

Destin Fire Control District

Agenda

Board of Fire Commissioners
848 Airport Road, Destin, Florida 32541
July 12, 2016, at 5:30 p.m.

This meeting is open to the public

- 1. Meeting called to order by the Chairman**
- 2. Public Comments**
- 3. Review of minutes:**
 - a. Regular meeting – June 14, 2016
- 4. Review of Financial Report:**
 - a. June 30, 2016
- 5. Old Business:**
 - a. Planning project
 - b. Video equipment for meeting room
- 6. Chief Reports:**
 - a. Beach Safety Update
 - b. Training Report
 - c. Inspection Report
 - d. Response Change Report
 - e. Overtime Report
- 7. New Business:**
 - a. Resolution 16-09 – Amendment to the Destin Fire Control District Firefighters' Retirement Trust Fund (update resolution number only from 16-07)
- 8. Next Meeting:** Regular Meeting, Tuesday, August 9, 2016
- 9. Adjournment**

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

June 14, 2016

Minutes

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

Staff present: Chief Kevin Sasser, Division Chiefs Joe D'Agostino and Kathryn Wagner, Lt. Inspector Matt Taylor and Allison Henderson

Present: Dawn Stuntz

The meeting was called to order at 5:33 p.m. by Chairman Tommy Green.

Public Comments:

Deborah Thurmon of Destin asked why the agenda was not posted to the website. Kathryn Wagner stated the agenda was available 7 days prior to the meeting but was not posted to the website due to her situation. Tommy Green stated Kathryn Wagner had been in the hospital.

Deborah Thurmon asked if Kathryn Wagner was the only person who could post anything to the website. Chief Sasser stated that was correct. Deborah Thurmon stated that was a problem when Kathryn Wagner was out sick in 2014 she asked if there was no backup. Tommy Green stated no, not at this time.

Deborah Thurmon requested the Board look into other people being crossed trained. Tommy Green stated yes.

Review of minutes:

The minutes for the regular meeting of May 10, 2016, were presented. Rick Moore made a motion to approve the minutes. Bob Wagner seconded. The motion passed unanimously.

Review of the Financial Report:

Kathryn Wagner presented the April 30, 2016 financial report. She stated a large transfer to Florida Local Government and Investment Trust of \$1,200,000 was made. She stated receivables were higher than normal due to 2 TDC billings while payables were in line for the month of April. Revenue over expenditures vs budget was 7 months into the fiscal year leaving a target percentage remaining of 42% with no major items out of line from the budget with the exception of the receipt of commercial impact fees.

Bob Wagner made a motion to approve the April 30, 2016 financial report. Rick Moore seconded. The motion passed unanimously.

Kathryn Wagner presented the May 31, 2016 financial report. She stated the money market account with Trustmark Bank had been closed; accounts receivables of \$148,991 were a timing issue and deposits were made bringing receivables down to \$64,000. She stated \$61,000 of that was a billing to the TDC. Kathryn Wagner stated accounts payable was a similar situation with \$129,000 as of May 31, 2016 which now were \$43,000, which was still high since we were still receiving invoices for the new equipment which needed to be checked before paying. She stated revenue over expenditures vs budget was 8 months into the fiscal year leaving a target percentage remaining of 33%. Kathryn Wagner stated billings to the City of Destin for Beach Safety began in May and we continued to collect advalorem taxes with

approximately \$169,000 more to be collected and we are at a slightly better collection rate than in the past. She stated expenditures had a couple of items over budget such as dues and subscriptions due to a billing from the City of Destin for Boat 9's submergible lease for 2010 to 2015.

Mike Buckingham asked when we received that bill. Kathryn Wagner stated approximately a month ago.

Kathryn Wagner stated the budget will reflect this cost in the future since paying the City \$1,000 a year would be much cheaper than leasing a slip by other means.

Mike Buckingham asked if we had ever paid that before. Kathryn Wagner stated no.

Rick Moore asked what the lease agreement stated. Chief Sasser stated the City was not aware of it for a while and they received a bill from the DEP and asked if we would pay our part. He stated since we only pay for the water and electricity and not the slip we would be more than willing to pay our part of the submergible land lease. Kathryn Wagner stated the bill was for \$5,000 for 5 years but 2 years were waived. Chief Sasser stated the City was unaware of the bill then once DEP made them aware the City Manager got up with us asked us to pay our part.

Kathryn Wagner stated another expenditure to mention was equipment under \$1,000. She stated initially when budgeting for the new truck all equipment was put under capital expenditures, but capital expenditures are only for equipment costing over \$1,000. She stated at the end of the year a budget adjustment will be made moving money from capital expenditures to equipment under \$1,000 which will wash out.

Mike Buckingham asked when all the equipment will be here. Chief Sasser stated we were short a few pieces as quite a bit was backordered and since this was the first time we had purchased all new equipment we did not anticipate so many backorders. He stated most of it is in, now it is a matter of the guys marking it and mounting it on the truck.

Mike Buckingham asked if all the ordering was done through Ten 8. Chief Sasser stated most of the ordering was done through them although we did order a few things outside of Ten 8 since they were not vendors for some the equipment.

Kathryn Wagner stated overall expenditures are in line for the year and projected the need to make a transfer from the Florida Local Trust day to day fund toward the end of August or the beginning of September.

Jack Wilson asked if we have a target month end cash balance. Kathryn Wagner stated no, but could be projected since our expenses typically run from \$435,000 to \$535,000.

Jack Wilson stated since we have the vehicle to move money on the short term and get a little bit of interest we should think about setting a target of \$250,000 for an ending cash balance every month which would mean more transfers in and out of the day to day fund, but more of the money earning a little bit of interest. Kathryn Wagner stated she would need to speak with them because the initial agreement was to do a handful of transfers within a year, but could look into a target cash balance and determine how many transfers that would be.

Jack Wilson asked what the interest rate with Trustmark Bank checking account was; probably less than zero. Kathryn Wagner stated we really do not have any fees with Trustmark so we are able to earn a little.

Jack Wilson asked what the interest rate with the day to day fund was. Kathryn Wagner stated approximately .92%. Jack Wilson stated if we kept \$1,000,000 in cash when we could end the year with

\$250,000 that is another \$500,000 we got invested for another \$50,000 in interest. He stated we may not be able to do it but are now structured to maximize the yield.

Jack Wilson made a motion to approve the May 31, 2016 financial report. Mike Buckingham seconded. The motion passed unanimously.

Old Business:

1. Planning project

Chief Sasser stated he spoke with the ISP and they want to wait until we start our budgeting process which would give them a good basis moving forward instead of starting now and begin planning things based off the current year's budget. He stated once we begin that process we will be giving them paperwork so they can begin building a plan.

2. Video equipment for the meeting room

Chief Sasser stated Kathryn Wagner contacted our web host concerning space on the website to post voice recordings. He stated we currently have 1G and pay \$75 per month for that hosting space and anticipates that cost going up; another option would be to link to another host for the voice recordings such as YouTube, but more research is needed to determine cost.

Kathryn Wagner stated a third party will have to be used because the files are too large to store on our website.

Bob Wagner asked if any requests were made for recordings this month. Kathryn Wagner stated no there had been very few public records requests in the last 4 weeks.

Chief Sasser stated we would bring costs back to the Board at the next meeting.

Chief Reports:

1. Beach Safety report

Joe D'Agostino stated we had a successful Memorial Day weekend, as well as the 2 days of Tropical Storm Colin with a few capsized vessels and no rescues because we did close the beaches during the Tropical Storm. He further stated nothing out of the ordinary for the month and attendance was nearly the same as last year.

2. Training report

Chief Sasser stated the guys completed 21 hours of training for the month consisting of various topics putting them above the goal of 20 hours a month.

3. Inspection report

Lt. Matt Taylor stated he and Ron Gerdeman met with the City concerning 5 three story townhouses going in behind Fudpuckers for a total of 288 units.

4. Response Change report

Chief Sasser stated the May Response Change report will be presented with next month's report.

5. Overtime report

Chief Sasser stated there were a few incidents in May but nothing too significant.

Bob Wagner asked if the overtime report included Boat 9. Chief Sasser stated no, not in this report.

Rick Moore asked how much overtime for the boat. Kathryn Wagner stated overtime for the boat will be adjusted to the financial statement under personnel services; wages; other overtime for the next month.

Chief Sasser stated the boat had been out Friday through Sunday since Memorial Day weekend and had been busy and have been collecting data to present soon.

Rick Moore asked when the corridor will be put in. Chief Sasser stated he did not know exactly when.

Prebble Ramswell stated permits had been issued and it was just a matter of securing the leads that will not float off; so just securing the proper equipment and purchasing it.

Firefighter Joe Anderson stated they were out doing something with it today.

Chief Sasser stated that would help since we have had several medical calls out there along with several assists where we have had to either pull swimmers into the boat and take them back to shore or ride along and make sure they make it if they refuse assistance.

Rick Moore asked if a swimmer was picked up in the channel and they came from the shore are they returned to the shore. Chief Sasser stated yes, that is why most refuse assistance because they want a ride to Crab Island not back to shore.

Tommy Green stated most have figured that out and had been out there when we have to go along side to make sure they make it and are not run over by pontoon boats.

Kathryn Wagner stated an adjustment for boat overtime will not have to be made to the financial report because the boat overtime will occur on the June payroll and will be on the June financial report.

New Business:

1. Resolution 16-07- Amendment to the Destin Fire Control District Firefighters' Retirement Trust Fund
Kathryn Wagner stated the resolution had been presented and approved by the Trustees and involved updating IRS changes with nothing affecting employee benefits, just administrative changes to comply with IRS regulations.

Jack Wilson asked if this went through the Pension group first then to the Board. Kathryn Wagner stated yes.

Chief Sasser stated the Board is the final vote before being implemented.

Kathryn Wagner stated the resolution was created and reviewed by the Trust's attorney.

Bob Wagner made a motion to approve Resolution 16-07. Rick Moore seconded.

Tommy Green asked the firefighters in attendance if they were ok with the resolution. There was no response. Chief Sasser stated they probably do not know a lot about it since it was more of an administrative thing.

Jack Wilson asked if this was done at the last Pension Board meeting. Kathryn Wagner stated yes, they had it prior along with the attorney.

The motion passed unanimously.

2. Resolution 16-08- BP Claim Settlement

Chief Sasser stated the Board had directed Dana Matthews to do the best he could understanding the position we were in; unfortunately BP held their ground and was not willing to listen to what we felt was sound logic. He stated BP had made their disbursements and we were the forgotten about ones. Chief Sasser stated it was this or nothing so Dana's recommendation was to take it.

Rick Moore asked who all the forgotten ones were. Chief Sasser stated a little over 50 governmental agencies like us that were left out of a list of several hundred and after calculations were made for those 300 or so they realized they forgot 50 so they just did a set amount for them and that is where we ended up. He further stated even though we could use 2 other Districts as barometers they said no.

Jack Wilson asked what our incentive was to accept the offer other than receiving \$25,000. He further asked if we are better off with an open claim. Chief Sasser stated the end result would be zero even with an open claim because we had to prove our loss and he could not remember exactly how Dana Matthews put it but we had an indefensible position.

Tommy Green asked Dawn Stuntz what her take on the matter was. Dawn Stuntz stated she was not in on the case but from what she had heard the Judge said you either take the offer or you are getting zero because it will be years and years and years before these cases are ever heard and at that point in time there may not be any money; so Dana Matthews position was take it or leave it this is the best you are going to get.

Rick Moore stated it was like a business claim; \$25,000 and go away.

Mike Buckingham stated if we play it could be many years down the road. Chief Sasser stated and it could be zero.

Prebble Ramswell asked if BP messed up and overlooked the 50. Dawn Stuntz stated she did not have that information. She stated the claims were submitted.

Prebble Ramswell stated if they screwed up 50 entities that had their stuff in on time; but she is not an attorney just as a public person that does not sound right.

Tommy Green asked if South Walton was one of the forgotten ones. Chief Sasser stated they did not miss them.

Tommy Green asked how much they received. Felix Romero stated \$750,000. Chief Sasser stated that is not what they were told not even close.

Deborah Thurmon stated she had pulled the public records and they are.

Chief Sasser asked if we were going to have a discussion about this. Dawn Stuntz stated no.

Deborah Thurmon stated public records are public records, it is over \$750,000.

Mike Buckingham asked Prebble Ramswell what the City ended up with. Prebble Ramswell stated she did not know, but she could find out.

Mike Buckingham stated he did not think it was very much money and knows there are a lot of people still out there settling.

Bob Wagner stated it was not what we wanted, but we should take it and move on.

Rick Moore stated it is what it is, we tried hard to fight.

Bob Wagner made a motion to approve Resolution 16-08. Rick Moore seconded. The motion passed 4-1 with Mike Buckingham opposing.

Next meeting:

Tommy Green reminded the Board of the next regular meeting will be July 12, 2016, at 5:30 p.m.

Joe D'Agostino stated the Destin Fire Rescue Foundation's Junior Lifeguard program has close to 120 kids participating this year.

Tommy Green stated that was great. He stated when he went to New Port Beach they had 1200 kids in their program.

Rick Moore stated our program is growing and had heard nothing but good things about our program.

Deborah Thurmon asked about the audit. Dawn Stuntz stated that was not an agenda item.

Deborah Thurmon stated it is a small meeting we are taxpayers, I mean do you really want to be... Dawn Stuntz stated it was at the Board's discretion.

Deborah Thurmon stated she just asked about the audit, it should have been finished; it was always done in March or April. Deborah Thurmon asked if he was coming, the annual audit. Kathryn Wagner stated the audit had been held up by the actuarial report which had not been done due to negotiations.

Adjournment:

With no additional business to be discussed, the meeting adjourned at 6:13 p.m.

Destin Fire Control District

Balance Sheet

As of June 30, 2016

	<u>June 2016</u>
ASSETS	
Current Assets	
Checking/Savings	
Petty cash	\$ 100
Trustmark - checking	702,952
Trustmark - hra checking	14,532
Trustmark - impact fee	915,730
FLGIT - Day to Day Fund	751,098
FLGIT - Short Term Bond Fund	4,117,236
Total Checking/Savings	<u>6,501,648</u>
Accounts Receivable	
Accounts Receivable	127,845
Total Accounts Receivable	<u>127,845</u>
Other Current Assets	
Ed supplement receivable	3,120
Total Other Current Assets	<u>3,120</u>
Total Current Assets	<u>6,632,613</u>
Fixed Assets	
Land	278,555
Building	1,328,208
Building Improvements	1,405,724
Equipment - firefighting	298,096
Equipment - other	885,099
Equipment - station	345,891
Vehicles	2,357,052
Accumulated depreciation	(3,741,594)
Total Fixed Assets	<u>3,157,031</u>
Other Assets	
Prepaid expenses	94,009
Total Other Assets	<u>94,009</u>
TOTAL ASSETS	<u><u>\$ 9,883,653</u></u>

Destin Fire Control District**Balance Sheet**

As of June 30, 2016

	<u>June 2016</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts payable	\$ 17,919
Other Current Liabilities	
Accrued wages payable	63,792
Accrued HRA Benefits	19,860
Payroll Liabilities	362
Prepaid Legal Services	309
Compensated absences-in 1 yr	94,611
Total Other Current Liabilities	<u>178,934</u>
Total Current Liabilities	196,853
Long Term Liabilities	
Compensated absences-more 1 yr	151,741
OPEB Liability	80,407
Retirement Trust Fund	9,331,980
Total Long Term Liabilities	<u>9,564,128</u>
Total Liabilities	<u>9,760,981</u>
Equity	
Nonspendable Fund	
Nonspendable - Investment General Fixed Assets Fund	3,157,031
Nonspendable - Prepaid Insurance Fund	94,009
Total Nonspendable Fund	<u>3,251,040</u>
Restricted Fund	
Restricted - Impact Fee Fund	919,811
Total Restricted Fund	<u>919,811</u>
Committed Fund	
Committed - Compensation Fund	50,000
Committed - Unemployment Fund	19,873
Total Committed Fund	<u>69,873</u>
Assigned Fund	
Assigned - Asset fund	2,740,563
Total Assigned Fund	<u>2,740,563</u>
Unassigned Fund	
Unassigned Fund	653,003
Provided for Retirement Trust Fund	(9,331,980)
Net Revenue over Expenditures	1,820,362
Total Unassigned Fund	<u>(6,858,615)</u>
Total Equity	<u>122,672</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 9,883,653</u></u>

Destin Fire Control District
Revenue over Expenditures vs Budget
for the 2015 - 2016 Fiscal Year

	6/30/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
Revenue				
Advalorem Tax				
Advalorem taxes	\$ 5,084,540	\$ 5,083,925	(615)	-0.01%
Discounts (3.5%)	(168,131)	(177,937)	(9,806)	5.51%
Uncollected tax (1.5%)	-	(76,259)	(76,259)	100.00%
Advalorem taxes prior years	524	-	(524)	-100.00%
Advalorem tax interest	6,398	-	(6,398)	-100.00%
Advalorem prior years penalty	142	-	(142)	-100.00%
Tax collector	(98,433)	(101,679)	(3,246)	3.19%
Total Advalorem Tax	<u>4,825,040</u>	<u>4,728,050</u>	<u>(96,990)</u>	<u>-2.05%</u>
Fee Revenue				
Impact fee	108,729	50,000	(58,729)	-117.46%
Plan review fee	11,552	16,000	4,448	27.80%
Alarm System Malfunction fees	1,500	700	(800)	-114.29%
Re-Inspection fees	600	1,000	400	40.00%
Total Fee Revenue	<u>122,381</u>	<u>67,700</u>	<u>(54,681)</u>	<u>-80.77%</u>
Grant revenue				
Grant - DHS - Safer Grant	-	267,627	267,627	100.00%
Total Grant revenue	<u>-</u>	<u>267,627</u>	<u>267,627</u>	<u>100.00%</u>
Interest from Investments	3,304	8,000	4,696	58.70%
Unrealized gain (loss) on investments	32,142	-	(32,142)	-100.00%
Gain (loss) on sale of assets - BS	13,324	20,000	6,676	33.38%
Gain (loss) on sale of assets	45,000	45,000	-	0.00%
Beach Safety Patrol				
BSP - City of Destin	40,000	100,000	60,000	60.00%
BSP - Okaloosa County	377,546	550,055	172,509	31.36%
Total Beach Safety Patrol	<u>417,546</u>	<u>650,055</u>	<u>232,509</u>	<u>35.77%</u>
Pension Fund Contributions	-	345,000	345,000	100.00%
Miscellaneous revenue	447	-	(447)	-100.00%
Medical - Training Revenue (CPR)	<u>5,310</u>	<u>3,600</u>	<u>(1,710)</u>	<u>-47.50%</u>
TOTAL REVENUE	<u>5,464,494</u>	<u>6,135,032</u>	<u>670,538</u>	<u>10.93%</u>

Destin Fire Control District
Revenue over Expenditures vs Budget
for the 2015 - 2016 Fiscal Year

6/30/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
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Expenditures

Personnel Services

Education allowance	3,735	15,000	11,265	75.10%
Employee medical				
Drug test	141	300	159	53.00%
Physicals	1,088	9,870	8,782	88.98%
Shots	-	1,000	1,000	100.00%
Total Employee medical	1,229	11,170	9,941	89.00%
Insurance				
Elimination recourse	-	200	200	100.00%
Employee	416,696	656,602	239,906	36.54%
Employee AD&D	413	600	187	31.17%
Paramedic individual	2,205	3,400	1,195	35.15%
Workers compensation	57,914	85,898	27,984	32.58%
Total Insurance	477,228	746,700	269,472	36.09%
Retirement plan				
District - 175 plan	528,909	870,062	341,153	39.21%
State Premium Tax Contr.	-	345,000	345,000	100.00%
District - 457 plan	60,501	40,685	(19,816)	-48.71%
Total Retirement plan	589,410	1,255,747	666,337	53.06%
Taxes - payroll	117,238	168,330	51,092	30.35%
Wage incentives				
EMT	13,754	22,680	8,926	39.36%
Paramedic	82,304	112,000	29,696	26.51%
Total Wage incentives	96,058	134,680	38,622	28.68%
Wages				
Wages	1,372,954	1,898,989	526,035	27.70%
Mandatory overtime	21,270	45,000	23,730	52.73%
Duty overtime	14,950	15,000	50	0.33%
Holiday pay	36,927	54,215	17,288	31.89%
Commissioners	6,500	30,000	23,500	78.33%
Sick leave and vacation payout	223	1,000	777	77.70%
Other overtime	9,274	32,429	23,155	71.40%
Total Wages	1,462,098	2,076,633	614,535	29.59%
Total Personnel Services	2,746,996	4,408,260	1,661,264	37.69%

Destin Fire Control District
Revenue over Expenditures vs Budget
for the 2015 - 2016 Fiscal Year

	6/30/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
Operating Expenditures				
Advertising	2,292	4,500	2,208	49.07%
Bond expense				
Election	-	250	250	100.00%
Employee	140	200	60	30.00%
Total Bond expense	140	450	310	68.89%
Contracts				
Radio Communications Access Fee	2,592	4,000	1,408	35.20%
Traffic control-interlocal agmt	-	1,700	1,700	100.00%
Total Contracts	2,592	5,700	3,108	54.53%
Dues/subscriptions/fees				
County medical director	4,000	4,000	-	0.00%
Dispatch	-	500	500	100.00%
Dues/subscriptions/fees - Other	12,059	9,171	(2,888)	-31.49%
Total Dues/subscriptions/fees	16,059	13,671	(2,388)	-17.47%
Equipment	35,512	10,500	(25,012)	-238.21%
Equipment - Hoses	-	5,000	5,000	100.00%
Haz-mat	7,107	7,250	143	1.97%
Inspections - ladder	1,699	1,750	51	2.91%
Insurance - general liability	45,068	65,000	19,932	30.66%
Lease - copier	1,755	2,500	745	29.80%
Office expense	3,797	8,500	4,703	55.33%
Professional fees				
Audit	14,000	16,000	2,000	12.50%
Legal	58,081	107,500	49,419	45.97%
Other Professional Services	1,056	12,000	10,944	91.20%
Total Professional fees	73,137	135,500	62,363	46.02%
Property appraiser	51,617	80,419	28,802	35.81%
Repairs and maintenance				
A.E.D maintenance contract	-	5,250	5,250	100.00%
Boat	2,393	4,000	1,607	40.18%
Building	7,480	12,000	4,520	37.67%
Computers - Hardware/Software/Upg.	11,163	12,500	1,337	10.70%
Equipment	5,669	10,000	4,331	43.31%
Office	9,951	15,000	5,049	33.66%
Vehicle	19,738	60,000	40,262	67.10%
Total Repairs and maintenance	56,394	118,750	62,356	52.51%

Destin Fire Control District
Revenue over Expenditures vs Budget
for the 2015 - 2016 Fiscal Year

	6/30/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
Operating Expenditures (continued)				
Supplies				
Fire prevention	-	5,000	5,000	100.00%
Paramedic equipment	1,381	3,500	2,119	60.54%
Station	5,411	10,000	4,589	45.89%
Total Supplies	6,792	18,500	11,708	63.29%
Telephone				
Local	5,189	7,500	2,311	30.81%
Cellular	3,544	6,000	2,456	40.93%
Total Telephone	8,733	13,500	4,767	35.31%
Training and per diem	3,769	12,411	8,642	69.63%
Transfer to Asset Fund Reserve	382,057	-	(382,057)	-100.00%
Reserve for Asset Fund	(382,057)	-	382,057	-100.00%
Uniforms - Duty	1,841	10,000	8,159	81.59%
Vehicle				
Fuel - fireboat	1,307	4,432	3,125	70.51%
Fuel - vehicles	10,391	22,000	11,609	52.77%
Total Vehicle	11,698	26,432	14,734	55.74%
Utilities				
Cable	1,180	1,900	720	37.89%
Electricity	16,671	27,000	10,329	38.26%
Gas	1,799	3,300	1,501	45.48%
Water	2,753	3,500	747	21.34%
Total Utilities	22,403	35,700	13,297	37.25%
Total Operating Expenditures	352,405	576,033	220,377	38.26%
Capital Expenditures				
Computer	2,344	3,000	656	21.87%
Building Improvements	2,261	17,261	15,000	86.90%
Equipment	120,908	191,535	70,627	36.87%
Vehicle	472,635	480,000	7,365	1.53%
Bunker Gear	-	9,918	9,918	100.00%
Total Capital Expenditures	598,148	701,714	103,566	14.76%

Destin Fire Control District
Revenue over Expenditures vs Budget
for the 2015 - 2016 Fiscal Year

6/30/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
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Other Uses of Funds

Beach Safety Program

Drug and Background tests	4,694	5,959	1,265	21.23%
Dues, Fees	13,254	6,200	(7,054)	-113.77%
Equipment - capital	82,468	76,989	(5,479)	-7.12%
Fuel	2,356	7,000	4,644	66.34%
Insurance - WC/Liability	23,877	38,010	14,133	37.18%
Office expense	1,014	1,000	(14)	-1.40%
Payroll benefits	42,436	49,803	7,367	14.79%
Repairs and maintenance	6,788	19,500	12,712	65.19%
Supplies	3,502	8,263	4,761	57.62%
Taxes - payroll	17,066	32,201	15,135	47.00%
Telephone - cell	3,201	4,510	1,309	29.02%
Training	1,408	2,000	592	29.60%
Unemployment Compensation	543	5,000	4,457	89.14%
Uniforms	5,450	7,344	1,894	25.79%
Utilities	385	1,800	1,415	78.61%
Wages	223,516	414,225	190,709	46.04%
Total Beach safety program	431,958	679,804	247,846	36.46%

CPR Program

Training Supplies	938	500	(438)	-87.60%
Payroll Taxes	60	-	(60)	
Wages - CPR Instructor	785	2,500	1,715	68.60%
Total CPR Program	1,783	3,000	1,217	40.57%

Total Other Uses of Funds

433,741	682,804	249,063	36.48%
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Total Expenditures

4,131,290	6,368,811	2,237,521	35.13%
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Net Revenue over Expenditures (per budget) \$ 1,333,204 \$ (233,779)

Non-General Fund items:

Use of Restricted Funds	\$ (77,829)	\$ (19,665)
Use of Assigned Funds	\$ 564,987	\$ 149,790
Use of Unassigned Funds	\$ -	\$ 103,654

Net Revenue over Expenditures

1,820,362	-
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Destin Fire Control District

June 2016 Training

	A-Shift	B-Shift	C-Shift	Total
Company Training				
Tactics & Strategy				
Water Rescue	5	5	5	15
Art of Smoke Reading	3	3	3	9
Target Safety				
Fire Prevention and Public Education	1	1	1	3
Fire Streams	1	1	1	3
Firefighter Orientation and Safety	1	1	1	3
Non-Traumatic Chest Pain	1	1	1	3
Obstetrical Emergencies Basic	1	1	1	3
Operating an AED	1	1	1	3
EMS Orotracheal Intubation	1	1	1	3
Patient Abuse and Assault	1	1	1	3
Medical Training				
Ethics	5	5	5	15
Total Training Hours	21	21	21	63

FIRE PREVENTION & INSPECTIONS

June 2016

Inspections Performed

Annual Inspections:	
Apartments/ Condominiums	6
Hotels/Motels	
Assembly	
Business	1
Mercantile	
Board & Care/ Day Care	
Storage	
Sprinkler /Alarm	
Access To Property	22
Vacant Property	

Total 29

Construction Inspections:	
Building	8
Remodel	
Fire Alarm	
Sprinkler System	20
Site	7
Hood System	1

Total 36

Re-inspections	3
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Total 3

Public Complaints/ Inquiries	42
Conferences	23
Pre-Plan Update	20
E.C. Updates	13

Total 98

Total Inspections 166

Plans Reviewed

TRT	2
Building Site	1
Remodel	
Building	3
Signs	4
Sprinkler Systems	1
Fire Alarms	2
Hood Systems	

Total 13

Construction Projects

In Progress	53
Not Started	28

Total 81

Destin Fire Control District
FYD Duty Overtime
as of June 30, 2016

Name	3) FYD Balance at 5/31/16		2) June 2016 Activity		3) FYD Balance at 6/30/16	
	Hrs	Amt Paid	Hrs	Amt Paid/Earned	Hrs	Amt Paid
Andersen, Joe	53.25	\$ 1,148.33	1.50	29.97	54.75	1,178.30
Anderson, Jeff	43.50	1,628.64			43.50	1,628.64
Baugh, Mark	34.50	1,151.37			34.50	1,151.37
Blixt, Justin	24.50	673.75			24.50	673.75
Buchanan, TJ	0.50	15.17			0.50	15.17
Christenson, Brian	56.00	1,935.36			56.00	1,935.36
Darden, David	21.00	644.87			21.00	644.87
Flynn, Robert	101.25	2,740.40			101.25	2,740.40
Harrison, Tray	1.00	35.97			1.00	35.97
Hartley, Ben	27.00	542.51			27.00	542.51
Hutchinson, Mark	9.00	312.93			9.00	312.93
Koenig, Robert	10.50	251.76			10.50	251.76
Landis, Mike	39.75	876.11			39.75	876.11
MacDonald, Kevin	21.25	417.33			21.25	417.33
Money, Arnold S.	22.00	595.16			22.00	595.16
Myers, Shaun	24.00	702.36			24.00	702.36
Rebholz, Tim	24.75	691.27			24.75	691.27
Romero, Felix	15.00	396.90			15.00	396.90
Swartz, Reese	59.75	1,762.85			59.75	1,762.85
Turner, Luke	1.00	19.16			1.00	19.16
Ward, Trey	53.00	1,468.75			53.00	1,468.75
Watson, Donny	33.50	954.75			33.50	954.75
Weiland, Brian	-	-			-	-
Winkler, Matt	60.00	1,212.60			60.00	1,212.60
Total Duty Overtime	736.00	\$ 14,950.12	-	\$ -	737.50	\$ 14,950.12
Total Comp Wages Earned	included above	\$ 5,228.15	1.50	\$ 29.97	included above	\$ 5,258.12
Less Previous Year Totals	742.00	\$ (21,715.28)	52.00	\$ (1,575.61)	794.00	\$ (23,290.89)
Increase / (Decrease)		\$ (1,537.01)		\$ (1,545.64)		\$ (3,082.65)

RESOLUTION NO. 16-09

A RESOLUTION OF THE DESTIN FIRE CONTROL DISTRICT, FURTHER AMENDING THE DESTIN FIRE CONTROL DISTRICT FIREFIGHTERS' RETIREMENT TRUST FUND ADOPTED PURSUANT TO RESOLUTION NO. 10-01; AS SUBSEQUENTLY AMENDED; AMENDING SECTION 1, DEFINITIONS BY AMENDING THE DEFINITIONS OF "ACTUARIAL EQUIVALENT", "CREDITED SERVICE", "FIREFIGHTER" AND "SPOUSE"; AMENDING SECTION 4, FINANCES AND FUND MANAGEMENT; AMENDING SECTION 6, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 8, DISABILITY; AMENDING SECTION 15, MAXIMUM PENSION; AMENDING SECTION 26, PRIOR FIRE SERVICE; AMENDING SECTION 27, DEFERRED RETIREMENT OPTION PLAN; ADDING SECTION 29, SUPPLEMENTAL BENEFIT COMPONENT FOR SPECIAL BENEFITS; CHAPTER 175 SHARE ACCOUNTS PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL RESOLUTIONS IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE DESTIN FIRE CONTROL DISTRICT;

SECTION 1: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 1, Definitions, by amending the definitions of "Actuarial Equivalent", "Credited Service", "Firefighter" and "Spouse", to read as follows:

* * *

Actuarial Equivalent means a benefit or amount of equal value, based upon the RP 2000 Combined Healthy Unisex Mortality Table and an interest rate of ~~eight (8%) per annum~~ equal to the investment return assumption set forth in the last actuarial valuation report approved by the Board. This definition may only be amended by the District pursuant to the recommendation of the Board using assumptions adopted by the Board with the advice of the plan's actuary, such that actuarial assumptions are not subject to District discretion.

* * *

Credited Service means the total number of years and fractional parts of years of service as a Firefighter with Member contributions, when required, omitting intervening years or fractional parts of years when such Member was not employed by the District as a Firefighter. A Member may voluntarily leave his Accumulated Contributions in the Fund for a period of five (5) years after leaving the employ of the Fire District pending the possibility of being reemployed as a Firefighter, without losing credit for the time that he was a Member of the System. If a vested Member leaves the employ of the Fire District, his Accumulated Contributions will be returned only upon his written request. If a Member who is not vested is not reemployed as a Firefighter with the Fire District within five (5) years, his Accumulated Contributions, if one thousand dollars (\$1,000.00) or less, shall be returned. If a Member who is not vested is not reemployed within five (5) years, his Accumulated Contributions, if more than one-thousand dollars (\$1,000.00), will be returned only upon the written request of the Member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the Board. Upon return of a Member's Accumulated Contributions, all of his rights and benefits under the System are forfeited and terminated. Upon any reemployment, a Firefighter shall not receive credit for the years and fractional parts of years of service for which he has withdrawn his Accumulated Contributions from

the Fund, unless the Firefighter repays into the Fund the contributions he has withdrawn, with interest, as determined by the Board, within ninety (90) days after his reemployment.

The years or fractional parts of a year that a Member performs "Qualified Military Service" consisting of voluntary or involuntary "service in the uniformed services" as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L.103-353), after separation from employment as a Firefighter with the District to perform training or service, shall be added to his years of Credited Service for all purposes, including vesting, provided that:

- A. The Member is entitled to reemployment under the provisions of USERRA.
- B. The Member returns to his employment as a Firefighter within one (1) year from the earlier of the date of his military discharge or his release from active service, unless otherwise required by USERRA.
- C. The maximum credit for military service pursuant to this paragraph shall be five (5) years.
- D. This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a Member dies on or after January 1, 2007, while performing USERRA Qualified Military Service, the beneficiaries of the Member are entitled to any benefits (other than benefit accruals relating to the period of qualified military service) as if the Member had resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by Section 414(u)(12) of the Code, an individual receiving differential wage payments (as defined under Section 3401(h)(2) of the Code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under Section 415(c) of the Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Leave conversions of unused accrued paid time off shall not be permitted to be applied toward the accrual of Credited Service either during each Plan Year of a Member's employment with the District or in the Plan Year in which the Member terminates employment.

* * *

Firefighter means an actively employed full-time person employed by the District, including his initial probationary employment period, who is certified as a Firefighter as a condition of employment in accordance with the provisions of §633.35 408, Florida Statutes, and whose duty it is to extinguish fires, to protect life and to protect property. The term includes all certified, supervisory, and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time firefighters, part-time firefighters, or auxiliary firefighters but does not include part-time firefighters or auxiliary firefighters.

* * *

Spouse means the ~~lawful wife or husband of a Member's~~ or Retiree's spouse under applicable law at the time benefits become payable.

* * *

SECTION 2: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 4, Finances and Fund Management, subsection 6.B.(3), to read as follows:

* * *

6. B. (3) In addition, the Board may, upon recommendation by the Board's investment consultant, make investments in group trusts meeting the requirements of Internal Revenue Service Revenue Ruling 81-100, ~~and~~ Revenue Ruling 2011-1, IRS Notice 2012-6 and Revenue Ruling 2014-24 or successor rulings or guidance of similar import, and operated or maintained exclusively for the commingling and collective investment of monies, provided that the funds in the group trust consist exclusively of trust assets held under plans qualified under Section 401(a) of the Code, individual retirement accounts that are exempt under Section 408(e) of the Code, eligible governmental plans that meet the requirements of Section 457(b) of the Code, and governmental plans under 401(a)(24) of the Code. For this purpose, a trust includes a custodial account or separate tax favored account maintained by an insurance company that is treated as a trust under Section 401(f) or under Section 457(g)(3) of the Code. While any portion of the assets of the Fund are invested in such a group trust, such group trust is itself adopted as a part of the System or Plan.
- (a) Any collective or common group trust to which assets of the fund are transferred pursuant to subsection (3) shall be adopted by the board as part of the plan by executing appropriate participation, adoption agreements, and/or trust agreements with the group trust's trustee.
- (b) The separate account maintained by the group trust for the plan pursuant to subsection (3) shall not be used for, or diverted to, any purpose other than for the exclusive benefit of the members and beneficiaries of the plan.
- (c) For purposes of valuation, the value of the separate account maintained by the group trust for the plan shall be the fair market value of the portion of the group trust held for the plan, determined in accordance with generally recognized valuation procedures.

* * *

SECTION 3: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 6, Benefit Amounts and Eligibility, subsection 1, Normal Retirement Date, to read as follows:

~~1.~~ Normal Retirement Date:

~~For Member's hired prior to October 1, 2012, a Member's normal retirement date shall be the first day of the month coincident with, or next following the earlier of the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service or the completion of twenty (20) years of Credited Service regardless of age. For Member's hired on or after October 1, 2012, a Member's normal retirement date shall be the first day of the month coincident with, or next following the earlier of the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service or age fifty-two (52) and the completion of twenty-five (25) years of Credited~~

~~Service. A Member may retire on his normal retirement date or on the first day of any month thereafter, and each Member shall become one hundred percent (100%) vested in his accrued benefit on the Member's normal retirement date. Normal retirement under the System is Retirement from employment with the District on or after the normal retirement date.~~

1. Normal Retirement Age and Date.

For Member's hired prior to October 1, 2012, a Member's normal retirement age is the earlier of the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service or the completion of twenty (20) years of Credited Service regardless of age. For Member's hired on or after October 1, 2012, a Member's normal retirement age is the earlier of the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service or age fifty-two (52) and the completion of twenty-five (25) years of Credited Service. Each Member shall become one hundred percent (100%) vested in his accrued benefit at normal retirement age. A Member's normal retirement date shall be the first day of the month coincident with or next following the date the Member retires from the District after attaining normal retirement age.

* * *

SECTION 4: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 8, Disability, subsections 1, Disability Benefits In-Line of Duty and 3, Disability Benefits Not-in-Line of Duty, to read as follows:

1. Disability Benefits In-Line of Duty.

Any Member who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, which disability was directly caused by the performance of his duty as a Firefighter, shall, upon establishing the same to the satisfaction of the Board, be entitled to a monthly pension equal to three and one-half percent (3.5%) of his Average Final Compensation multiplied by the total years of Credited Service, for Member's hired prior to October 1, 2012. For Member's hired on or after October 1, 2012, the monthly retirement benefit shall equal two and one-half percent (2.5%) of Average Final Compensation for each year of Credited Service. In any event the minimum amount paid to the Member shall be forty-two percent (42%) of the Average Final Compensation of the Member. Terminated persons, either vested or non-vested, are not eligible for disability benefits, except that those terminated by the District for medical reasons may apply for a disability within thirty (30) days after termination. Notwithstanding the previous sentence, if a Member is terminated by the District for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the Board within thirty (30) days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability benefit if the Board otherwise determines that he is totally and permanently disabled as provided for above.

* * *

3. Disability Benefits Not-in-Line of Duty.

Any Member with ten (10) years or more Credited Service who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, which disability is not directly caused by the performance of his duties as a Firefighter shall, upon establishing the same to the satisfaction of the Board, be entitled to a monthly pension equal to three and one-half percent (3.5%) of his Average Final Compensation multiplied by the total years of Credited Service, for Member's hired prior to October 1, 2012. For Member's hired on or after October 1, 2012, the monthly retirement benefit shall equal two and one-half percent (2.5%) of Average Final

Compensation for each year of Credited Service. Terminated persons, either vested or non-vested, are not eligible for disability benefits, ~~except that those terminated by the District for medical reasons may apply for a disability within thirty (30) days after termination.~~ Notwithstanding the previous sentence, if a Member is terminated by the District for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the Board within thirty (30) days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability benefit if the Board otherwise determines that he is totally and permanently disabled as provided for above.

* * *

SECTION 5: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 15, Maximum Pension, subsection 6, Less than Ten (10) Years of Participation or Service, subsection 8, Ten Thousand Dollar (\$10,000) Limit; Less Than Ten Years of Service, subsection 12.B. and adding subsection 13, Effect of Direct Rollover on 415(b) Limit, to read as follows:

* * *

6. Less than Ten (10) Years of Participation or Service.

The maximum retirement benefits payable under this Section to any Member who has completed less than ten (10) years of ~~Credited Service with the District~~ participation shall be the amount determined under subsection 1 of this Section multiplied by a fraction, the numerator of which is the number of the Member's years of ~~Credited Service~~ participation and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10% of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits paid pursuant to Section 8, or pre-retirement death benefits paid pursuant to Section 7.

* * *

8. Ten Thousand Dollar (\$10,000) Limit; Less Than Ten Years of Service.

Notwithstanding anything in this Section 15 ~~(Max Pension Section #)~~, the retirement benefit payable with respect to a Member shall be deemed not to exceed the limit set forth in this subsection 8. of Section 15 if the benefits payable, with respect to such Member under this System and under all other qualified defined benefit pension plans to which the District contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the District has not any time maintained a qualified defined contribution plan in which the Member participated; provided, however, that if the Member has completed less than ten (10) years of Credited Service with the District, the limit under this subsection 8. of Section 15 shall be a reduced limit equal to ten thousand dollars (\$10,000) multiplied by a fraction, the numerator of which is the number of the Member's years of Credited Service and the denominator of which is ten (10).

* * *

12. B. No Member of the System shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the Member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter ~~67~~ 1223, Title 10, U.S. Code.

13. Effect of Direct Rollover on 415(b) Limit.

If the plan accepts a direct rollover of an employee's or former employee's benefit from a defined contribution plan qualified under Code Section 401(a) which is maintained by the employer, any annuity resulting from the rollover amount that is determined using a more favorable actuarial basis than required under Code Section 417(e) shall be included in the annual benefit for purposes of the limit under Code Section 415(b).

SECTION 6: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 26, Prior Fire Service, to read as follows:

* * *

5. In no event, however, may Credited Service be purchased pursuant to this Section for prior service with any other municipal, county or special district fire department, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan as set forth in Section 15, subsection ~~11~~ 12.B.

* * *

SECTION 7: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by amending Section 27, Deferred Retirement Option Plan, to read as follows:

SECTION 27. DEFERRED RETIREMENT OPTION PLAN.

1. Definitions.

As used in this Section 27, the following definitions apply:"

- A. "DROP" -- The Destin Fire Control District Firefighters' Retirement Trust Fund Deferred Retirement Option Plan.
- B. "DROP Account" -- The account established for each DROP participant under subsection 3.
- C. "Total Return of the Assets" -- For purposes of calculating earnings on a Member's DROP Account pursuant to subsection 3.B.(2)(b)., for each fiscal year quarter, the percentage increase (or decrease) in the interest and dividends earned on investments, including realized and unrealized gains (or losses), of the total Plan assets.

2. Participation.

A. Eligibility to Participate.

In lieu of terminating his employment as a Firefighter, any Member who is eligible for normal retirement under the System may elect to defer receipt of such service retirement pension and to participate in the DROP.

B. Election to Participate.

A Member's election to participate in the DROP must be made in writing in a time and manner determined by the Board and shall be effective on the first

day of the first calendar month which is at least fifteen (15) business days after it is received by the Board.

C. Period of Participation.

A Member who elects to participate in the DROP under subsection 2.B., shall participate in the DROP for a period not to exceed sixty (60) months beginning at the time his election to participate in the DROP first becomes effective. An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the District not later than the date provided for in the previous sentence. A Member may participate only once.

D. Termination of Participation.

- (1) A Member's participation in the DROP shall cease at the earlier of:
 - (a) the end of his permissible period of participation in the DROP as determined under subsection 2.C.; or
 - (b) termination of his employment as a Firefighter.
- (2) Upon the Member's termination of participation in the DROP, pursuant to subsection (a) above, all amounts provided for in subsection 3.B., including monthly benefits and investment earnings and losses or interest, shall cease to be transferred from the System to his DROP Account. Any amounts remaining in his DROP Account shall be paid to him in accordance with the provisions of subsection 4. when he terminates his employment as a Firefighter.
- (3) A Member who terminates his participation in the DROP under this subsection 2.D. shall not be permitted to again become a participant in the DROP.

E. Effect of DROP Participation on the System.

- (1) A Member's Credited Service and his accrued benefit under the System shall be determined on the date his election to participate in the DROP first becomes effective. For purposes of determining the accrued benefit, the Member's Salary for the purposes of calculating his Average Final Compensation shall include an amount equal to any lump sum payments which would have been paid to the Member and included as Salary as defined herein, had the Member retired under normal retirement and not elected DROP participation. Member contributions attributable to any lump sums used in the benefit calculation and not actually received by the Member shall be deducted from the first payments to the Member's DROP Account. The Member shall not accrue any additional Credited Service or any additional benefits under the System (except for any supplemental benefit payable to DROP participants or any additional benefits provided under any cost-of-living adjustment for Retirees in the System) while he is a participant in the DROP. After a Member commences participation, he shall not be permitted to again contribute to the System nor shall he be eligible for disability or pre-retirement death benefits, except as provided for in Section 28.

- (2) No amounts shall be paid to a Member from the System while the Member is a participant in the DROP. Unless otherwise specified in the System, if a Member's participation in the DROP is terminated other than by terminating his employment as a Firefighter, no amounts shall be paid to him from the System until he terminates his employment as a Firefighter. Unless otherwise specified in the System, amounts transferred from the System to the Member's DROP Account shall be paid directly to the Member only on the termination of his employment as a Firefighter.

3. Funding.

A. Establishment of DROP Account.

A DROP Account shall be established for each Member participating in the DROP. A Member's DROP Account shall consist of amounts transferred to the DROP under subsection 3.B., and earnings or interest on those amounts.

B. Transfers From Retirement System.

- (1) As of the first day of each month of a Member's period of participation in the DROP, the monthly retirement benefit he would have received under the System had he terminated his employment as a Firefighter and elected to receive monthly benefit payments thereunder shall be transferred to his DROP Account, except as otherwise provided for in subsection 2.D.(2). A Member's period of participation in the DROP shall be determined in accordance with the provisions of subsections 2.C. and 2.D., but in no event shall it continue past the date he terminates his employment as a Firefighter.
- (2) Except as otherwise provided in subsection 2.D.(2), a Member's DROP Account under this subsection 3.B. shall be debited or credited ~~after each fiscal year quarter~~ with either:
 - (a) Interest at an effective rate of six and one-half percent (6.5%) per annum compounded monthly determined on the last business day of the prior month's ending balance and credited to the Member's DROP Account as of such date (to be applicable to all current and future DROP participants); or
 - (b) Earnings, to be credited or debited to the Member's DROP Account, determined as of the last business day of each fiscal year quarter and debited or credited as of such date, determined as follows:

The average daily balance in a Member's DROP Account shall be credited or debited at a rate equal to the net investment return realized by the System for that quarter. "Net investment return" for the purpose of this paragraph is the total return of the assets in which the Member's DROP Account is invested by the Board net of brokerage commissions, transaction costs and management fees.

For purposes of calculating earnings on a Member's DROP Account pursuant to this subsection 3.B.(2)(b), brokerage commissions, transaction costs, and management

fees shall be determined for each quarter by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these quarterly contractual fees to the Board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total Plan assets.

Upon electing participation in the DROP, the Member shall elect to receive either interest or earnings on his account to be determined as provided above. The Member may, in writing, elect to change his election only once during his DROP participation. An election to change must be made prior to the end of a quarter and shall be effective beginning the following quarter.

- (3) A Member's DROP Account shall only be credited or debited with earnings or interest and monthly benefits while the Member is a participant in the DROP. A Member's final DROP account value for distribution to the Member upon termination of participation in the DROP shall be the value of the account at the end of the quarter immediately preceding termination of participation for participants electing the net plan return and at the end of the month immediately preceding termination of participation for participants electing the flat interest rate return plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter or month, as applicable, and prior to distribution. If a Member fails to terminate employment after participating in the DROP for the permissible period of DROP participation, then beginning with the Member's 1st month of employment following the last month of the permissible period of DROP participation, the Member's DROP Account will no longer be credited or debited with earnings or interest, nor will monthly benefits be transferred to the DROP account. All such non-transferred amounts shall be forfeited and continue to be forfeited while the Member is employed by the Fire Department, and no cost-of-living adjustments shall be applied to the Member's credit during such period of continued employment. A Member employed by the Fire Department after the permissible period of DROP participation will still not be eligible for pre-retirement death or disability benefits, nor will he accrue additional Credited Service, except as provided for in Section 28.

4. Distribution of DROP Accounts on Termination of Employment.

A. Eligibility for Benefits.

A Member shall receive the balance in his DROP Account in accordance with the provisions of this subsection 4. upon his termination of employment as a Firefighter. Except as provided in subsection 4.E., no amounts shall be paid to a Member from the DROP prior to his termination of employment as a Firefighter.

B. Form of Distribution.

- (1) Unless the Member elects otherwise, distribution of his DROP Account shall be made in a lump sum, subject to the direct rollover

provisions set forth in subsection 4.F. Elections under this paragraph shall be in writing and shall be made in such time or manner as the Board shall determine.

- (2) Notwithstanding the preceding, if a Member dies before his benefit is paid, his DROP Account shall be paid to his Beneficiary in such optional form as his Beneficiary may select. If no Beneficiary designation is made, the DROP Account shall be distributed to the Member's estate.

C. Date of Payment of Distribution.

Except as otherwise provided in this subsection 4., distribution of a Member's DROP Account shall be made as soon as administratively practicable following the Member's termination of employment. Distribution of the amount in a Member's DROP account will not be made unless the Member completes a written request for distribution and a written election on forms designated by the Board to either receive a cash lump sum or a rollover of the lump sum amount.

D. Proof of Death and Right of Beneficiary or Other Person.

The Board may require and rely upon such proof of death and such evidence of the right of any Beneficiary or other person to receive the value of a deceased Member's DROP Account as the Board may deem proper and its determination of the right of that Beneficiary or other person to receive payment shall be conclusive.

E. Distribution Limitation.

Notwithstanding any other provision of subsection 4., all distributions from the DROP shall conform to the "Minimum Distribution of Benefits" provisions as provided for herein.

F. Direct Rollover of Certain Distributions.

This subsection applies to distributions made on or after January 1, 2002. Notwithstanding any provision of the DROP to the contrary, a distributee may elect to have any portion of an eligible rollover distribution paid in a direct rollover as otherwise provided under the System in section 24.

5. Administration of DROP.

A. Board Administers the DROP.

The general administration of the DROP, the responsibility for carrying out the provisions of the DROP and the responsibility of overseeing the investment of the DROP's assets shall be placed in the Board. The members of the Board may appoint from their number such subcommittees with such powers as they shall determine; may adopt such administrative procedures and regulations as they deem desirable for the conduct of their affairs; may authorize one or more of their number or any agent to execute or deliver any instrument or make any payment on their behalf; may retain counsel, employ agents and provide for such clerical, accounting, actuarial and consulting services as they may require in carrying out the provisions of the DROP; and may allocate among themselves or delegate to other persons all or such

portion of their duties under the DROP, other than those granted to them as Trustee under any trust agreement adopted for use in implementing the DROP, as they, in their sole discretion, shall decide. A Trustee shall not vote on any question relating exclusively to himself.

B. Individual Accounts, Records and Reports.

The Board shall maintain records showing the operation and condition of the DROP, including records showing the individual balances in each Member's DROP Account in convenient form such data as may be necessary for the valuation of the assets and liabilities of the DROP. The Board shall prepare and distribute to Members participating in the DROP and other individuals or file with the appropriate governmental agencies, as the case may be, all necessary descriptions, reports, information returns, and data required to be distributed or filed for the DROP pursuant to the Code and any other applicable laws.

C. Establishment of Rules.

Subject to the limitations of the DROP, the Board from time to time shall establish rules for the administration of the DROP and the transaction of its business. The Board shall have discretionary authority to construe and interpret the DROP (including but not limited to determination of an individual's eligibility for DROP participation, the right and amount of any benefit payable under the DROP and the date on which any individual ceases to be a participant in the DROP). The determination of the Board as to the interpretation of the DROP or its determination of any disputed questions shall be conclusive and final to the extent permitted by applicable law.

D. Limitation of Liability.

- (1) The Trustees shall not incur any liability individually or on behalf of any other individuals for any act or failure to act, made in good faith in relation to the DROP or the funds of the DROP.
- (2) Neither the Board nor any Trustee of the Board shall be responsible for any reports furnished by any expert retained or employed by the Board, but they shall be entitled to rely thereon as well as on certificates furnished by an accountant or an actuary, and on all opinions of counsel. The Board shall be fully protected with respect to any action taken or suffered by it in good faith in reliance upon such expert, accountant, actuary or counsel, and all actions taken or suffered in such reliance shall be conclusive upon any person with any interest in the DROP.

6. General Provisions.

A. The DROP Is Not a Separate Retirement Plan.

Instead, it is a program under which a Member who is eligible for normal retirement under the System may elect to accrue future retirement benefits in the manner provided in this section 27 for the remainder of his employment, rather than in the normal manner provided under the plan. Upon termination of employment, a Member is entitled to a lump sum distribution of his or her DROP Account balance or may elect a rollover. The DROP Account distribution is in addition to the Member's monthly benefit.

B. Notional Account.

The DROP Account established for such a Member is a notional account, used only for the purpose of calculation of the DROP distribution amount. It is not a separate account in the System. There is no change in the System's assets, and there is no distribution available to the Member until the Member's termination from the DROP. The Member has no control over the investment of the DROP Account.

C. No Employer Discretion.

The DROP benefit is determined pursuant to a specific formula which does not involve employer discretion.

D. IRC Limit.

The DROP Account distribution, along with other benefits payable from the System, is subject to limitation under Internal Revenue Code Section 415(b).

A E. Amendment of DROP.

The DROP may be amended by an ordinance of the ~~City~~ District at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the DROP. However, except as otherwise provided by law, no amendment shall make it possible for any part of the DROP's funds to be used for, or diverted to, purposes other than for the exclusive benefit of persons entitled to benefits under the DROP. No amendment shall be made which has the effect of decreasing the balance of the DROP Account of any Member.

B F. Facility of Payment.

If a Member or other person entitled to a benefit under the DROP is unable to care for his affairs because of illness or accident or is a minor, the Board shall direct that any benefit due him shall be made only to a duly appointed legal representative. Any payment so made shall be a complete discharge of the liabilities of the DROP for that benefit.

C G. Information.

Each Member, Beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the DROP, shall file with the Board the information that it shall require to establish his rights and benefits under the DROP.

Ð H. Prevention of Escheat.

If the Board cannot ascertain the whereabouts of any person to whom a payment is due under the DROP, the Board may, no earlier than three (3) years from the date such payment is due, mail a notice of such due and owing payment to the last known address of such person, as shown on the records of the Board or the ~~City~~ District. If such person has not made written claim therefor within three (3) months of the date of the mailing, the Board may, if it so elects and upon receiving advice from counsel to the System, direct that such payment and all remaining payments otherwise due such person be canceled on the records of the System. Upon such cancellation, the System

shall have no further liability therefor except that, in the event such person or his Beneficiary later notifies the Board of his whereabouts and requests the payment or payments due to him under the DROP, the amount so applied shall be paid to him in accordance with the provisions of the DROP.

E I. Written Elections, Notification.

- (1) Any elections, notifications or designations made by a Member pursuant to the provisions of the DROP shall be made in writing and filed with the Board in a time and manner determined by the Board under rules uniformly applicable to all employees similarly situated. The Board reserves the right to change from time to time the manner for making notifications, elections or designations by Members under the DROP if it determines after due deliberation that such action is justified in that it improves the administration of the DROP. In the event of a conflict between the provisions for making an election, notification or designation set forth in the DROP and such new administrative procedures, those new administrative procedures shall prevail.
- (2) Each Member or Retiree who has a DROP Account shall be responsible for furnishing the Board with his current address and any subsequent changes in his address. Any notice required to be given to a Member or Retiree hereunder shall be deemed given if directed to him at the last such address given to the Board and mailed by registered or certified United States mail. If any check mailed by registered or certified United States mail to such address is returned, mailing of checks will be suspended until such time as the Member or Retiree notifies the Board of his address.

F J. Benefits Not Guaranteed.

All benefits payable to a Member from the DROP shall be paid only from the assets of the Member's DROP Account and neither the District nor the Board shall have any duty or liability to furnish the DROP with any funds, securities or other assets except to the extent required by any applicable law.

G K. Construction.

- (1) The DROP shall be construed, regulated and administered under the laws of Florida, except where other applicable law controls.
- (2) The titles and headings of the subsections in this Section 27 are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

H L. Forfeiture of Retirement Benefits.

Nothing in this Section shall be construed to remove DROP participants from the application of any forfeiture provisions applicable to the System. DROP participants shall be subject to forfeiture of all retirement benefits, including DROP benefits.

¶ M. Effect of DROP Participation on Employment.

Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.

¶ N. Right to Serve as a Trustee. A Member's election to participate in the DROP shall not make him ineligible to serve as a Member trustee, but he shall be ineligible to vote for Member trustees.

SECTION 8: That the Destin Fire Control District Firefighters' Retirement Trust Fund adopted pursuant to Resolution No. 10-01, as subsequently amended, is hereby further amended by adding Section 29, Supplemental Benefit Component for Special Benefits; Chapter 175 Share Accounts, to read as follows:

SECTION 29. SUPPLEMENTAL BENEFIT COMPONENT FOR SPECIAL BENEFITS; CHAPTER 175 SHARE ACCOUNTS.

There is hereby established an additional plan component to provide special benefits in the form of a supplemental retirement, termination, death and disability benefits to be in addition to the benefits provided for in the previous Sections of this plan, such benefit to be funded solely and entirely by Chapter 175, Florida Statutes, premium tax monies for each plan year which are allocated to this supplemental component as provided for in Section 175, Florida Statutes. Amounts allocated to this supplemental component ("Share Plan"), if any, shall be further allocated to the Members and DROP participants as follows:

1. Individual Member Share Accounts.

The Board shall create individual "Member Share Accounts" for all actively employed plan Members and DROP participants and maintain appropriate books and records showing the respective interest of each Member or DROP participant hereunder. Each Member or DROP participant shall have a Member Share Account for his share of the Chapter 175, Florida Statutes, tax revenues described above, forfeitures and income and expense adjustments relating thereto. The Board shall maintain separate Member Share Accounts, however, the maintenance of separate accounts is for accounting purposes only and a segregation of the assets of the trust fund to each account shall not be required or permitted.

2. Share Account Funding.

A. Individual Member Share Accounts shall be established as of September 30, 2015 for all Members and DROP participants who were actively employed as of October 1, 2014. Individual Member Share Accounts shall be credited with an allocation as provided for in the following subsection 3. of any premium tax monies which have been allocated to the share plan for that Plan Year, beginning with the Plan Year ending September 30, 2015.

B. Any forfeitures as provided in subsection 4., shall be used as part of future allocations to the individual Member Share Accounts in accordance with the formula set forth in subsection 3.A.

3. Allocation of Monies to Share Accounts.

A. Allocation of Chapter 175 Contributions.

- (1) Effective as of September 30, 2015, the amount of any premium tax monies allocated to the share plan shall be allocated to individual Member Share Accounts as provided for in this subsection. Members retiring (or entering DROP) on or after October 1, 2014 and prior to September 30, 2015 shall receive an allocation. In addition, all premium tax monies allocated to the Share Plan in any subsequent Plan Year shall also be allocated as provided for in this subsection. Available premium tax monies shall be allocated to individual Member Share Accounts at the end of each Plan Year on September 30 (a "valuation date").
- (2) On each valuation date, each current actively employed Member of the plan not participating in the DROP, each DROP participant and each Retiree who retires or DROP participant who has terminated DROP participation in the Plan Year ending on the valuation date (including each disability retiree), or Beneficiary of a deceased Member (not including terminated vested persons) who is otherwise eligible for an allocation as of the valuation date shall receive a share allocation as follows:
- (3) The total funds subject to allocation on each valuation date shall be allocated to each Member Share Account of those eligible for an allocation in an amount equal to a fraction of the total amount, the numerator of which shall be the individual's total years and fractional parts of years of Credited Service as of the valuation date, and the denominator of which shall be the sum of the total years and fractional parts of years of Credited Service as of the valuation date of all individuals to whom allocations are being made. Beneficiaries shall receive an allocation based on the years of Credited Service of the deceased Member or DROP participant.
- (4) Re-employed Retirees shall be deemed new employees and shall receive an allocation based solely on the Credited Service in the reemployment period.

B. Allocation of Investment Gains and Losses.

On each valuation date, each individual Member Share Account shall be adjusted to reflect the net earnings or losses resulting from investments during the year. The net earnings or losses allocated to the individual Member Share Accounts shall be the same percentage which is earned or lost by the total plan investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees.

Net earnings or losses are determined as of the last business day of the fiscal year, which is the valuation date, and are debited or credited as of such date.

For purposes of calculating net earnings or losses on a Member's share account pursuant to this subsection, brokerage commissions, transaction costs, and management fees for the immediately preceding fiscal year shall be determined for each year by the investment consultant pursuant to

contracts with fund managers as reported in the custodial statement. The investment consultant shall report these annual contractual fees to the Board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

C. Allocation of Costs, Fees and Expenses.

On each valuation date, each individual Member Share Account shall be adjusted to allocate its pro rata share of the costs, fees and expenses of administration of the Share Plan. These fees shall be allocated to each individual Member Share Account on a proportionate basis taking the costs, fees and expenses of administration of the Share Plan as a whole multiplied by a fraction, the numerator of which is the total assets in each individual Member Share Account (after adding the annual investment gain or loss) and the denominator of which is the total assets of the fund as a whole as of the same date.

D. No Right to Allocation.

The fact of allocation or credit of an allocation to a Member's Share Account by the Board shall not vest in any Member, any right, title, or interest in the assets of the trust or in the Chapter 175, Florida Statutes, tax revenues except at the time or times, to the extent, and subject to the terms and conditions provided in this Section.

E. Members and DROP participant shall be provided annual statements setting forth their share account balance as of the end of the Plan Year.

4. Forfeitures.

Any Member who was hired prior to October 1, 2012 has less than seven (7) years of Credited Service and who is not otherwise eligible for payment of benefits after termination of employment with the District as provided for in subsection 5. shall forfeit his individual Member Share Account. Forfeited amounts shall be included and used as part of the Chapter 175 tax revenues for future allocations to individual Member Share Accounts on each valuation date in accordance with the formula set forth in subsection 3.A.

Any Member who was hired on or after October 1, 2012 has less than ten (10) years of Credited Service and who is not otherwise eligible for payment of benefits after termination of employment with the District as provided for in subsection 5. shall forfeit his individual Member Share Account. Forfeited amounts shall be included and used as part of the Chapter 175 tax revenues for future allocations to individual Member Share Accounts on each valuation date in accordance with the formula set forth in subsection 3.A.

5. Eligibility For Benefits.

Any Member (or his Beneficiary) who terminates employment as a Firefighter with the District or who dies, upon application filed with the Board, shall be entitled to be paid the value of his individual Member Share Account, subject to the following criteria:

A. Retirement Benefit.

- (1) A Member shall be entitled to one hundred percent (100%) of the value of his share account upon normal or early Retirement pursuant

to Section 6, or if the Member enters the DROP, upon termination of employment.

(2) Such payment shall be made as provided in subsection 6.

B. Termination Benefit.

(1) In the event that a Member's employment as a Firefighter is terminated by reason other than retirement, death or disability, he shall be entitled to receive the value of his share account only if he is vested in accordance with Section 9.

(2) Such payment shall be made as provided in subsection 6.

C. Disability Benefit.

(1) In the event that a Member is determined to be eligible for either an in-line of duty disability benefit pursuant to Section 8, subsection 1, or a not-in-line of duty disability benefit pursuant to Section 8, subsection 3., he shall be entitled to one hundred percent (100%) of the value of his share account.

(2) Such payment shall be made as provided in subsection 6.

D. Death Benefit.

(1) In the event that a Member or DROP participant dies while actively employed as a Firefighter, one hundred percent (100%) of the value of his Member Share Account shall be paid to his designated Beneficiary as provided in Section 7.

(2) Such payment shall be made as provided in subsection 6.

6. Payment of Benefits.

If a Member terminates employment for any reason or dies and he or his Beneficiary is otherwise entitled to receive the balance in the Member's share account, the Member's share account shall be valued by the plan's actuary on the next valuation date as provided for in subsection 3. above, following termination of employment. Payment of the calculated share account balance shall be payable as soon as administratively practicable following the valuation date, but not later than one hundred fifty (150) days following the valuation date and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

7. Benefits Not Guaranteed.

All benefits payable under this Section 29 shall be paid only from the assets accounted for in individual Member Share Accounts. Neither the District nor the Board shall have any duty or liability to furnish any additional funds, securities or other assets to fund share account benefits. Neither the Board nor any Trustee shall be liable for the making, retention, or sale of any investment or reinvestment made as herein provided, nor for any loss or diminishment of the Member Share Account balances, except due to his or its own negligence, willful misconduct or lack of good faith. All investments shall be made by the Board subject to the restrictions otherwise applicable to fund investments.

8. Notional Account.

The Member Share Account is a notional account, used only for the purpose of calculation of the share distribution amount. It is not a separate account in the System. There is no change in the System's assets, and there is no distribution available to the Member or DROP participant until the Member's or DROP participant's termination from employment. The Member or DROP participant has no control over the investment of the share account.

9. No Employer Discretion.

The share account benefit is determined pursuant to a specific formula which does not involve employer discretion.

10. Maximum Additions.

Notwithstanding any other provision of this Section, annual additions under this Section shall not exceed the limitations of Section 415(c) of the Code pursuant to the provisions of Section 15, subsection 11.

11. IRC Limit.

The share account distribution, along with other benefits payable from the System, is subject to limitation under Internal Revenue Code Section 415(b).

SECTION 9: All Resolutions or parts of Resolutions in conflict herewith be and the same are hereby repealed.

SECTION 10: If any section, subsection, sentence, clause, phrase of this resolution, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 11. This resolution shall be effective upon adoption.

DONE AND ADOPTED on the _____ day of _____, 2016.

Chairman of Board of Commissioners

ATTEST:

District Clerk