

FORT MYERS SHORES FIRE & RESCUE PROTECTION DISTRICT
BOARD OF FIRE COMMISSIONERS
March 15, 2018
MINUTES

Call Meeting to Order

Commissioner Detzel called the meeting to order at 7:34 p.m. In attendance were Commissioners Kimball, Schneider, Ragen and Detzel. Commissioner Apperson was absent due to illness. Also in attendance were Chief Duncan, Assistant Chief Dowaliby, Attorney Pringle, Pastor Paul Cords, Captain Burrell, Administrative Assistant Howard, Engineer Swindle, Firefighter Simmons, Firefighter Whatley and Commissioner Ragen's son Ben.

Pledge of Allegiance and Moment of Silence

After the Pledge of Allegiance and a brief moment of silence, Pastor Cords gave the invocation.

Amendments to the Agenda

Approval of the Audit was added to New Business.

Presentations/Awards

Jeff Tuscan reviewed the Audit Report and accompanying materials:

- The audit opinion is Unmodified, which is the highest level of opinion, sometimes called a “clean” opinion.
- Management’s Discussion and Analysis, which is written by management and gives a nice comparison of this year to prior year(s) without a lot of schedules. It is a good tool to use when you get questions about the district’s financial position.
- The audit didn’t note any instances of non-compliance in testing internal controls: this covers items such as compliance with banking regulations, requirements for the district website, etc. Every year, banks have to attest that they are Qualified Public Depositors, meaning (basically) that they handle the district’s funds in a way that complies with the state’s public funds rules that ensure that the funds are fully guaranteed.
- The management letter noted no comments of material weaknesses or problems with internal controls.
- The District complies with the requirement for an actuary study to measure the liability for OPEB, which consists of insurance offered to retirees. Beginning next year there are new

requirements for the actuary study which will make it more complex and therefore require a longer note in the audit, as well as making it more expensive. This district currently sets aside money for that in the assigned fund balance.

Mr. Tuscan reviewed the graphs he brought to illustrate the year to year comparisons of the District's financial position:

- At the end of September the District had approximately \$288,000 more cash on hand than at the end of fiscal year 2016. The District has no long term debt so generally the net income is cash. This year is a little different because the truck that was ordered and paid for in fiscal year 2017 wasn't delivered until fiscal year 2018. The payment for the truck was treated as a pre-paid expense, kind of a deposit, and the capital expense was booked after the truck was received. That explains why the cash appears to be around \$288,000 higher than the prior year but the net income was only about \$24,000 – the balance of that was the truck.
- In a private business when you buy an asset, it gets capitalized and depreciated, but in a government the asset is expensed and capitalized. There was an increase in the district's capital assets last year of \$165,511, which is a combination of all of the additions – the truck, some air tanks and thermal cameras and some other items – minus the depreciation. The reasoning behind depreciation is to set aside an amount equal to the depreciation each year. Then when the item needs to be replaced, you will have reserved the money to replace it. Of course, it is unlikely that the actual cost of that item will be the same years later, but it does encourage an awareness of the replacement cycle and the need to reserve money for those replacements.
- The only real change in the Current Liabilities was in the Impact Fees, which increased by around \$111,000.
- Long Term Liabilities, the combination of OPEB, Accrued Compensated Absences, and Net Pension Liabilities, increased by \$225,307. The net pension liability is the District's proportional share of the actuarially determined shortfall in FRS pension fund for the cost to provide all current employees with their retirement. It changes over time for a couple of reasons: The actuarial studies estimate an interest rate return on investments and they have historically estimated 8%. They haven't been earning that (no plan really has), so now they are required to work that back to a more reasonable number, currently 7.1%. The main income streams the FRS relies on are investment income and employer/employee contributions. When the investment income is lower, the employer contributions go up but the total liability also goes up because they can't increase contributions drastically every year.

- Fund Balance/Reserves: The District has approximately \$5.9 million in cash and no debt.
- The majority of the Fund Balance is assigned to various purposes by the board each fiscal year as part of the budget. It is meant for specific items like the building fund for the second station, equipment replacement, a disaster fund and for the accrued employee benefits; sick and vacation payouts required by the union contract and OPEB benefits.
- The district has done a good job over the years of spending conservatively so when the downturn hit, you had the reserves to be able to weather it. The board and management made good decisions and everyone worked together to implement them.
- The district has very little non ad valorem income, only about \$100,000 in fiscal year 2017, which included interest income of about \$36,000 and proceeds from the sale of the rescue truck of approximately \$40,000.
- Impact Fee receipts have steadily increased with a total of \$111,077 for fiscal year 2017. The impact fees can only be spent for capital growth items, but impact fees are a good indication of future ad valorem increases.
- Expenses have also grown over the years with personnel costs always being the majority of expenditures. Personnel expenses in a fire department tend to run between 80% and 90% of total expenditures because they are entirely service based organizations.

Approval of Minutes

The minutes for February 2018 were presented for approval. Commissioner Ragen made a motion to accept the minutes as presented. Commissioner Schneider seconded and the motion passed.

Treasurer's Report

First Bank - General Fund			
Opening Balance	February 1, 2018		\$2,352,574.85
Credits		\$69,959.86	
Debits		\$430,627.67	
Ending Balance	February 28, 2018		\$1,991,907.04
First Bank - Impact Fee Fund			
Opening Balance	February 1, 2018		\$505,043.62
Credits		\$193.72	
Debits		\$0.00	
Ending Balance	February 28, 2018		\$505,237.34
First Bank - CDARS			
4 Week Public Funds CD	\$ 2,000,000.00	\$ -	\$2,000,000.00
13 Week Public Funds CD	\$ 2,000,000.00	\$ -	\$2,000,000.00
26 Week Public Funds CD	\$ 2,000,000.00	\$ -	\$2,000,000.00

Total CDARS			\$6,000,000.00
Total			\$8,497,144.38

Commissioner Schneider made a motion to accept the Treasurer’s Report. Commissioner Kimball seconded and the motion passed.

Chief’s Report

- Everyone continues to work hard and do a great job.
- I am sure you all saw the shifts last weekend collecting money for MDA. The preliminary total for our district is \$12,926 up from \$6,775 last year.
Captain Burrell said our total is actually over \$13,000!
- Assistant Chief Dowaliby and I had a very productive meeting with Paul Martin of Verandah. We discussed the future growth of the department and the possibility of acquiring more land from the Verandah in the future. Mr. Martin was very receptive to the idea which would allow us to expand this station.
- On March 8th Assistant Chief Dowaliby, Debbie and I had the audit exit conference with Jeff Tuscan.
- Last Friday Assistant Chief Dowaliby, Debbie and I went to Captiva Fire Department to look at their new station.
- Today Assistant Chief Dowaliby and I met with the owner of Lodge Construction, the company that built the Captiva Station, to discuss Station 2 plans.
- L.C.F.C.A. meeting will be March 21st.

Commissioner Kimball made a motion to accept the Chief’s Report. Commissioner Ragen seconded and the motion passed.

Assistant Chief’s Report

Items of Interest

- The MDA boot drive was a success. Thanks to all the shifts for walking for those kids who can’t walk for themselves. I would like to send a plaque to Publix for their participation this year.
- The diesel mitigation project is now completed. I would like to send a plaque to Aaron and Karen Foreman thanking them for their contribution to the health and safety of our personnel.

- The first part of the physicals was conducted. The second part is scheduled for March 21st and 28th.
- We are still waiting to hear about the decontamination grant.
- We submitted for a 50/50 grant to replace Brush 81's pump. We are running brush fires with Alva's truck until we hear back about the grant.
- The MERT 50/50 grant was submitted for a boat lift at Sweetwater Marina.
- Matt Whatley has been working on utilizing Target Solutions to track our truck maintenance.
- We participated in covering some of Bayshore FD's zone during the Southwest Florida-Lee County Fair.
- Casey Gee graduated from Fire School. Tice and Alva FD covered our station so our personnel could attend the graduation.
- We had one traffic fatality this month; auto vs. pedestrian on SR 31.
- We wrote a letter to E-One concerning unresolved issues with E-83 as we approach the end of the warranty period.

Meetings Attended

- Fire Chief's Association meeting.
- Tuscan and Company audit exit conference.
- Attended a meeting with Chief Duncan at the Verandah. We met with Paul Martin, the director of land development. Our discussion centered on service delivery needs for the next 30 years.
- I attended the Public Safety Facilities Planning Seminar in Orlando.
- The Chief, Debbie and I visited with the Chief of Captiva FD. He showed us his fire station.
- Attended a vehicle/traffic light preemption meeting with Lee County's vendors. There is no infrastructure along Palm Beach Blvd currently.
- Attended a Drones for Public Service meeting with Engineer Rewis conducted by the Forestry Service.
- Attended the FEMA Exit Interview with Debbie and the Chief.

Training Attended

- The in-house FPL class for us is on April 3rd, 4th and 5th. We will be working with area departments for district coverage during the classes, so everyone in the East Lee County area can attend.
- FF Simmons attended a vehicle extrication class in Bradenton.
- The men continue to train.

- There has been a lot of chatter about Active Shooter Training, but we haven't heard anything.
- The MOU with Lee County EMS is working its way through the process.
- We continue to move forward with our Wellness Fitness Initiative. FF Whatley attended the Imagine Solutions Conference in Naples where they discussed, among other cutting-edge advances, the latest in cancer research.
- The Volunteer program interviewed new candidates.

Commissioner Kimball made a motion to accept the Assistant Chief's Report. Commissioner Ragen seconded and the motion passed

Attorney's Report

- The official qualifying period for the election begins Monday, June 18th at noon and ends Friday, June 22nd at noon. We have seats 4 and 5 up for election this year – Commissioner Apperson and Commissioner Ragen.
- There was legislation proposed this year for consolidation of the fire districts in Lee County which was eventually dropped. Instead the legislature is looking into a non-binding straw poll on the ballot in November asking if the voters in the county would be in favor of consolidation. The question may or may not end up being on the ballot but it will almost certainly come up in futures legislative sessions.
- I have been working on a review of Chapter 191 with a view toward updating it at a future legislative session so there may be more on that in the next session.
- In New Business the board needs to approve the audit.

After some further discussion of the election and qualifying requirements Commissioner Kimball made a motion to accept the Attorney's Report. Commissioner Ragen seconded and the motion passed

Fire Prevention Division Report

- Current Construction: Sweetwater Landing Boat Storage; Sweetwater Landing Boathouse 31 Restaurant; Pebblebrook at Verandah
- New Construction: None
- Projects Completed: None
- Revenues: The Division billed \$ 420.00 for the month.

- Meetings Attended: Lee County Fire Marshal's & Inspectors Association; Lee County Fire Arson Task Force
- Prevention Education: None
- Inspections: The division completed 75 various fire inspections for the month.

Commissioner Ragen made a motion to accept the Prevention Report. Commissioner Schneider seconded and the motion passed.

Public Input on Agenda Items

None

Old Business

None

New Business

- Approve the audit for fiscal year 2016-2017
Commissioner Ragen made a motion to approve the fiscal year 2016-2017 audit. Commissioner Schneider seconded and the motion passed.
- Approve purchase of Bunker Gear for Volunteers; 6 sets for a total cost of \$8,700.00. This is a budgeted expenditure.
Commissioner Schneider made a motion to approve the purchase of 6 sets of Bunker Gear for the Volunteers for a total cost of \$8,700.00. Commissioner Detzel seconded and the motion passed.
- Approve replacing the carpet in the training room with vinyl plank flooring. Total cost \$3,569.00.
Commissioner Ragen made a motion to approve the replacement of the training room carpet with vinyl plank flooring for a total cost of \$3,569.00. Commissioner Schneider seconded and the motion passed.
- Approve Resolution 2018-01 amending the fiscal year 2017-2018 budget to the audited fund balance of \$5,897,905.00.

Attorney Pringle read the title of the resolution into the record:

RESOLUTION #2018-01: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE FORT MYERS SHORES FIRE PROTECTION AND RESCUE SERVICE DISTRICT

(“DISTRICT”), LEE COUNTY, FLORIDA: TO AMEND THE BUDGET FOR FISCAL YEAR 2017/2018; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE

The resolution states in Section Three that “The Board of Commissioners of the Fort Myers Shores Fire Protection and Rescue Service District hereby amends the District’s budget for the 2017/2018 fiscal year to adjust the carry forward amount to equal the 2016/2017 fiscal year end fund balance of \$5,897,905.00. The total adjustment required is a decrease of \$9,095.00. The fiscal year 2017/2018 budget will be adjusted as follows:

1. The Unassigned Fund Balance Carry Forward income will be decreased by \$9,095.00.
2. The Unassigned Fund Balance Budget Reserves expense will be decreased by \$9,095.00.

Commissioner Schneider made a motion to approve Resolution #2018-01 and Commissioner Kimball seconded. The motion was put to a roll-call vote and passed as follows:

Commissioner Apperson – Absent

Commissioner Detzel – Yes

Commissioner Kimball – Yes

Commissioner Ragen – Yes

Commissioner Schneider – Yes

Public Input on Non-Agenda Items:

None

Union Report: Firefighter Matt Whatley reported on the MDA Boot Drive and thanked Publix for allowing them to set up in front of the store in addition to the intersection. It allowed them to talk with the people and show the trucks to kids.

Firefighter Whatley attended the Imagine Solutions Conference in Naples. He thanked the board for allowing him to attend and briefly commented on a couple of the presentations:

Jake Wood, the founder of Project Rubicon, a company that goes into areas affected by natural disasters with teams of specialists in multiple aspects of recovery. He involves many veterans and retired firefighters and law enforcement officers in his teams. They were in Naples after Hurricane Irma for instance.

Bradley Miles is a CEO of Polaris Project which deals with human trafficking, a huge problem worldwide. This is something the fire department may see firsthand since they are actually going into

homes where this may be taking place. He can help train first responders and others on what to look for and what to do if they suspect something.

Comments from Commissioners:

Commissioner Ragen was impressed by the guys for collecting so much for MDA, especially since he saw them standing out in the rain to collect one day.

Commissioner Schneider and Commissioner Kimball also said how proud he was of the job they did for MDA.

Commissioner Detzel thanked everyone for continuing to do a good job and he thanked Mr. Tuscan for the audit presentation. He also congratulated Casey Gee on his graduation.

Adjourn

Commissioner Ragen made a motion to adjourn. Commissioner Schneider seconded and the motion passed. Meeting was adjourned at 8:37 p.m.