

DESTIN FIRE CONTROL DISTRICT

Budget Workshop
Main Station
848 Airport Road
Destin, Florida

July 8, 2014

Minutes

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

Commissioners absent: Hillary Anderson

Staff present: Kevin Sasser, Kathryn Wagner

The workshop was called to order at 6:00 p.m. by Tommy Green. He stated that the workshop is to discuss the budget for the 2013-2014 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 and Asset Funds on the fourth page. She stated we will discuss the annual revenue and operating expenditures and while personnel services have been budgeted, we will not go through them at this meeting as there is still opportunity for employees to accept the VSIP program which could change these numbers. She stated we will also not go through the Beach Safety portion of the budget as it has been presented as a mirror of our current budget. She further stated that discussion is in the works about what our upcoming beach safety revenue will be and our expenses will meet this revenue.

Kathryn Wagner stated ad valorem taxes, with the approval of a millage rate of 1.000, will bring in \$4,774,421, an increase of \$242,618 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 and has been reduced from 2.3% to 2.0%.

Interest income from investments will be reduced to \$4,000 as the District is limited in how it can invest money. 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. Plan review fees are decreased by \$1,500 bringing the budget to \$16,000 and medical training is reduced by \$5,000. Alarm system malfunctions and re-inspection fees are estimated to remain the same at \$500 and \$2,000, respectively.

Total annual revenue for the next fiscal year is estimated to be \$4,467,712, an increase of \$221,888, or 5.23%, over the current year.

Annual expenditures for personnel will be presented at our next budget workshop.

Professional services expenses are: audit services will increase by \$1,000, legal expenses will increase by \$20,000 to allow for services needed for the full negotiation of the collective bargaining agreement in the upcoming year, property appraiser's fees will increase by \$4,598 and other professional services will decrease by \$5,500.

Contract services expenses are: central dispatch, communication equipment, county medical director, network administration and interlocal traffic control device will all remain the same at \$500, \$4,800, \$4,000, \$15,000 and \$1,700, respectively. Kathryn Wagner noted that the medical director fee is still in the budget at this point even though it is directly tied with providing ALS service. She stated that while the Commission has made the decision to cease ALS service it has not been removed from the budget because an updated analysis of the costs of ALS has not been done since 2013 and she was not going to remove some ALS expenditures and not others. Medical equipment will increase by \$250 while radio communication access fees will decrease by \$38.

Utility expenses of cable and electricity will remain the same at \$450 and \$23,000, respectively. Gas, telephone and water will all increase by \$300. All utilities have been analyzed over the past 12 months, not the last fiscal year.

Insurance expenses are: property and general liability includes an estimated increase of \$3,000 while we await our renewal, retirement-elimination recourse and bond-employee will each remain unchanged, while disability and bond-election have been decreased by \$50 and \$250, respectively.

Repairs and maintenance expenses are: boat, building, equipment, and ladder & aerial inspections will remain the same at \$3,000, \$10,000, \$10,000, and \$1,750 respectively, while computer upgrades/support/hardware will decrease by \$2,000 and vehicles will decrease by \$5,000.

Supplies expenses are: station, office, equipment, fuel – trucks and CPR training supplies will all decrease. The amounts are \$500, \$500, \$2,000, \$2,000 and \$1,500, respectively. Expenses for fire prevention, fuel-boat and hose will remain the same while the budget for copier and paramedic equipment will increase by \$100 and \$500, respectively.

Other expenses are: training and per diem, advertising, and haz-mat dues will remain the same, while dues and subscriptions increase by \$250. The transfer to asset fund is projected at this time to decrease by \$8,000 and is subject to change once the depreciation schedule has been updated for the current year purchases and dispositions.

There are no capital outlay expenses presented within the general fund and as mentioned previously, beach safety will be adjusted at future workshops when we have a better understanding of what revenue we will receive.

In summary the general fund shows a shortage of \$916,198. Additional revenue from the State for the pension fund and revenue to offset the beach safety expenditures provides the District with an overage of \$77,081 with the reminder that the personnel expenditures still have to be adjusted.

Moving to page four the Impact Fee Fund shows a transfer in from the General Fund of \$50,000 and a capital outlay for a command vehicle of \$50,000. The Asset Fund shows a transfer in from the General Fund of \$297,000 with no expenditures estimated at this time.

Tommy Green asked if there is a possibility that we could continue the ALS program after October 1st if these numbers hold firm. Kathryn Wagner stated yes and stated no items in regards to ALS had been removed from the budget at this time.

Chief Sasser stated we needed to continue to work through the budget as the VSIP is still open and there are other assumptions which have been made in various insurance expenses.

Rick Moore asked if we were looking to bring some people back as well. Chief Sasser stated having three shifts we need to keep our manning in multiples of three, if possible.

Kathryn Wagner stated that at our next budget workshop, on July 22, 2014, the personnel section will be complete and hopefully we will have a better understanding on beach safety revenue.

Jack Wilson stated that knowing what our trim is going to be, we feel our revenue is becoming a hard number. He asked if we have any indication as to whether the TDC or the City is going to continue to support us at this level.

Kevin Sasser stated the County is running the agreement through on their end to extend our contract for one year, however the way the agreement is written we are to receive the same amount of money which they receive. He stated he has had some additional discussions with them about some additional funding as they have reduced the cost of their program which decreases the amount of funds they provide us. He further stated that the commitment from them is there for the money.

Kevin Sasser stated that he has not had discussion yet with the City as the city manager is in transition right now. He stated he anticipates the same commitment as well.

The floor was open for public comments.

Shane Stewart of 306 Primrose Circle stated that the revenue of \$4.4 million compared to the current revenue of \$2.8 million for the district to the west of us, shows that what we are providing over here is phenomenal and stated the department has done an excellent job cutting.

With no other discussion, the meeting adjourned at 6:39 p.m.