all buildings, grounds and equipment of the district.

2. The supervisors and the Chief may assign additional duties to personnel reporting to them. These duties will be assigned as on the job responsibilities to assist in the day-to-day operations of the District's fire and rescue services and shall be subject to the provisions set forth in Article I, Section 4.

3. At no time shall any employee covered under this agreement be required to perform any type of skilled labor, (i.e. carpentry, plumbing, electrical, mechanical, painting, automotive repair and maintenance, etc...) or any other duties beyond the scope of the day to day operation and maintenance of the Fire District as stated in this agreement. In no way does this mean that employees will not be required to do daily duties as outlined in the daily duty list, and in no way does this preclude any employee from voluntarily performing such skilled labor if they so desire.

4. Any formal job description(s) developed by the district shall be developed with the union Pursuant to Article I Section 4.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

**B. Duties of the fire marshal:**

1. It shall be the duty of the fire marshal to perform fire prevention and education, building construction plan review, building and dwelling inspections and code enforcement, and arson investigations. The fire marshal shall report and work directly to the Chief of the department

a. When the Fire Marshal(s) reports to an emergency incident, he/she shall report to and assist the Incident Commander as needed.

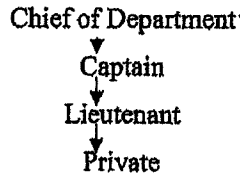
b. The Fire Marshal shall lead all fire investigations when requested by the emergency incident commander.

2. All eligible employees that bid to a Fire Marshal position shall serve a one (1) year probationary period. During the probationary period, the Chief of the Department shall review the performance of the Fire Marshal. During that time, if the Fire Marshal is not performing to the level of satisfaction of the Chief of Department and/or meeting obligations inherent in running the Fire Marshal's office, the fire chief shall provide a performance review, and an opportunity to improve, along with a reasonable and achievable outline for improvement shall be extended to the employee by the Chief of the department. The Fire Marshal will be subject to the progressive disciplinary policy as outlined within the collective bargaining agreement, up to and including the removal as Fire Marshal. Any employee removed from a Fire Marshal position for such cause shall return as a firefighter at the rank of private and shall receive pay commensurate to a private's pay scale.

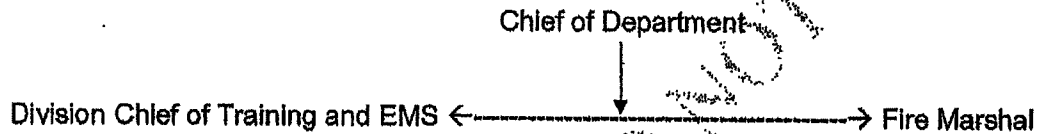
**C. Duties of other employees including those of the Fire Prevention Division, EMS Division, and Training Division shall be defined in the applicable sections of this agreement.**

1 **D. Chain of Command**

2 Chain of Command – Operations Division



9 Chain of Command -Support Division



16 **E. Duties of the Division Chief of Training and EMS:**

17 It shall be the duty of the Division Chief to be able to perform all of the duties of a  
18 firefighter/EMT as described above. It shall be the duty of the Division Chief to perform, conduct,  
19 and/or schedule the training of all new employees, as well as provide for continual and ongoing  
20 training of current employees in fire suppression, hazardous materials, and any and all other  
21 special services education and training as required and/or recommended by the NFPA and  
22 department policies. The Division Chief shall be responsible to maintain accurate and up to date  
23 training records for all employees and be responsible for all aspects of the district Training  
24 division to include training of all employees on the safe and proper use of all existing and new  
25 apparatus and equipment. The Division Chief shall work mutually with Platoon commanders in  
26 scheduling all trainings and shall set all training schedules; he/she shall attend training conferences  
27 and training meetings to keep abreast of current trends in the field; and represents the Fire  
28 Department at all local, state and other meetings related to the Training Coordinator position. The  
29 Division Chief shall assume the roles of the Incident Commander, Operations Officer, EMS  
30 Officer, Incident Safety Officer, or another command position as needed at any major incident. A  
31 formal and detailed job description may be developed by and between the district and the local at a

1 later date to define operational response of the Division Chief and other duties. The Division  
2 Chief shall report to and work directly for the Chief of the Department.

3  
4 **F. Additional Duties of the Division Chief of Training and EMS:**

5 It shall also be the duty of a Division Chief to perform, conduct, and/or schedule ongoing  
6 emergency medical education and training for the district, provide EMT refresher training to the  
7 district employees, provide CPR re-certification to the district employees, compile and file all  
8 rescue/medical billing, be responsible for all aspects of the district EMS division to include the  
9 coordination of the preventive maintenance and repairs for all EMS vehicles and equipment, assist  
10 the apparatus/equipment committee in drafting specifications for all new EMS vehicles and  
11 equipment, train all employees on the safe and proper use of all existing and new EMS apparatus  
12 and equipment, provide and maintain an annual employee vaccination program for communicable  
13 diseases, and to develop and maintain a risk control program for all aspects of infection control,  
14 blood borne and airborne pathogens. A formal and detailed job description may be developed by  
15 and between the district and the local at a later date to define operational response of the Division  
16 Chief and other duties. The Division Chief shall attend training conferences and training  
17 meetings to keep abreast of current trends in the field, and represent the Fire Department at all  
18 local, state and other meetings related to Emergency Medical Services.

19  
20 **7. PERMANENT STATUS**

21  
22 A. All employees shall be required, as a condition of employment, to obtain and maintain  
23 a current State of Rhode Island EMT - C license. Any firefighter possessing an EMT -  
24 Paramedic license at the time of execution of this Agreement shall not be required to obtain an  
25 EMT-C license, so long as he/she maintains his/her EMT-P license.

26  
27 B. The District will provide EMT & Paramedic recertification/refresher training and CPR  
28 training as required by State/Federal Law to maintain these certifications.

29 Each employee will maintain a current Rhode Island Driver's License. If, for any reason, the  
30 State takes any action against the employee's driver's license, the employee shall report it  
31 immediately to the Chief. If the seriousness of the situation warrants, a hearing will be held  
32 and the employee may be suspended until such time as the license is reinstated.



1  
2 C. The District will also provide training as required to meet any additional state  
3 mandated requirements, OSHA requirements as issued through the Rhode Island Department  
4 of Labor, EPA requirements as issued through the Rhode Island Department of Labor, or any  
5 other requirements as issued through the Rhode Island Department of Labor, or Rhode Island  
6 General Laws.

7  
8 D. Each employee will be required to attend such trainings as defined herein. If the  
9 employee is unable to attend the scheduled training, the employee may attend a make-up  
10 session provided by the District, or through arrangements made by the training officer, or may  
11 attend the makeup training outside of the District. The district shall pay all costs associated  
12 with training and re-certification, to include training pay if said training is not conducted  
13 during regular scheduled working hours.

14  
15 **8. PERSONNEL RECORDS**

16  
17 A. The employment record of each employee shall be available for inspection by the  
18 employee concerned, by District officials, and by others in accordance with lawful court  
19 orders. An employee who wishes to inspect his/her employment record shall do so during  
20 normal business hours of the administrative offices of the department. No Employee shall be  
21 denied the opportunity to view the contents of their employment file.

22  
23 B. An employee shall be provided with a copy of any and all evaluations, comments, or  
24 remarks concerning said employee's performance or discipline at least five (5) days before  
25 said evaluation, comment, remark, or discipline is placed in the employee's personnel history  
26 record. If an employee disagrees with said evaluation, comment, remark, or discipline, the  
27 employee may file a grievance as pursuant ARTICLE VI GRIEVANCE -- ARBITRATION,  
28 and said evaluation; comment, remark, or discipline shall not be placed in the employee's  
29 permanent employment record unless the final outcome of the grievance/ arbitration provides  
30 for such.

31  
32 C. A separate training file shall be kept for each employee. Any training that the  
33 employee receives shall be documented and a record shall be placed in the employee's training

1 file.

2  
3 D. A separate medical record file shall be kept for each employee. Any medical records  
4 that the district receives from the employee, his/her physician, or any other medical  
5 documentation shall be documented and a record shall be placed in the employee's medical  
6 file.

7  
8  
9 **9. DISCIPLINE AND DISCHARGE**

10  
11 A. Violations of the rules and regulations as issued by the District, or failure to meet  
12 performance standards, or failure to perform duties as outlined by the District or by this  
13 Agreement, or failure to obey the lawful, safe, and industry standard directives of a superior  
14 officer, or, failure to obey statutes, ordinances, or charter provisions, will result in progressive  
15 disciplinary action. The progressive discipline process will consist of:

16 Step 1: Verbal – Written Warning

17 Step 2: Written Warning

18 Step 3: Hearing between the disciplined employee, the district, and the union.

19 Progressive discipline shall be utilized for each new infraction. (A verbal warning on one issue  
20 does not constitute a written warning for a different and distinct issue)

21  
22 **B. Suspension**

23 No employee shall be suspended without pay until such time as the employee has been given a  
24 hearing between the disciplined employee, the district, and the union, and the outcome of the  
25 hearing provides for such suspension. This does not preclude the district from placing an  
26 employee on paid administrative duty pending the outcome of the hearing.

27 **C.** Any person who bids to the Division Chief vacancy shall serve a one hundred eighty  
28 (180) day probationary period. During the probationary period, the Chief of the Department  
29 shall review his/her performance as the Division Chief. During that time, if the Division Chief  
30 is not performing to the level of satisfaction of the Chief of the Department and/or meeting  
31 obligations inherent with being the Division Chief and/or fulfilling his/her Division  
32 Assignment of the Chain of Command, the Fire Chief shall provide a performance review and

1 an opportunity to improve, along with reasonable and achievable outline for improvement.  
2 The Division Chief will be subject to the progressive disciplinary policy as outlined within the  
3 collective bargaining agreement, up to and including a demotion from Division Chief. Any  
4 Division Chief demoted will move down one rank to the rank of Captain and shall not be  
5 eligible for a promotion or be able to bid to a vacancy within the Division Chief rank for a  
6 period as determined and agreed to by the district and the union.

7  
8 **10. SAFETY AND HEALTH**

9  
10 **A. MEDICAL EXAMS WHEN AN EMPLOYEE MAY CONSTITUTE A HAZARD**

- 11 1. It shall be the responsibility of each employee to maintain the standards of physical  
12 fitness required for the performance of his/her duties.
- 13 2. When the District suspects that the physical condition of an employee may constitute a  
14 hazard to himself/herself or to persons or property, the District may direct the employee to  
15 submit to a medical examination which shall be paid for by the District or by the medical  
16 insurance coverage provided by the District.
- 17 3. An employee who is required to submit to a medical examination at the direction of  
18 the District shall be compensated in accordance with the provisions of this Agreement.
- 19 4. Any employee who is directed to undergo a medical examination pursuant to the terms  
20 of this section shall execute a release authorizing the examining physician to notify the district  
21 whether or not the employee is physically fit to perform as a firefighter, and if not, when and  
22 under what conditions the employee may meet such requirements.
- 23 5. The employee will not return to work until such time that he/she can be reevaluated  
24 and the examining physician authorizes such return to duty status.
- 25 6. The intent of this section is to promote health and fitness and not to force early  
26 retirements or termination.

27  
28 **B. PHYSICAL FITNESS**

- 29 1. The employees are encouraged to maintain themselves in good physical condition due  
30 to the nature of firefighting and emergency medical service work. The District recognizes the  
31 importance of physical fitness training and encourages the use of the fire department  
32 gymnasium and fitness equipment.

1 2. In order to further encourage the use of the gymnasium, the District will allow a  
2 rotation of on-duty firefighters to utilize the gym facility each day during their platoon  
3 rotation, if the needs of the Department so allow. The firefighters will be allowed a maximum  
4 of two hours' time for each visit. The firefighters will remain available to respond to calls if  
5 needed. However, a reasonable attempt will be made by the Officer in Charge to cover their  
6 assignments during such time with on-duty personnel. The mechanics of this program will be  
7 developed by the Chief and IAFF Local 3372.

8 **C. HEALTH & SAFETY COMMITTEE**

9 1. The district recognizes the need for a Health & Safety committee (HSC) and further  
10 agrees to recognize the current, established HSC as the department HSC. The HSC will  
11 consist of one Chief Officer and the Department Health & Safety Officer, and no less than  
12 four additional bargaining unit members appointed by the local. The committee members shall  
13 select the Chairperson of the committee each January. The members of the committee shall  
14 also appoint a committee secretary each January, and he/she shall be responsible for taking  
15 minutes and filing reports. Recommendations from this committee shall be instituted in a  
16 timely manner. It shall be the desire and mission of the District and the local to work together  
17 and create a safe environment for both the firefighters and the community through following  
18 the intended recommendations and procedures of NFPA. The HSC Chairperson or Designee  
19 will be granted time off with pay when meeting and for any inspection or investigation of  
20 safety or health problems in the Fire Department, up to three hours or additional hours as  
21 authorized by the Chief of the Department. If a member is off duty during scheduled meetings  
22 or investigations, then the member shall be compensated with collateral pay.

23  
24 2. The District shall not restrict the HSC members from any Fire Department facility  
25 when investigating health and safety conditions.

26  
27 3. The Committee will be guided by, but not limited to, the following principles:

- 28 a. Make immediate detailed investigation into each accident, death or injury, to  
29 determine the fundamental causes.  
30 b. Inspect Fire Department facilities to detect hazardous physical conditions or unsafe  
31 work methods, including training procedures. Recommend changes or additions to  
32 protective equipment, protective apparel, or devices for the elimination of the hazards  
33 of fire duty.