

**JOHNSON COUNTY FIRE DISTRICT NO. 2
BOARD OF DIRECTORS MEETING MINUTES**

APRIL 18, 2017

I. CALL TO ORDER

The Board of Directors meeting was called to order by Chairman Rod Richardson.

A. INTRODUCTION OF GUESTS

The Chairman inquired if there were any guests in attendance, and there were none.

II. ROLL CALL

Present:

Board Members: Chairman Rod Richardson, Vice-Chairman Ray Merrick, Treasurer Darrel Dougan, Secretary James Hamilton and Andrew Ramos.

With all of the Board members being present, there was a quorum.

Other persons present at the meeting were Chief Jim Francis, Battalion Chief Andy Ravnika, Battalion Chief Rodger Larison, Battalion Chief Jerome Franke, Battalion Chief Bill Harper, and legal counsel, Barry D. Martin of Speer & Holliday, LLP.

III. COMMENTS FROM THE FLOOR

The Chairman inquired if there were any comments from the floor, and there were none.

IV. APPROVAL OF PRIOR MONTH'S MINUTES

On motion made by James Hamilton and seconded by Darrel Dougan, the Minutes for the regular Board of Directors meeting of March 21, 2017, were approved and signed.

V. OLD BUSINESS

The Chairman advised the first order of old business was a discussion regarding a 2017 Contract with the City of Spring Hill. Chief Francis provided a report to the Board on this matter. He indicated he had recently obtained a copy of the Spring Hill 2017 budget, which reflected a Spring Hill budget of \$589,985 for fire

protection. Spring Hill was now proposing payment to the Fire District of only \$579,635. A copy of the City's 2017 budget was presented to the Board.

Chief Francis advised he recently met with the City Administrator to determine why the City was not offering to pay to the Fire District the amount the City had budgeted for. He felt the explanation provided was not satisfactory.

Chief Francis also provided to the Board a worksheet of assessed valuations for the Spring Hill territory in the Fire District from 2012 to 2016. Currently, the undetached area of the City within the Fire District has an assessed valuation of \$25,758,463.00, which represents 37.4% of the overall assessed valuation within the Fire District.

Legal counsel, Barry D. Martin, informed the Board he had recently received a proposed 2017 Contract from the City of Spring Hill. The proposed Contract did not contain many of the provisions that had been set forth in the proposed Contract the Fire District had recently submitted to the City of Spring Hill. He suspected the Spring Hill City Attorney had used the 2016 Contract language, and did not realize the changes Mr. Martin had made in the proposed 2017 Contract. The Contract amount being proposed was \$579,635.00.

A lengthy discussion then ensued among Board members. Director Dougan noted the Fire District loses money every year in servicing the contract area of Spring Hill. Director Merrick concurred, and asked the other Board members if they had read the recent article in the newspaper about the bus service Johnson County was providing to the City of Lawrence. He noted that Johnson County was threatening to terminate that service because the City of Lawrence was not contributing their fair share, and the Fire District might consider taking similar action with Spring Hill.

Director Dougan also noted it was unfair to the patrons of the Fire District that they continue to financially supplement the service being provided to the Spring Hill contract area.

Chairman Richardson suggested before the Fire District takes any additional action on this matter, the Board needs to know what the financial impact would be if the Fire District ceased to provide services to the contract area.

Chief Francis stated the City of Spring Hill is aware they cannot detach the Fire District territory in the City without the Fire District agreeing to it. However, he was informed that the City had already looked into this matter and thought the same might be accomplished through litigation. He further indicated the ongoing dispute with the City of Spring Hill could adversely affect the moral of employees.

After additional discussion, a motion was made by Director Dougan and seconded by Director Merrick that legal counsel prepare a 1-year contract with

the City of Spring Hill for 2017, with compensation in the amount of \$589,985.00. This motion was then debated among Board members and a vote was taken with the motion unanimously passing.

A motion was then made by Director Ramos that the Fire District attempt to set up a task force to discuss future contracts with the City of Spring Hill. This motion was seconded by Rod Richardson and unanimously passed. Director Ramos said he would be willing serve on this task force, as would Chairman Richardson.

The next item of old business was election of officers. On motion made and seconded, the following directors were unanimously elected to serve the following positions:

Chairman	Rod Richardson
Vice-Chairman	Ray Merrick
Secretary	James Hamilton
Treasurer	Darrel Dougan

VI. LEGAL COUNSEL

Chairman Richardson inquired if legal counsel had anything material to report to the Board of Directors. Mr. Martin stated he had prepared proposed Resolution No. 2017-1 pertaining to a waiver of generally accepted accounting principles for the year ended December 31, 2016. He further stated the Fire District was not required to prepare its financial statements and financial reports in accordance with generally accepted accounting principles, and each year a similar Resolution is adopted. If such a Resolution is not passed, the Fire District's auditors would be required to expend substantially more time and expense in preparing the audited financial statements.

Upon review of proposed Resolution 2017-1, a motion was made by James Hamilton and seconded by Ray Merrick, and unanimously passed by the Board.

VII. MONTHLY BUDGET AND FINANCIAL REPORT

The March, 2017 financial statements and reports had been previously distributed to the Board. John P. Martin, CPA of Higdon & Hale had prepared those reports and submitted to the Board of Directors a summary. He indicated tax disbursements from the County were in line with the budget expectations, and the Fire District should anticipate seeing motor vehicle tax monies coming in within the next few months. He further indicated contract revenues budgeted through March, 2017 had been received with the exception of the City of Spring Hill. Mr. Martin's report also indicated that ambulance fees were tracking with the budget. For March, ambulance fees had exceeded budget by \$7,400, and the insurance dividend check had been received for \$40,577. Overall expenses of

the Fire District were tracking within budget and there was nothing out of the ordinary.

A. Monthly Accounts Payable Approval.

On motion made by James Hamilton and seconded by Darrel Dougan, the Accounts Payable for April, 2017, were approved.

VIII. OPERATIONS

Chief Francis had previously provided to the Board his monthly Report, but desired to address some of the items in that Report.

The new Medic Unit has been received and is currently at the Stilwell fire station, where it is being equipped and awaiting license from the Board of EMS. It is anticipated it will be placed in service around May 1, 2017.

The Fire District had received three bids from concrete companies to tear out and replace the front ramp on the Mission Road fire station. The low bid was from Hoge Concrete for \$16,245. Staff was recommending the Board accept the low bid. On motion made by Andrew Ramos and seconded by Ray Merrick, a resolution was unanimously passed to accept the bid of Hoge Concrete to tear out and replace the existing front ramp at the Mission Road fire station for the price of \$16,245.

Chief Francis informed the Board there was no update on the Johnson County Cooperative Fire Study which the Board of County Commissioners had undertaken.

Chief Francis informed the Board that Carl Whitcomb, a former long-time volunteer for the Fire District had passed away in early April, 2017. Mr. Whitcomb's family had requested that donations be made in his honor to the Fire District. Currently, approximately \$1,000 has been collected. Those funds are to be deposited into the general fund checking account and will be tracked using a new line item in the budget. Staff is currently working on a plan for these funds which would benefit the Fire District and recognize Firefighter Whitcomb for his service to the community.

Chief Francis informed the Board that from time to time the Fire District is requested to provide personnel and equipment at private events. He gave an example of a local horse show arena that has sanction horse show events each year, and the sanctioning body requires that a paramedic be on standby during the event in case someone becomes ill or is injured. On such occasions the Fire District incurs overtime for members who must be brought in to cover the standby event. Normal on-duty resources are not used, since they would be taken out of service and would not be available to respond to other emergency calls within the Fire District.

Chief Francis advised the Board he had drafted a new proposed Fire District policy that addresses how District personnel handle such requests and how the Fire District would charge for these services in order to recoup its costs. It was further indicated that Johnson County Med-Act and Miami County EMS charge fees to cover their out-of-pocket expenses associated with private standby requests. It was further mentioned that standbys for community based events (i.e. parades, festivals, etc.) are handled without charging the organizers.

A proposed Policy No. 8.12 was submitted to the Board of Directors for their review. It was noted that the proposed policy established a set fee for the services and did not allow flexibility in case the set fee amount did not cover the costs. Therefore, it was recommended that language in the proposed policy provide the fee be "not less than". Upon motion made by Andrew Ramos and seconded by James Hamilton, a resolution was unanimously passed to adopt Policy No. 8.12, as amended.

Chief Francis next presented to the Board Policy 8.10 pertaining to purchasing. The Fire District has long maintained a purchasing policy, but only one party, the Fire Chief, had a purchasing card. The proposed amendment to the current policy is that the Fire District will have seven (7) purchasing cards being in the possession of Fire Chief, Assistant Chief of Services, Chief of EMS and Training, Battalion Chiefs, and mechanic. Each class of employees will have a separate limit on the amount of any specific purchase they can make, and a monthly limit overall. Any purchase in excess of \$300 would require a written purchase order and must be approved by the Fire Chief in advance.

Chairman Richardson inquired if the Fire District auditors had reviewed the proposed amendments. Chief Francis indicated it had not been reviewed by the Fire District auditors, but that he would do so and seek input from them. It was suggested and agreed that this item be tabled for future consideration until the Fire District auditors had an opportunity to review the amended Policy 8.10.

Chief Francis indicated the County Appraiser had projected the appraised and assessed valuations within the Fire District would increase for purposes of the 2018 budget. A 10% increase is projected. The 2018 draft operational budget will be presented to the Board in May. A handout was provided to the Board with the appraised and assessed values for Johnson County.

It was noted that payment had been received from Miami County Fire District No. 2 for services rendered during the first and second quarters of 2017. In addition, Miami County Fire District No. 2 had made a payment of \$3,180 to fund the slide-in firefighting skid unit that had been recently purchased.

A summary of medical transports for March was provided to the Board and a summary of total medical transports for the year-to-day through March, 2017 was

also provided. Chief Francis noted the Fire District is up 43 medical transports compared to the same timeframe in 2016.

IX. NEW BUSINESS

The Chairman inquired if there was any new business to come before the meeting, and there was none.

X. EXECUTIVE SESSION

The Chairman stated he desired to have an Executive Session. On Motion made by Director Hamilton and seconded by Director Merrick, the Board went into Executive Session at 8:00 p.m., to last no longer than 8:10 p.m.

At 8:10 p.m., the Board came out of Executive Session.

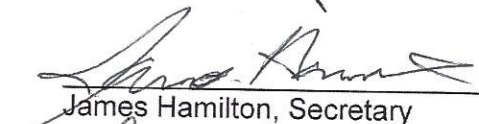
XI. ADJOURNMENT

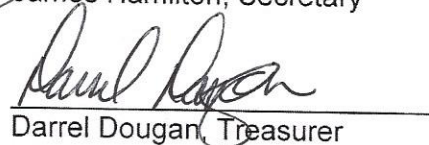
The Chairman inquired if there was any further business to come before the meeting. There being none, upon motion made by Darrel Dougan and seconded by James Hamilton, the meeting was unanimously adjourned.

The next regular meeting of the Johnson County Fire District No. 2 Board of Directors will be held on Tuesday, May 16, 2017, at 6:00 p.m. at the Fire Station in Stilwell, Kansas.


Rod Richardson, Chairman


Ray Merrick, Vice Chairman


James Hamilton, Secretary


Darrel Dougan, Treasurer

Andrew Ramos