

COMAL COUNTY
EMERGENCY SERVICES DISTRICT #5
BOARD OF COMMISSIONERS
Board Meeting Minutes, July 21, 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 21st day of July, 2016.

Discussion/Action Items

1. Call meeting to order;

Having been duly posted, the meeting was called to order at 4:57 p.m. by Mr. David Bullock (President, ESD #5) with all Commissioners present (Barr, Bullock, Ingerick, Rarick and Wilcox).

Workshop Agenda

1. Citizen Comment:

- a. Mrs. Yvonne Chapman offered comments suggesting we consider making meeting agendas board minutes and monthly financial information more easily available to the public by posting them to a publicly available website.
- b. Mr. Chapman inquired as to why the former station on Cougar Bend had been closed and encouraged the Commissioners to consider reactivating the station to better serve the downtown Bulverde area.

Discussion/Action Items (cont.)

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

- a. Mr. Bullock asked for any corrections or additions to the June 16th, 2016 regular meeting minutes. None were noted.
- b. Mr. Rarick made a motion that the June 16th, 2016 minutes be approved as presented.
- c. Mr. Bullock seconded the motion. The motion passed by unanimous consent.
- d. Mr. Bullock asked for any corrections or additions to the June 23rd, 2016 special workshop meeting minutes. None were noted.
- e. Mr. Wilcox made a motion that the June 23rd, 2016 special workshop meeting be approved as presented.
- f. Mr. Barr seconded the motion. The motion passed by unanimous consent.
- g. Mr. Bullock referenced two invoices from The Carlton Law Firm totaling \$262.50 and asked that they be approved for payment.
- h. Mr. Ingerick made a motion that the invoices from The Carlton Law Firm be approved for payment.
- i. Mr. Rarick 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 June 30th, 2016 (Atch 1) reflects a net loss for the month of June, 2016 of \$47,271.24 versus a budgeted net loss of \$67,262.91. The difference is primarily due to the receipt of grant revenue applicable to the purchase of firefighter equipment. On a year-to-date basis, net income through June 30th, 2016 is \$741,477.94 versus a budgeted net income of \$659,102.32. This positive variance was primarily due to Ad Valorem tax revenue exceeding budget, the grant revenue previously referenced and other operating expenses being less than budgeted.
- b. The EOM Balance Sheet as of June 30, 2016 (Atch 2) reflects Total Assets of \$3,236,333.97 with Fixed Assets (with depreciation) totaling \$443,597.64. Total Liabilities are noted at \$1,626,084.98. Total Equity on hand is \$1,610,248.99.
- c. The Statement of Cash Flows (Atch 3) through June 30, 2016 reflects total cash on hand of \$1,502,709.38, an increase of \$738,450.83 for the period.
- d. The Transaction List (Atch 4) for June was referenced with Mr. Ingerick pointing out that depreciation was trued-up to agree with the audit records.

4. INFORMATION ITEM: Discuss and consider the ESD #5 draft 2017 budget.

- a. Mr. Ingerick presented a preliminary draft 2017 budget pointing out significant assumptions and indicating that the budget will be updated once approved tax roll information is received. The Commissioners discussed several of the assumptions and acknowledged that the budget was preliminary and subject to change as more information on tax roll data becomes available.

5. ACTION AGENDA ITEM: Discuss and approve ESD #5 recommended monthly contribution to BSB Emergency Services for the 2017 budget year.

- a. Mr. Bullock referenced an analysis presenting several alternatives for monthly contributions and the impact of each on the original BSB ES funding request for 2017.
- b. The Commissioners discussed in detail the alternatives presented, the potential impact of each on the cash flow of ESD #5 as well as the impact on BSB ES if ESD #5 contributed less than requested. The Commissioners also discussed the overall aggregate increase in budgeted costs compared to 2016 reflected in the 2017 BSB ES budget as well as areas where it may be possible to reduce expenses or spread expenses over more than one budget period. And the Commissioners acknowledged that for the first six months of 2016 actual costs for emergency services were less than budgeted by a meaningful margin.
- c. Following discussion Mr. Rarick made a motion that ESD #5 approve a monthly contribution of \$95,000.00 per month representing no increase from the current contribution and that ESD #5 agree to pay a proportional share of thermal imaging equipment and replacement gear to be negotiated with ESD #4.
- d. Mr. Wilcox seconded the motion. Mr. Bullock, Mr. Barr, Mr. Rarick and Mr. Wilcox voted in favor of the motion. Mr. Ingerick voted against the motion indicating his preference for reducing the monthly contribution. The motion carried.
- e. Mr. Bullock observed that the summary overview of the 2017 budget presented by BSB ES made reference to National Fire Protection Association Standard 1720 as a performance measurement standard. Since this Standard differs from the performance metrics outlined in the Joint Service Agreement Mr. Bullock made a motion that ESD #5 does not approve the adoption of National Fire Protection Association Standard 1720 as a performance standard.
- f. Mr. Rarick seconded the motion. The motion passed by unanimous consent.

6. ACTION AGENDA ITEM: Discuss and approve Truth in Taxation Calendar for 2017.

- a. Mr. Bullock presented a calendar reflecting dates for publication, notice and required public meetings to establish the ad valorem tax rate for 2016. Suggestions were offered regarding dates, times and locations of required meetings.
- b. Mr. Wilcox made a motion that the 2016 Truth in Taxation Calendar be approved as revised.
- c. Mr. Rarick seconded the motion. The motion passed by unanimous consent.

7. ACTION AGENDA ITEM: Discuss and determine position for the acquisition and capitalization of equipment.

- a. The Commissioners expressed and discussed various views on the acquisition of fire suppression gear and or equipment including who should be responsible for purchasing these items and who should own such gear and equipment.
- b. Following discussion Mr. Rarick made a motion that fire suppression gear and or equipment, both new and replacement, meeting the definition of a fixed asset as outlined in the audited financial statements of ESD #5 be purchased directly by ESD #5, owned by ESD #5 and included on the fixed asset schedule of ESD #5.
- c. Mr. Wilcox seconded the motion. The motion passed by unanimous consent.

8. ACTION AGENDA ITEM: Discuss and approve purchase of Wildland Fire Brush Truck equipment.

- a. Mr. Bullock referenced communication from BSB ES regarding a list of equipment necessary to outfit the brush truck currently on order.
- b. Mr. Bullock made a motion to approve the purchase of equipment necessary to outfit the brush truck at an approximate cost of \$30,000.00
- c. Mr. Rarick seconded the motion. The motion carried by unanimous consent.

9. ACTION AGENDA ITEM: Discuss and approve ESD #5 recommendations for potential modifications to the Joint Services Agreement to be forwarded to the ESD Council for consideration.

- a. Mr. Bullock referenced a tracked-changes draft of the Joint Services Agreement incorporating suggested possible changes. Commissioners discussed the proposed changes

and offered comments and suggestions concerning their desire to clarify several aspects of the Agreement.

- b. The Commissioners reached a consensus that a future workshop meeting focused on identifying major concept changes to the Agreement and negotiating strategies would be beneficial. This topic was tabled for review and further discussion at a Special Meeting scheduled for August 2, 2016.

10. INFORMATION ITEM: Review and discuss FOIA information request.

- a. Mr. Bullock updated the commissioners on the status of FOIA requests and communications with legal counsel regarding responses.

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

- a. Mr. Bullock reported that the ISO data gathering process is expected to begin in mid-August.
- b. Mr. Barr and Mr. Bullock commented on efforts to re-evaluate the apparatus plan to consider appropriate allocation of apparatus between ESD #4 and ESD #5.

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

- a. Mr. Rarick commented on the status of the Comptroller search and the revised BSB ES board meeting format.
- b. Mr. Wilcox commented on the formation of a committee to seek additional legal representation for BSB ES.

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

- a. Mr. Bullock shared a letter to the BSB ES board reflecting his thoughts on working together for the benefit of our citizens.

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

- a. A special meeting workshop to discuss proposed major concept changes to the Joint Services Agreement will be held on Tuesday, August 2nd, 2016 at 11:30 a.m.
- b. A regular meeting will be held Wednesday, August 17th, 2016 at 4:00 p.m.

Mr. Bullock called for adjournment of ESD #5 meeting at 7:40 p.m.

4 Attachments

1. *Profit & Loss Budget Performance, June, 2016*
2. *Balance Sheet as of June 30, 2016*
3. *Statement of Cash Flows, June, 2016*
4. *Transaction List, June, 2016*

Minutes prepared by Mr. Mike Rarick, Secretary.

Board Acceptance: _____, Secretary
(Date) (Signature) August 6, 2016