

East Niceville Fire District

P. O. BOX 553, NICEVILLE, FLORIDA 32588 PHONE 678-2311

December 8, 2014

Call to Order

Chairman Marcolongo called to order the December Meeting of the East Niceville Fire District Commission at 6:00 PM, December 8, 2014, at the East Niceville Fire Department.

Roll Call

The following individuals were present: Chairman Marcolongo; Commissioners Schwab, Dunbar, Brunson, and McEntire; and Chief Wright.

Approval of Minutes from November 19, 2014 Special Meeting

Commissioner Dunbar read the minutes from the November 19, 2014 Special Meeting. Chairman Marcolongo asked for additions, corrections, or deletions to the minutes and there were none. Commissioner Brunson moved to accept the minutes and Commissioner McEntire seconded. The motion was passed unanimously.

Treasurer's Report

Commissioner Brunson e-mailed the updated end-of-month October 2014 financial statements from Laura Roesch CPA (LRCPA) to all Commissioners and Chief Wright on December 8th. She also distributed paper copies at the meeting, and reported the ENFD bank balances as of this date, which totaled \$66,173. Commissioner Brunson also noted that she had asked LRCPA to align the current budget items, by line number, with the same numbers and names used in the ENFD budget. She also stated that the October end-of-month expenditures were in line with expectations. Commissioner Schwab moved to accept the Treasurer's Report as submitted and Commissioner McEntire seconded. The motion passed unanimously.

Old Business

Health Insurance Presentation – Based on Commissioner Schwab's motion from the last meeting, Floyd Schweppe from the Insurance Center of Northwest Florida was invited to present a service proposal to the Commission; as Barton, Fenstermaker, Tondello and Associates (BFTA) had previously done. Mr. Schweppe covered his history with the ENFD, the annual process used between him and Chairman Marcolongo in reviewing insurance options, the results obtained over the last few years, and the timing of the StarMark / TrustMark decision not to cover organizations such as the ENFD. Commissioners asked questions concerning policy service, individual firefighter support, agency staffing, and the timing of Commission information flow and decisions. No further action was taken. Item closed.

Opportunity for Insurance Q & A

Following Mr. Schweppe's presentation, Chris Schwantz from BFTA was available for any further questions from the commission. He outlined the differences in BFTA processes vice those of the Insurance Center of Northwest

Florida, and answered the same questions as posed earlier to Mr. Schweppe. Chairman Marcolongo then asked the firefighters present about their experiences with past health plans, to which Capt. Mark offered a generic response, and then asked the Chief about his experience with past plans. Chief Wright said that both he and the firefighters he asked were happy with the services provided in the past by the Insurance Center of Northwest Florida. After a brief discussion, Commissioner Schwab moved that we table the servicing agency issue and Commissioner Brunson seconded the motion. Motion approved unanimously. Action tabled indefinitely.

Christmas Party – Chief Wright confirmed that this year’s party is scheduled for Big Fish Grill at the North Light Yacht Club in Niceville, Saturday, December 20th at 6:00 PM. Further details are still pending. Item closed.

New Business

CRI Audit Update – JoAnn Rocque from Carr, Riggs, and Ingram (CRI) briefed the Commissioners on ramifications of GASB 67 requirements with respect to the Firefighters Pension Fund and the ongoing audit of the ENFD, and the different reporting requirements and conflicting timelines involved. She also stated that CRI expected to report the ENFD audit in January, and that, due to the GASB 67 issue, we would receive a “modified opinion” since all known requirements will not have been met. However, based on the unresolved issues, she recommended that we proceed with the audit as planned and then amend it later, if required by the State. She stated that CRI would keep in touch with the State, the Pension Fund, and the State-contracted actuaries (Foster & Foster), and amend the audit, if and when required, at no additional cost to the ENFD. Item closed.

Proposed Pay Raise for Firefighters

Chief Wright provided a listing of individual firefighter’s hourly wages, including the budgeted 3% raise to be effective 1 Jan 2015, for Commission review. After a brief discussion of cost-of-living increases, distribution of the approved 3% increase, which is at the Chief’s discretion; and the treatment of State-provided Firefighters Supplementary Compensation and applicable certification incentives; the Commission Chairman signed the new hourly rates which will be provided to LRCPA and become effective as previously approved. Item closed.

Commission Elections

Commissioner Dunbar reminded the Commission that F.S. 191.005(3) requires that we elect from our members a Chair, Vice Chair, Secretary, and Treasurer not later than our January meeting. He further stated his position that we should rotate these duties to more evenly spread commission workload and to provide individual Commissioners with a better understanding of the full range of the Commission’s State-required responsibilities. He further stated that he would not be available for the January meeting, but that he will serve in any position to which he may be elected. Commissioner Brunson re-stated her position that she would not continue as Commission Treasurer. Item closed.

Loan Payoff Planning

Commissioner Dunbar reminded Commissioners that we’d need to provide direction to the Treasurer as to when and how we’d like to pay off our current line-of-credit balance of ~\$36,000. After a brief discussion, Commissioners agreed that the intent when we established the loan was to pay it off in a lump sum once sufficient tax revenue funding was received from the OCTC. Once paid off, the fully approved amount of \$50,000 will remain available through the Line of Credit, as long as we keep it in force. Item closed.

Revenue Generation

Commissioner Dunbar expressed his opinion that our current year budget is significantly underfunded, and that several budget items are unrealistic and there are no line items for principal or interest on the above mentioned Line of Credit. He suggested that all Commissioners start now to consider serious cost cutting, rather than waiting until we begin the normal budget cycle in June. He also suggested that cost reductions alone would not remedy our budget shortfall, and that we should explore ways to generate additional revenue. He noted that F.S. 191.009 allows four (4) methods for revenue generation: ad Valorum taxes, non-ad Valorum assessments, user charges, and impact fees. Dunbar discussed some possible user charges, specifically for 1) multiple, similar non-fire emergencies, 2) responses to motor vehicle incidents, and 3) multiple false alarms. The Commissioners and Chief Wright had a brief discussion of the pros and cons of user fees, including the added administrative burden. No motion was made nor action taken. Item closed.

Amend FY 2014-15 Budget – While we have normally amended the current FY budget in December, Commissioner Brunson proposed that we delay the first amendment of the FY 2014-15 budget until the next meeting, when more complete information is available as to the carryover from last FY to the current FY, and until several budget line items are agreed between the ENFD and LRCPA. Chief Wright then presented a budget problem impacting the audit in progress – namely that our inclusion of fuel in item 552.43 (line 8) was improper and that fuel belongs under 552.52, *Operational Expenditures*. Since this amendment is necessary for the ongoing audit, Chairman Marcolongo moved that we accept the amended budget dated 12/8/2014 (attached), moving fuel charges of \$7,600 from line 8 to line 12 in the attached budget. Commissioner Schwab seconded the motion. Motion passed unanimously. Item closed.

Chief's Report

Chief Wright had nothing additional to report.

Next Meeting

The next regularly scheduled meeting of the ENFD Commission will be at 6:00 PM, Monday, January 12, 2015 at the East Niceville Fire Station.

Adjournment

Commissioner Dunbar moved to adjourn the meeting and Commissioner McEntire seconded. The meeting was adjourned at 7:27 PM.

Minutes respectfully submitted,



Commissioner Ed Dunbar
Secretary