

Iona McGregor Fire District Board of Fire Commissioners Agenda  
January 16, 2019  
6:00 PM

Meeting called to order at 6:30 pm

Roll Call of Commissioners – All board members present. Present staff members include Chief Howard, Assistant Chief Comer, Division Chief McMahon, Division Chief Aquil, Division Chief Steffens, and Chief Financial Officer Winzenread.

Opening Prayer and Pledge of Allegiance was observed.

Amendments to the Meeting Agenda – none

Presentations/Awards – none

Public Input on Business Agenda Items – none

Business Agenda Items (Agenda Items Requiring Action)

1) Meeting Minutes – December 12, 2018 Workshop and Regular **Motion** (5604) to approve minutes made by Commissioner Barbosa, second Commissioner Andersen... carried.

2) Financial Report – December 2018  
CFO Winzenread informed that report was submitted as part of packet; and asked if there were any questions. Commissioner Louwer questioned the physicals expense of \$40,000 as to if annual, adding that it would be nice to see last year's information to compare. He then inquired as to the \$2500 charitable contribution and if there is a policy on how to be used. CFO Winzenread informed of the generous contribution from citizen's trust and that it was an unrestricted donation and can be used to support operations of district. Walker questioned the Investments, BB& T and 5/3 Bank, why so many? CFP Winzenread informed that we are phasing out BB&T adding that we need to keep 5<sup>th</sup> 3<sup>rd</sup> open for life of loan. Commissioner Louwer asked if board can have report for entire year to look at annual budget snapshot including yearly comparison. CFO Winzenread can accommodate request. Commissioner Louwer queried if he could set up time with CFO to go through financials. CFO responded that he is available to go over and explain all financial details. Commissioner Walker suggests pages 1, 2, and 3 of the Financial Report be included in the minutes following approval of report. **Motion** (5605) to approve December financial reports and direct that pages 1,2, and 3 be included as part of minutes was made by Commissioner Walker, second Commissioner Barbosa... carried.

Following motion, CFO Winzenread informed that the signature cards for BankUnited are available and would like to add. Update signature item added to agenda by **motion** (5606) made by Commissioner Walker, seconded Commissioner Barbosa... added.

See last three pages for approved financial reports.

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3) Auditor Engagement Letter

Auditor Jeff Tuscan introduced himself to board and gave summary of audit requirements. Commissioner Walker questioned the setting aside of reserves. Mr. Tuscan explained that if funds are set aside for specific item and later needs changed, request to use for other purpose would need to be authorized by board. Jeff detailed the difference between public and private accounting, specifically reserves. If large unassigned fund balance is not good, better to assign. At least 90 days' operations is required in fund balance is by Florida laws, and should have estimated 30 to 45 days flat out for emergencies in addition to the 90 days. Auditor General requires auditors to comment on financial standings of district. You can have more reserves, not less. CFO Winzenread discussed the original engagement letter and the current submitted engagement letter. Term is now 3 years instead of 5 years. Commissioner Walker questioned if specifics including liability or bonding issues are reviewed. Mr. Tuscan affirmed adding the auditors make sure district is compliant, adding that audit rules are not the same for district as for private entities.

Commissioner Walker mentioned to Mr. Tuscan that the chief is making presentation on signing authorization for checks and asked if he saw any problem with this? Jeff stated he was consulted on this prior to tonight and the district needs workable solution that still has controls in place, adding that it is not unheard of to handle the way it is proposed. Chief states that trying to get to operational efficiency is sole goal for this proposal. Every dollar that is on here, board has already approved the funds being spent. Jennifer reviews and puts together, Mark then reviews prior to checks being produced. Chief does not have access to checks. After lengthy discussion unrelated to engagement letter, **motion** (5607) to enter authorize execution of engagement letter as presented made by Commissioner Langford, second Commissioner Barbosa... carried.

4) Check Signing Authority –

Chief states that Ch 97-340 Laws of Florida, section 5 sub (4) provides the Board with the ability to authorize other persons to sign checks. Does it require policy by board? By taking formal action this provides direction and authorization for this to occur. Pringle states the motion must provide the authority you wish to implement. Commissioner Walker recommends that copies of all invoices be sent to all commissioners prior to payment to allow each availability to review and/or question the expenses. Commissioner Andersen stated that it would be taking step backwards in doing this. The Chief is hired to run the department. He is in place and we should take his best decisions. If something looks odd, can request copy for review and if found outside of guidelines could handle at that time. Need to have trust in Chief and administration. Commissioner Louwer said having to go through all invoices not reasonable, inefficiency will be great. Much discussion continued with Walker opposing process and Commissioners Andersen, Louwer, and Langford in agreement with. Commissioner Barbosa stated that you might see a couple checks a month that may not know what they are. Commissioner Walker suggests the attorney look at and draft policy for next month. Commissioner Louwer made **motions** (5608) to authorize chief to sign checks in amounts up to \$30,000 and in addition, with board approval, monthly recurring expenses of the district with Financial Report review and approval to continue on

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a monthly basis, second offered by Commissioner Andersen. Commissioner Walker requested a roll vote be taken. Vote was as follows:

Commissioner Louwers – aye  
Commissioner Langford – aye  
Commissioner Andersen – aye  
Commissioner Barbosa – aye  
Commissioner Walker – aye

Motion carries with a unanimous vote.

4.a.) Banking Signatures

CFO Winzenread informed that need to update signature cards and that BankUnited required copy of minutes as well as an executed resolution provided by them to complete signature authorization process. Following brief discussion and procedural information from attorney, **motion** (5609) to approve the BankUnited resolution as presented and authorize the execution of updated signature card was made by Commissioner Langford, Commissioner Louwer offered second. As there is resolution, roll votes.

Commissioner Louwers – aye  
Commissioner Langford – aye  
Commissioner Andersen – aye  
Commissioner Barbosa – aye  
Commissioner Walker – aye

Execution of signature cards and Bank United resolution approved.

5) Executive Report

Chief stated the report was submitted and available for questions. **Motion** (5610) to receive the Executive report was made by Commissioner Langford, seconded Commissioner Andersen... carried.

Attorney Report

Mr. Pringle briefly stated that board approved participation is support of Chapter 191 proposed changes which accomplishes the desired financial tool for board to adopt assessments at board level. Give back on new tool would require board to lower millage rate cap, 1/2 of current rate. Purpose of charging assessment is that revenue stream is steady as opposed to ad valorem which has highs and lows. Thought is if using tool, will be in combination of assessment and ad valorem taxes – separate and apart from tools that currently have. Do not need to utilize. This gives ability does not mandate use. The fee process of determining benefit and imposing assessment would be the same as the prior attempt. Once analysis is complete, can impose without voter approval. Can be opted in and out on annual basis.

Lee County drafted ordinance on COPCN and Chief gave copy to attorney to review. Looks as attempt to grab control of District's authority on medical response, medical director, and standards. Have ability to create standards as opposed to the State standards that we work under. Working to extract and exclude independent fire districts from the ordinance and protect District from ordinance. Lee County Fire Chiefs Association strongly opposes this proposed ordinance by County.

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As a follow-up to attorney Morinelli's presentation, reiterating that the final decision on Collective Bargaining Agreement lies with the board in all cases.

**Motion** (5611) to accept attorney report made by Commissioner Andersen, second Commissioner Barbosa ... carried.

DVP Reports – Districts 7 & 25

District 7 – Not present

District 25 – Nothing to report, per DVP Mascarelli, adding that DVP Tansey told him he also had nothing.

Public Input on Non-Business Agenda Items – none

Commissioner Comment

Commissioner Barbosa mentioned that in reading in statutes, he noticed that District has power of eminent domain. Commissioner Walker then stated that a job description for assistant chief was done and there was a requirement pushed through that would need to be done prior to application for position of Chief. He then corrected that meant Chief's job description, adding that only one individual qualified to apply for position. Chief added that at time only one had EFO certification, but now have three enrolled and accepted and that program has been changed to two years from four. He had reservations previously about the requirement; but having those apply there is a reverse challenge. Following brief discussion on EFO requirements, Commissioner Walker directed chief to add chief job description to next month's agenda to amend EFO to preferred.

Adjournment

Motion to adjourn made by Commissioner Langford, second Commissioner Andersen... carried.

Meeting adjourned at 8:04 p.m.

Approved by: \_\_\_\_\_

**IONA MCGREGOR FIRE PROTECTION AND RESCUE SERVICE DISTRICT  
FINANCIAL REPORT NOTES  
BALANCE SHEET AND STATEMENTS OF REVENUES AND EXPENDITURES  
(UNAUDITED)**

**For the three Months Ended December 31, 2018**

**Notable items on the Balance Sheet:**

Cash and Investments

The rate of return on surplus funds held in Florida PRIME (Florida Local Government Investment Pool) increased to 2.56% for the month of December, up from 2.44% in November.

Liabilities

Liabilities totaling \$20,016 consist of amounts withheld from employees' pay for required retirement contributions.

**Notable items on the Statements of Revenues and Expenditures:**

Revenues

- Received approximately \$12 million in ad valorem tax revenues during the month of December. To date the District has received about 84.5% of the annual budgeted total.
- Received inspection fees of approximately \$9,500
- Received a donation of \$2,500 from the charitable trust of an individual.

Expenditures

Notable expenditures for the month of December include:

- Annual employee physicals - \$40,865
- Final quarterly installment on Truck #74 capital lease - \$28,564
- Annual renewal for Fire/EMS reporting software - \$25,415

Total expenditures reflect 22.1% of budget and are well within the expected range.

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ASSETS

CASH

Operating Account - BB&T	\$ 1,102,459.48	
Operating Account - BankUnited	2,136,931.09	
Petty Cash	100.00	
<b>Total CASH:</b>		<u>3,239,490.57</u>

INVESTMENTS

Investments - SBA	12,941,405.74	
Investments - BB&T Money Rate Savings	1,005,685.52	
Money Market - BankUnited	2,010,439.77	
Investments - 5/3 Bank	595,788.70	
<b>Total INVESTMENTS:</b>		<u>16,553,319.73</u>

ACCOUNTS RECEIVABLE

Accounts Receivable	2,634.53	
<b>Total ACCOUNTS RECEIVABLE:</b>		<u>2,634.53</u>

**Total ASSETS:** \$ 19,795,444.83

LIABILITIES

FRS - Employee Contribution - ADMIN	3,494.64	
FRS - Employee Contribution - OPS	16,521.53	
<b>Total LIABILITIES:</b>		<u>20,016.17</u>

EQUITY

Retained Earnings-Current Year	12,064,519.92	
Prior Year Revenues Over/(Under) Expenditures	776,646.20	
Fund Balance	6,934,262.54	
<b>Total EQUITY:</b>		<u>19,775,428.66</u>

**Total LIABILITIES & EQUITY:** \$ 19,795,444.83

**IONA MCGREGOR FIRE PROTECTION AND RESCUE SERVICE DISTRICT  
SUMMARY STATEMENT OF ACTIVITIES - GENERAL FUND  
For the Three Months Ended December 31, 2018 (Unaudited)**

Revenues	Amended		Variance	
	Budget	Actual	\$	%
Cash Carry Forward	\$ 7,362,557			
Ad valorem taxes	19,620,023	\$ 16,507,816	\$ (3,112,207)	84.14%
Permits, Fees & Special Assessments	75,000	-	(75,000)	0.00%
Intergovernmental	47,040	-	(47,040)	0.00%
Charges for services	55,000	23,328	(31,672)	42.41%
Miscellaneous	227,000	69,015	(157,985)	30.40%
Proceeds from debt	-	-	-	N/A
<b>Total Revenues</b>	<b>20,024,063</b>	<b>16,600,159</b>	<b>(3,423,904)</b>	<b>82.90%</b>

Total revenues and cash carry forward 27,386,620

Expenditures				
Personnel services				
Salaries	10,338,780	2,325,431	8,013,349	22.49%
Benefits	5,513,428	1,106,800	4,406,628	20.07%
Operating Expenditures				
Professional and contractual	762,222	398,122	364,100	52.23%
Travel	84,050	5,353	78,697	6.37%
Communications & freight	133,850	25,394	108,456	18.97%
Utilities, equipment rental, and insurance	289,603	104,675	184,928	36.14%
Repairs and maintenance	578,013	111,847	466,166	19.35%
Other operational and administrative	463,362	198,135	265,227	42.76%
Supplies, tools & small equipment	394,809	93,382	301,427	23.65%
Education and training	112,940	23,558	89,382	20.86%
Capital expenditures	1,426,886	22,868	1,404,018	1.60%
Debt service	456,850	120,072	336,778	26.28%
<b>Total Expenditures</b>	<b>20,554,793</b>	<b>4,535,639</b>	<b>16,019,154</b>	<b>22.07%</b>

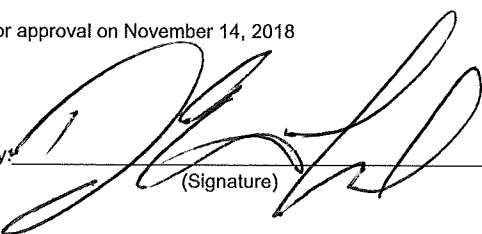
Revenues over/(under) expenditures (530,730) \$ 12,064,520 \$ 12,595,250

Fund Balance/Cash Carry Forward 6,831,827

Total expenditures and reserves \$ 27,386,620

	DECEMBER	NOVEMBER
Cash Balances		
BB&T - Operating	\$ 1,102,459	\$ 6,033,290
BankUnited - Operating	2,136,931	52,536
Petty Cash	100	100
	<u>3,239,491</u>	<u>6,085,926</u>
Investments		
General - SBA - Fund A	12,941,406	1,674,618
BB&T Money Market	1,005,686	1,005,532
BankUnited Money Market	2,010,440	503,256
5/3 Bank	595,789	594,611
	<u>16,553,320</u>	<u>3,778,016</u>
Total Cash and Investments	<u>\$ 19,792,810</u>	<u>\$ 9,863,942</u>

Submitted for approval on November 14, 2018

Approved By:   
(Signature)