

DESTIN FIRE CONTROL DISTRICT
Regular meeting of the Board of Fire Commissioners
Main Station
848 Airport Road
Destin, Florida 32541

June 9, 2015

Minutes

Commissioners present: Tommy Green, Rick Moore, Jack Wilson, Bob Wagner, and Mike Buckingham

Staff present: Chief Kevin Sasser, Division Chiefs Ron Gerdeman and Joe D'Agostino, and Kathryn Wagner

Present: Dawn Stuntz

The meeting was called to order at 5:32 p.m. by Chairman Tommy Green.

Public Comments:

None

Review of minutes:

The minutes for the regular meeting of May 12, 2015, were presented. Mike Buckingham made a motion to approve the minutes. Jack Wilson seconded. The motion passed unanimously.

Review of the Financial Report:

Kathryn Wagner presented the financial report for May 31, 2015. She stated it was a very quiet and clean financial report with a strong balance sheet. She stated that account receivables look good at \$60,000.00, which included billings to the TDC for beach services. She stated that fixed assets are adjusted at yearend and accounts payable are low.

Kathryn Wagner reviewed the revenues over expenditures vs budget report stating we are eight months through the year with \$145,000 of ad valorem taxes remaining to be collected. She stated we continue to collect impact fees and have sent out our first invoice to the City of Destin for beach services. She further stated that our expenditures are low across the board and that we are looking for a percentage remaining of 34%.

Jack Wilson asked why the employee medical is so far below budget with 90.31% remaining. Kathryn Wagner stated that employee physicals will be done at the end of the summer, which account for the majority of that budgeted section.

Rick Moore stated that we have \$11,000 in the budget for thermal imaging and asked if we were going to make that purchase soon. Chief Sasser stated that we are continuing to research the best way to spend the money and that they will decide in the next couple of months. He stated that originally they intended to replace one of the thermal imaging cameras but are now looking into individual cameras that could be issued to the firefighters and not just the officers.

Mike Buckingham asked if all firefighters would have one or if we were thinking 4 per truck. Chief Sasser stated that he might buy 9 that way every seated position on the truck would have a camera.

Rick Moore asked if we can't find what we are looking for right now can the money be rolled over to the next fiscal year. Chief Sasser stated yes.

Bob Wagner made a motion to approve the financial statements for May 31, 2015. Jack Wilson seconded. The motion passed unanimously.

Old Business:

1. Request for Proposals- UTV, ATV, Waverunner Repair and Maintenance Services

Chief Sasser stated that a second RFP was advertised and we direct mailed to all area vendors and no bids were received. He stated that if we know of a vendor that could perform the service we could work out an agreement with them and bring that agreement to the board for approval, as we have fulfilled our obligation of sending out an RFP.

Mike Buckingham asked why no one bid. Chief Sasser stated he thought it was because we requested services be performed at night since the vehicles are operated during the day. He further stated that if we can't find a vendor to work with he would like to come back to the board and request another RFP and take out the nighttime clause and request to purchase another apparatus.

Rick Moore stated we would still need someone with insurance. Chief Sasser stated yes.

Mike Buckingham stated that was fine and that he thought we would not be able to find a dealer who would work at night.

2. Investment Policy

Kathryn Wagner stated she created the investment policy which was presented by collecting information from the investment policies from Okaloosa County, City of Destin, and Ft. Walton Beach and following the requirements of Florida Statute, Section 218. She stated that the main objective was to invest our funds safely and achieve a better yield. She stated as a government entity we are restricted as to what we can invest in, as we have to protect public funds and the statute is setup to do this.

Kathryn Wagner reviewed page 13 showing what our objectives are. She stated the first is safety of the public funds, second is the liquidity, as we must be able to access the funds when needed, and third is the investment income, which would be the rate of return. She stated the policy details the control, ethical standards, performance measurements, who is authorized to invest.

Kathryn Wagner stated the District may have a few million to invest and there should not be a lot of movement, trying to time investments. She stated the District does not have expertise in the investment field so we are looking to take some funds and invest in the State pool. She stated that tonight we are not looking to invest money, we are looking to setup the policy, the structure which will allow us to invest. She stated without an investment policy we cannot invest over \$250,000 (FDIC limit) in any one financial institution.

Kathryn Wagner stated that page 17, or page 5 of the investment policy, presents a diversification instrument which is very similar to the other investment policies which were reviewed. She stated that if we decide to have an investment advisor, we would have to go out for bid for that service. She stated the investment policy presented was reviewed by general counsel to insure that we have complied with all of the State statutes.

Jack Wilson asked if there is a load or a fee with the State fund. Kathryn Wagner stated there is and it appears to be .2%. Jack Wilson stated we are small, do not have a ton of money to invest and we are limited with our staff, so why wouldn't we say the State pool gives us leverage. He asked who sets the diversification by instrument. Kathryn Wagner stated she set that based on what the other three entities were doing and what she felt was best for the District. Chief Sasser stated the State pool would be a good option and while some of the other policies limit is 50% we would not want to limit ourselves that much.

Jack Wilson stated given our objectives of first security, second liquidity, and given that the State pool looks like it has a load of maybe 20 basis points (.2%), why wouldn't we just put it all there. He stated there are professionals in the State fund making the investment decisions and you also get the portfolio benefit of spreading your 2 million out over 900 million, so you receive a lot of diversification that you would not receive just in investing 2 million dollars. Mike Buckingham stated you can also get your money in two days.

Jack Wilson stated he would like to see the fee structure of the State pool and look at their returns. He stated the objectives, "an investment return competitive with comparable benchmarks and financial market indices" should be, a reasonable return given our other criteria of security and liquidity. He stated under II.c. "Rate on investment is of least importance" should be more specific with rate of return, internal rate of return, return on investment. He stated maybe we should consider going up to 100% in the State pool. Kathryn Wagner stated there is nothing in the State statute which would prevent us of investing in 100%.

Kathryn Wagner stated that by changing the performance measurements that will change some of the reporting. Jack Wilson stated he would suggest quarterly reports showing 1. how are we doing on our security objective, is our money still worth what we put in there, 2. what is our average liquidity, is it all two day money or do we have items with six year maturity on it, and 3. what kind of return are we getting.

Kathryn Wagner stated she would make changes to the policy and present it at the next meeting.

Chief Reports:

1. Beach Safety report

Joe D'Agostino stated we are fully staffed with 52 trained employee and he has noticed that the public vs private beach is heating up.

Tommy Green asked if we have an emergency we can access through private property, so it is not an issue. Rick Moore stated it is an issue when they put up a barrier and our atv's had to go through the water to get around someone's line. Joe D'Agostino stated it happens. Chief Sasser stated he has discussed with Joe D'Agostino that our general advice to employees is to do your job, but stay away from that and stay neutral, but if you have a call you go.

Mike Buckingham commented that if there is a barrier and assistance is needed on the other side do we have to go up around the road or go through the water to get to you. Chief Sasser stated we are going the quickest way possible.

Jack Wilson asked if they are building fences past the ECL (erosion control line). Chief Sasser and Mike Buckingham stated yes. Joe D'Agostino stated what use to happen in small increments now seems to be happening more.

Chief Sasser stated we are trying to stay out of that. He stated we are going to do our jobs, we are going to respond and do what we need to do to protect the public. Mike Buckingham stated your Board supports you with that.

Jack Wilson asked about traversing Henderson Beach State Park. Chief Sasser stated we do however we do not patrol it, but we do travel through it to get to the other zones.

Jack Wilson asked if we have found a place for the shed. Chief Sasser stated that is still in discussion and he has been in contact with Greg Kisela for the Cities assistance.

Tommy Green asked how many rescues and assists have taken place in the pass. Joe D'Agostino stated there have been approximately 10 of the 56 persons rescued. Tommy Green stated the pass is not considered in our district. Rick Moore asked how many people are there. Joe D'Agostino stated on a busy day it would be around 6,000, as you have the snorkel boats, personal boats, O'Steen public access and anyone coming from parking and Holiday Isle, as well as all of the Emerald Grande.

2. Training report

Chief Sasser stated the guys got in 25 hours which were spread along a wide array of topics. He stated he anticipates them having all their required hours by November which is good since October is slow because of fire prevention activities.

3. Inspection report

Ron Gerdeman stated we have closed a few projects since the last meeting. He stated Lulu's is done and O'Quiglies on the Harbor will probably be next week. He stated Destin has lost the dinner theatre.

Rick Moore asked if we have control of the number of parking spots. Ron Gerdeman stated no, that is in the City and/or Counties land development codes.

4. Response Change report

Chief Sasser stated the Hot Zone report, on the second page, shows the typical results of zone 1 which shows the most call responses. He stated the total for May 2015 is 287 responses which fall between the 2011/2012 years. He stated the total call volume is not down, but is directly reflective of the response changes the District made.

5. Overtime report

Chief Sasser stated the month had two incidents both relating to sick leave. He stated the overall month was low compared to other months.

Bob Wagner stated the report was incorrect for Joe Andersen showing 5.25 hours and only earning \$21.20. Kathryn Wagner stated she would make sure the report was corrected.

Chief Sasser stated before we close the chief reports he wanted to update about a few items from the previous meeting. He stated we spoke about side scan sonar which would be about \$2,500. He stated he would have prices for the FLIR for the front of the boat and will hope to have that at the next meeting. He stated we have verified with Ms. Stuntz and it does not appear we can use the impact fee for these items. Chief Sasser stated in consultations with Camille of GSG, who helped us setup the impact fund, it is starting to change where you can begin using that for EMS calls now.

Mike Buckingham stated this was a fire boat. Tommy Green stated a rescue is not necessarily a medical call and stated this is equipment which would enable us to participate and do a safer job at a rescue. Jack Wilson stated this is clearly an expansion of our area and provides the ability to operate more effectively in an underwater search and at night.

Tommy Green stated we will put this on the agenda for the next meeting.

New Business:

1. Capital Acquisition – Engine 9 replacement

Chief Sasser stated Commissioner Buckingham and Battalion Chief Taylor have been working on the need to replace one of our older apparatus. He stated one is 16 years old as it was purchased in 1999 and the cost to repair has significantly gone up after its 10 year mark. He stated we would like to replace this as the maintenance costs are going up and the dependability of the apparatus is not necessarily there.

Mike Buckingham stated we are looking for around \$400,000 and we can check into trading our other in or look for a buyer. He stated we would like the Board to allow us to get bids.

Tommy Green asked what kind of truck we have. Chief Sasser stated one is a Ferrera and the other is an E-One. He stated the Ferrera is the 1999. Chief Sasser stated we like Pierce. Tommy Green stated he has been to the Pierce factory and was very impressed and would like us to look at that.

Chief Sasser stated we can go out on bid, go on the state contract, or piggy backing on another bid which someone has put out. He stated there is a state bid out there through the Sheriff's Association as well as a contract through the State.

Rick Moore asked how much is budgeted for this. Chief Sasser stated this would be something for the budget next year. Tommy Green stated this would come out of reserves. Chief Sasser stated the asset fund was setup on the cost basis, not the replacement cost, so the 1999 was bought for \$225,000 and it is going to cost us \$400,000 to \$425,000. Tommy Green stated we have a little over 2.8 million in the asset fund so we would take that money to buy a new truck. Jack Wilson stated our cost next year would be higher because we have been depreciating over 20 years a \$200,000 truck and now we are going to be depreciating 15 years a \$400,000 truck. Chief Sasser stated we do have the undesignated reserve fund to help offset some of it if need be.

Chief Sasser informed the Board that Dino Villani, the Public Safety Director for the County, will be retiring at the beginning of July. He stated the County Commission has setup a selection committee and he was appointed by the group of Fire Chiefs to sit on the committee. Jack Wilson asked if there was a target date to have a replacement. Chief Sasser stated the County Administrator is shooting for the beginning of August.

Bob Wagner wanted to make sure the Board recognized Chief Sasser for the hours he has put in.

Next meeting:

Tommy Green reminded the Board that the next regular meeting will be July 14, 2015, at 5:30 p.m..

Additional Upcoming Meetings:

Budget workshop: July 14, 2015 at 6:00pm or soon thereafter

Budget workshop: July 28, 2015 at 5:30pm

Regular meeting: August 11, 2015 at 5:30pm

Budget workshop: August 11, 2015 at 6:00pm or soon thereafter

Budget workshop: August 25, 2015 at 5:30pm

Adjournment:

With no additional business to be discussed, the meeting adjourned at 6:38 p.m.