

**COMAL COUNTY**  
**EMERGENCY SERVICES DISTRICT #5**  
**BOARD OF COMMISSIONERS**

**Board Meeting Minutes, November 16, 2016**

A Regular meeting of the ESD #5 Board was held at the Emergency Services Building, 353 Rodeo Drive, Spring Branch, Texas 78070 on Wednesday, the 16<sup>th</sup> day of November, 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, Hamilton, Ingerick, and Rarick).

**Workshop Agenda**

- 1. Joint Session:** ESD #5 convened in joint session with ESD #4 to receive recommendations from Bulverde Spring Branch Emergency Services regarding prioritization and implementation of suggestions for improving ISO ratings for the respective districts.
  - a. BSB ES Chief Southwell lead a discussion that included an overview of the ISO rating process, the recent ISO study completed by outside consultants and management's recommendations regarding areas of potential improvement. Potential improvements were categorized as either short-term or long-term. Short-term improvements were primarily administrative in nature, involved nominal additional costs and in the aggregate, should result in meaningful improvements in ISO ratings for District residents located within five road miles of a fire station.

At 6:20 P.M. ESD #5 reconvened in separate session for the remainder of the regular meeting.

- 2. 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 October 19<sup>th</sup>, 2016 regular meeting minutes. None were noted.
- b. Mr. Rarick made a motion that the October 19<sup>th</sup>, 2016 minutes be approved as presented.
- c. Mr. Hamilton seconded the motion. The motion passed by unanimous consent.
- d. Mr. Ingerick presented an invoice from The Carlton Law Firm in the amount of \$75.00 for consultation regarding loan financing.
- e. Mr. Ingerick made a motion that the invoice be approved for payment as presented.
- f. Mr. Hamilton seconded the motion. The motion passed by unanimous consent.

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

- a. The End of Month (EOM) Profit and Loss Budget Performance as of October 31, 2016, (Atch 1) reflects a net loss for the month of October, 2016 of \$88,064.79 versus a budgeted net loss of \$80,982.28. The negative variance is a timing difference in the payment of interest expense that will reverse in November. On a year-to-date basis, net income through October 31, 2016 is \$425,197.72 versus a budgeted net income of \$351,611.12. This positive variance was primarily due to Ad Valorem tax revenue exceeding budget, an unbudgeted grant receipt for equipment purchases and other operating expenses being less than budgeted.
- b. The EOM Balance Sheet as of October 31, 2016, (Atch 2) reflects Total Assets of \$2,853,593.14 with Fixed Assets (with depreciation) totaling \$620,886.61. Total Liabilities are noted at \$1,559,624.37. Total Equity on hand is \$1,293,968.77.
- c. The Statement of Cash Flows (Atch 3) through October 31, 2016 reflects total cash on hand of \$942,679.58, an increase of \$178,421.03 for the period.
- d. The Transaction List (Atch 4) for October was referenced with Mr. Ingerick noting there were no unusual transactions in the month.

### 4. ACTION AGENDA ITEM: Discuss and consider revised budget for 2016.

- a. No action was taken as no adjustments were needed.

**5. ACTION AGENDA ITEM: Discuss and consider recommendations received for improving ISO ratings.**

- a. Commissioners entered into an in-depth discussion of the various recommendations made by BSB ES management to improve ISO ratings with particular attention to the short-term recommendations.
- b. Mr. Bullock made a motion that ESD #5 approve a request for ISO to perform a quick-look rating with the objective of bringing the ISO rating of District #5 in line with District #4 and establishing a base-line rating for determining the potential benefit of future improvements. Further that ESD #5 invest up to \$2,500.00 to be shared equally with ESD #4 to outfit the Battalion Chief's vehicle.
- c. Mr. Rarick seconded the motion. The motion passed with Mr. Barr, Mr. Bullock, Mr. Hamilton and Mr. Rarick voting in favor and Mr. Ingerick abstaining.

**6. ACTION AGENDA ITEM: Discuss and consider purchase of laptop computers for Commissioners use in performing official duties.**

- a. Following discussion of intended use, Mr. Bullock made a motion that five laptop computers be purchased for use by Commissioners in performing their official duties at a cost not to exceed \$2,500.00 in the aggregate and that to pay for the equipment the Treasurer be authorized to obtain a credit card in the name of ESD #5.
- b. Mr. Hamilton seconded the motion. The motion passed with Mr. Barr, Mr. Bullock, Mr. Hamilton and Mr. Rarick voting in favor and Mr. Ingerick abstaining.

**7. ACTION AGENDA ITEM: Discuss and consider retention of consultant for design concept services for potential new Station.**

- a. Following discussion of potential costs to bring sewer, water and electric service to the proposed site, this item was tabled with no action taken.

**8. ACTION AGENDA ITEM: Discuss and consider execution of financial statement audit engagement letter for 2016.**

- a. Mr. Bullock moved that we again retain the audit services of ABIP Certified Public Accountants and Advisors and that Mr. Ingerick be authorized to sign the proposed 2016 engagement letter.

- b. Mr. Rarick seconded the motion. The motion passed by unanimous consent.

**9. ACTION AGENDA ITEM: Discuss and consider Holiday thankyou recognition for Emergency Services staff.**

- a. Following discussion, Mr. Bullock made a motion that per Ms. Wehrung's request, the ESD #5 Commissioners support the two ESD #5 BSB ES board members to vote in favor of an additional \$9,000.00 total gifts to BSB ES employees to be paid for out of BSB ES funds already contributed at no additional cost to ESD #5.
- b. Mr. Ingerick seconded the motion. The motion passed by unanimous consent.

**10. INFORMATION ITEM: Discuss reports from ESD Council representatives.**

- a. Mr. Ingerick distributed and briefly discussed a preliminary draft of 7-year cash flow projections. Efforts continue to refine assumptions.
- b. Mr. Bullock commented that the discussions regarding a year-end reconciliation / settlement process for ESD contributions to BSB ES have been terminated without reaching a consensus.
- c. Mr. Bullock commented that the initiative to update and maintain a joint ESD website for sharing information with the public was approved by Council. Representatives from each ESD were needed, Mr. Hamilton agreed to represent ESD #5 in this initiative.

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

- a. No items were noted.

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

- a. No items were noted.

**13. EXECUTIVE SESSION:**

- a. Mr. Bullock called for an executive session at 8:02 p.m. to discuss the following topics:
  - i. Communications from legal counsel.
  - ii. Real estate matters.
- b. Mr. Bullock called for an end to the executive session at 8:26 p.m.

**14. ACTION AGENDA ITEM: Discuss and approve any decisions to be made from executive session.**

- a. Mr. Rarick made a motion that legal counsel be authorized to draft a proposed lease / purchase agreement for the Cougar Bend Station with a lease term of three years at \$1.00 per year and a purchase option at the end of the lease term for a purchase price of \$10.00.
- b. Mr. Hamilton seconded the motion. The motion passed by unanimous consent.

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

- a. The next meeting of ESD #5 will be held Wednesday, December 14 beginning at 5:00 p.m., to be held at the Johnson Ranch Emergency Services Station.

**Mr. Bullock called for adjournment of ESD #5 meeting at 8:30 p.m.**

4 Attachments

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

Minutes prepared by Mr. Mike Rarick, Secretary.

Board Acceptance: \_\_\_\_\_, Secretary  
(Date) (Signature) December 4, 2016