**Fire Commission Meeting**

**Immokalee Fire Control District**

**Board Meeting**

May 22, 2014

These Minutes are a summary of the meeting. Any further information can be obtained by the tape. The minutes will follow the order of the Agenda.

Present Commissioners: Anderson, Deyo, Keen and Olesky; Chief Paul Anderson, Board Attorney Kenneth Thompson, Leo Rodgers, Jay Roth, Alma R. Valladares, Jeff Tuscan and Members of the Public. Commissioner Heath was absent.

1. Call Meeting to Order by Commissioner Anderson at 6:08pm
2. Pledge of Allegiance was led by Commissioner Anderson
3. Moment of Silence was led by Commissioner Anderson
4. Proof of Publication was led by Commissioner Anderson
5. Establish a Quorum was led by Commissioner Anderson
6. Approval of Agenda Commissioner Olesky asked if there are any changes. Chief Anderson mentioned that he would like to make a change to move B. New Business - 1. Request from American Cancer society for Use of Office Space at Station 30 (Beth Hayes, American Cancer Society) to A. Old Business number 1 and table Number 2. Contract with Sweet-Sparkman Architects and Owen-Ames-Kimball Builders to June 12th Meeting. We will move B. New Business – 1. Request from American Cancer Society for Use of Office Space at Station 30 to in front of A. Old Business. **Commissioner Olesky made motioned to approve changes to the agenda and seconded by Commissioner Keen. Motion carries unanimously.**
7. Approval of the April 17, 2014 Board Meeting Minutes was motioned to approve by Commissioner Keen and seconded by Commissioner Deyo. Motion carries unanimously.
8. Treasurer’s Report motion to approve by Commissioner Deyo and seconded by Commissioner Keen. Motion carries unanimously.
9. Consent Agenda Commissioner Keen asked that under the local 4657 the contract for negotiations of specified articles is that getting better? Chief Anderson mentioned that they have had 3 union officer changes since they started. They just had a meeting recently and came up with a tentative agreement with several of the items. Once he has a meeting with the Union he will request a meeting with the commissioners to talk about the negotiations. He will get the information before the meeting but we have to advertise ahead of time. We can have a short meeting for next month and have the meeting afterwards at 7:00pm. Attorney Thompson mentioned to let Lara Donlon know ahead of time so she can be available by phone. Commissioner Keen asked about the meeting he had with Chief Kopka if that was any better. Chief Anderson mentioned that the meeting was about increase life support coverage for both our districts. The scenario that we proposed would add 4 ALS units overall but it’s something that never got presented to them. Chief Kopka is not comfortable changing what is already approved unless he has the support of Commissioner Nance. He doesn’t want to support us. Commissioner Keen asked if it would make a difference if they talk to him. Chief Anderson said probably not. The trend in the entire state is going fire based EMS and that is not what Dr. Tolbert wants, so Commissioner Nance will agree with him. Commissioner Keen asked what is the communications center reference computer interface from dispatch software. Chief Anderson mentioned the sheriff’s office got a grant for an upgrade to the computer aided system. Its software is called Locution. It’s a fire station learning software; it’s how we get out calls. He met with them to go over our software. We use firehouse records management system for our fire reporting. He told them what our needs were for our interface for the cad system to automatically populate fields that are firehouse report with information from the cad. This prevents the guys from manually entering information from a call. A lot of the information that the dispatch knows is already on the report. Commissioner Keen mentioned that was all she had.
	* 1. Chief’s Report- Commissioner Anderson asked if anymore questions on Chief Anderson’s report.
		2. Fire Marshal Report – Commissioner Anderson asked Leo Rodgers that he’s noticed the invoices from Bull Riders and asked if they were behind at all.

There are invoices for April but no customer payments for April. Leo Rodgers mentioned that there was a payment for April 9th. Commissioner Anderson mentioned that the payment is not on the report. **Commissioner Olesky makes a motion to accept the consent agenda and Commissioner Deyo seconded the motion. Motion carries unanimously.**

1. Union Report- Josh Bauer, Secretary/Treasurer, mentioned that they are discussing merging local with North Naples and Golden Gate. They are working with Chief Anderson the contract issues are open and we have another meeting scheduled for the beginning of the month to discuss for the future.
2. Business of the District
3. **Old Business**
4. A Request from American Cancer Society for Use of Office Space at Station 30 (Beth Hayes, American Cancer Society) – Andrea Hallman mentioned that she is a volunteer with American Cancer Society and is requesting an office space here, a place where people that have cancer to be able to come and get benefits from American Cancer Society. They tried down the road from us but didn’t work with the stairs. They spoke to Chief Anderson and he mentioned they could do it here. People would feel safe coming here. There are quite a few people with cancer in Immokalee and we would be able to direct them with back and forth to Naples if they need to. They will have bras and wigs available. It’s a place to come and talk to someone. The meetings would be one day a month. They are open for 2 hrs, the last Thursday of the month. It’s basically going to depend on what is needed out here. Commissioner Olesky mentioned that he doesn’t have a problem with that. Chief Anderson mentioned that we have a couple of rooms available. He is working with scheduling the county crew jail to come out to clean and organize all those rooms. We will need to reorganize some space and also to give Armando acting as our public information staff. In cleaning up we will have an office available. Commissioner Olesky asked if the room was big enough. Andrea Hallman mentioned that it is. They need a little bit of privacy for their benefit. This would be sufficient. They have stuff in Naples but we don’t have anything out here. So, we need something out here. Commissioner Anderson mentioned if they would need a key or access to ours. Chief Anderson mentioned that they would have access to business hours.  **Commissioner Olesky made motioned to approve for use of office space at Station 30 and seconded by Commissioner Anderson.**
	1. Public comment- Jay Roth mentioned about liability insurance. Attorney Thompson mentioned we need an agreement for proof of insurance. Chief Anderson needs to type a letter giving them a 30 day notice to terminate the contract in case of conflict. Commissioner Olesky asked Andrea Hallman if this would meet their needs. Andrea Hallman said yes. **Commissioner Olesky made a motion to amend his vote to approve for use of office space at Station 30 and provide proof of insurance based upon a 30 day notice in case of conflict and Commissioner Anderson seconded the motion. Motion carries unanimously.** Andrea Hallman thanked the board.
5. Agreement with Collier EMS for housing an Ambulance at Fire Station 31- Chief Anderson mentioned to table this to June 12th meeting. **Commissioner Anderson made a motion to table the Agreement with Collier EMS for housing an Ambulance at Fire Station 31 to June 12th meeting and Commissioner Olesky seconded the motion. Motion carries unanimously.**
	1. Public comment- Chief Anderson mentioned that they made a couple of changes because they mentioned that they only wanted to pay 40% of utilities and we had said it was 50% of the cost. The other thing was that they had in the contract 5 yrs for a 5 yr term a total of 30 yrs. So, we changed it to a total of 5 yrs and come back and renew it. Another thing was that they could make any changes to their space they wanted to and that they could install a sign on the building, so he didn’t approve for that either. Just little things needed changes.
6. Status of Fire Code Official’s Office – Chief Anderson mentioned that he’s had a couple of meeting with the other chief’s regarding this. North Naples has submitted their 45 day notice, which they will be doing their own plans review starting June 2nd. Ed Riley, the fire code official just submitted his retirement notice and will be gone as of June 1st. East Naples is going with a private company. Right now, our plans would be reviewed by the private company at the fire codes office. East Naples has not send notice that they are leaving the FCOO. They do not want to be the ones to cause demise in the FOCO, so they will be the last ones to get out of FCCO. They anticipate that they’re plans review will be done by CCGM beginning mid to end of June. The county will be getting the plan review fees.

He spoke to Chief Shuldt that when he reads the contract between the fire district and the fire codes official office it looks like we are agreeing for them to do our plans review and collect the plans review fees for that unless we give them 45 days notice. East Naples is not going to challenge their own decision. His thought is that Immokalee is one of the 5 fire districts who have a vested interest in the fire code office. The plans review fees that were collected for doing plans review pay for the fire codes office, employees, operation of that building. The fees collected from all the districts pay for the construction of that building, so, all the 5 districts are part owners of that building. We have a vested interest in the reserves. There is $450,000 in the reserves account. If we go strictly by percentage of the workload than percentage of fees collected in the office, Immokalee amounts to about 5 to 6% of that workload. So, if you look at it that way, 5 or 6% of that $450,000 is Immokalee’s. But right now because North Naples has pulled out, those fees are gone. East Naples when they go to the county, those fees are gone. But they are still keeping the office open for Immokalee, Ochopee and Big Corkscrew. Ochopee and Big Corkscrew combined are only 1% of the workload. So, as soon as East Naples goes to the county, there will not be enough revenue remaining in that office to pay the employees that are still there. So, the revenue generated by plans review by Immokalee, Ochopee and Big Corkscrew is not enough to support paying 3 employees and rent of the building. They are going to have to start pulling out the reserves. When they start pulling out of those reserves, part of that is Immokalee’s. He has a problem with East Naples going to the county without giving their 45 day notice because as soon as East Naples gave their notice, he was going to come to the board and do the same because they can’t operate that office anymore. In the agreement for the fire code office they have that the employees are considered employees of the managing district, which is East Naples. East Naples has benefits provided to their employees’ health insurance to their retirees. So, they are saying that when the fire code official’s office goes away, all these people that have retired in the last month, somehow the fire code official’s office has to pay for their health insurance for the rest of their life. That means, creating a trust fund and they have to have an actuarial study done to determine how much it’s going to cost to pay their health insurance for the rest of their lives depending on their life expectancy. So there has to be a trust fund set up and money going into that fund to cover that trust fund to cover for the insurance is going to be the $450,000 in reserves plus anything over that of what the accountants determine would be needed. The building which is valued at $3 million would be sold. The money needed to cover the health insurance would be put in the trust fund. The remaining balance would be divided between the 5 independent fire districts. If they are going to start spending reserves, that’s less money to get divided up. So, part of those reserves belongs to the citizens of Immokalee. The contract that they have with the private company to do plans review is doing the plans review for 65% of the fees collected and the other 35% the fire code office keeps to help maintain the office. They had discussed of hiring another person to do inspections and they could do plans review as well. He spoke with Chief Stolts and asked if we could do a contract with Immokalee. If they would do our plans review and send someone a couple days a week to do existing building inspections for 75% of the fees collected including the existing building, then we would keep 25% of the fees. He indicated that they don’t have the resources to do existing buildings in Immokalee; he’s having trouble keeping up with Naples but he was open to doing the plans review. Commissioner Olesky asked how much are we paying now. Chief Anderson mentioned that they are getting 100% of the fees now. His option is to save the reserves in F.C.O. as well as help us out; we could either contract with the private company they have a contract with. We could contract with them directly. They would get 65% and we would get 35% of the fees. Or we could contract with North Naples. He would rather contract with a fire department based plans reviewer than a private company. They have stability and Naples is hiring people that have fire service background experience. Commissioner Anderson mentioned how we get hooked for having to pay for health insurance benefits for people retiring from East Naples. Chief Anderson mentioned that through the contract that all the districts signed with the fire code office. The contract states that the employee with the fire code office will be considered employees subject with the managing district. They are considered East Naples employees and East Naples employees get health insurance benefits after they retire. Attorney Thompson mentioned that he has an attorney that has done work for collier housing authority that lives here in Immokalee that can look at the contract.

 Commissioner Anderson said that he would like that. Chief Anderson that he agrees with attorney, he’s mentioned to them to show him where it when we tried to get a contract, where it says that we have to pay health benefits when they retire. Attorney Thompson mentioned that might say that but it doesn’t mean we pay. Chief mentioned that the assets from the F.C.O.O. have to pay. Commissioner Anderson mentioned we are not the one’s pulling out, so why should we have to. Commissioner Olesky mentioned how that would look in our audit if we have to pay someone else’s insurance benefits. Jeff Tuscan mentioned that we would be funding it with the assets when you sold the building with the refund from the reserves you are talking about. He can’t give his opinion since he isn’t a lawyer but on the surface it seems that they are their employees so, it’s their problem. If they win the legal challenge and the assets from the building sales, plus the reserves are not enough, you are going to have to kick in with assets. Chief Anderson mentioned that when he reads the agreement between the F.C.O.O. that in order for us to stop having our plans done there, we had to give them 45 days notice but East Naples isn’t doing that. He doesn’t want us to give our 45 days notice because he doesn’t know if it will have any impact on when the office is dissolved; if we would lose part of our interest. Attorney Thompson mentioned that if you resign from an organization you wouldn’t have any rights. Chief Anderson mentioned that he would think not to give them notice until. They still have 45% of the assets. Jay Roth asked if they still have 45% of the assets even though they don’t participate anymore. Chief mentioned that he doesn’t know if he wants to give our 45 days notice but to him, if the F.C.O.O. is contracted with these people and keeping 35% of the plans review fees, why couldn’t we contract with them directly and keep that 35%. Commissioner Olesky mentioned that he can’t see us doing that, putting someone who isn’t qualified. Commissioner Anderson mentioned that he doesn’t want to get into another situation where we are fighting this battle again later paying for somebody helping us. Chief Anderson mentioned that he’s just looking to the board for direction as to what to do. We would collect 35% of the fees and they would keep 65%. Once the county starts doing the plans review for East Naples, they are going to do the plans review for all of the county and the other districts as well, where Ochopee and Isle Capri are included. So, the only ones left in the F.C.O.O. at that time will be Immokalee and Big Corkscrew. Big Corkscrew is already in discussion with North Naples to contract with them. So, it’s a matter of time. Somebody needs to be the one to one of these meetings and say, “I make a motion we dissolve the Fire Codes Office.” East Naples is not going to do that but he doesn’t have any reservations of doing that because it’s draining money that, they are going to start pulling out of reserves. If the F.C.O.O. is legitimately responsible for paying retired health benefits, we will need all of that reserve money to pay that. The sooner the office goes away, the sooner they stop spending money. They are looking at July 8th having a joint meeting having all of the commissioners from all the fire districts at the Fire Code Office at 7:00 or 7:30 and if the discussion of dissolving the Fire Codes Office isn’t already on the agenda, he would request that they put on the agenda to dissolve the Fire Code Official’s Office. It’s destined to fail now. There is no revenue to pay the bill. Commissioner Anderson mentioned to look at the F.C.O.O. contract on page 4. The option is to go with Collier County Growth Management; he’s just heard a lot of complaints with them. Commissioner Anderson mentioned that complaints with CCGM, not happy with some of the staff or the possibility of the staff with the private contractor, not happy with East Naples and North Naples doesn’t have the time or resources to do existing building but can do the plans review. Chief Anderson mentioned that C.C.G.M will keep 100% of the plans review fees and if we contract with a private company or North Naples we will retain 35% or 20% of the fees. Commissioner Anderson mentioned that at this point he doesn’t think we should make a motion to do anything. At the same time we are waiting for a legal opinion. If we make a motion we would do basically giving notice. Chief Anderson mentioned that he doesn’t want to jeopardize our interest in any of the assets that the F.C.O.O. if that’s a possibility of us pulling out before it’s dissolved. Attorney Thompson mentioned that some of these local agreements go back to 2003 and this is only signed between Naples and East. Commissioner Anderson mentioned that if he could look at the top of page 4 of the employment. That spells out that they are employees of East Naples not F.C.O.O. The beginning of the contract separates the two but then for employment, the F.C.O.O. employee shall be considered employee of East Naples Fire District.

 Chief Anderson mentioned that when the agreement was signed by the other districts, he mentioned something in one of the meetings that it was basically a division of East Naples Fire District that we have a contract to work with. Chief Stolts and he are the primary ones that pushed to have this joint meeting and the primary reason was to have all the commissioners to get together and determine how the assets are done away with once the office is dissolved. We all have a vested interest in it regardless of whose name is on the title. Legally we may not, he doesn’t know. The purpose of that meeting was to determine how to divide up the assets of the office when it’s dissolved. He will keep in touch with them but keep that date in mind, July 8th at 7:00pm at the F.C.O.O. Commissioner Deyo mentioned that she will be on vacation on that day. Chief Anderson mentioned that his plan is to send our response weather we are or not committing this day by tomorrow morning. Commissioner Anderson mentioned that 3 commissioners will be available, not sure of Commissioner Heath and Commissioner Deyo will be out of town. He’s fine with that date.

* 1. Public comment- None
1. **New Business**
2. Presentation of FY 2012-2013 Audit (Tuscan and Associates)Jeff Tuscan mentioned that they should have to documents. Past the table of content is the audit opinion. They wrote the requirements and unqualified and unmodified is the new name and it’s still the highest level of opinion that an auditor can issue. On the second page the opinion and you will see present fairly. We have to test internal control and compliance and we did, page 40 is the conclusions. Basically they determined that there was no material weakness and internal patrol to positive. We did have a couple of comments and it mentions them there. In the compliance paragraph we noted no significance, non compliant. Starting on page 41 is the management letter. On page 43 is the conclusion, the management’s response. Chief Anderson gave his response to the comments. Last year they put in place that you advertised the tentative budget 2 days before the hearing. The final budget has to be on the website 30 days after approval and any budget amendments have to be on the website 5 days after you approve it. Also, you have to send a letter to the clerk of the county to tell them what your schedule meeting dates are and that didn’t get done. That needs to get done this year. Lastly the OPEB GasB statement and following this whole question about putting money aside for the retiree benefits. Also, that the Chief mentioned that East Naples was going to hire an actuary. Actually that is a requirement on anyone that has retirement in Florida. Last year your study wasn’t updated so, the numbers in the audit we estimated based on the added base Study; that actuarial based study needs to be updated this year. They met with the Chief and Alma and Jason was also there. They went through the comments and he will come back to that. Looking at the graphs, look at the numbers; we are looking at the increase/decrease and it shows the change between fiscal year 2012/2013. Make sure you understand that this is the audit for 2013. The unrestricted cash was up $357,000 and that’s made up of two things. The net income for the year was $297,000, so we built up our reserves. Accounts Payable was up $60,000 so, add those together and that is why cash is up $357,000. Next item was restricted cash and that represents impact fees and that interest fees earned for the year. We’ve spend a significant amount on trucks; this is as of September 30, 2013. This shows that we didn’t spend a lot of money on 2013 but subsequent to this we did. At the bottom of page you will see that depreciative assets went down $230.000. Again, we only bought $7,000 worth of assets during their year of audit; which was a server and an A/C unit. The biggest change that drove that asset balance down was the depreciation of $176,000. So, based on its usual line the district has assigned to its assets, as time goes on, they deteriorate at about $176,000 a year. As he’s always told us that year end depreciation in government is; you put money aside equal to or grader than that depreciation to replace those assets. This year we had a net income of $297,000 so, it was greater than the depreciation number. So, if you choose to set that aside, you had the net income last year to do that. That was a positive. The other thing that happed last year was that the district has a capitalization policy. In other words, it can capitalize is assets over $750,000. We have carried assets on the book for a long time that had a balance less than that, so we cleaned some of that too. Next page on Liabilities, the biggest thing to note there is that we don’t have long term debt at this point; remember when he mentioned that cash was up $357,000, was that net income of $297,000, plus accounts payable went up.

How you see that is that those first 2 line items: accounts payable, accrued liabilities went up about $60,000 that was purely timing. No issue there. The deferred revenue the impact fees, that’s the other side of restricted cash. Remember, the impact fees were $389 and here’s the other side of it. Impact fees are a liability that is due back to the taxpayer until we spend them, that’s how they are booked. No other big change. Except the study that we didn’t get done, they estimated that’s the $30,000 change or OPEB liability in line. The $30,142 is the annual payment on paying off your agreement for Terry Heath. Commissioner Anderson mentioned if the OPEB was the actuary study that we didn’t pay? Ted agreed. The $30,000 is the estimate what the actuary would have accrued to pay future benefits for the retirees. Chief Anderson mentioned that right now it’s not a bad thing to provide. We are not required to but at some point in the next few years, that may be a requirement; to provide health insurance. We are supposed to try to determine what that liability would be and hold money in reserves in case that happens. What he did last year, when we did the budget last year. Pretty much all our reserves were lumped into one line reserve. He separated out a lot of the reserves and made them reserved funds assigned for specific purposes so, they weren’t unassigned and people would think they are available to be spent. He created reserved aside for GASB. This year when we do the budget amendment and the new budget this year, we will just add money into that reserved assigned for GASB. This year when we do the budget amendment and the budget this year, we’ll just add money into that reserve assigned for GASB. Commissioner Olesky asked if we could get Obama Care. Jeff mentioned if you are a single payer in the system; it’s all going to be paid out of the tax dollars. Here’s a big issue, coming up as a law change. This district is part of FRS. A lot of those districts, you call the 175 Plan and East Naples has one. Its statute 175 so, in Florida the government that is going to provide retiree benefits can have its own plan; there’s a statute for fire, a statute for employee or you can be part of FRS. Those statutes basically say that if you offered retirement benefits to employees. You have to provide for any retiree to also buy into your health insurance. You don’t have to pay for it but you have to let them buy in. So, that’s why you have to accrue the OPEB $30,000 that we talked about. They have the right to buy into your plan but because you allow them into your plan, it drives up your insurance cost but you are required by statute to get it. So, you’ve had to book that number for about 3 years now but they are changing the law that will be affected for year 2015; that says, you are going to have to book the liability also for that future retiree retirement cost. Since this district is part FRS, your only responsibility is, they tell you what percent to contribute and you pay it. That’s all you have to do. What they are saying now, is FRS or any pension plan is got to hire an actuary and determine what your districts’ future liability for paying out all that retiree cost. **So, where you see that you accrued $30,000 for OPEB amount, in 2015 if they don’t move this law out; you are going to be booking a liability for all the retiree future costs, all the guys and ladies working here; a big number all at once.** Next week on the 28th or 29th FRS is holding a meeting in Tallahassee to tell the big associations like: government finance officers, ASD and all these other groups are going up to hear what they have to say on how they are going to do this. Basically they have to take all those retirees that are participating in government in FRS, the school systems, colleges, state workers, etc., they have to figure out what the liability is for all those groups. That is going to be a heck of a job. There is a federal group that overseas these benefits, well, this federal administration is very interested in pushing hard to do the same thing for government plans. The feds are looking into all these options about taking over these government plans and form one giant plan so they can take the assets and pay the benefits. All these things are at work at once. **The two things that are a given is the $30,000, that’s a requirement. The one to book your pension liability, it’s a requirement at this point. That will start in 2015.** This other thing is being swirled about in DC. He doesn’t know what they will do but Florida has got one of the last surveys he saw was one of the top 10 funded retirement plans in the country. Last he heard was that nothing had been passed. Unless FRS becomes 50% funded, they are going to have to jack the rates up that you all contribute; which affects your budget. At this point, you don’t have to fund it but you have to book it. That is probably Plan B; you are going to have to start funding some of this stuff because you are probably going to start funding this OPEB.

 That is why Chief Anderson set aside money to try to get yourselves lined up for it but if they throw this other, that’s going to be a big number to fund. Chief Anderson mentioned that the estimate for the OPEB for the GasB, one good thing about that is that the actuarial was done based on our previous health plan. When we changed health benefits last year, the cost of our plan overall went down almost $100,000. So, when we get the new study done it will be based on our new plan. So, we may be in good shape with the money we already have set aside based on our new plan. We are putting money in the bank for the difference in what our health insurance cost now at what it would cost with budget OPEB. Jeff mentioned to look at the 3rd graph talks about fund balance. Basically this is the equity that you have. He said we had $1,195,000 in cash and you have equity of $185,000. So, your equity is liquid. The 3 different types of fund balance and Chief Anderson broke these assignments but in 2013 you had $27,000 prepaid for insurance that was paid before year end which can’t re-spend and the accrued liabilities which is OPEB and things like that. Operations: which represent 90 days in reserves and then some unassigned money that the board hadn’t taken any action in 2013. Commissioner Keen mentioned that the Operations was the reserves and that he mentioned to keep building our reserves and this unassigned; can that be some of the assigned to the reserves. Jeff mentioned that yes it could. That is what you should do when we get in the next budget round. Chief Anderson did set up new assignments for 2014; this is 2013. If someone asked what is the minimum amount of money you have to have and what the state recommends is 90 days to cover you October 1 to January and what Chief Anderson and staff would estimate to be is what’s called all-out. So fire districts estimate 30 to 45 days with everybody on, paying overtime; some kind of big disaster; what it would cost for that and those would be the 2 numbers that you absolutely have to have. Now, it’s smart to have other things. One being, a reserves for equipment as it deteriorates; to be able to buy equipment. Otherwise, you have 2 choices. You have to jack taxes up which, isn’t possible or you have to go into debt. Or you pay huge repair cost and you know that all districts have had to do all those with this resection. With us having a net income this year, setting money aside for that would be a good idea. We used some impact fee money to buy new assets. Just to remind you, you can only use impact fee money for growth related asset. We can’t replace assets. We have to use general fund dollars. **So, building up a reserve for capital is suggested what we recommend and the other liabilities like OPEB.** On page 4 you are going to see some numbers in red. The audited numbers are the numbers in black and the numbers in red are budgeted numbers for 2014. **We have budgeted $178,000 net income for this year. He just took the raw numbers that we would use today the revenue taking in for 2014; we kind of broke even at this point.** It’s just math out. It’s not a guaranteed huge return. You have to manage your budget this year to make sure you are hitting your target. The last 2 years you have had audited net income; $367,000 in 2012 and $297,000 in 2013. It gives you a fund balance reserved over a time. So, you are backup; at 9/30/13. You are backup to the highest reserve the district’s ever had. We hired some firefighters this year so costs are bigger. Next graph gives us a figure of revenue and expenditures. You can see that the district’s growing. The next page is the AdValorem Revenue this showed we had an increase in 2013 after 2 years of drop. Two years of loses about $600,000 in fund balance that we used up in those years. The net income you had used up just over $500,000 drop in revenue. AdValorem is expected to be up as well in 2014. On page 7 are other revenues; **we don’t have a lot of revenues except for the grant. One thing to keep in mind on the grant is that we have a net income of $297,000 this year 2013. If you look at the grant revenue, its $296,000. The entire net income is attributed to that grant. If we didn’t have the grant we would have been at zero net income.** Just to give us a perspective. Commissioner Olesky asked how is it going with the grant? Chief Anderson mentioned that the current Safer Grant, he doesn’t think we need the Safer Grant to keep the 6 guys right now. We won’t be eligible to apply for the grant to retain the people because we will be able to afford to pay them on our own without federal money. Commissioner Olesky mentioned that it’s great but if we have it for another 2 years it would help us quite a bit. Chief Anderson also mentioned that if we had it for another 2 years it would be great. He doesn’t know if it’s possible because we have to submit a copy of our budget with the grant.

Jeff mentioned that the next page is on Impact Fee receipts. The positive thing on Impact Fees is that it shows us that we are collecting Impact Fees which should in turn, turn into assessed value going up; meaning AdValorem would presumably be going up. Next one is Inspection Fees and gives you an idea of how much we had. Commissioner Keen asked if we did more work in 2007. Leo Rodgers mentioned we did. We had 2 inspectors and the largest construction in the country. Jeff mentioned that personnel went up; you brought 6 fire fighters on and $80,000 increase in FRS. We replaced bunker gear and we had an additional $7,000 in tax collector fees. We had $13,000 increase in repair and maintenance. One thing that he wants the board to look at is that in government the capital assets; trucks, buildings all those things show up. The last significant year of any expenditure was in 2008. We just bought some in 2014 but just keep in mind; we had essentially with 5 years with zero capital outlay in major addition. In 2008 when we spent 1 million dollars with those 2 blue fire trucks; that’s the last time we bought trucks. The last draft shows us two major accounts. In a fire district there are four numbers that the board members have to pay attention to and that is Cash, Fund Balance, AdValorem and Personnel Costs. This shows us the difference between AdValorem your biggest revenue source vs. Personnel Cost which is your biggest expense. Theoretically, since those are your biggest numbers, which the number left is what you should be able to live on, to do everything else. Your operating cost, capital outlay, reserves. This year generated $239,000 as a difference and the whole net income was tied to Safer. It means that that gap between AdValorem and Personnel Cost isn’t big enough yet to totally survive on. So, what are your options? One of your options are renegotiating for contract for revenue we have in maintaining your cost at this point. Commissioner Keen mentioned so we need to be very careful in what we spend. Jeff mentioned that until we make sure that the economy is turned and it’s going to be consistent; we need to continue monitoring our expense and working to increase our revenue. This year was positive with a net income and cash equal to our fund balance so those two numbers were right at even. Comments were positive and we have a good report but with all this stuff about the pension plan. There is a lot of what if’s out there. A lot of different governments that would affect you trying to get a handle of major issues like if state changes FRS, if the courts allow these governments to go bankrupt. If the fed changes the individual tax code that could have a massive affect on us. One of the things they are kicking around now is eliminating the mortgage interest deductions for individuals. Private economists say that 15% of household nationwide have turned in the keys. During the last recession 5% turned in the keys. So, if that really happens and they are really ready; it could change things three times worse than the last time. It just came up last week with their CPA’s for purposed tax changes. That would be huge. At this point, he’s telling all their clients that the main concern is try to build those reserves so we don’t fall into the trap the 2nd time. Commissioner Olesky mentioned that just because it’s there, it doesn’t mean we have to spend it. Jeff mentioned to the board if they would consider a motion to approve the audit, they will work with staff and they will make sure everything gets sent in. They talked with the transition they talked with management about Ann leaving. C**ommissioner Anderson motions to approve 2012-2013 Audit provided by Tuscan and Associates and Commissioner Olesky seconded the motion. Motion carries unanimously.** Jeff mentioned that they talked about Ann retiring with Alma and Chief Anderson about options. One of the things that they suggested was a possibility and the board will have to take action on it and Chief Anderson will have to consider is that a lot of districts have had to cut back some. They have three districts that they audit that a third party accounting firm actually does the books. Management still approves invoices and sends the information to them to actually do the books and prepare the reports and basically present to the board and the board would still sign checks. There’s a lot of things that Alma is learning now and with the caution that he just gave us. It’s going to be really important for us to have timely accurate information while she’s trying to take it under control on her side so that Chief Anderson and the board can make accurate decisions. Due to breaking even this year, maybe slight gain or slight loss. So, it’s important we have timely accurate information without stressing Chief Anderson and Alma so much. It’s just something to consider. What we suggested to the board to approve Chief Anderson to have a meeting with this firm and see if you are comfortable or not.

The other alternative is that he asked Chief Anderson if he would ask the other districts if they have time to do the bookkeeping. Commissioner Keen mentioned that Immokalee doesn’t work well with others in that. Jeff mentioned that it’s just something for the board to think about and if they have any questions or come up with something else. The other thing to consider in a fire district is that payroll is not the easiest thing to do because of overtime and other things that firefighters have in their contract. They suggested using a payroll company like Paychecks. They have experience with that. It takes a couple of things off of the staff here which is worker’s comp claim, filing 941. Making sure taxes are paid timely and accurate. Making sure forms are filed on time because as the economy has gotten tough; IRS doesn’t play with payroll tax. There is a serious issue these days. It has to be transmitted electronically within a certain number of days and so, it’s an option that the board and staff may want to consider. We gave Chief Anderson the contact number for that person. They have had good luck with them. Commissioner Deyo mentioned if the firefighters would be paid weekly. Jeff mentioned that it’s up to the board. Commissioner Olesky mentioned if he has an idea of the cost. Jeff mentioned that he doesn’t know because it’s based on how often we pay and how many people we have. Government gets a discount that private companies don’t. Commissioner Anderson mentioned if we have to file a request for proposals or firms. Chief Anderson mentioned that it depends on how much it is; if it’s more than $10,000. Commissioner Anderson mentioned if Ann was retiring within next month or so. Chief Anderson mentioned that that is the latest information he had with her. Commissioner Anderson mentioned that he needed to get that information to them pretty quick. Another reason was that they needed another person is that we needed another person in the office and that is why Alma came aboard was to get those checks and balances. Commissioner Olesky mentioned having them do the work; how would that work. Jeff mentioned that the districts actually approve the invoices. Sends the invoices to them and they set up the financial statement that says we’ve recorded it. So, here’s your financial statement and Chief Anderson would approve it. Making sure it went to the right account. One of them does the bank requisitions and one of them review the bank requisitions. So, we have that check in balance. They come to meetings and answer any questions we might have. Andy Higginboughem and Chris is the other CPA. He’s well trained and has had a business forever. The thing that they are concerned about is if they do payroll, comes all the changes and they can get pretty expensive. That’s why Paychecks would be the better alternative. It’s pretty time consuming. He considers Paychecks doing payroll until we consider how Alma takes over workload. If one person is here again, we eliminate your segregation of duty issue, which you always want to have as board member. Chief Anderson mentioned that the funding would be available because when Ann leaves, Alma slips into full-time. The funding that we were using to fund the part-time position with would be available to contract with HX, the accounting firm. Commissioner Olesky asked if that would be enough to cover. Commissioner Keen mentioned that we would have to find out. Chief Anderson mentioned that we would have to find out. It would be the checks and balances that’s required for the Audit. We could still work with them and in the future get back into doing it ourselves if we need to. He doesn’t know that he would be able to justify the workload to keep a full-time and a part-time position from both of them. Commissioner Keen mentioned that Ann’s definitely retiring and soon. If she does retire soon, she would like it that we do some kind of celebration for her. That she knows how much she’s appreciated. Chief Anderson mentioned that he had spoken to her on coming in as a consultant in a transition period. She was concerned how that would affect her retirement pension. His recommendation to her was to retire and work for Tuscan and we could hire her as our consultant.

* 1. Public comment- None
1. Discussion on contract renewals- Commissioner Anderson mentioned that what he would like if possible is to at each of our meetings, like we are presented with a copy of the budget fund balances; is a list of every contract that we have and any expiration date we have with them. So, that at each meeting we know what’s coming up. So, we are not hit with like the mechanic agreement. If we don’t do anything, we don’t have anything, type of issue. Chief Anderson agreed. Attorney Thompson mentioned that this could be part of Chief Anderson’s report.

 Commissioner Anderson mentioned that it could be part of the consent agenda. We can just look at it. If it’s there, we can just add it. Everything like A/C; anything we have to vote on. Make sure we have are aware; 60 days or 90 days.

* 1. Public Comment- None
1. Approval for purchase of equipment from Impact Fee fund for new fire apparatus on order – Chief Anderson mentioned that we need additional equipment for the new rescue pumper. One is for extrication tool. The current extrication tool we have is smaller cutters and we wanted a larger size. The newer ones have more power. They are making cars with high thread steel in them and smaller and older on the extrication tools won’t cut through that steel, they bind up. If they go to a roof of a new model car that has high thread steel, the cutters bind up and won’t cut the roof off. It’s replacing one of the power units with an electric motor on it that’s a gasoline Honda motor. One of the benefits of that is that if we have an industrial accident at a packing house or something. We need to take the heavy tools to extricate somebody that’s trapped in there. You don’t have a gas motor running in there; it’s electric power. It’s different than what we have now. This is a larger one. Attorney Thompson mentioned that it meets our needs for Ave Maria and is part of Impact Fee. Especially for Arthrex is coming in as industrial site. Chief Anderson mentioned that it’s power instead of gas. The other item is the thermal engine camera for the new truck. It’s both for fire fighting and rescue. In structure fires basically thermal images, it picks up body heat where you wouldn’t be able to see anything because of the smoke. With this you see their body heat image. It’s different color according to the temperature. You will see the fire a different color which will be a totally different color of the building and a different color than a human at 98 degrees. This can also be used for hazardous materials response. If we go to something with a propane tank that is leaking. We can use the thermal imaging camera to see the level of propane inside the tank because the temperature difference between air tank and liquid space. **Commissioner Deyo motions to approve the purchase of equipment from Impact Fee fund for new fire apparatus on order and Commissioner Keen seconded the motion. Motion carries unanimously.**
	1. Public comment - None
2. Upgrade of phone system at Fire Headquarters to support conference calls - Chief Anderson had a request where we have had several meetings where we have had people attend by phone. Not only commissioners but several other people. We don’t need to upgrade the phone system; we just need to buy the right equipment. Jason Burr, IT Specialist mentioned that we just need to buy a conference phone and another plug in. They’re $400 to $500 but he found one for $240. It has the option to plug extra headphones so it can pick up sound from all different directions. **Commissioner Olesky made a motion to buy that.**  **Commissioner Anderson motioned to $500 to add the microphone.** Attorney Thompson mentioned to have this tabled. Commissioner Anderson mentioned to table this one and come back to it later and go on to the next item.
	1. Public comment- None
3. Revision to IFCD Policy 705- Chief Anderson mentioned that one of the items discussed were the uniforms on duty. We added for the class C polo shirts. Class D has the uniform shorts and a tee shirt. Fitness uniforms: it caught his attention that some of the guys were wearing crocs and flip flops. The union agreed with that. Limiting flip flops, they need to wear shoes. **Commissioner Anderson motions to accept changes to revision to IFCD Policy 705 and Commissioner Deyo seconded the motion. Motion carries unanimously.** Jason Burr mentioned that the set of two microphones come up to $150. So the total is $550 for the microphones. **Commissioner Olesky amends his motion to approve the purchase for upgrade of phone system to include 2 microphones and Commissioner Anderson seconded. Motion carries unanimously.**
	1. Public comment- None
4. Acceptance of SAFER Grant- Chief Anderson mentioned that we were notified that we were awarded the Safer Grant for the recruitment and retention of volunteer fire fighters. The grant is for four years and is for $476,000 for those four years. It includes salary, benefits and uniforms for a fulltime training officer/volunteer coordinator position; which will be a 40 hr week position. It includes training up to fire fighter 2 certification plus other advance fire fighter training for up to 30 volunteers and it includes bunker gear for up to 30 volunteers. We have to notify them that our governing body is accepting the federal funding.

Commissioner Olesky mentioned if we are going to be able to handle that where we don’t get in trouble. Chief Anderson mentioned that all the reporting is the same as the safer grant. He will come up with an SOG, he needs to work with Mr. Thompson for a contract or an agreement for the volunteers that if we are paying for their school, providing them with all this training that they sign a contract that they stay active as a volunteer with Immokalee Fire District for at least 2 years; if not, they have to pay the cost of the school back. Attorney Thompson mentioned that we will check to see if we are in compliance. **Commissioner Olesky motions to accept the Safer Grant and Commissioner Deyo seconded the motion. Motion carries unanimously.**

12) Concerns of Commissioners- Commissioner Olesky asked what are we doing with the old tool? Just making sure

 we are not giving it away. Chief Anderson mentioned that he is getting prices and looking at buying some hose supplies for our ladder truck. All trucks have 5” hoses; he is looking at purchasing 4” hose for that truck; which was included in our budget for equipment. He spoke with the Chief in Clay County and they have some 4” hose that they thought they were going to use but are not now. We have some 5“hose that come off of the truck we are selling. He is willing to trade us for the 5”. He wanted to know if he needed approval for that. There is no money involved just trade. **Commissioner Olesky made a motion to trade 5” hose for 4” hose and Commissioner Anderson seconded the motion. Motion carries unanimously.**

13) Public Comment-None

14) Adjourn Meeting at 8:50pm

**Next Scheduled Meetings:**

**Next Regular Board Meeting: June 12,** **2014 at 6:00 p.m.; Immokalee Fire Station 30, 502 New Market Rd. E.**