

DESTIN FIRE CONTROL DISTRICT

Budget Workshop
Main Station
848 Airport Road
Destin, Florida

September 1, 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 5:30 p.m. by Tommy Green. He stated that the workshop is to discuss the budget for the 2015-2016 fiscal year.

Kathryn Wagner discussed changes since the last budget workshop beginning with increasing the transfer to asset fund in order to meet the minimum of 10% fully funded.

Mike Buckingham asked if the entire increase of \$178,410 was from paying for the engine from the asset fund. Kathryn Wagner stated it increased by \$147,410 and the remainder is an increase over last year for depreciation.

Kathryn Wagner stated the last changes show taking money from the use of Assigned Funds instead of the use of unassigned funds to fund the purchase of a new engine. She stated, in summary, the base budget has an overage of \$10,105 but with the SAFER Grant, large capital acquisitions, and the manning of the boat this leaves a net shortage of \$56,654 coming from the use of unassigned funds.

Bob Wagner asked if \$45,000 was an accurate number for the sale of Engine 10. Chief Sasser stated he is looking into using a broker and paying a commission. He stated initial research shows the sale could be \$45,000 to \$80,000. Chief Sasser stated \$45,000 is a realistic number.

Mike Buckingham asked if there was any federal or state benefit for donating the truck. Chief Sasser stated he was unaware of any program, but he would research it.

Tommy Green asked if we could swap the truck for equipment with Ten-8. Battalion Chief Taylor stated Ten-8 offered \$10,000 for the truck.

Tommy Green stated he and Chief Sasser presented 3 options to patrol East Pass/Crab Island to the TDC. They will be working with the TDC's attorney to make sure everything is legal and hopefully have it put on the agenda for next month's meeting to be voted on.

Chief Sasser stated by the end of the TDC's meeting they had made motions for the attorney to research the legality of the proposal and to find the money to fund it.

Tommy Green stated we could go to the City of Destin if the TDC does not fund the entire amount.

Chief Sasser stated Captain Peacott came by to discuss working together. He stated the corridor is going to go in and the thought would be for each to patrol 1 side of the corridor at the same time.

Tommy Green stated he feels comfortable the TDC will fund the boat especially with the positive press in the paper and ultimately, patrolling the pass, is not the responsibility of the tax payers of Destin.

Kathryn Wagner stated Battalion Chief Taylor and several Engineers worked over the bid for new equipment and a new bid has come in for \$67,000. She stated several items were removed and changed, but 2 large necessary items were added. She stated \$20,000 is currently budgeted for new equipment which means budget expenditures need to be adjusted.

Mike Buckingham stated originally the \$500,000 budget for the new truck included keeping old equipment. Then it was discussed possibly replacing the equipment for around \$30,000. Now, we have a quote for a fully loaded, top of the line truck, for \$538,879.76 which is only \$38,000 from the original budget. He stated this will leave Engine 9 ready and fully rigged to move to Station 10, which does not have a fully rigged engine.

Bob Wagner stated it would be a wash if we could get \$45,000 for Engine 10 and we would be confident in the new equipment.

Jack Wilson asked if this would increase the Use of Unassigned Funds by \$47,000. Kathryn Wagner stated yes.

Jack Wilson asked if \$147,000 Transfer to Asset Fund would put us at the 90% funded goal. Kathryn Wagner stated yes.

Jack Wilson stated the budget for new equipment needs to be increased to \$67,000 and the Use of Unassigned Funds by the same amount.

Kathryn Wagner stated a comparative medical insurance bid has been received, but it is not significantly equivalent, which is the terminology used in the current collective bargaining agreement. She stated, therefore, the District has no other choice than to renew the insurance policy with Blue Cross Blue Shield.

Mike Buckingham asked by what percentage it increased. Kathryn Wagner stated approximately 11%.

Bob Wagner asked if a new Union contract is negotiated are we locked into this insurance plan for the entire year. Kathryn Wagner stated no.

Public Comment:

John Harvey, Destin, FL stated he attended the Pension Board meeting on August 31, 2015 and believes the education policy for the Trustees should be considered. He stated the Trustees are the people that should question and hold accountable the consultants and it is imperative they are educated. He further stated the Trustees could be educated on a step by step basis. He stated the reason he believes this is because one person seemed to be more interested in holding the account than what is in the best interest of the fund.

Mike Buckingham asked what the criteria are to be on the pension board. Chief Sasser stated the requirement for two slots is to be a resident, two slots must be plan participants, and there is no requirement for the last. Chief Sasser stated in 2010, when several people left, he and Chairman Neilson worked to find people in the community who had that kind of background and put together a list of qualified candidates for the two resident positions. He further stated the other two positions are filled by firefighters and the fifth position is voted on by the four Trustees to be confirmed by this Board.

Mike Buckingham asked if the State set those requirements. Chief Sasser stated yes.

Chief Sasser stated the State does require four hours of education that must be obtained during their term. He stated we would like to see the Trustees have more than the minimum education but, the policy in question would like to spend \$6,000 per Trustee.

Jack Wilson stated it would be extremely difficult to take someone without a financial background and educate them, during their term, to a degree that would hold a hedge fund manager accountable.

Jack Wilson asked if this is about the 3 civilians or the 2 plan participants. John Harvey stated there are some firefighters that do need the education.

Steve Mitchel, Destin, FL thanked Chairman Green and Chief Sasser for the presentation to the TDC.

With no other discussion, the meeting adjourned at 6:09 p.m.