MEETING CALLED TO ORDER BY COMMISSIONER SZYMANSKI AT 6:00 PM. THE PLEDGE OF ALLEGIANCE WAS LED BY COMMISSIONER SZYMANSKI AND INVOCATION WAS LED BY COMMISSIONER DELP.

CONSENT AGENDA

Agenda Item; Approve the minutes from the regular meeting on June 13, 2017. Commissioner Delp made a motion to approve the minutes as written for the June 13, 2017 regular meeting. Commissioner Cooey seconded the motion. All were in favor; motion carried.

ADMINISTRATIVE AGENDA

Agenda Item; Treasurer’s Report. Commissioner Delp presented the Treasurer’s Report. The District received $2,964.00 in impact fees for the month of June 2017. Midway Fire District received $83,320.69 in ad valorem taxes for the month of June 2017. There were no unforeseen expenses for the month of June 2017. Commissioner Murphy made a motion to accept the June 2017 Treasurer’s Report as read. Commissioner Delp seconded the motion. All were in favor, motion carried.

Agenda Item; Appoint Pension Trustee. Mickey Merchant has served multiple terms on the Midway Firefighters Pension Trust Fund Board as a Trustee appointed by the Board of Fire Commissioners. Mickey resigned as Trustee at the June 2017 Pension meeting offering his best wishes and gratitude for the opportunity to serve and get to know everyone a little better. Neal Carter, retired Battalion Chief with Las Vegas Fire and Rescue, resides in the District and has been attending the monthly commissioner meetings. Neal has volunteered to serve on the Pension Fund as Board Appointed Trustee. Commissioner Delp made a motion to appoint Neal Carter as a Pension Board Trustee, representing the Midway Board of Fire Commissioners. Commissioner Cooey seconded the motion. All were in favor; motion carried.

Agenda Item; Update of June 27, 2017 Consolidation Meeting. The southsantarosafireconsolidation.com website was presented to the committee and reviewed on the projector. The three departments agreed the feasibility study cost will be divided as follows: $5,000 Navarre Beach Fire Department and the remaining balance,
not to exceed $34,000 total invoice, will be divided equally between Midway Fire District and Holley Navarre Fire District. Each department will budget accordingly for the FY2018 budget expense. The July 2017 meeting has been canceled as several of the Chiefs will not be present. The committee plans to have a draft RFP available for review during the August 2017 meeting.

Chief’s Report.

**Agenda Item; Approve millage rate to submit on FY2018 TRIM form DR420.**

The November 2018 election will have a Constitutional Amendment to Homestead Exemptions on the ballot. The amendment is proposing to increase the current $50,000 in eligible homestead exemptions to $75,000. Government agencies statewide have opposed this amendment and voiced major concerns with the ability to continue providing valuable services such as public safety should the amendment pass in 2018. The amendment would be applied to 2019 tax rolls. The FY2019/2020 would be the first budget year to feel the cuts. In 2015, MFD staff received a spreadsheet from Santa Rosa County Property Appraisers office containing parcel information for the Midway Fire District area. This document has been used to estimate annual budget cuts should the amendment pass in November 2018. For the purposes of future planning a $200,000 budget decrease has been added to the cashflow forecasting spreadsheet starting in FY2019/2020. Staff presented the commissioners with forecasting models at the 1.85 millage rate, the 1.95 millage rate and the 2.0 millage rate for FY2018-FY2023 to illustrating cashflow impact accounting for the $200,000 annual budget decrease.

The illustration model using the 1.85 millage rate reveals the District would need to draw an estimated of $227,343 from the line of credit with SunTrust to cover October 2020 operations expenses and $127,343 to cover November 2020 operation expenses and would be out of funds again by the end of the same fiscal year requiring $27,343 from the line of credit to cover the September 2021 expenses which would continue to compound year after year.

The illustration model using the 1.95 millage rate reveals the Districts reserve funds would be decrease about $40,000 for FY2018 but would experience an increase in FY2019-2020 but all future years, the reserves would be required to balance the budget. The forecast model suggests by November 2023, the District would be required to draw from the line of credit loan to fund operational expenses.

The illustration model using the 2.0 millage rate reveals the Districts would experience reserve fund increases for FY2018-2020. FY2021-2022 reserve funds would decrease slightly but in all would remain sufficient. The annual ad valorem taxes forecasted at the 2.0 millage rate would fully fund the annual forecasted expenses each year without needing reserve funds to balance the budget.

Using a home with $125,000 in taxable value as an example, the 1.95 millage rate would increase the MFD tax an additional $12 per year and the 2.0 would increase the MFD tax an additional $19 per year. Commissioner Sadler voiced concern that raising millage rates again would have a negative impact on the community when the goal has been in years past to try to lower the millage rate. Commissioners asked about budget cuts and ways to make up the short fall without increasing taxes. Chief Kanzigg and Missy...
Scarborough both agree with the amendment, if passes, causing a potential $200,000 per year budget reduction, personnel are the only cuts to offering equivalent compound savings. Commissioner Delp made it clear he will never vote for a reduction to staffing during his tenure on the Board of Commissioners. Commissioner Murphy clarified the rate approved to submit on the TRIM DR420 form does not lock the commissioners into adopting the same rate at the Final Millage Rate Hearing but adopting a rate at the Final Hearing higher than the rate submitted on the TRIM DR420 will result in MFD bearing the cost to submit new TRIM notices.

Commissioner Murphy made a motion to authorize staff to submit the TRIM DR420 form with the proposed millage rate of 2.0. Commissioner Cooey seconded the motion. Commissioner Sadler voted to oppose while all others were in favor; motion carried 4/1.

**Agenda Item: Approve FY2018 draft Tentative budget.** Missy Scarborough presented the FY2018 draft Tentative Budget which is in line with the approved 2017-2021 Strategic Plan and the Forecasting document. A second FY2018 draft Tentative Budget was available for discussion which included allocations for 6 Driver positions. Commissioner Murphy made a motion to approve the FY2018 draft Tentative Budget of $3,360,500. Commissioner Delp seconded the motion. All were in favor; motion carried.

**Agenda Item: Approve FY2018 TRIM meeting dates.** Missy recommended the dates of September 12, 2017 at 6pm for the hearing to adopt the Tentative Millage Rate and the Tentative Budget and September 26, 2017 at 6pm for the hearing to adopt the Final Millage Rate and the Final Budget for FY2018. Missy confirmed the dates are compliant with all of the Truth in Millage (TRIM) notice and advertisement regulations which includes ensuring no conflict with Santa Rosa County Commissioner’s or Santa Rosa County School Board Tentative or Final hearings dates. Commissioner Delp made a motion to set the Tentative Millage Rate and Tentative Budget hearing for September 12, 2017 at 6:00 PM and the Final Millage Rate and Budget hearing for September 26, 2017 at 6:00 PM. Commissioner Cooey seconded the motion. All were in favor, motion carried.

**Public Comment:** No public comment.

**Adjourn:** Commissioner Murphy made a motion to adjourn the meeting. Commissioner Delp seconded the motion. All were in favor, motion carried. Meeting adjourned at 6:51 PM.