

St. Tammany Fire Protection District No. 1

Board of Commissioners

Regular Meeting Minutes August 18, 2009

The meeting was called to order at 5:30 p.m.

The pledge of allegiance and prayer were given.

Roll Call: Chairman Kline and Commissioners Rich, Davis, Risley and Kingston were present.

APPROVAL OF MINUTES

Commissioner Davis made a motion to approve the minutes of the July 21, 2009 Regular meeting and July 29, 2009 Executive Session meeting. Commissioner Kingston seconded the motion. The motion carried unanimously.

OLD BUSINESS

- A) **Presentation-** Chief Hess presented former Commissioner Wynn Williams with a helmet from our department. He thanked her for her service to the Fire Department and our community.

NEW BUSINESS

A) **Chief's Report-**

- B) **1. Millage Vote-** Chief Hess gave a Power Point presentation to explain his proposed recommendation on the millage increase to 32.92 (this presentation will be in the official minutes book). He further stated that he will ask for only what is needed. He spoke about the unfunded mandated FRS increase, up approximately 14% next year. He also commented on proposing a new, better way to generate revenues, in attempt to lessen the burden. There was further discussion regarding the grand re-cap not showing the deduction for collection of fees from the Sheriff Department. Chief Hess stated that Mr. Klump advised that the Sheriff collects nothing; however, we do pay 7% for parcel fee collections.

The floor was opened for public comment, with a 2 minute limit.

Rep. Pearson- Rep. Pearson spoke on the support for firefighters in Baton Rouge (i.e. State Supplemental Pay, etc.). He has spoken with constituents in his district and they are tired of the increased burden in taxes.

Mary Dillon- (Eagle Point) - Ms. Dillon stated that she feels the biggest driving factor in the increase in costs is associated with the Firefighters' Ret. System. She questioned how this can be allowed to happen.

Chief Hess commented on this, stating that it is the result of the economic turn down. The FRS invests in equities; therefore subject to the vagaries of the stock market. He further stated that there is a law where when they lose money, they can bill the departments. He would like to work to get the laws changed.

Mr. Niemand- Mr. Niemand stated his concern with pension companies going to the taxpayers for relief. He discussed the private industry plans. He also stated that as a taxpayer, he can't look at numbers in isolation, but as a whole. All of the taxing authorities want more, making it burdensome.

Greg Kelly- Mr. Kelly stated that he is very conservative; however, he understands the need for increased millages. He feels as though the 35 mills should be collected.

Leon Textor- Mr. Textor came to the meeting to inquire about the parcel fee. He inquired about everyone paying their share and the percentage of those that don't. Chief Hess advised that approximately 1% do not pay. Chief Hess further stated that half of the parcel fee money is dedicated to repaying the FEMA loan.

Kendal Gaddy- Mr. Gaddy stated that firefighters and police have a special place in his heart, putting lives on the line. He further stated that we are in the worst economic situation with millions of people out of work and the second highest mortgage default rate in the state. He, as a taxpayer, is fed up. He feels that people will be driven out of the parish.

Van Joffrion- Mr. Joffrion recognizes the scrutiny and pressure that we are under. He does not want to give up the small amount of increased taxes to be replaced by an insurance company.

Steve Stefancik- (Dist.11) - Mr. Stefancik stated that he has never supported a millage roll-up. He supports the fire department but feels the department can reduce expenditures.

Gene Bellisario- (Dist.9) - Mr. Bellisario will not vote to increase the Parish millage, even with all the reductions they are having. He feels the only solution is a different funding mechanism and also that the assessments in 2008 were unbelievable. He further stated that the funding for the retirement system is only going to worsen.

Steve Valenti- (The Inlets) - Mr. Valenti stated that the presentations were very good. He does not have any issues with the fire department, only the Board of Commissioners. He feels that the millage vote in January was done underhandedly. He continued by saying that a vote was taken and registered and it was said that the meeting will go forward, at which time the public left. After that, another vote was taken and the millage was raised. He further stated that an extensive letter was published in the newspaper stating what was done. He feels that letters aren't published unless the public's perception is that something was done underhanded.

Chairman Kline addressed the public, telling everyone exactly what happened. He stated that a vote was taken for a set millage rate. At that point, a number of people left the meeting; however, it was still a public meeting and still in session, with citizens in the audience. Chief Kaufmann passed him a note and asked if the board would consider a compromise, halfway between what was voted on and what the administration requested. The board then took a vote and passed it.

George Haase- Mr. Haase discussed the increase in insurance premiums and taxes. He will fight for no new taxes or millage rates.

Chief Hess inquired about the proposition to have a smaller millage but to spread out on the parcel fee. There was additional discussion regarding "frozen" assessments and those homeowners receiving the same benefits.

Russell Shoultz- Mr. Shoultz thanked everyone for their support, as we've had tough decisions to make. He asked for continued support in order to maintain the services we provide. He discussed the changes in demographics and population and the types of services needed.

Jim Devereux- (City Councilman, District F) - Mr. Devereux stated that he hasn't done anything as physically demanding as a week in fire training school. He further discussed the issue of deferred maintenance. He has seen consequences of deferring and maintaining capital equipment. He supports the millage increase, but understands the desires of the taxpayers to not pay more taxes. He felt that Chief Hess has put a plan together, for next year, to give taxpayers some relief.

Julie Watson- Ms. Watson thanked the Board of Commissioners and Administration whom display a caliber of business ethics that has not been seen before at St. Tammany Fire District #1. She asked the citizens to follow the other problems, that aren't just with this fire district, that have caused the department so much heartache.

The floor was closed for public comment

Commissioner Risley inquired about the station closings. Chief Hess stated that presently, Station 13 is closed intermittently. He has heard logical complaints from constituents in that area and feels it's only fair to relieve them of that burden. He is requesting that it be looked into about some of the other stations closing, when needed.

Commissioner Davis stated that he represents the Parish Government. They have realized many cuts. He stated that he will vote to maintain 30 mills.

There was additional discussion. Commissioner Risley agreed that the Board should roll forward to the recommended 32.92 mills, as she feels there are things that can be cut in order to get by. However, she would like to see it at 31 mills. Commissioner Kingston agrees that the 31 mills should get us by. Commissioner Rich asked Mr. Waniewski questions regarding the mandated increases and the costs associated. He reiterated that if it were not for these mandated increases we would not have to discuss a millage increase. Chairman Kline supports Chief Hess' recommendation of 32.92 mills.

Commissioner Risley made a motion to raise the millage from 30 mills to 31 mills. Commissioner Kingston seconded the motion.

Commissioner Rich made an inquiry into the deficit that we will still be faced with. Chief Hess discussed the reserves that will allow us to operate for two months. Chief Kaufmann spoke of the deficit over the past few years with some homeowners receiving a "tax holiday" after Hurricane Katrina.

Chairman Kline polled the Commissioners.

Davis: Nay
Risley: Yea
Kingston: Yea
Rich: Yea
Kline: Yea

The motion passed.

Commissioner Davis made a motion to accept the Chief's report. Commissioner Risley seconded the motion. The motion carried unanimously.

B) PMI Report

- 1. Employee Benefits**
 - a) **Group Major Medical- Initial Renewal Increase: 9.50%**
- 2. Human Resources-**
 - a) **NCCI Experience Modifier Audit- still ongoing**
- 3. Payroll**
- 4. FRS (Firefighters' Retirement System)-**
 - a) **FRS Back Pay Audit- Pay off balance (Outstanding)**
 - b) **FRS 2006- Outstanding Audit Acknowledgement (Filed as not in agreement with FRS determination)**
 - c) **Response: FRS letter 01/15/08- 17.2% Valuation v. 900K payment**
 - d) **2010 FRS Employer Contribution Rate- was recommended to use 28% as the rate for budget purposes**
- 5. VFIS Special Risk Insurance & LWCC**
 - a) **LWCC- Increase in open reserves (2 claimants)**

Commissioner Kingston made a motion to accept the PMI report. Commissioner Rich seconded the motion. The motion carried.

C) DiGiovanni & Associates, CPA's, L.L.C

Mr. DiGiovanni discussed the financial statement.

Commissioner Risley made a motion to approve the financial report. Commissioner Davis seconded the motion. The motion carried unanimously.

D) ATTORNEY'S REPORT-

Attorney Ingram had nothing to report at this time.

Dana Williams, a Para-legal from St. Tammany Parish Government, was present to discuss the donation of the land on Brownsitch Rd. for the round-about. A Resolution from the Commissioners was needed giving Chief Hess permission to sign for the donation.

Commissioner Davis made a motion to adopt Resolution 2009-016 to ratify and adopt the Resolution that was adopted previously which authorized Larry Hess, Chief of St. Tammany Fire District #1, to execute a certain Act of Donation in favor of the Parish of St. Tammany. Commissioner Risley seconded the motion. The motion carried unanimously.

Commissioner Risley made a motion to adjourn the meeting. Commissioner Davis seconded the motion. The motion carried. The meeting adjourned at 7:24 pm.