



**DISTRICT BUDGET WORKSHOP MINUTES**  
**AUGUST 24, 2015 – DRAFT**

**1. AGENDA**

**1.A. Call to Order**

Vice-Chairman Allen called the meeting to order at 6:03 p.m.

**1.B. Pledge of Allegiance**

Commissioner Beyer led the Pledge of Allegiance.

**1.C. Roll Call**

Vicky Fay called the roll. The following Commissioners were present: Tony Allen, Marilyn Beyer, Kay Cullen, George Mirabella and Bob Thomas. There was a quorum.

Also present were Chief Bock, Vicky Fay, Jennifer Johnson, Scott Robinson and Theron Simmons. The meeting was held at Station 23.

**1.D. Approval of Agenda – August 24, 2015**

**MOTION:** Commissioner Mirabella made a motion **to approve the August 24, 2015 Budget Workshop Meeting Agenda.** Commissioner Beyer seconded the motion, and the Board unanimously passed the motion.

**2. PUBLIC COMMENT**

**PRESENTATION: Tavernier Fire & EMS Ad Hoc Committee**

Jerry Wilkinson addressed the Board. He is President of Harry Harris Park Community Association and also a member of the Tavernier Community Association (TCA). The TCA voted on July 2, 2015 to proceed to with the request to the KLFR&EMS District Board for the inclusion of Tavernier (south to the bridge) to be included in the KLFR&EMS District boundaries. Wilkinson and members of the Ad Hoc Committee also spoke with Representative Raschein regarding a change to the District's enabling legislation for the District to include Tavernier. The reasons why Tavernier is requesting to become a part of the District are to: Reduce the Tavernier resident's millage rate, establish one contiguous fire district on the island with one boss, ensure assets on the island would be better handled when under one group for day-to-day operations, and Tavernier strongly supports volunteerism. The reasons why Tavernier feels this change would be advantageous to Key Largo are because it would provide one service provider on the island, avoid duplication of efforts and the District would inherit the capital assets. The TCA would like to have a voice to express concerns and kudos to the District.



## KEY LARGO FIRE RESCUE & EMERGENCY MEDICAL SERVICES DISTRICT

Seat 1: Tony Allen; Seat 2: Kay Cullen; Seat 3: Bob Thomas; Seat 4: George Mirabella; Seat 5: Marilyn Beyer

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### **PRESENTATION: Tavernier Fire & EMS Ad Hoc Committee (Continued)**

The current fire services millage rate is 2.33, and the proposed FY 2015-2016 Monroe County fire services millage is 2.12 mill. The proposed taxable value is \$707,489,45. John Hammerstrom addressed the Board, and he is a resident of Key Largo and Vice president of the TCA. He believes the District and Tavernier have the culture of economy of scale, as well as, similar culture, and they both have combination departments. He would like a referendum placed on the 2016 ballot.

Commissioners Cullen and Mirabella requested information on what Monroe County pays for the services. Finance estimated an approximate income from Ad Valorem taxes of \$625,000, and the District needs to know the Tavernier Fire Department's annual operating expenses. Commissioner Thomas recommended someone from Tavernier and our Fire Department work together with the county to identify the expenses. Speaking from the floor, Sue Heim indicated that for 2012 the total expenses were \$800,000 to \$801,000, and Tavernier does not have to match what the County pays, but what Key Largo charges Tavernier. Monroe County Deputy Chief, Gary Boswell, speaking from the floor, indicated the total expenses were approximately \$1.1 million for the current year.

Commissioner Allen asked legal if it was feasible for the District to have two separate millage rates for Key Largo for a 3 year period to help align the expenses, and Theron Simmons indicated the legislature could be written to provide flexibility between the areas. Commissioner Mirabella pointed out the District needs to know what the expenses are for the paid and volunteer staff and costs of the assets (building, equipment and vehicles). Commissioner Beyer asked why this would benefit Key Largo, and one of the reasons is because the District will inherit the assets. Jennifer Johnson the District would be eligible for sales tax revenues.

### **PRESENTATION: Retirement Package - Paid Personnel**

William Andersen discussed Florida Statute 175.10, which generates income from property insurance premiums. It is a defined benefit plan similar to the Florida State Retirement System; however, firefighters would have to be District employees. This plan is like a pension.

Currently each department has a 401K Plan, and the District is capped at contributing \$500 per year per participant. Due to the low match, participation is low. The parameters cannot be different for paid versus volunteer staff. Commissioner Allen indicated retirement benefits are going away. Commissioners Beyer, Mirabella, Allen and Thomas would like to increase the 401K match. One option would be match up to 15% of 100% of salary. One factor the District could consider for the plan would be seniority.



## KEY LARGO FIRE RESCUE & EMERGENCY MEDICAL SERVICES DISTRICT

Seat 1: Tony Allen; Seat 2: Kay Cullen; Seat 3: Bob Thomas; Seat 4: George Mirabella; Seat 5: Marilyn Beyer

### **PRESENTATION: Retirement Package - Paid Personnel (Continued)**

Commissioner Allen recommended the KLVFD poll fire and ems personnel to determine who is interested in a retirement plan. Commissioner Beyer felt a pension plan will not retain paid staff. Commissioner Mirabella reminded the board looking into a retirement plan was to start a LOSAP program to retain volunteers. Commissioner Allen indicated the plan needs to be for everyone. Bill Andersen agreed the District does need the data from the departments, and perhaps two or three options could be provided in the poll.

### **3. DISCUSSION: KLFR&EMS District Proposed FY 2015-2016 Budget**

4. Jennifer Johnson reported the changes from the KLVFD, which reduced the previously proposed millage rate from 1.0000 to .8483 mill or 13.36% above the roll-back rate of .7483 mills, which is an increase of .1 from the FY 14-15 millage rate. The FY 15-16 Ad Valorem taxes at a 975 collection rate are projected at \$2,151,780, which is an increase of \$253,658 from FY 14-15. The total revenues are projected at \$2,459,780. There projected FY 15-16 unassigned fund balance and vehicle replacement fund are \$673,448 and \$461,552 for vehicle.
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6. The District Board Expenses are \$278,183 and \$125,000 was set aside for the vehicle replacement fund. The KLVFD operations expenses are \$1,223,005 and the capital expenses are \$198,415. The KLVAC operating expenses are \$585,715 and the capital expenses are \$212,890. The
7. Unassigned Fund Balance is projected at \$510,020, which is just short of the three month budget to have on hand of \$11,706.

The District Board legal fees were decreased by \$10,000. The Fire Department reworked their budget and reduced their budget by \$85,000. The Ambulance Corps did not submit any changes to their budget. Commissioner Mirabella mentioned the Department of Labor 20% standards. Theron Simmons reported the Department of Labor standards are a good rule of thumb. The Southern District of Florida ruling currently prevails, which bases standards upon the economic reality in the place of the business. He also indicated it is good to be close to 25% and stressed a lot of other factors go into the decision.

### **District Budget**

Changes to the District Budget include:

Acct 514.310 Legal Services was decreased by \$10,000.

Acct 512.311 District Clerk was increased to \$25,000.

Acct 513.320.01 District Audit was increased by \$500 per the Letter of Engagement.

Acct 513.320.02 Financial and Accounting Services was decreased by \$2,000.

Acct 450 Insurance and Risk Management were decreased by \$63.

Acct 470 Printing & Binding was increased by \$600 based upon actuals.

Acct 490.01 Moco Property Appraiser Charges were decreased by \$1,194.

Acct 490.02 Moco Tax Collector Charge @ 3% of Ad Valorem was increased by \$7,916.

Acct 490.03 Discretionary expenses were decreased by \$250.

Acct 510 Supplies and Equipment was decreased by \$300.

Acct 540 Dues, Subscriptions ad Publications was increased by \$50.



## KEY LARGO FIRE RESCUE & EMERGENCY MEDICAL SERVICES DISTRICT

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### 1. **DISCUSSION: KLVFD Proposed FY 2015-2016 Budget** (Continued)

The District Board expenses are projected at \$278,183, which is a reduction of \$2,741 from last year. There is a contribution of \$125,000 to the vehicle replacement fund. Two engines are scheduled for replacement in 2018 and 2019 at \$1,050,000.

#### Fire Department

Commissioner Beyer asked what holidays the firefighters receive Holiday Pay. The holidays are: New Years, Memorial Day, 4<sup>th</sup> of July, Labor Day, New Years, Christmas and Thanksgiving. Volunteers receive two personal days and four paid days.

Jennifer reported that to get to rollback, the budget would need to be reduced by approximately \$253,000. A quick way to help reduce the budget is to remove the retirement, which is almost \$50,000. Commissioner Allen recommended the Corps postpone the \$14,500 purchase for the "Mule" golf cart.

### 8. **ADJOURN**

Due to the time, it was recommended the remainder of the Budget Workshop be conducted in the District Meeting.

Commissioner Cullen made a Motion to adjourn the Budget Workshop at 7:23 p.m., which was seconded by Commissioner Beyer.

### **DOCUMENTS**

KLVFD Proposed Budget FY 2015-2016 dated 150615