



**MINUTES
BOARD OF COMMISSIONERS
REGULAR MEETING
March 8, 2011
7:00 PM**

MEETING CALLED TO ORDER AT 19:00. COMMISSIONER SZYMANSKI LED THE PLEDGE OF ALLEGIANCE. INVOCATION LED BY COMMISSIONER SZYMANSKI.

Commissioner McPherson had an approved absence and Commissioner Isakson had an emergency at the last minute causing her to be absent.

CONSENT AGENDA

Agenda Item; Approve the minutes from the regular meeting on February 8, 2010. Commissioner Gorris made a motion to accept the minutes as written. Commissioner Eaton seconded the motion. All were in favor, motion carried.

Agenda Item addition; Presentation by Chief Kanzigg to Fire Fighter/Paramedic Mark Hill for 5 yrs of service. Chief Kanzigg presented Mark Hill with his 5 yr lapel pin and shared a story from the first time he met Mark, long before either of them worked with Midway Fire. Chief Kanzigg recognized that Mark Hill has been doing this job for a long time therefore brings great knowledge and experience to Midway Fire District. Mark Hill, as the Chief added, has even responded to Chief Kanzigg's house to treat his own kids. Chief Kanzigg is proud to have Mark Hill on his team.

ADMINISTRATIVE AGENDA

Agenda Item; Treasure's Report. Commissioner Gorris pointed out that each Commissioner had been provided an Income Statement and a Balance Sheet for the month of February 2011; nothing significant to point out. Commissioner Gorris stated that he and Missy Scarborough, Financial Administrator, had each completed their own independent analysis of the current fiscal year budget in comparison to projected budgets out to the year 2016. Commissioner Gorris referred to the right hand top section of the first page of the spreadsheet as his main point. The projections reflect the bank balance's

lowest point from the years 2012 through 2016. Commissioner Gorris stated that he and Chief Kanzigg have been in discussions for about a month now about potential solutions that would result in increasing those balances in the future. Commissioner Gorris turns it over to Chief Kanzigg for further discussion.

Chief Kanzigg explains the spreadsheet in more detail. As per the direction of the board, when discussing the 5 yr. plan, the spreadsheet creates a projected budget for 2012 with a 5% decrease in property values and for years 2013-2016 with a 3% increase in property values year over year. The budget models pull the carry over (bank balance at end of fiscal year) into the budget, adding to revenue, to balance the budget each year. The projections show that in year 2013, carry over will be \$-43,463. Chief Kanzigg states that he has spent some time with other FL Fire Chiefs and with representative of the FL Special Districts to gain insight on how special districts are being funded in these tough times. Chief Kanzigg states that he has an appointment late this week to meet with Greg Brown, Santa Rosa County Property Appraiser and Ann Bodenstein, Supervisor of Elections for Santa Rosa County. He also has a call in to meet with Stan Nichols, Santa Rosa County Tax Collector. Missy Scarborough will be attending these meetings as well. Chief Kanzigg feels that the district has 3 options:

- 1) Increase millage rate through referendum.
- 2) Consolidate with Holly Navarre; once approve through referendum funding would be voted on as combined districts as a whole.
- 3) Non ad-valorem assessment roll; FL. Statue 197 authorizes the district to assess tax to commercial properties of tangible items.

The Chief stated that his personal preference was option1, an increase to the millage rate. It was suggested to Chief Kanzigg, if the choice is to go before the community with a referendum, then word it such that the board would have the authority to increase the rate no more than 1/10 of 1 mill per year. The concept would be that the increase would be gradual. Missy Scarborough has provided projections that show, at rates from 1.5 – 1.9, how each rate would impact net revenue to the district. The gradual increase would still require usage of carry over to balance the budget each year but will allow the carry over to last longer.

Commissioner Gorris takes back the floor and states that we must cut at least \$175,000, or make it up in revenue, for the next fiscal budget simply to buy ourselves another year. We must cut, at a minimum, \$50,000 out of the current budget to carry us through to the third year. Commissioner Gorris is requesting a deadline to act so that all cuts are complete by Oct.1 of the next fiscal year, otherwise the district could be in a position of borrowing money to operate. The point is illustrated by referring to the spreadsheet which shows that by 9/30/2012, the carry over balance will be \$239,163. The district historically must cover the last quarter of the year's expenses from carry over or reserve balances because of the turn around time between ad valorem assessment to the residents and funding to the district. The \$239,163 would not be sufficient. Fortunately, the carry over balances have been used year over year to balance the budget. Commissioner Gorris shows that balances are nearing the end; serious conversations are required in the upcoming months to solidify a new direction.

Commissioner Szymanski added that he felt a rate increase would be inevitable given Amendment 1. Commissioners Gorris and Szymanski felt that the prudent direction was to continue the due diligence of examining the current budget for any and all savings

while moving forward with talks of a rate increase. Chief Kanzigg mentioned that he had already discussed with Ann Bodenstein, Supervisor of Elections, what potential costs might be associated with a special election since there isn't an election on the calendar for 2011. The Chief was made aware that there will be elections held sometime between Jan-Mar. 2012 and the district could add a referendum to the ballot at no cost during that time. The Chief plans to gain additional information while meeting with Ms Bodenstein this week about the entire process. Chief Kanzigg added that up until the fuel cost hike, he felt confident that the district could put a referendum out there that would pass. He just isn't sure how the fuel will affect the temperament of the residents.

Commissioner Szymanski requested that when it comes times to write the next resolution, the wording be such that allows the district the flexibility to take full advantage of options afford by state statute such as reverting to the roll back rate under certain circumstances. Commissioner Szymanski pointed out that the wording on the district's resolutions prevents operating like most normal entities that when the roll back rate is higher than the millage rate, the entity reverts to the roll back rate.

Commissioner Gorris voiced concern about wording on the resolution as well but in that fearful of the residents not feeling the confidence that the district would only use what was needed unless the resolution was written with a cap or more defined control on the high end. Commissioner Szymanski felt that the district had done well with demonstrating internally and externally the consciousness in spending with the budget. Commissioner Szymanski felt a workshop was the next step because the increase was inevitable.

Commissioner Gorris made a motion to accept the above as the completed Treasure's report. Commissioner Eaton seconded the motion. All were in favor, motion carried.

Commissioner Gorris made a motion for Chief Kanzigg to set and coordinate, between all parties, a date, not to exceed the end of the month, to have a workshop for further discussion and planning. Commissioner Eaton seconded the motion. All were in favor, motion carried.

Agenda Item, Approve Midway Fire and EMT Academy Instructor Handbook Policy. Commissioner Gorris made a motion to accept the handbook as written. Commissioner Eaton seconded the motion. All were in favor, motion carried.

Agenda Item; Chief's Report. Chief Kanzigg discussed business of the district for the month of February 2011.

No public Comment

No further items were presented. Commissioner Gorris made a motion to adjourn the meeting. Commissioner Eaton seconded the motion. All were in favor, motion carried. Meeting adjourned at 19:31.

Dave Szymanski, Chairman

Date:

William Eaton, Secretary

Date: