

WAKE COUNTY FIRE COMMISSION

Thursday, May 10, 2012

Adopted Minutes

(Audio Replays of the meeting are available upon request)

A meeting of the Wake County Fire Commission was held on Thursday, May 10, 2012, 7:00 PM, in the Wake County Commons Building, Cary Drive, Raleigh, North Carolina.

CALL MEETING TO ORDER

Commission Chair Lucius Jones called the meeting to order.

The following members were present: Chief Tony Mauldin, Chief A.C. Rich, Chief David Cates, Chief Ed Brinson, Chief Mark Haraway, Mr. Lee Price, Chief Tom Vaughan, Mr. Billy Myrick, Mrs. Barbara Poole, and Mr. Keith Gregory.

The following members were absent: Chief Rodney Privette, Mr. Robert Stagg, Mr. Michael Denning, and Mr. Paul Coble

The following County officials and staff were present: County Manager David Cooke, Budget and Policy Analyst Chad Balke, and Fire and Emergency Management Business Officer Demetric Potts.

Mr. Billy Myrick gave an invocation.

MINUTES

Upon motion of Mr. Billy Myrick and second by Mr. Lee Price, the Fire Commission unanimously approved minutes of the March 22, 2012, Regular Meeting.

The agenda was approved as submitted.

REGULAR AGENDA

FIRE TAX BUDGET COMMITTEE

Fire Tax Budget Committee Recommended FY 2013 Fire Tax Budget

Chief Mark Haraway presented to the Fire Commission the Fire Tax Budget Committee FY 2013 Fire Tax Budget. The following is a summary of the Fire tax Budget Committee Recommendation:

Revenue:

The Budget Committee is proposing to maintain the current fire tax for FY13. The committee is also recommending keeping the Operating/Capital ratio at 84/16. With that in mind they were projecting the following:

• Operating Revenue projection	\$16,938,600
• Operating debt service	\$ 344,635
• Capital	\$ 2,881,765
• Subtotal, Taxes	\$20,165,000
• Appropriated Fund Balance	\$ 826,000 (Capital fund balance shift to Operating)
• Interest	<u>\$ 5,000</u>
• Total Revenue projection	\$20,996,000

Expenditures:

The Budget Committee proposal includes Department Appropriations beginning at the same funding level as FY 2012. However, they did have to take into consideration the proposed merit increase of 2% based on Wake County as well as overall increases to department’s providing health insurance to employees. Health Insurance costs have skyrocketed leading to increased premium costs to departments. Below is a breakdown of expenditures. This breakdown will also identify several areas of reduction in costs.

• Department Appropriations	\$16,188,120
• Merit Adjustment for FTE’s	\$ 199,686
• Health Insurance increases	\$ 177,789
• Personnel Adjustment	\$ 956 (Hopkins and Rolesville)
• Department Debt Service	\$ 344,635
• Target department reductions	\$ 22,640 (Eastern Wake payback)
• Falls FD adjustment	<u>\$ 15,268</u> (pre-determined adjustable amount prior to budget process)
• Sub-Total Dept. Appropriations	\$16,786,127

System Wide Appropriations:

When considering operational costs they not only have to look at individual departmental requests but also “System-wide” Appropriation. Those appropriations are budgetary costs which reach across the county fire service and are of benefit to each department. Those costs are associated with the 800MHz system, CAD, certain county owned facility utilities, Wake County Training Center costs, Raleigh HazMat for county service provision, Forestry, communications equipment maintenance and RWECC dispatch services. The Budget Committee did look at each of these areas of the system-wide cost and after much consideration did make several changes. It should be understood that many of the system-wide cost cannot be changed without impacting current service levels negatively. Below is a cost summary of how system-wide appropriations were funded:

• 800 MHZ Fire Costs	\$ 128,683
• CAD Fire Costs	\$ 10,452
• County owned facility/station utilities	\$ 12,500
• Fire Service Training Center	\$ 317,345 (recommendation to hold at 2012 level)
• HazMat program	\$ 87,746
• NC Forestry – Wildfire Preservation	\$ 74,940
• Pager/Radio maintenance	\$ 47,328

- RWECC Dispatch services \$ 163,455
- Food for Fire Commission \$ 0
- Contribution to Fund Balance \$ 485,000 (appropriated for next fiscal year)
- Sub-Total System-wide \$ 1,328,109

Capital:

- Transfer to Capital (Current Revenues) \$ 1,439,765
- Transfer to Debt Service Fund \$ 1,442,000 (Recommended new debt of \$2.3 million)
- Subtotal Capital \$ 2,881,000
- Total Expenditures **\$20,996,000**

The entire Budget Committee FY 2013 Fire Tax recommended budget is included in these minutes as attachment A.

Wake County Staff Recommended FY 2013 Fire Tax Budget

Budget and Policy Analyst Chad Balke presented the Wake County Staff FY 2013 Fire Tax recommended budget. Below is the summary of the recommendation:

Revenues:

- Operating \$17,140,250
- Operating debt service \$ 344,635
- Capital \$ 2,680,115
- Subtotal, Taxes \$20,165,000
- Other \$ 22,640
- Interest \$ 5,000
- Total Revenue projection \$20,192,640

Expenditures:

- Department Appropriations \$16,188,120
- Merit Adjustment for Full-time \$ 199,685
- Health Insurance \$ 117,789
- Personnel Adjustments \$ 956
- Reductions to Departments \$ (171,465) (Based on % of Appropriation)
- Reduce Funding for Board Compensation \$ (27,150)
- Eastern Wake Payback \$ (22,640)
- Department Deb Service \$ 344,635
- Subtotal, Department Appropriations \$16,629,930

System-wide Appropriations:

- 800 MHz Fire Costs \$ 128,683
- CAD Fire Costs \$ 10,452
- County-owned Station Utilities \$ 12,500
- Fire Service Training \$ 357,345 (District responsible for FTC electricity expenses)
- HAZMAT Program \$ 87,746
- NC Forestry-Wildfire Prevention \$ 75,086 (Provides for \$10K for replacement vehicle)
- Radio & Pager Maintenance \$ 47,328 (Encumbrance rollover in FY11)
- RWECC Dispatch \$ 163,455

- Subtotal System-wide \$ 882,595

Capital:

- Transfer to Capital (Current Revenues) \$ 1,540,115 (Lower amount due to revenue shift)
- Transfer to Debt Service Fund \$ 1,140,000 (No apparatus replaced in 2013 before third party review)
- Subtotal Capital \$ 2,680,115
- Total Expenditures **\$20,192,640**

The entire Wake County Staff FY 2013 Fire Tax recommended budget is included in these minutes as attachment B.

Upon motion of Mr. Billy Myrick and second by Ms. Barbara Poole, the Fire Commission unanimously agreed to accept the FY 2013 Budget Recommendation submitted by the Fire Tax Budget Committee to include moving the Wendell Falls Fire Station out two years to years 2018 & 2019.

CONSIDER RECOMMENDED FIRE PROTECTION AGREEMENT

Demetric Potts stated that he was there to discuss revisions to the Fire Protection Agreement. He wanted to talk about why the agreement was revised, he wanted to summarize the changes the County put into the contract, and he wanted to talk about next steps.

The contract was revised for the following reasons:

- Raise awareness of agreement requirements for fire departments and their Boards of Directors
- Protect taxpayer investment in fire protection
- Enhance financial accountability
- Enhance procedures and increase transparency for Boards of Directors
- Clarify certain sections of the agreement

Summary of the Revisions:

- Revisions to Section 9 – Decision Making Process Open to Public
 - Requires agenda and minutes for open and closed meetings
 - Allows County access to all agendas and minutes
- Revisions to Section 14 – Liquidation or Dissolution
 - Allows for continued use of property and equipment by successor department when ongoing requirement for fire protection
- Revisions to Section 16 – Fire Department’s Use of Funds
 - Requires department to notify County of certain personnel changes and changes in use of County funds
 - Requires department to notify County of financial transaction that creates a security interest in favor of a third party
 - Allows County to request documentation related to use of County funds
- Revisions to Section 17 – Fire Department’s Budget Preparation
 - Department to disclose any existing debt and any arrangements for repayment
- Section 20 (H) - Fiscal Responsibility

- Was previously titled Fund Balance
 - Clarifies net asset definition
- Section 20 (Q) - Personnel
 - Requires department to comply with FLSA
- Section 20 (V) – Fire Service Compensation Guidelines
 - Clarifies compliance requirement
- Section 21 – Relationship of Parties
 - Clarifies relationship between County and department
- Section 22 – Term of Agreement
 - Agreements are one year agreements
- Section 24 – Termination
 - Clarifies termination provision

Next Steps:

- Receive feedback from the Fire Commission
- Present to Board of Commissioners in May
- Implement new agreement July 1, 2012

Upon motion of Mr. Billy Myrick and second by Ms. Barbara Poole the Fire Commission voted 5 to 4 in favor of support for the revised Fire Protection Agreement.

CONSIDER RECOMMENDED AMENDMENT TO FIRE COMPENSATION ADMINISTRATIVE GUIDELINES

Demetric Potts presented to the Fire Commission revisions to the Fire Compensation Administrative Guidelines. He shared information about why the guidelines were revised, he summarized the changes put into the guidelines, and he discussed next steps.

The Fire Compensation Administrative Guidelines was revised for the following reasons:

- Add sections to the guidelines previously omitted
- Provide written clarification on retirement funding, leave accrual, compensation upon termination, and employment agreements

Summary of the Revisions:

- Amendment Section 8 – Standardized Retirement Funding
 - Requires retirement plan contributions to a US Internal Revenue Service (IRS) Retirement Plan
 - Department’s Plan Administrator must submit a letter of certification that the department utilizes an IRS qualified plan
 - Retirement plan funding and monies spent must be included in Department’s annual audit
- Amendment Section 9 – Leave Guidelines
 - Provides standard for leave accrual consistent with Wake County policy
 - Compensation Committee recommended leave accrual rates different from county staff recommendation
- Amendment Section 10 – Compensation due upon Termination of Employment

- Provides standard for compensation due at termination of employment consistent with Wake County policy
- Amendment Section 11 – Employment Agreements
 - Provides clarification and requirements for existing and new employment agreements

Next Steps:

- Receive feedback from the Fire Commission
- Adoption by Fire Commission
- Implementation becomes effective immediately
- Fire Department Board of Directors Execute Amended Guidelines

Upon motion of Mr. Billy Myrick and second by Ms. Barbara Poole the Fire Commission unanimously agreed to table the decision on the amendment to the Fire Compensation Administrative Guidelines until the next meeting to allow staff time to bring back options regarding Retirement Funding.

APPARATUS COMMITTEE REPORT

Chief Woods informed the Fire Commission that the Apparatus Committee was working closely with Wake New Hope Fire Department on the feasibility of combining 2 trucks with one (1 Pumper Tanker & 1 Rescue) for a fleet reduction of 1 vehicle. He stated that the Committee had reached an agreement with Wake New Hope Fire Department and staff to proceed if approved. Chief Woods reported that the Apparatus Committee recommends and supports going forward with the replacement of the Wake New Hope Fire Department apparatus (Attachment C).

Upon motion of Chief Tony Mauldin and second by Chief Tom Vaughan, the Fire Commission unanimously approved the Apparatus Committee Recommendation.

INFORMATION AGENDA

FIRE TAX FINANCIAL REPORT

Mr. Chad Balke reported that the Financial Report was included in the packet and he would answer any questions the Fire Commission members had regarding the reports. The reports are attached below:

Fund: 4400 Fire CIP

84 Fire And Rescue CIP

Division: 8420 Fire Facilities

Unit	Unit Name	Appropriation Unit	Budgeted Revenues	Actual Revenues to Date	Revenues (Over) / Under Budget	Current Expenditure Budget	Actual Expenses to Date	Commitments	Actual Expenses to Date with Commitments and Pending	Remaining Expenditure Budget	Remaining Expenditure Authority (actual balance)	Notes
020F	Fire-Bayleafs	8400P0100	503,913	503,513	-	503,513	344,751	133,720	478,471	25042	25,042	
026F	Stony Hill Remediation	8420V0100	660,348	660,348	-	660,348	460,695	63,653	524,348	136,000	136,000	Transfer to Fire CIP have been completed.
043F	Garner #4, Fire Tax Portion	8420V0100	2,220,000	2,220,000	-	2,220,000	1,953,539	(0)	1,953,539	266,461	266,461	
050F	Wendel Falls Station, Fire Tax Portion	8420V0100	350,000	350,000	-	350,000	2,200	0	2,200	347,800	347,800	
057F	Fire Planned Facility Repairs	8420V0100	221,000	221,000	-	221,000	107,769	-	107,769	113,231	113,231	Transfer to Fire CIP have been completed.
Total Division: 8420 Fire Facilities			3,954,811	3,954,861	-	3,954,861	2,868,954	197,373	3,066,327	888,534	888,534	

Division: 8430 Fire Fighting Equipment

Unit	Unit Name	Appropriation Unit	Budgeted Revenues	Actual Revenues to Date	Revenues (Over) / Under Budget	Current Expenditure Budget	Actual Expenses to Date	Commitments	Actual Expenses to Date with Commitments and Pending	Remaining Expenditure Budget	Remaining Expenditure Authority (actual balance)	Notes
041F	CONTINGENCIES & GRANT MATCHES	8400P0100	131,603	131,603	-	131,603	95,231	-	95,231	36,372	36,372	
044F	TURNOUT GEAR	8430V0300	1,170,000	1,170,000	-	1,170,000	809,318	-	809,318	360,682	360,682	Transfer to Fire CIP have been completed.
046F	Pager/Radio Replacement	8430V0300	970,000	1,038,204	(68,204)	970,000	772,955	0	772,955	197,045	265,249	Actual revenues exceed budget due to municipal reimbursements for additional radios; once all reimbursements are received, the transfer revenue source will be moved to uncommitted and additional savings will be realized.
060F	Fire 800MHZ. Omnitalk Upgrade	8430V0300	259,000	259,000	-	259,000	3,000	252,000	255,000	4,000	4,000	Transfer to Fire CIP have been completed.
061F	Fire Air Bells Replacement	8430V0300	131,000	131,000	-	131,000	-	-	-	131,000	131,000	
062F	Fire Defibrillators	8430V0300	58,000	58,000	-	58,000	33,215	9,590	42,804	15,196	15,196	
063F	Fire Thermal Imaging Cameras	8430V0300	249,000	249,000	-	249,000	82,694	68,793	151,486	97,514	97,514	
064F	Fire Small Co2/air - FY12	8430V0300	150,000	150,000	-	150,000	96,700	-	96,700	53,300	53,300	Transfer to Fire CIP have been completed.
066F	Fire SCBA's	8430V0300	300,000	300,000	-	300,000	204,412	-	204,412	95,588	95,588	Transfer to Fire CIP have been completed.
Total Division: 8430 Fire Fighting Equipment			3,418,603	3,486,807	(68,204)	3,418,603	2,097,524	330,382	2,427,906	990,697	1,058,901	

Division: 8440 Fire Apparatus

Unit	Unit Name	Appropriation Unit	Budgeted Revenues	Actual Revenues to Date	Revenues (Over) / Under Budget	Current Expenditure Budget	Actual Expenses to Date	Commitments	Actual Expenses to Date with Commitments and Pending	Remaining Expenditure Budget	Remaining Expenditure Authority (actual balance)	Notes
054F	General Fire Apparatus	8440V0100	55,592	55,592	-	55,592	1,356	-	1,356	54,236	54,236	
055F	Fire Brush Trucks	8440V0100	95,000	95,000	-	95,000	-	-	-	95,000	95,000	Transfer to Fire CIP have been completed.
056F	Fire Small Vehicles	8440V0100	260,371	260,371	-	260,371	130,706	0	130,706	129,665	129,665	Transfer to Fire CIP have been completed.
059F	FY11 Large Apparatus - Municipal	8440V0100	329,404	329,404	-	329,404	329,404	-	329,404	-	-	
065F	FY12 Large Apparatus - Municipal	8440V0100	609,710	609,710	-	609,710	286,752	322,958	609,710	-	-	Transfer to Fire CIP have been completed.
Total Division: 8440 Fire Apparatus			1,350,077	1,350,077	-	1,350,077	748,217	322,958	1,071,175	271,901	278,901	

Division: 8490 Fire Uncommitted

Unit	Unit Name	Appropriation Unit	Budgeted Revenues	Actual Revenues to Date	Revenues (Over) / Under Budget	Current Expenditure Budget	Actual Expenses to Date	Commitments	Actual Expenses to Date with Commitments and Pending	Remaining Expenditure Budget	Remaining Expenditure Authority (actual balance)	Notes
098F	Garner Station #4 Interlocal Agreement	8490V0100	30,000	-	30,000	30,000	-	-	-	30,000	-	Payment from Town of Garner has not been received.
099F	Fire Capital Uncommitted	8490V0100	-	3,915,674	(3,915,674)	-	-	-	-	-	3,915,674	Holding Pot - Savings (or uncommitted funds) that cannot be moved without board approval.
Total Division: 8490 Fire Uncommitted			30,000	3,915,674	(3,885,674)	30,000	-	-	-	30,000	3,915,674	
Total 84 Fire And Rescue CIP			8,753,411	12,707,419	(3,953,878)	8,753,541	5,714,696	850,713	6,565,408	2,181,132	6,142,011	
Total Fund: 4400 Fire CIP			8,753,411	12,707,419	(3,953,878)	8,753,541	5,714,696	850,713	6,565,408	2,181,132	6,142,011	

CHAIR REPORT

None.

FIRE AND EMERGENCY MANAGEMENT DIRECTOR REPORT

Demetric Potts reported that the Wake County Manager would present the recommended budget to the Wake County Board of Commissioners on May 21, 2012.

OTHER BUSINESS

No other business.

PUBLIC COMMENTS

Chief Tony Mauldin recognized Chief Ed Brinson on his new position as the Assistant Director of the North Carolina State Fireman's Association.

Mike Legarros extended an invitation to the all the Wake County firefighters to participate in the Raleigh Fire Department Centennial Celebration.

ADJOURNMENT

Being no further business, the meeting was adjourned