

DESTIN FIRE CONTROL DISTRICT

Budget Workshop
Main Station
848 Airport Road
Destin, Florida

July 14, 2015

Minutes

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

Staff present: Kevin Sasser, Kathryn Wagner

The workshop was called to order at 6:05 p.m. by Tommy Green. He stated that the workshop is to discuss the budget for the 2015-2016 fiscal year.

Kathryn Wagner stated that the Commission has been presented with a four page document consisting of the General Fund on the first three pages and the Impact Fee and Asset Funds on the fourth page. She stated the Administration has proposed a breakeven budget. She stated we will not go through line item by line item as was done in the past as there are no large increases and the Administration still strives to operate as efficiently as possible with the least amount of money as possible.

Kathryn Wagner reviewed annual revenue stating ad valorem taxes, with the approval of a millage rate of 1.000, will bring in \$5,083,925, an increase of \$309,504 from the current fiscal year. She reminded the Board that the TRIM process allows for only 95% of the projected revenue to be recorded. This is shown by including the reduction from discounts and uncollected tax of 3.5% and 1.5%, respectively. The tax collector fee is a percentage of ad valorem taxes at 2.0%.

Interest income from investments will increase to \$8,000 as the District is looking into an investment policy. Impact fees are budgeted to bring in \$50,000 but are taken out as these cannot be used toward the general fund due to their restrictions. Proceeds from Sale of Assets-Beach Safety will increase to \$15,000. Proceeds from the Sale of Assets are estimated to be \$60,000 with the sale of Engine 10, however, this may need to be further adjusted. Estimated proceeds for a SAFER grant will add \$249,791 to annual revenue as well as additional expenses. If the SAFER grant is awarded, it will allow for the hiring of 3 individuals. An adjustment will be made to the \$249,791 as it based on 90% funding and we have learned the SAFER grant is 100% funded for the first year.

Total annual revenue for the next fiscal year is estimated to be \$5,082,141, an increase of \$601,929, or 13.44%, over the current year.

Kathryn Wagner reviewed annual expenditures stating personnel will increase to account for 3 additional employees. Retirement contribution-175 has a large increase of \$230,504 due to our current budget being understated as a result of the Voluntary Separation Program last year. There is a built in increase of 3% for personnel.

Total Personal Services for the next fiscal year is estimated to be \$4,447,272, an increase of \$411,689, or 10.20%, over the current year.

Professional services expenses for audit services will be determined by the selection of the RFP, however, the figure from the highest bidder has been used for budgeting purposes. Other professional services increase by \$12,000 to account for applying for additional grants as well as a shredding service.

Contract services expenses of central dispatch, communication equipment, county medical director, network administration and interlocal traffic control device will largely remain the same with small adjustments.

Utility expenses of water and electricity will increase \$500 and \$4,000, respectively, while cable and telephone will have a net decrease due to negotiating a new contract.

Insurance expense of property and general liability includes an estimated increase of \$4,000 while we await our renewal.

Repairs and maintenance expenses are: building, computers, equipment, ladder & aerial inspections, and vehicles will remain the same, while boat repairs and maintenance will increase by \$1,000 due to an aging boat.

Supplies expenses of station, office, and copier will increase by \$1,500, \$1,000, and \$300, respectively, while fuel – trucks and CPR training supplies will decrease by \$10,000 and \$3,500, respectively.

Other expenses of training and per diem, dues and subscriptions, will increase by \$7,414 and \$4,171, respectively. The transfer to asset fund is projected to increase by \$31,000 with the proposed purchase of a new truck.

Capital outlay expenses will include new bunker gear, computers for the battalion vehicle, a new exhaust system at station 10, and lifepak 15's. Side sonar, FLIR, and a new engine are proposed as well.

Beach Safety budget is determined by money received from the TDC, the City of Destin, and money from the sale of assets. Expenditures equal that amount. Beach Safety is a self-contained program and is anticipated to run with same staffing as last year.

Jack Wilson asked if beach safety is being run with the same staffing as last year why are wages showing a decrease of 8.30%. Kathryn Wagner stated the amount received from the TDC was less as they did not approved the hiring of second full time employee at \$40,000.

Kathryn Wagner stated the general fund shows a shortage of \$1,484,814, but expected revenue from the State for the pension fund, from the County and City for beach safety expenditures, and the use of assigned/unassigned funds provides the District with a breakeven budget. She stated if all costs associated with the SAFER grant and the purchase of the new engine were eliminated the District would be left with an overage of \$15,000.

Kathryn Wagner reviewed page four stating the Impact Fee Fund shows a transfer in from the General Fund of \$50,000 and a capital outlay for other equipment of \$30,335. The Asset Fund shows a transfer in from the General Fund of \$315,000 with expenditures of \$296,200 for vehicles, other equipment, and computers.

Jack Wilson asked if our retirement contribution is in sync with the pension board.

Kathryn Wagner stated no because the pension board will not know that number until the winter. She stated since wages have remained level we have used our current percentage of funding to budget for next year.

Jack Wilson commented on the increase in expenditures of \$1,000,000 that 85% of it is the purchase of a new engine.

Kathryn Wagner stated that at our next budget workshop is scheduled for July 28, 2015, however, because we will not have insurance numbers by then we may not need to have that workshop. She stated she does need the permission of the Board to pursue the 1.0 millage rate as well as approve a public hearing for 6:00pm September 8, 2015.

Kevin Sasser asked if the Board agreed with setting a tentative rate of 1.000. Tommy Green asked if the budget was based on 1.000. Kathryn Wagner stated yes.

Kathryn Wagner stated with the public hearing scheduled for September 8, 2015, the last budget meeting will be scheduled for September 17, 2015 at 5:30pm.

The floor was open for public comments. There were none.

With no other discussion, the meeting adjourned at 6:31 p.m.