

**COMAL COUNTY**  
**EMERGENCY SERVICES DISTRICT #5**  
**BOARD OF COMMISSIONERS**  
**Board Meeting Minutes, June 16, 2016**

A Regular meeting of the ESD #5 Board was held at the Emergency Services Building at 353 Rodeo Drive, Spring Branch, Texas 78070 on Thursday, the 16<sup>th</sup> day of June, 2016.

**Discussion/Action Items**

**1. Call meeting to order;**

Having been duly posted, the meeting was called to order at 5:00 p.m. by Mr. David Bullock (President, ESD #5) with all Commissioners present (Barr, Bullock, Ingerick, Rarick and Wilcox).

**Workshop Agenda**

1. **Citizen Comment:** No citizen comments were offered.

**Discussion/Action Items (cont.)**

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

- a. Mr. Bullock asked for any corrections or additions to the May 19<sup>th</sup>, 2016 regular meeting minutes. None were noted.
- b. Mr. Rarick made a motion that the May 19<sup>th</sup>, 2016 minutes be approved as presented.
- c. Mr. Bullock seconded the motion. The motion passed by unanimous consent.
- d. Mr. Bullock noted there were no monthly invoices to be presented for review.

**3. Discuss, review and consider monthly financial reports.**

- a. The End of Month (EOM) Profit and Loss Budget Performance as of May 31<sup>st</sup>, 2016 (Atch 1) reflects a net loss for the month of May, 2016 of \$70,491.76 versus a budgeted net loss of \$81,582.22. The difference is due to operating expenses being less than budgeted. On a year-to-date basis, net income through May 31<sup>st</sup>, 2016 is \$788,749.18 versus a budgeted net income of \$726,365.23. This positive variance was primarily due to Ad Valorem tax revenue exceeding budget and other operating expenses being less than budgeted.
- b. The EOM Balance Sheet as of May 31, 2016 (Atch 2) reflects Total Assets of \$3,283,605.21 with Fixed Assets (with depreciation) totaling \$453,392.06. Total Liabilities are noted at \$1,626,084.98. Total Equity on hand is \$1,657,520.23.
- c. The Statement of Cash Flows (Atch 3) through May 31, 2016 reflects total cash on hand of \$1,540,186.20, an increase of \$764,258.55 for the period.
- d. The Transaction List (Atch 4) for May was referenced with Mr. Ingerick pointing out that depreciation was trued-up to agree with the audit records.

**4. ACTION AGENDA ITEM: Discuss and approve proposed funding for ISO study to be conducted jointly with ESD #4.**

- a. Mr. Bullock provided background on the proposals received, the analysis performed by BSB ES Chief's Southwell and Beaudoin and the recommendation to engage the Pietsch firm. Also discussed was the proposed phased approach to undertaking the study and the intent to share costs with ESD #4.
- b. Mr. Bullock made a motion to approve retaining the firm of Mike Pietsch, P.E. Consulting Services Inc. to conduct a multi-phased ISO study at a maximum cost of \$80,000.00, including out-of-pocket expenses, such cost to be shared with ESD #4.
- c. Mr. Rarick seconded the motion. The motion passed by unanimous consent.

**5. INFORMATION ITEM: Discuss observations regarding internal control checklists, determine if action is required.**

- a. Commissioners offered comments generally supporting the initial drafts with suggestions that in addition to the checklists a brief narrative of internal controls over such areas as cash receipts, cash disbursements, access to the general ledger and reconciliation procedures be developed. With consideration of a similar approach to briefly documenting administrative procedures. Mr. Ingerick, Mr. Rarick and Mr. Bullock agreed to address these suggestions.

- b. Mr. Rarick also described an agreed upon procedures engagement with an independent CPA Firm as another option for providing independent verification that items selected for testing were properly documented and or posted. Mr. Rarick was asked to bring this observation to the attention of the Financial Policy Committee of BSB ES.

**6. INFORMATION ITEM: Discuss and consider initial draft of 2017 Emergency Services Budget.**

- a. Mr. Bullock noted that the initial draft of the 2017 Emergency Services budget would require an increased contribution by the three ESD's with a potential impact to ESD #5 of an additional \$55,000.00 per year. Mr. Bullock noted that prior to agreeing to an increase in the level of contribution we needed to better understand the detail behind the budgeted costs. Mr. Ingerick noted that he identified some math errors in the budget and also questioned the allocation of depreciation, a non-cash cost.
- b. The Commissioners determined it would be helpful to hold a workshop in the near future solely for the purpose of reviewing the proposed 2017 Emergency Services budget and accumulating everyone's comments and or concerns. The date of Thursday, June 23<sup>rd</sup> at 11:30 a.m. was agreeable. Mr. Ingerick offered his office as a location. Mr. Rarick will prepare the meeting notice for posting.

**7. INFORMATION ITEM: Discuss reports from ESD Council representative.**

- a. Mr. Bullock noted there were no new initiatives discussed at the last Council meeting other than acknowledgement that the proposed 2017 Emergency Services budget had been provided. No substantive discussion of the proposed budget occurred.

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

- a. Mr. Wilcox noted a desire for job descriptions to be brought forward to the BSB ES Board for review. Mr. Bullock requested that the BSB ES financial statements be posted to a location accessible by all ESD Commissioners prior to the ESD board meetings.

At 5:35 p.m. Mr. Bullock asked that ESD #5 convene in Executive Session to discuss certain real estate matters.

At 6:19 p.m. ESD #5 reconvened in regular session.

Mr. Ingerick made a motion that Mr. Bullock be directed to gather additional information regarding potential real estate alternatives. Mr. Wilcox seconded the motion which passed by unanimous consent.

With no additional business to be addressed, a brief recess was called at 6:22 p.m. for purposes of reconvening in the BSB ES Board Meeting.

**Workshop Agenda (Continued)**

2. ESD #5 reconvened at 6:37 for the purpose of attending the BSB ES Board Meeting and receiving the following reports:
  - a. Operations reports
  - b. BSB ES financial results and business unit comparison to budget through May 31, 2016.

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

- a. A special meeting workshop to discuss the proposed 2017 ES budget will be held Thursday, June 23<sup>rd</sup> at 11:30 a.m.
- b. A regular meeting will be held Thursday, July 21<sup>st</sup> at 5:00 p.m.

**Mr. Bullock called for adjournment of ESD #5 meeting at 6:55 p.m.**

4 Attachments

1. Profit & Loss Budget Performance, May, 2016
2. Balance Sheet as of May 31, 2016
3. Statement of Cash Flows, May, 2016
4. Transaction List, May, 2016

Minutes prepared by Mr. Mike Rarick, Secretary.

Board Acceptance: \_\_\_\_\_  
(Date)

\_\_\_\_\_, Secretary  
(Signature) June 26, 2016