

Upper Captiva Fire & Rescue District

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BOARD OF COMMISSIONERS

PRELIMINARY BUDGET MEETING

10 September 2016

COMMISSIONERS PRESENT: Zeke McDonald, Tom Jenkins, AJ LaVallie, Bill Fry, Steve Sward (by phone), and Chief Bob Kinniry.

ISLANDERS PRESENT: None

1) CALL TO ORDER: Chairman McDonald called the meeting to order at 10:00AM

2) ROLL CALL: Chairman announced which Commissioners were attending in person (Fry, LaVallie, Jenkins, and McDonald), by telephone (Sward), and Chief Kinniry.

3) FIRST SUBSTANTIVE ISSUE DISCUSSED:

- Proposed Millage Rate of 3.7500 mills: 3.7500 mills is the maximum rate allowed and this is the same millage rate as last year, if passed.
- Proposed Millage Rate is 2.05% above the roll-back rate (Rollback Rate is 3.6745 mills). The difference in the rollback rate and the maximum millage rate is about \$17,000.
- ADOPTION OF TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2016/2017: **Sward moved, Jenkins seconded** to approve the tentative millage rate of 3.7500 with estimated gross revenue at \$663,433. Vote was **5-0 (Fry, LaVallie, Jenkins, McDonald, and Sward yes) at 10:04AM.**

4) DISCUSSION OF THE TENTATIVE BUDGET:

- Proposed Budget:
 - Line of Credit Borrowings: Chair noted that we were proposing to budget \$80,000 each for General Fund and Special Assessment and that we had never done that in the past.
 - Fry stated that the proposed borrowing (and related payback) should be lower in FY17 than this budget proposes but, when the draft budget was initially developed in May and discussed at the June, July, and August meetings, it wasn't clear that we would actually live within the approved budgets, since we hadn't routinely in past years. By staying under budget, the Expected Reserve or Carryforward Funds should be large enough this September to delay borrowing until October or even November. The \$80,000

proposed line per fund was based on borrowings of \$80K last year for General Fund and \$90K for Special Assessment. Fry stated that reducing these numbers might be problematic before the 17 September Final Hearing since the announcement with these numbers was emailed by Bookkeeper Lynch to the News-Press for advertisement yesterday and has to run in the newspaper by 15 September. We could reduce them at the Final Budget Hearing but Fry recommends leaving them as is and making the adjustment in the mid-year budget amendment that we'll have to do anyway.

- Jenkins stated that it looked like we wouldn't have to borrow in FY18 (October 2017 – September 2018), if we stay on the path that we are on and Fry agreed, unless there is natural disaster or other unforeseen emergency. For that reason, Fry recommends that, even if it looks like we won't need to use the Line of Credit in FY18, we should still plan on renewing it each year since that is really our "emergency reserve".
- o Liability Insurance:
 - Chair asked about the proposed \$9,000 increase in Insurance for next year.
 - Fry stated that his research confirmed that \$6,800 of the amount over budget this FY was from a September 2015 invoice that was paid in October 2015 and that although the Auditor may re-characterize that into FY15, Fry couldn't determine if this happened every year or not or, said another way, if there would be a final invoice every September, paid every October. For that reason, he recommends the proposed increase remain in the budget and we can adjust downward at our mid-year budget review.
 - Sward stated that he would meet with Chief after the October meeting to pull all of the liability policies to evaluate our existing coverage and then they will schedule a meeting with our Insurance Agent to confirm that we are getting best price/value on our policies.
- **Jenkins moved** to approve the proposed budget for Fiscal Year 2016/2017, **seconded** by LaVallie. Vote was **5-0 (Fry, LaVallie, Jenkins, McDonald, and Sward yes) at 10:17AM.**

5) PUBLIC COMMENTS & QUESTIONS: No public were present.

6) FINAL BUDGET HEARING for the FISCAL YEAR 2016/2017 BUDGET will occur at 10:00, 17 September 2016 at the fire station, before the Regular Monthly Meeting.

7) ADJOURN – **Move** by Fry, **seconded** by Jenkins; **all voted aye**. Meeting adjourned at 10:21AM.

Respectfully submitted,

Bill Fry
Secretary