

BAYSHORE FIRE PROTECTION & RESCUE SERVICE DISTRICT
MINUTES OF THE BOARD OF COMMISSIONERS MEETING
January 13, 2015

Meeting called to order at 7:04 p.m. by Vice-Chairman Griffin

Pledge of Allegiance

Invocation – Commissioner Hansen

Commissioner Ducrou – Excused
Commissioner Hansen – Present
Commissioner Cook – Present
Commissioner Griffin – Present
Commissioner Klos – Excused
Chief Larry Nisbet - Present
Office Manager - Theresa Sharp - Present
Attorney Ian Mann – Absent

Others Present: Some staff

Guest Speaker- Auditors Ashley & Brown – Jeff Brown presented the 2013-2014 Independent Audit Findings Report. He begins page 2 Independent Auditor's report finds the financial statements represent fairly in all material respects the financial position of the District. He continues to explain that is an unmodified, unqualified, clean report; it's the highest level of assurance you'll receive from the auditor. In English, he continues, that means your financial statements were correct and accurate as they were presented to us by your staff. That is a direct reflection that they are doing what they're supposed to be doing. He moves on; page 3 starts the management's discussion and analysis, similar format to previous years, there is a narrative, there are some column/table type presentations that give you some comparative data for 2014, 2013; so it kind of provides a nice overview of the financial highlights for the year. The financial statements themselves start on page 9, he brings their attention to page 11; this is the balance sheet, he continues. Total assets for the General Fund ended at just over \$508,000, the largest component being cash, \$323,000. One thing that you'll notice, we've talked about it the last few years, but that Impact Fee Fund; what we're doing is keeping track of what you're doing; keeping track of how much money is owed between the General Fund and the Impact Fee Fund, or the lack of Impact Fee Funds essentially; so what this is saying is that as of September 30, 2014 the Impact Fee Fund owes the General Fund about \$165,000. If you flip to page 13, this illustrates a bit better how that happens; the middle column, the Impact Fee column, you see there's \$9,500 of revenue during the year, but the debt service payments, the principal and interest total just about \$54,000. Obviously, that shortfall has to come from somewhere, so the General Fund is supplementing it, so that cumulative number, down at the bottom of the page, that deficit is \$152,000. I'll flip back over to the General Fund, that first column there, the total revenues there, just under 1.3M, total expenditures \$1,466,000 so that net decrease essentially in Fund Balance is just about \$178,000; took a big hit to your fund balance there. So, obviously with the changes that needed to be made with the grant, which ate up about 28% of your reserves. That had

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to happen, so there it is. Commissioner Cook says “wow”. Mr. Brown continues; next, on page 19 is some notes to the financial statements; it kind of provides a little bit of support for some of the numbers that are in the front, but this gives you a little more detail about the capital leases. The top of the page there it lays out what your annual commitments are, for principal, retirement of that, and the interest as well. So you can see the total number of about \$200,000 is what’s still owed on that. Flip to page 23, this is the budget vs actual schedule. Revenues in total came in \$35,000 over budget. Ad valorem taxes were about \$29,000 better than anticipated, but then it was off-set by the SAFER grant which came in \$32,000 less. The 4th line from the bottom, one of the main things we look at; from the expenditure side, total budgeted expenditures \$1,537,000, they actually came in at \$1,520,000, so you were \$16,826 to the good, so you did not overspend your budget. On page 24 & 25 is our report on your internal control and compliance. There’re 2 positive statements on page 25. During our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses; and then that next paragraph down under compliance and other matters, that last sentence, basically the same positive statement; the results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Page 26, if you’re comparing this to previous years, this is our management letter, it’s in a new format, it’s got these bold headings, the intent is to articulate what our responsibility is, what the Management’s responsibility is; it says essentially, the same thing as it has in previous years, there’re references in here to Florida statute, Rules of the Auditor General, but they’re all positive statements; you’ve complied with the statutes that you’re required to, so there’s nothing negative, again, all positive statements here. So with that I’ll be happy to answer any questions you may have. The Board thanks him; Commissioner Cook thanks him and states as long as they didn’t find anything wrong... Mr. Brown states, No Sir. Commissioner Griffin states the only thing wrong was the SAFER grant. Mr. Brown agrees, that’s the biggest thing, obviously. But we apply what we call financial conditions. That’s one of those references in the Management Letter, and if the changes weren’t made then, obviously there’d be a problem, but you’re not what the State would consider a financial emergency or issue like that, as far as they’re concerned. The Board thanks him again. Mr. Brown offers at this time that should the Board have questions during the year; both Chief and Theresa know how to get ahold us; we work for you; we’re here to help you however we can. He leaves the meeting.

Minutes – Review and Acceptance of the minutes of the December 9, 2014 Board of Commissioners meeting. Motion made by Commissioner Cook to accept the minutes. Commissioner Hansen seconded the motion. Vice-Chairman Griffin calls for questions or comments. With no questions or discussion and none opposed, motion carries.

Financial Report - Review & Acceptance of the December 2014 financials. Commissioner Hansen moves to accept the December 2014 financials. Commissioner Cook seconded the motion. Vice-Chairman Griffin calls for questions or comments. With no questions or discussion, and none opposed, motion carries.

Fire Marshal and Administrative Reports (attached) – Chief Nisbet states there is no Fire Marshal Report this month as activity was light throughout December due to the

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holidays. Chief Nisbet reads the Administrative report into the record. He amends the Apparatus Status as E-131 is not in service at this time due to an electrical problem that appears to be a mother board of sorts. They were here today and we are waiting on parts. He concludes his report. Vice-Chairman Griffin calls for questions or comments, and asks if they are accepting applications now for the SAFER Grants. Chief states they begin accepting applications February 9th and adds we have a conference call with them and IAFF on Friday. With no further discussion or questions, Vice-Chairman Griffin calls for Petitions.

Petitions before the Board/Public Input –None

Union Petitions - None

Old Business –

- **Stonegate proposal vs Capital Bank** –Chief Nisbet states that we had brought a proposal from Stonegate before the Board a couple months ago for our Line of Credit, and he states, while their interest rate for the line of credit is better, they would want us to move all of our business there, which is not better. We have worked out the issues with Capital Bank's service and his recommendation at this time is to leave things where they are and implement Resolution 2015-01 to renew the Line of Credit with Capital Bank.
- **Line of Credit Resolution to Renew** – Commissioner Cook moves to renew the line of credit with Capital bank adopting Resolution 2015-01. Commissioner Hansen seconded the motion. With none opposed motion passes and Resolution 2015-01 to renew the Line of Credit with Capital Bank is adopted.
- **Approval of FYE 2014 Audit & Amend 2014-2015 Fiscal Year Budget (carry forward)** – Commissioner Cook moves to approve the 2013-2014 Audit and adopt Resolution #2015-02 amending the 2014-2015 Fiscal Year Budget. Commissioner Hansen seconded the motion. With no further discussion and none opposed, motion carries and Resolution 2015-02 is adopted. Chief makes additional comments to point out the Reserve Line is going to increase by \$34,654.03 which is going to maintain us at just under 90 days of reserves if we went back to 14 people staffing. So we are close to 90 days reserves if we get the SAFER grant; we did not utilize as much reserves as I had asked you for at the original adoption of last year's budget. That's a good thing. Commissioner Cook states, Right; we were about \$34,000 less, right? Chief confirms that is correct. With no further discussion, Chief moves on to the next item on the agenda.
- **Northbrook Update** – Chief states he did not need to speak at the Northbrook CDD Hearing; he states he did not make the meeting as he was ill. Commissioner Cook remarks; after all that discussion, he laughs, and you didn't even go? Chief laughs and states, he did not make the meeting, however, he did watch, and the project was passed by the Board of Commissioners unanimously to approve the formation

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of the Community Development District for that project, and that project should be breaking ground here within the next 90-180 days. He adds they are already doing work off Sedgefield. They are doing some cleaning out some of the ditches there, and I understand the AG exemption for the property has been removed. So we should see some positive impact next year in our budget. Chief takes the opportunity to note he also spoke to the developer of the Bayshore Town center yesterday; which is the project that is slated to go across the street from Love's Travel Plaza, on the North side Bayshore Road. He continues, that developer told me he doesn't have anything concrete yet, which he probably wouldn't have told me anyway, but they do have some interest in an anchor store. So I would say they were probably waiting to see what was going to happen with the Pritchett Parkway project or Stoneybrook North, before they start pulling the trigger on their project, and I think that's going to facilitate that project also. I will keep my fingers crossed. Commissioner Cook remarks, I'll believe it when I see it. All that stuff. We've been talking about all that stuff for 10 years. Commissioner Griffin agrees saying we've been talking about Love's for 10 years. Office Manager states; but it's here now. Commissioner Cook states, but we've talked about a lot of stuff that never happened. With no further discussion, Vice-Chairman Griffin calls for old business.

New Business –

- **Surplus old Air packs** – Chief Nisbet states that with the arrival of the new air packs, he needs disposition orders for the old air packs. He remarks, unlike with grants on the engine and such, we are not required to hold onto them. We can sell them to a vendor or donate them to an academy; or give them to somebody. He continues, Captain Underwood did contact Dalmatian Fire Equipment who offered us about \$500 per air pack, but they're going to turn around and sell them for \$1500 or \$1600. So I don't think it's going to give that much savings, so I think if you want to get dollar for dollar cost, like Commissioner Klos had suggested before, we could donate them to the fire academy and then do some trade-offs on some training and some live burns and some of our yearly co-op payments, which they would be more willing to negotiate a good deal for us on that, so that's the direction I would like to go. The 4 AP-50 air packs that are up there, those are the smaller ones, nobody wants them. Nobody can use them; but we do have an agency that needs them, and that was one of the fire departments that was here visiting from the Dominican Republic a few months ago that Ft. Myers hosted. So what I would like to do, if it's alright with all of you, I would like to donate the NXG-2s to the Fort Myers Fire Academy, with the bottles and the masks and stuff, and work out a deal with them, more or less a barter, with them, and then the AP50's I'd like to donate to the Dominican Republic. Commissioner Griffin asks how many of those are there. Chief Nisbet responds 4. Commissioner Cook states it sounds fine to me. Commissioner Griffin asks, as far as donating them for swapping for service or whatever, is there like a dollar amount that usually runs us. Chief states I think they're worth \$1500. Commissioner Griffin asks the price we pay for the training. Chief Nisbet replies, we pay \$1000 a year for the co-op training, and then if we have live burns... now we've always kind of done a trade off with them because we take a tender down there and

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stuff, but it costs money to run that training field and stuff like that, but I try not to do more than 1 a year. Maybe I can do 2 or 3 over the next year, and some stuff like that. They also offer some other training. They offer some pump operations classes, hydraulics classes. I can secure some spots in there for some of our volunteers, some for our paid staff that are looking to get their Fire Officer One done or to get their Inspector done, so there's options that we could have available, I'd have to work that out with Jason Martin. Chief Nisbet assures it'll be a fair trade.

Commissioner Griffin states; I was looking to see that... Commissioner Cook states, I would like it to lean more towards us; the trade; not really fair; more like win/almost win. Commissioner Hansen asks if we still have a machine that will fill those. Chief Nisbet responds, yes, our machine will fill those and MES is going to help, and actually I think they've got the parts, they're going to rebuild the machine for us, put new regulator valves on it and stuff. Commissioner Hansen teases; I might need one when I do the burn at my house. Chief Nisbet states that was the nice thing about this grant; one of the problems that we had; the number of air packs that we had before was, we never had a backup. We never had backup air packs; and actually I'm going to keep 2 of these back for training purposes and stuff like that, if somebody wants to take them over to academy or do some training, or go to a special class, but we never had backups. Well when I put in the original grant, I put in enough for all our riding assignments and 2 air packs for backups if we needed them. Then we also have six bottles that we are going to have in reserve so that when we come back from an incident we can place our unit back in service quicker with the bottles and stuff like that; and we're going to have a rack system that we're going to build out, Engineer Stackhouse is building it for me, out there next to the air machine. Commissioner Griffin clarifies, so that'll be six bottles than we have out on the trucks. Chief confirms that is correct. Chief states, I wanted to make sure that we have the resources available. We also have masks available for every air pack on the truck; all the paid staff will have their own masks. We have masks available on every truck in medium, and also a couple large and small; and we're going to be doing fit tests. When Chief Ippolito was working for the State of Florida, we had our FFOSHA inspection last year. The only area we got nailed on, with the new standard, was fit testing. Once we get fit tested, which we are going to try to have done in the next couple weeks, we are going to be one of the only fire departments in the state that is completely 100% compliant with the safety standard; which will be huge. Commissioner Hansen moves to go with those, and donate the others to the Dominican Republic. Commissioner Cook seconded the motion. With no further discussion and none opposed, motion passed.

- **Forestry Truck Request** – Chief Nisbet points out the picture of the truck in the packets. He states this is the newer version of what the military is using to replace their deuce and a 1/2s. This truck is currently going to the airport and there was another truck there that was going to Felda; but there are 8 trucks available up there that are surplus. I'd like to ask for your permission to request a truck from Forestry so that we can replace the 1976 Six-By, which is our standard transmission truck which we are starting to have difficulty getting the parts for; we may not do anything with this truck for a year, or make any changes, but my thought process is to take

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the bed off of that truck and put it on this truck. Commissioner Cook asks when we got the one we have now. Chief responds; we have 2 six-bys right now. Commissioner Cook asks how long we've had the one he wants to get rid of. Chief replies, long before he got here; 10 years maybe 12. Commissioner Cook asks if Chad did that one. Chief Nisbet says yes, that was the first one, and it is still running ok; the problem is getting filters for it, and getting parts for it is a pain. Engineer Lemieux states the serviceability is starting to become a problem. Chief Nisbet adds, no offence to the young people out here, well, a couple of them here can drive stick shifts, but I've got a lot of kids that can't drive a stick shift. I'm thinking it might even be six months before we get a truck; but I'd like to go ahead and place a letter of our interest in it. Once we take delivery of it we can take our time putting it together. I did get with Captain Brunson, and took him over there and we looked at it; very clean, his estimate is \$5,000 we could make the change over and do all that; that's with the paint, I'm thinking closer to \$7,000; but I'm not; unless somebody gave us a huge donation or whatever, I wouldn't even entertain doing that this year, I would hold the project for the next budget year. Commissioner Hansen asks if it would take \$7,000 with a brush and a gallon of paint. Chief Nisbet states we have the spray guns and everything; we just have to get the paint. Commissioner Griffin asks what we do with the old one. Do we have to give that back? Chief Nisbet responds, it would go back to Forestry. All of our stuff would come off of it and then the truck would go back to forestry. Then they can use the parts off it to supply parts to some of the other departments for their vehicles. Commissioner Hansen asks if they won't let us keep it to maintain our other one. Chief responds the two are not interchangeable. The one is an old 1976 AMG and the newer one, the 1986 has a Caterpillar in it. Commissioner Cook states the newer one is probably pretty darn good, isn't it? Chief replies it is a good truck. Commissioner Hansen moves to send the letter and see what we find out. Commissioner Cook seconds the motion. Hearing no further discussion and none opposed, motion passed.

Public Input –None

With no Public present for input, Commissioner Hansen asks if there's anything else to discuss. Chief Nisbet states he attended the Lee County Legislative Delegation Meeting today and at one point FRS came up; I don't think it went very far, according to Representative Caldwell, he doesn't expect any major changes on that this year. We had information there was going to be a forced consolidation bill; we did not hear anything on that discussed at the meeting. There was a proposal provided to the delegation about a Firefighter Cancer Presumption Law. Thirty-three states in the country currently have that; Florida being one of the remaining that doesn't right now. Of course you are aware that the SAFER Grant applications will be opening up on the 9th. I've been working very closely with the IAFF; you got a copy of the final draft report that was completed. I thought it was very, very good. Very, very thorough, and it validates everything we've been telling everybody. From their staff and Congressman Caldwell, Rooney, Senator Nelson, House Representative Fitzenhagen, and Senator Benequisto, they've all said they will write letters of support for our application. Commissioner Hansen asks if he has them already writing those. Chief Nisbet states he wants to get our application in first, so they can

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include our application number in their letters. Commissioner Hansen feels it would be good if they were submitted with the application. Chief Nisbet notes, it is all filed electronically. Chief Nisbet advises the Board that next month he will request the Board to approve for a letter after the application, that you are fully aware of the requirements of the grant and if the grant is awarded us, that it will be supported and stuff. That way once we get awarded, we can get them moving. Commissioner Cook asks if the grant operates the same as it has. Chief confirms it does, it is still 2 years. Nothing has changed. There was some concern that we had with some language that came up in this guidance document; I actually contacted the IAFF pretty quickly and said let's see what we can find out about that; their staff in Washington DC jumped on it and we got a clarification on that; that it's the same as it has always been. We got that clarification yesterday. But we are still looking at some layoffs in Lehigh, still looking at 21 in Fort Myers, so we're going after it. With no further discussion, Commissioner Cook moves to adjourn. Commissioner Hansen seconded the motion, and with none opposed, meeting adjourns at 7:34pm.