

**COMAL COUNTY
EMERGENCY SERVICES DISTRICT #5
BOARD OF COMMISSIONERS
Board Meeting Minutes, August 17, 2016**

A Regular meeting of the ESD #5 Board was held at the Johnson Ranch Fire & EMS Station, 30475 Johnson Way, Bulverde, Texas 78163 on Wednesday, the 17th day of August, 2016.

Discussion/Action Items

1. Call individual meetings to order in joint session;

Having been duly posted, the meeting was called to order at 4:00 p.m. by Mr. David Bullock (President, ESD #5) with a quorum consisting of four Commissioners (Barr, Bullock, Ingerick, and Wilcox) present. Mr. Rarick had a previously approved absence.

Workshop Agenda

The Bulverde-Spring Branch Emergency Services (BSBES) Board of Director's monthly meeting commenced. Items of interest to ESD 5 Commissioners:

1. Citizen Comment: No citizen comments were offered.

Discussion/Action Items (cont'd)

2. ACTION AGENDA ITEM: Discuss and consider Consent Agenda::

- a. Mr. Ingerick requested the July 21, 2016 regular meeting minutes be amended before approval. He noted that the gender title for item 1.b. should be changed to reflect "Ms. Chapman..."
 - i. Mr. Wilcox made a motion to approve the meeting minutes as written with inclusion of the noted change above.
 - ii. Mr. Ingerick seconded the motion. The motion passed with unanimous consent.
- b. Mr. Bullock made a motion to approve the August 2, 2016 special meeting minutes as written.
 - i. Mr. Wilcox made a motion to approve the meeting minutes as written.
 - ii. Mr. Barr seconded the motion. The motion passed with unanimous consent.
- c. Mr. Bullock presented the July 2016 invoices for payment of legal services from The Carlton Law Firm (\$605.00) and firefighting equipment purchases for the initial outfitting of the new 2016 Brush Truck. Equipment invoices include: a) a chain saw with accessories from

Ashley's Small Engine Repair (\$873.33); b) communications radio equipment from Motorola (\$6,304.50); and c) secure key storage box from Knox (\$637.00).

- i. Mr. Bullock made a motion to approve payment of the invoices as presented.
- ii. Mr. Ingerick seconded the motion. The motion passed with unanimous consent.

3. INFORMATION ITEM: Discuss, review, and consider monthly financial reports.

The commissioners reviewed the following monthly and annual summary financial reports.

- a. The End of Month (EOM) Profit & Loss Budget Performance as of July 31, 2014 (Atch 1) reflects a net loss for the month of July, 2016 of \$69,479.11 versus a budgeted net loss of \$74,498.96. The difference is primarily due to actual expenses being less than budgeted expenses partially offset by lower than anticipated Ad Valorem and Sales Tax Revenues collect during the month. On a year-to-date basis, net income through July 31, 2016 is \$671,998.83 versus a budgeted net income of \$584,603.36. This positive variance was primarily due to Ad Valorem tax revenue exceeding budget, previously received grant revenue, and other operating expenses being less than budgeted.
- b. The EOM Balance Sheet as of July 31, 2016 (Atch 2) reflects Total Assets of \$3,166,854.66 with Fixed Assets (with depreciation) totaling \$433,803.22. Total liabilities are noted at \$1,626,084.98. Total Equity on hand is \$1,540,769.99.
- c. The Statement of Cash Flows (Atch 3) through July 31, 2016 reflects total cash on hand of \$1,443,024.69, an increase of \$678,766.14 for the year.
- d. The Transaction List (Atch 4) for July was reviewed with no anomalies noted.

4. ACTION AGENDA ITEM: Discuss, consider, and approve proposal to BSB ES for use of former Cougar Bend Station.

- a. Mr. Ingerick suggested this topic be tabled for discussion in Executive Session.
- b. The remainder of the commissioners concurred with this recommendation.

5. ACTION AGENDA ITEM: Discuss, consider and approve development of a Technology plan to facilitate necessary communications among Commissioners and provide the public with easier access to ESD materials.

- a. The commissioners discussed this topic and determined that further research is needed before approving a plan. The commissioners expressed a strong desire to make public access to meeting agendas and minutes with financial reports easier by expanding the existing the consolidated ESD web site (<http://www.sbfirerescue>).
- b. The commissioners discussed the need for ESD owned IT assets for commissioners' use in performing their official duties.
 - i. Mr. Wilcox made a motion that Mr. Rarick be appointed to develop an IT acquisition plan for purchasing laptops or tablets with appropriate resident software or cloud-based applications (i.e. Google Docs) for commissioners' use.

- ii. Mr. Ingerick seconded the motion. The motion passed with unanimous consent.

6. ACTION AGENDA ITEM: Discuss and approve 2017 budget. Roll call vote is required.

- a. Mr. Ingerick presented the proposed seven year Projected Cash Receipts and Expenditures budget for the 2015 through 2021 budget years to evaluate the merits of full cash purchase for land and apparatus versus financing debt service for these capital expenses.
- b. Mr. Ingerick presented the proposed 2017 budget, incorporating the options discussed during the August 2, 2016 special meeting. The proposed budget reflects a total Operating Budget of \$1,713,923 (Atch 5) and reflects an approximate 3% increase in ad valorem and sales tax revenues.
 - i. Mr. Wilcox made a motion to approve the budget as presented. Mr. Barr seconded the motion.
 - ii. The motion passed by roll call vote recorded below:
 - Yes: Mr. Barr, Mr. Bullock, Mr. Ingerick, and Mr. Wilcox
 - No: None
 - Absent: Mr. Rarick

7. ACTION AGENDA ITEM: Discuss and approve proposed 2016 ad valorem tax rate. Roll call vote is required.

- a. Mr. Ingerick presented the 2016 Effective and Rollback Tax Rates. The Effective Tax Rate for 2016 is \$0.096881 per \$100 valuation. The Rollback Rate for 2016 is \$0.112988 per \$100 valuation and includes a debt service component (Investment and Sinking Fund) of \$0.008357 per \$100 valuation.
- b. Mr. Bullock discussed the merits of incorporating both the Maintenance and Operations (M&O) and Investment and Sinking Fund (I&S) components of the proposed tax rate. He also reiterated that the statutory maximum combined tax rate is capped at \$0.10 per \$100 valuation (\$0.10/\$100).
 - i. Mr. Bullock made a motion to approve the proposed tax rates below for 2016:
 - M&O rate of \$0.091643 / \$100 valuation
 - I&S rate of \$0.008357 / \$100 valuation
 - Total combined 2016 tax rate of \$0.1000000 / \$100 valuation
 - ii. Mr. Barr seconded the motion.
 - iii. The motion passed by roll call vote recorded below:
 - Yes: Mr. Barr, Mr. Bullock, Mr. Ingerick, and Mr. Wilcox
 - No: None
 - Absent: Mr. Rarick

8. INFORMATION ITEM: Discuss and review status of FOIA information request.

- a. Mr. Bullock briefed the commissioners that the Public Information Act request for information has been completed and is ready for the requester to pick up the document package.
- b. The requester provided payment for the full cost of document duplication.

9. INFORMATION ITEM: Provide update, if any, on status of search for alternate legal counsel.

- a. Mr. Ingerick suggested this topic be tabled for discussion in Executive Session.
- b. The remaining commissioners concurred with this recommendation.

10. INFORMATION ITEM: Provide update, if any, on potential future Station locations.

- a. Mr. Ingerick suggested this topic be tabled for discussion in Executive Session.
- b. The remaining commissioners concurred with this recommendation

11. INFORMATION ITEM: Discuss reports from ESD Council representatives.

No update provided as there was no ESD Council held in August 2016.

12. INFORMATION ITEM: Discuss reports from ESD #5 representatives on the Not-For-Profit Board.

No update provided.

13. INFORMATION ITEM. Discuss any items to be brought to the attention of the Not-For-Profit Board.

- a. Mr. Bullock presented his analysis of the Emergency Services Actual versus Budget for the end of month July 2016. By his analysis, there appears to be a \$226K positive variance. This value tracks \$5K lower than the budget projections approved at the beginning of 2016.
- b. Though we hope to put an End of Year Budget Reconciliation measure in place with the Not-For-Profit, it appears to not be favorable with ESD 4. More to follow as we work this issue through the ESD Council.

At 4:57, Mr. Bullock called for an executive session to discuss real estate and legal counsel issues.

At 5:15, Mr. Bullock reconvened the meeting in open session.

- a. Commissioners discussed the merits of reacquiring the former station located on Cougar Bend, Bulverde, Texas from the Not-For-Profit.
 - i. Mr. Bullock moved that we approve release of a request to the Not-For-Profit to transfer the former fire station located at Cougar Bend, Bulverde, Texas to the ESD for upgrades/renovations for use as a Fire Station apparatus staging location.

- ii. Mr. Wilcox seconded the motion. The motion passed with unanimous consent.
- b. Mr. Bullock moved that we approve Mr. Bullock to open discussions with two potential legal firms to assess their suitability to meet our legal counsel needs.
 - i. Mr. Barr seconded the motion.
 - ii. The motion passed with unanimous consent.

14. Discuss agenda, time and dates for next meeting(s) and adjourn.

- a. The following meeting schedule is tentatively set. All meetings will be at the Johnson Ranch Fire and EMS Station, Community Room
 - i. First Public Meeting on Tax Revenue Increase, September 1, 2016, 1:00 pm.
 - ii. Second Public Meeting on Tax Revenue Increase, September 7, 2016, 8:00 pm.
 - iii. Approve 2016 Ad Valorem Tax Rate Regular Meeting, September 14, 2016, 4:00 pm.
 - iv. Regular Meeting, October 19, 2016, 5:00 pm
 - v. Regular Meeting, November 16, 2016, 5:00 pm
 - vi. Regular Meeting, December 16, 2016, 5:00 pm
- b. Mr. Bullock called for adjournment of ESD 5 meeting at 5:20 pm.

5 Attachments:

1. Profit & Loss Budget Performance, July 2016
2. Balance Sheet, As of July 31, 2016
3. Statement of Cash Flows, July 2016
4. Transaction List, July 2016
5. Approved 2016 Budget

Minutes prepared by Mr. Dave Bullock, President.

Board Acceptance _____ 2016. _____, Secretary
 (Date) (Signature) August 22, 2016