

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

July 12, 2016

**Minutes**

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

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

Present: Dawn Stuntz

The meeting was called to order at 5:30 p.m. by Chairman Tommy Green.

Dawn Stuntz reminded the Board there shall be no discussion regarding negotiations, impasse articles or anything regarding to the contract pursuant to the Florida Statutes Chapter 447 as you are still in the insulation period until the conclusion of the hearing.

**Public Comments:**

John Harvey of 4327 Preserve Place, Destin stated in 1997 South Walton started Impact Fees and in 1999 Ocean Wright had Impact Fees: Destin did not start Impact Fees until 2004. He stated looking at the growth and building we missed out on millions of dollars in Impact Fees and it is time the District looked at raising the Impact Fees for the simple reason that the District needs the money. He further stated he had a meeting with Commissioner Green and Chief Sasser where they discussed an impact study and the fee involved.

John Harvey asked how much that fee was. Chief Sasser stated around \$25,000.

John Harvey stated South Walton Fire District does their impact fee study in house by Carol Martin and since the ISP committee is coming, they should go to South Walton, learn how to do the impact study, come here and do the impact study for us. He stated there is not much to it, he did a public records request and basically it is a comparison of other Districts in the area and around the State. He further stated the ISP could help us with that and save money.

Felix Romero, Union President, of 1014 Airport Rd Unit 110, Destin asked what time the meeting on July 28<sup>th</sup> was and stated he had gotten some concern from citizens he talked to that the meeting room might not be an appropriate venue for how many people want to show up. He further stated he had researched and talked around the City, to different Council members, from Ray Bailey up to the new City Manager and they agreed if it was something you guys were interested in we could move to a bigger location such as the Community Center which is available the 28<sup>th</sup> at no charge. He stated it was something he wanted to bring to the Board because it was a concern he has had from the citizens.

Deborah Thurmon stated per Florida Statutes 218.39 item 1 the Destin Fire Control District's annual financial audit was due June 30, 2016. She stated in a conversation with Eric Newnan of

the Auditor General's office your audit is late and there are no extensions. She further stated she had spoken with several pension trustees and the actuary report Ms. Wagner referenced is not holding up the audit with no benefit enhancements to the pension that would affect the audit period from 10/1/14 to 9/30/15 and if that was such a problem couldn't the audit have been completed by the deadline and the opinion may have be qualified for the supposed actuarial report.

Deborah Thurmon asked what benefit enhancements affected the audit period ending 9/30/15 which Kathryn Wagner says is holding up the audit. Kathryn Wagner stated the actuarial report is done as of 10/1/15 and whatever happens with the contract negotiations it can be retroactive back to that point. She stated the actuarial report is not done September 30<sup>th</sup> it is as of October 1<sup>st</sup>.

Deborah Thurmon stated budget meetings were set to begin tonight and you expect us to participate in open government without the audit. She stated this fiscal year ends in less than 75 days and there is no date as to when the audit will be complete. She further stated the taxpayers want the audit complete so we can have a full audited financial position of the District. Tommy Green stated we will address the issue.

Deborah Thurmon asked why the \$267,627 for the SAFER Grant was not adjusted at the midyear audit adjustments when the \$67,000 upward adjustment was made for attorney fees. She further asked Kathryn Wagner to adjust the financials to remove the SAFER grant that was never received and have the financials correct by the next meeting. Tommy Green stated he would discuss it with Kathryn Wagner.

Deborah Thurmon stated \$267,000 in a budget that never happened is a big adjustment that should not have been overlooked. Kathryn Wagner stated budget adjustments need to be approved by the Commissioners and are done once maybe twice a year.

Deborah Thurmon stated they should have been presented to the Commissioners. Chief Sasser stated other Districts don't do it until the end of the fiscal year.

Tommy Green stated we will address the issue.

Felix Romero asked about the time for the meeting on the 28<sup>th</sup>. Chief Sasser stated it had not been set. More than likely it will be Bob Norton that sets the time for the Board to attend then it will be coordinated with the Board to make sure that time works.

Tommy Green asked for that to be done in a timely manner. Chief Sasser stated he would anticipate it to be the same time we normally have the meetings, 5:30pm.

Deborah Thurmon asked the meeting be move to 6:00pm so people who work can attend. Tommy Green stated he would see what we can do.

Deborah Thurmon stated as a taxpayer her opinion is she would like the meeting moved for the record.

Rick Moore stated since Felix Romero is directly involved he was sure he would be notified.

Deborah Thurmon stated many meetings ago she asked who approved the attorney for these union negotiations. She stated Rick Moore said it was his idea but nowhere could she find who made the motion, who seconded the motion and where it was voted for now that we are well over \$120,000. Deborah Thurmon asked who made the motion, where it was voted on because it was not the budget meetings last year. Tommy Green stated he would see what he could do about getting her an answer.

Deborah Thurmon asked if I write a letter would she get an answer before the next meeting. Tommy Green stated yes.

John Harvey asked if anything was decided on redoing the manuals. He stated there seems to be some discrepancies now as to what is what; there have been some discussions about the Employee Relations Commissioner, who he is responsible to, who can report to him and who can't. He stated it is in several different places in some of the manuals; in the contract, in the procedures manual, the rules and regulations handbook, it's all over the place and there is some confusion as to the Employee Relations Commissioner as far as what his responsibilities are; is it nonunion employees or nonunion and union. Tommy Green stated he agreed there are some grey areas.

John Harvey stated he suggested back in November the manuals be looked at, now it is coming up to cause some confusion with the Local and the Board. Chief Sasser stated the Local goes by the CBA which supersedes any rule, regulation or manual we have.

John Harvey stated in the contract you have the Employee Relations Commissioner. Chief Sasser stated we can discuss it after the meeting and he would explain it to him.

Deborah Thurmon stated we can discuss it here that is why we are all here. Tommy Green stated no, if it has to do with the contract then we cannot discuss it.

Deborah Thurmon stated we are talking about future negotiations. She stated even Mike Buckingham in his depositions said he did not know what his responsibilities are. Mike Buckingham stated that was untrue.

Dawn Stuntz stated we are not going to have discussion on this.

Deborah Thurmon stated we have Mike Buckingham's depositions they are filed in the court; it says "I don't know really what I'm supposed to do". She stated she would email it to Mike Buckingham.

John Harvey stated all he was looking for was to have the manuals looked at and get all the ambiguities out of them and all the places that are cross-referenced in all the manuals that say different things. He stated it would solve a lot of problems. Tommy Green stated he would look into it himself.

**Review of minutes:**

The minutes for the regular meeting of June 14, 2016, were presented. Jack Wilson made a motion to approve the minutes of June 14, 2016. Bob Wagner seconded. The motion passed unanimously.

**Review of the Financial Report:**

Kathryn Wagner presented the financial report for June 30, 2016. She stated reviewing the balance sheet cash in Trustmark bank is on the decline at \$702,952 as of June 30, 2016 and currently it is down to \$521,000. She further stated it was brought up at the last meeting to possibly have a set target amount at the end of each month to optimize investment income in the Florida Local Government Trust day to day fund. Kathryn Wagner stated we could incur some wire transfer fees from Trust Mark because our account balances with Trustmark are getting lower and typically when you maintain certain amounts of money then they will do more for us, which they have been by waiving direct deposit fees which could cost between \$1 to \$2 per employee per payroll. She stated she is still working with them to see what they can do. She stated she expects to make the first draw from the day to day trust in approximately 3 weeks to make sure we can get through August and then again in September.

Jack Wilson stated Kathryn Wagner was looking at that right; we do not want to chase 90 basis points to pay thousands of dollars in fees. He stated we have to look at this all in the object was given that we have this in place can we make more on our funds. He further stated he trusted we can sort through both ends of that. Kathryn Wagner stated she was working with both institutions.

Kathryn Wagner stated accounts receivables were high at \$127,845 due to 2 bills to the TDC for Beach Safety services, however since this report we have collected 1 bringing the balance down \$65,000. Liabilities are in line, but some adjustments were made that need to be mentioned from September 30, 2015. She stated when the auditors were here several months ago they mentioned we needed to make a reclassification from other current liabilities line item other compensated absences 1 year then adjust long term liabilities compensated absences more than 1 year. She further stated we had an employee that left in early November, but all of his accruals were split long term/short term when they all should have been short term so 1 adjustment of a little over \$9,000 has been made between those 2 categories. Kathryn Wagner stated the second adjustment was to long term liability which is the liability to the trust fund. She stated our actuary is working on our valuation report making the assumption that the benefits the employees receive through the retirement are not going to change as of October 1<sup>st</sup>; if they do change we will have to do the valuation again, however the report has to be finished. She further stated the actuary had completed the required GASB reports which tells us what the liability to our pension is as of September 30, 2015, which increased by \$82,000 and that adjustment was made.

Kathryn Wagner stated revenue over expenditures vs budget shows advalorem taxes are over collected because preliminary numbers are used during our truth in millage process when our budget is set and our final gross property values came in a bit higher, but will make sure there was no misclassification from prior year taxes. She stated impact fees continue to come in with \$40,000 collected in June, which are restricted funds only to be used for growth in the area. A new revenue account was added called unrealized gain (loss) on investments to pick up unrealized gain on investments in the bond fund and will be adjusted on a quarterly basis.

Kathryn Wagner stated on page 11 had been revised as there was a reclassification adjustment under the Retirement Plan; it was categorized under the 457 plan instead of the 175 plan. She stated all personnel services were in line, repair and maintenance were low and Beach Safety was in full swing for June. She further stated 3 quarters of the way into the fiscal year our target percentage remaining is 25% and looking at ending the fiscal year under budget.

Bob Wagner made a motion to approve the financial statements for June 30, 2016. Jack Wilson seconded. The motion passed unanimously.

**Old Business:**

1. Planning project

Chief Sasser stated after speaking with Dick Harp from the ISP they would like to start some preliminary things without the budget process being completed.

Jack Wilson stated we have this year's budget. Chief Sasser stated they would like the most current numbers so the five years going forward would not be a year behind. He stated they would like to start setting up the interviews.

Jack Wilson asked if they are doing any work on strategy or just financial planning. Chief Sasser stated they are going to work on strategy as part of the interview process.

Jack Wilson stated that should not be held up on where we are in the budget. Chief Sasser stated yes, Dick Harp mentioned the same thing and that is why he would like to set up interviews.

Jack Wilson stated any work done there and brought to the Board; the Board can make a decision which may well impact how we do the budget. He stated the process seems backward. Chief Sasser stated yes, but it was not his call.

Jack Wilson stated we need to have a conversation with the ISP.

2. Video equipment for meeting room

Bob Wagner asked how many people have requested audio since the last meeting. Kathryn Wagner stated 1.

Bob Wagner asked how many for the year. Kathryn Wagner stated about 4.

Bob Wagner stated he did not see a demand for it.

Bob Wagner made a motion to remove video equipment for the meeting room from the agenda.

Deborah Thurmon asked if there could be discussion on this. She stated there is a house bill that says we have to talk about it before you vote on it and we did not know you were going to vote on it.

Tommy Green stated he did not know we were going to vote on it either, but the motion has to be seconded.

Jack Wilson seconded.

Jack Wilson asked to clarify; we are keeping the audio but not moving forward with video until there is a demand for it. Bob Wagner stated exactly.

Rick Moore stated he did not see a need for, there is audio.

John Harvey stated the idea came from Commissioner Buckingham. John Harvey stated you want people to see what you do here what your work is. He stated you can use impact fees to buy the equipment and turn around and use the equipment for training purposes. Let's video it and put it on YouTube, City Hall does it, Okaloosa County does it, TDC does it. He further stated this is an open government and people have a right to open government and Chief Sasser could have bought the equipment because he has the right to spend up to \$10,000 without the Board's approval.

Tommy Green stated he would look into with Chief Sasser.

John Harvey asked if he was going to put off the vote. Tommy Green stated no, there was a motion and a second, but even after the vote that does not mean he cannot pursue it with Chief Sasser after the meeting, Bob Wagner just wanted to remove it from the agenda.

The motion passed 3 to 2 with Mike Buckingham and Tommy Green opposed.

**Chief Reports:**

1. Beach Safety report

Joe D'Agostino stated a successful Fourth of July with no major injuries and Harbor 9 is a busy apparatus with 12 people rescued from the Pass since Memorial Day.

Tommy Green asked if these numbers include Boat 9. Joe D'Agostino stated no, Beach Safety staffs that side of the Harbor with the boat and from what he gathers they are busy and the Beach Safety Jet Ski goes to Crab Island when Boat 9 cannot, it is a busy part of the aquatic environment.

Tommy Green asked if that could be incorporated into this report. Chief Sasser stated yes and elaborated on how the JetSki and Boat 9 work together.

Tommy Green asked if the corridor was up. Chief Sasser stated yes.

Tommy Green asked if it was advantageous. Chief Sasser stated yes, but that is not always where the action is, but when there are accidents it is good to utilize it.

2. Training report

Chief Sasser stated roughly 21 hours of training for the month of June.

3. Inspection report

Ron Gerdeman stated a lot of construction happening this time of year, but nothing big to report.

4. Response Change report

Chief Sasser stated Okaloosa County changed their reporting software which changed how we gather data from them and we have had to learn a completely new system. He stated for June we had to pull numbers from our system, but could not get EMS side until we learn their system.

Jack Wilson asked if Okaloosa County would give us the information. Chief Sasser stated yes, they just changed the system and do not generate the reports we generate; it is quite different and we have to learn how to pull data out of the system for this report.

Rick Moore asked who pulls the data. Chief Sasser stated himself, Bronson Coleman and Kathryn Wagner.

Mike Buckingham asked if Okaloosa County went to a more state of the art system. Chief Sasser stated yes, but probably a cheaper system.

Mike Buckingham asked if we could ask them to pull the report. Chief Sasser stated yes, but it is not a benefit to them since we are tracking their time.

Mike Buckingham stated it was not a lot to ask for. Chief Sasser stated they may not want to do that because it is not a benefit to them.

Jack Wilson stated to ask them and let them say no. He stated they changed the system that other people use to run their business with without asking. Chief Sasser stated we have to figure out the system.

Chief Sasser stated June was significantly busier than any previous months which were reflected in the response times which went down. He stated Zone 1 was at an all-time high.

#### 5. Overtime report

Chief Sasser stated a quiet month with only 1.5 hours overtime.

#### **New Business:**

1. Resolution 16-09- Amendment to the Destin Fire Control District Firefighters' Retirement Trust Fund (update resolution number only from 16-07)

Kathryn Wagner stated this resolution was approved at the last meeting with a resolution number that was previously used and would like to reapprove the resolution with a new number. She stated nothing else had changed.

Bob Wagner made a motion to approve Resolution 16-09. Mike Buckingham seconded. The motion passed unanimously.

#### **Next meeting:**

Tommy Green reminded the Board that the next regular meeting will be August 9, 2016, at 5:30 p.m. and the Special Hearing on July 28, 2016.

Deborah Thurmon asked Kathryn Wagner to clarify if the audit ends on 10/1/15 instead of 9/30/15 and that is why it is not complete. Kathryn Wagner stated no, the actuarial valuation report is done based on a time frame of 10/1/15 and that is the report that is included in our audit.

Deborah Thurmon asked why they could not have footnoted that liability. She stated Jack Wilson knows a lot about liabilities and in 2012 when there were negotiation deals the audit was not done on time then either so here we are in negotiations and the audit is not completed on time.

Kathryn Wagner assured the Board of numerous discussions with actuaries and auditors since November of last year in regards to our current situation and it was the recommendation of both of our consultants not to pursue going forward with this; we got to a point in time where we had no choice not to do this and by going this far it has put us up against a time frame to file with the

State and we are still fine with that. She stated they are both being done and the actuarial report may have to be done again at an additional expense to the District which is what we were trying to avoid, but that is the situation we are in, the Board and Chief Sasser have been updated and continue to be updated.

Jack Wilson asked if CRI talked about an unqualified opinion. Kathryn Wagner stated no.

Jack Wilson stated it was more work for them therefore more cost to us. Kathryn Wagner stated they are far enough into the process to start inputting information into the State's website and they have not talked about any adjustments other than the 2 discussed earlier and would not expect anything but a clean report.

Deborah Thurmon stated if we are worried about costs why not cut Bob Norton. Tommy Green stated we are not to discuss that.

Brian Christenson asked if the Board wanted clarification on BP money for South Walton. Tommy Green stated Chief Sasser had put together numbers of what South Walton had gotten and what services they performed to get it.

Brian Christenson asked if Tommy Green wanted clarification. Tommy Green stated no, but he would like to hear the number from Brian Christenson after the meeting.

Deborah Thurmon stated she would like to hear the number since she was called a liar after the last meeting. Tommy Green stated to take it up with him after the meeting this is not something on the agenda.

Brian Christenson approached the Board with a print out. He stated it had the settlement South Walton received along with the services they provided.

Deborah Thurmon asked how much. Brian Christenson stated it showed the contract with BP to provide medical services which BP had to have in Okaloosa County as well as South Walton, he believed there was a service in Destin at Henderson Beach that provided it all that was an outside agency from Jacksonville Fire. He stated he wanted to give the Board clarification on the inaccuracies; a little over \$1,000,000 was received by South Walton Fire District, he had heard \$25,000 or \$17,000 for Destin.

Chief Sasser clarified the services contract was South Walton performing work for BP, when we did not, because South Walton had the certificate of need for transporting ambulances.... Brian Christenson stated that was inaccurate. Chief Sasser stated South Walton had the certificate of need and the contract so that is who BP went to, they never came to us and asked us to provide that service, they went to Okaloosa County. He stated what South Walton received in contracted services which are listed on the paper in front of the Board was \$1,100,000, if you look at the settlement which is what was discussed at the last meeting, South Walton received \$116,848 and that was the number given to the Board.

Brian Christenson stated Chief Sasser was inaccurate about the certificate of need that had nothing to do with it; OSHA had to have medical personnel out there we were in Walton county, we provided that service, it had nothing to do with certificate of need or transport.



Mike Buckingham stated the paper listed revenue for service contract and then down below said final settlement economic and property damage claim.

Brian Christenson stated for the final settlement we did a blanket umbrella for everyone in Walton County with Sheriff's Office and everyone else which saved costs for an attorney to put multiple agencies under that settlement and we took the deduction of attorney fees off of it.

Rick Moore asked Brian Christenson if he was representing South Walton as a commissioner or as Destin Fire Control District firefighter. Brian Christenson stated he was here as a South Walton Fire Commissioner and had made Chief Talbot aware of it.

Rick Moore stated the paperwork handed to the Board was not on South Walton letterhead. Brian Christenson stated it had come directly from Carol Martin.

Mike Buckingham stated it was 2 different numbers; revenue from the service contract and the final settlement. He stated we settled with the economic and property damage claim.

Jack Wilson stated the comparison is \$25,000 with \$116,000 not \$25,000 to \$750,000. Brian Christenson stated the objective that he was trying to point out was we had the chance to provide this service, but we, Destin Fire, just did not.

Chief Sasser asked if he was representing the District now.

Jack Wilson asked Brian Christenson to explain the pronoun "we". Brian Christenson stated South Walton.

Deborah Thurmon asked why Destin didn't provide those services. Chief Sasser stated we were not requested.

**Adjournment:**

With no additional business to be discussed, the meeting adjourned at 6:19p.m.