

**MEETING OF THE BOARD OF COUNTY COMMISSIONERS
SITTING AS THE GOVERNING BODY OF FIRE DISTRICT #1**

REGULAR MEETING

August 11, 2010

The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 3:20 p.m., on Wednesday, August 11, 2010, in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman Karl Peterjohn; with the following present: Chair Pro Tem Gwen Welshimer; Commissioner David M. Unruh; Commissioner Tim R. Norton; Commissioner Kelly Parks; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Mr. David Miller, Budget Director, Finance; Mr. Bob Lamkey, Director, Public Safety; Ms. Charlene Stevens, Assistant County Manager; Mr. Gary Curmode, Fire Chief; Ms. Melissa Thompson, RM & Archives Analyst, DIO/IT-Records Management Services; and Ms. Angela Lovelace, Deputy County Clerk.

ROLL CALL

The Clerk reported, after calling roll, that all Commissioners were present

CONSIDERATION OF MINUTES

Fire Meeting July 7, 2010
Commissioner Welshimer was absent

MOTION

Commissioner Unruh moved to accept the Minutes as read for the Fire Meeting of July 7, 2010.

Commissioner Norton seconded the motion.

There was no discussion on the motion, the vote was called.

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VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Abstain
Chairman Peterjohn	Aye

Chairman Peterjohn said, "What is the will of the Commission concerning the Minutes of July 14th, 2010?"

CONSIDERATION OF MINUTES

Fire Meeting July 14, 2010
All Commissioners were present

MOTION

Commissioner Parks moved to accept the Minutes as read for the Fire Meeting of July 14, 2010.

Commissioner Norton seconded the motion.

There was no discussion on the motion, the vote was called.

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

Chairman Peterjohn said, "Next item."

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NEW BUSINESS

A. ADOPTION OF THE 2011 BUDGET FOR SEDGWICK COUNTY FIRE DISTRICT NO. 1.

Mr. William Buchanan, County Manager, greeted the Commissioners and said, "Commissioners, I have recommended a budget of \$16,702,420 for the 2011 budget for the Fire District. That relates to 18.447 mills, and I'd recommend you approve the budget."

Chairman Peterjohn said, "Questions or comments for the Manager? Commissioner Welshimer. Oh, I'm sorry, Commissioner Parks."

Commissioner Parks said, "How much of a reserve do we have in various funds in the fire department? I guess I'm interested in more the numbers, how many millions we have there and if there might be a minor adjustment that we can do without."

Mr. David Miller, Budget Director, Finance, greeted the Commissioners and said, "Your question was in regards to the amount of reserves in the Fire District?"

Commissioner Parks said, "Reserves, not the capital outlay or any of the programs, but just the reserves."

Mr. Miller said, "Again, to outline for you, in 2010, the Fire District started the year with a fund balance of \$2,184,000. Based on our current estimates for fiscal year 2010, we believe they will end the year with a fund balance of \$2,922,000. That \$2,922,000 will carry forward; that will be their estimated beginning balance for 2011. In 2011, however, that is the year in which we expect them to begin to incur operating deficits; a 2011 operating deficit of \$301,000; 2012, \$424,000; 2013, \$290,000; 2014, very small amount, \$22,000 and 2015 another very small amount of \$7,000. By 2015 that would draw down their fund balance to \$1.8 million."

Commissioner Parks said, "Is that due to annexation, or what's the driving force behind that?"

Mr. Miller said, "We haven't incorporated anything related to annexation. One of the biggest items confronting the Fire District right now will be for 2011 and 2012 when debt service on the new fire stations comes online and also the lease payments for the self-contained breathing apparatuses, and the lease payments for some additional apparatus that were purchased earlier in the year, and their apparatus replacement plan into the future."

Mr. Buchanan said, "And the union contract."

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Mr. Miller said, “And the union contract.”

Mr. Buchanan said, “Please be reminded that for 2011 the contract with the union requires a 3.5 percent salary increase for those people in the union, which is a majority of the firefighters.”

Chairman Peterjohn said, “So, okay, this is actually a bit less than the four percent that had been proposed in your overall budget, but if we had approved the budget as you’d presented it it would have been the larger of those two figures, Mr. Manager?”

Mr. Buchanan said, “The proposal was not a four percent salary increase. The proposal was a four percent salary pool and people would get salary increases based on performance. Some people would get more than four percent, most of the people would get less than four percent, some people would get nothing.”

Mr. Miller said, “And if I could jump in, the Fire District was excluded from that compensation pool for the reason of the union contract. The four percent, we budgeted a four percent increase for the Fire District in the recommended budget because the union contract requires either a 3.5 percent increase or an increase equal to the amount allocated to other county employees, so we know that based on your action earlier today it will not be four percent, but in the recommended budget at this time it is four percent within the Fire District.”

Chairman Peterjohn said, “Well let me ask because, would the folks who are not a part of the bargaining unit be covered under those salary increases? That salary schedule, I guess I shouldn’t say increases, because I appreciate the distinction the Manager is trying to get me to make. I’m sorry, it’s just a force of habit on my part, but Mr. Lamkey...”

Mr. Bob Lamkey, Director, Public Safety, greeted the Commissioners and said, “Commissioners, if you will recall, and this is always one of the challenges of the exempt folks in the Fire District versus the exempt folks in the county, if you recall, earlier this year you all approved an adjustment to the pay for the exempt folks, the Captains and those folks because, historically, we have treated the exempt folks in the Fire District like we’ve treated the exempt folks in the county, and so then union and the Fire District were riding different boats. And so it created an issue, you talked about it today, some compression. The discussions that we had earlier is that we need, it’s my belief, and I would advocate to you that we need to keep the Fire District folks on the same wave. And so next year we go into a negotiation with regards to the union contract and I can’t predict that outcome. We’ll sit down and visit about that process, but it’s my expectation, because of the contract we have here, that our folks are above the market.”

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Mr. Lamkey continued, “And so my hope would be, because we’ve predicated a basic structure and we’ve made adjustments to keep that group on the same boat, and so if there are adjustments to the Fire District pay structure that need to happen as a consequence of what the marketplace says, or what the budget says, we like to treat, in terms of the overall opportunity, it could be distributed differently. But the overall opportunity to keep labor and management roughly equivalent so we don’t have this issue where every few years we are coming back to you looking for adjustments, and so I know this is a difficult challenge, particularly after the judgments that were made today, but I think, based upon our previous discussions and previous experiences, I’ve come to Commissions at least twice in my 10 years as the Public Safety Director for adjustments outside of that cycle, and I just as soon not do that again. I’d just as soon we ride the same wave and make future adjustments as we work the contract.”

Chairman Peterjohn said, “The follow-up question I’d have, and I appreciate that information and detail in the response to my earlier question, taxable assessed value grew in the Fire District last year 3.81 percent, I believe, and it had grown a little bit more than the county had the rest of the year before. Do any of you have an idea, in terms of how much of that growth at 3.81 percent was due to revaluations on existing property, and how much was due to actually somebody built a new building?”

Mr. Miller said, “The 3.81 percent increase is related to the 2011 assessed valuation. For 2010, it grew by 2.4 percent. I do not have that information with me, Chairman. One thing I can pass on to you is that for the assessed valuation for 2011, the 3.81 percent, a portion of that is related to some industrial revenue bonds that have expired, and thus that property has come back on to the tax roll, which has helped kind of push up that assessed valuation a little bit for the Fire District. I don’t know what that equates to in the sense of how it contributes to that 3.81 percent increase, I don’t have that information, but that is a contributing factor this year.”

Chairman Peterjohn said, “Okay, because I share the concern of Commissioner Parks that, in terms of the volume of the reserve funds and also the fact that people who are in their homes or businesses and haven’t done anything different, and the Appraiser comes by and says, gee, we think that property is now worth X number of dollars more; they get to pay more in taxes, and I’d frankly like to see some downward adjustment in the Fire District mill levy to reflect that type of increase on existing property. But if we don’t have a breakdown between new and existing then it becomes much more of a subjective judgment call. And since we didn’t address this issue last year and just let it roll in, that may be one of the reasons, I think one of the reasons why our reserves are a little bit higher than what had been anticipated. But my understanding is that one mill for the Fire District generates about just a shade under \$780,000. Is that correct, Mr. Miller?”

Mr. Miller said, “Yes, sir.”

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Chairman Peterjohn said, "Okay. So if we have about \$2.9 million in net reserves and we're projecting that that's going to come down a little over \$1 million over the next five years if that forecast is correct, and that forecast is based without any increases, because we really don't know what could happen with assessed value, or if annexations could nibble away at the Fire District, either one of those things could impact that environment?"

Mr. Miller said, "Yes, sir."

Chairman Peterjohn said, "Okay. Well, having said that, I appreciate that information because I think it helps, in terms of our deliberations. Commissioner Parks."

Commissioner Parks said, "Some of that, those figures, I think, were skewed a little bit, though. You said \$2.9 million? Wasn't it \$2.1 [million]?"

Mr. Miller said, "The beginning fund balance in '10 was \$2.1 [million]. We believe that we will end 2010 with \$2.9 [million]."

Commissioner Parks said, "Okay, but then those projects that, the leases for the self-contained breathing apparatus and those other things are going to be...essentially that's spoken for money?"

Mr. Miller said, "Yes."

Commissioner Parks said, "Do you have your desktop up? Can you get that up rather quickly?"

Mr. Miller said, "Sure."

Commissioner Parks said, "If we'd take 0.129 out of the reserves of the mill levy, what impact would that have on the reserves?"

Mr. Miller said, "You're wanting to take one million two-hundred..."

Commissioner Parks said, "No. No, 0.129 mills."

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Mr. Miller said, "I'll have to do a calculation here real quick. We'll find out here in a second if I did it correctly. If I did the calculation, if I understood you correctly, you were asking for a reduction in the mill levy by 0.129 mills. That equates to \$96,000 in revenue with a four percent delinquency calculation, an actual property tax levy reduction of \$100,286. And if I, I do need to change something on here. I have this as a reduction in expenditures and a reduction in revenues. What I should have it as, at least right now, unless you're proposing a budget reduction, a reduction in the revenue only of property taxes. And one thing you do see, because the revenues are a little bit less, the financial plan, the deficit increases from the \$311,000 to \$408,000."

Commissioner Parks said, "I yield to the rest of the Board. Thank you."

Chairman Peterjohn said, "Was that a motion, Commissioner, or just a suggestion, or just you were curious what the numbers would look like?"

Commissioner Parks said, "I was curious what a number would look like for a previous year and to roll it back to that, but if there's no more interest in that, or..."

Chairman Peterjohn said, "Well I, I'd be willing, I mean, since we don't have a specific number, you're talking about, basically, a little over a tenth of a mill, and I think, based on information that I've got, it's not an unreasonable estimate, in terms of what we've had with increases on assessed value. And that's one of the reasons why we've had some significant growth in county property tax revenues in the past, even when there hasn't been that much growth, so I'd be willing to make a motion to roll back the mill levy, and we're talking about roughly \$100,000, by 0.129 mills."

MOTION

Chairman Peterjohn moved to reduce the mill levy for the Fire District by 0.129 mills.

Commissioner Parks seconded the motion.

Chairman Peterjohn said, "We have a motion and a second. Any further discussion? Commissioner Unruh."

Commissioner Unruh said, "I mean, I'm fine with the motion, it's just that, what does that number represent? I mean, why did you choose that number? I missed something."

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Commissioner Parks said, “Well, it was a number that I had figured some increases and things from the last three or four years. It just, I think, if we could give 0.129 mills back, we can roll it back to some previous years. Do you have your mill levies for the previous years up, David? Can you show us back to like 2002 or so?”

Mr. Miller said, “I don’t have it back to 2002 with me, sir. What I do have is back to ‘07, but essentially what you’re going to see is a mill levy that is essentially equivalent to the 18.447 mills as it is now. I forget the exact year when the property tax levy was increased, ‘05 sounds right.”

Commissioner Welshimer said, “‘06.”

Mr. Miller said, “‘06?”

Chairman Peterjohn said, “I mean, my reason I’m...”

Commissioner Welshimer said, “[inaudible] raised the property tax and mill levy.”

Mr. Miller said, “If I could, Commissioners...”

Chairman Peterjohn said, “Mr. Miller.”

Mr. Miller said, “Nikki had advised me that we do have a table in the Budget Book that that has property tax levies in it for the Fire District. It’s on page 29. In 2002, the property tax levy was 15.373 mills.”

Commissioner Parks said, “Page 29?”

Mr. Miller said, “Yes, sir. On the left-hand side there is a box towards the bottom that outlines the mill levies for the county and the Fire District.”

Chairman Peterjohn said, “Well by my calculations, and Mr. Miller, please correct me if I’m wrong, it looks like the increase in assessed valuation last year will generate a little bit over, by my very rough calculations here, a good deal, several hundred thousand dollars, a good deal more than...I’m frankly a little surprised at this and I’d like to recheck it before I throw out the number, but I’m thinking that that almost four percent increase against the \$14 million would be somewhere in the neighborhood of close to half a million.”

Mr. Miller said, “That is going to be fairly close. I think it’s going to be more around \$450,000 probably, but...”

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Chairman Peterjohn said, “Well...”

Commissioner Parks said, “Well I’m still comfortable with my second on that.”

Chairman Peterjohn said, “We’ve got a motion and a second. Seeing no further discussion, please call the vote.”

Ms. Angela Lovelace, Deputy County Clerk, greeted the Commissioners and said, “Mr. Chairman could you please restate the motion?”

Chairman Peterjohn said, “The motion is to reduce the mill levy for the Fire District by 0.129 mills.”

Ms. Lovelace said, “Thank you.”

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

Commissioner Parks said, “Mr. Chairman, I move that we adopt the Resolution for the 2011 Fire District # 1 budget that includes and operating budget of...”

Mr. Miller said, “16,702,420.”

Commissioner Parks said, “Well, now is that with the mill levy reduction though?”

Mr. Miller said, “Yes, because you have not altered the expenditures side, you’ve altered the revenue side.”

Commissioner Parks said, “Okay, of \$16,702,420, and the 2011 Capital Improvement Program of \$48,247. The total operating budget is partially funded with a property tax levy of...”

Mr. Miller said, “\$14,240,940.”

Commissioner Parks said, “...\$14,240,940, which is approximately equivalent to...”

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Mr. Miller said, "Eighteen..."

Commissioner Parks said, "...18.318 mills based on estimated assessed valuation subject to the review and technical adjustments."

MOTION

Commissioner Parks moved to adopt the Resolution for the 2011 Sedgwick County Fire District No. 1 Operating Budget that includes an operating budget of \$16,702,420, and the 2011 Capital Improvement Program of \$48,247. The total operating budget is partially funded with a property tax levy of \$14,240,940, which is approximately equivalent to 18.318 mills based on estimated assessed valuation subject to the review and technical adjustments.

Commissioner Peterjohn seconded the motion.

There was no discussion on the motion, the vote was called.

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

Chairman Peterjohn said, "Next item."

B. RESOLUTION AUTHORIZING AN AMENDMENT TO THE *SEDGWICK COUNTY CODE* RELATED TO THE BOARD OF COUNTY COMMISSIONERS FIRE DISTRICT MEETING AGENDA.

Ms. Charlene Stevens, Assistant County Manager, greeted the Commissioners and said, "You have before you a resolution that amends the Sedgwick County Code. It relates to the county Board of [County] Commissioners Meeting Agenda. It is the same item that you approved on your regular Agenda. Again, we are moving from a paper agenda process to an electronic agenda process and this will just bring the policy and procedures into line with the new electronic agenda process. I'm happy to answer any questions, and I would recommend that you approve the resolution."

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Chairman Peterjohn said, “Questions, comments? Commissioner Parks.”

Commissioner Parks said, “I hate to be a stickler on this, but I wanted to ask Chief if during that time there were any fire deaths that would have been suspicious or possibly a homicide in that?”

Mr. Gary Curmode, Fire Chief, greeted the Commissioners and said, “You’re referring to...”

Commissioner Parks said, “The records destruction.”

Ms. Stevens said, “That’s the next item. Sorry.”

Commissioner Parks said, “Excuse me.”

MOTION

Commissioner Unruh moved to adopt the Resolution.

Commissioner Norton seconded the motion.

Chairman Peterjohn said, “We have a motion and a second. Any further discussion? I’m just going to throw out that I’m glad that we’re making this change, and for the Fire District as well as we’ve made for the Commission, and I’ll be supporting the motion. Seeing no further discussion, please call the vote.”

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

Ms. Stevens said, “Thank you.”

Chairman Peterjohn said, “Next item.”

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C. A RESOLUTION TO AUTHORIZE DESTRUCTION OF FIRE DISTRICT #1 RECORDS (DISP 2010-101 PS-FIRE) 1997-2006.

Ms. Melissa Thompson, RM & Archives Analyst, DIO/IT-Records Management Services, greeted the Commissioners and said, "I'm presenting, today, a records disposal for Fire District # 1. This records disposal applies to Fire District Records Management Policy adopted by the Governing Body on August 27th, 2008. Records proposed for destruction total 19 boxes including Kansas Fire Incident Reporting, accounts payable, employment applications of not hired individuals, KORA (Kansas Open Records Act) requests and responses, misdemeanor investigation files and timesheets. Approval at this time would free needed space in the courthouse records center to shelve additional boxes. At this time, I would ask that you approve the resolution and instruct the Fire District # 1 Chief and the Records Management Manager to destroy the records, and I'd be happy to answer any questions you might have."

Chairman Peterjohn said, "Questions or comments?"

MOTION

Commissioner Welshimer moved to approve the Resolution and direct the Fire Chief and the Records Manager to destroy the records.

Chairman Peterjohn seconded the motion.

Chairman Peterjohn said, "I've got some questions. Do we have a certain statutory requirement, in terms of how long we have to retain certain records for the Fire District, in terms of under Kansas law?"

Ms. Thompson said, "Yes, we do. The records management policy for the Fire District was established in 2008, and the state retention schedules, the Fire District has a retention schedule on the KSHS (Kansas State Historical Society). The state records board has recommended minimum retentions for the Fire District records. And according to this policy the minimum retention period is our maximum retention period, and all of these records have met their minimum retention period."

Chairman Peterjohn said, "Okay, because I was going to say, through 2006 seemed fairly recent, but I was thinking there were some records that ended up with the historical society, and I wasn't sure what criteria, and I didn't know if the Fire District fell into that category or not."

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Ms. Thompson said, “What we do is we assess all of the county government records that are eligible for disposal for any historical value. The county has a small archive, and we would keep any Fire District records with historical value and preserve them forever. I mean, we would keep them for any research opportunities, and we do have Fire District records in our archive now.”

Chairman Peterjohn said, “Thank you. Commissioner Parks.”

Commissioner Parks said, “I believe when I got ahead of myself there that I did get the answer from Chief that...”

Chief Curmode said, “In answer to your question of any fatalities, our firefighter fatality was September 24th, 2007, which is not included in this...”

Commissioner Parks said, “No, what I was referring to was if there was an arson fire that you all worked, and those records were out there, and there was a possibility of somebody that was in the fire that died in the fire and thus was a homicide you wouldn’t want to...”

Chief Curmode said, “Correct. We would not do that.”

Commissioner Parks said, “Yeah.”

Chief Curmode said, “None of these records reflect that at all.”

Commissioner Parks said, “Okay. Thank you.”

Chairman Peterjohn said, “Further questions or comments? Seeing none, please call the vote.”

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

Chairman Peterjohn said, “Next item.”

D. OTHER

Chairman Peterjohn said, “I’ll entertain a motion to adjourn.”

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MOTION

Commissioner Welshimer moved to adjourn.

Chairman Peterjohn seconded the motion.

There was no discussion on the motion, the vote was called.

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Peterjohn	Aye

E. ADJOURNMENT

There being no other business to come before the Board, the Meeting was adjourned at 3:47 p.m.

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**BOARD OF COUNTY COMMISSIONERS OF
SEDGWICK COUNTY, KANSAS**

KARL PETERJOHN, Chairman
Third District

DAVID M. UNRUH, Commissioner
First District

TIM R. NORTON, Commissioner
Second District

KELLY PARKS, Commissioner
Fourth District

GWEN WELSHIMER, Commissioner
Fifth District

ATTEST:

Kelly B. Arnold, County Clerk

APPROVED:

October 6, 2010