

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

SPECIAL MEETING

August 10, 2010

The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 11:18 a.m., on Tuesday, August 10, 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. Gary Curmode, Fire Chief; and Ms. Katie Asbury, Deputy County Clerk.

ROLL CALL

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

Chairman Peterjohn said, "Next item."

C. PUBLIC HEARING REGARDING THE 2011 BUDGET FOR SEDGWICK COUNTY FIRE DISTRICT 1.

Chairman Peterjohn said, "Mr. Manager, your name's on my list."

Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, "Commissioners, you have before you the budget for the Fire District #1. It's for \$16,702,420, an equivalent of 18.447 mills. And it's appropriate at this point to open the public hearing and hear from the public."

Chairman Peterjohn said, "I will do so and open the public hearing concerning the Fire District budget. If there's anyone wishing to speak, please come to the podium. Seeing no one, I'm going to reluctantly, at this point, close that public hearing. I hate to do it really, really quickly, but seeing no one, public hearing is closed. And next item."

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D. OTHER

Chairman Peterjohn said, "Commissioner Parks."

Commissioner Parks said, "I had a question about the fire department budget and their reserves, can I have a quick review from staff about the amount of reserves that we have in there and if there's a percentage, I know this is...I have a gotcha on this, but should be able to be reviewed real quickly about..."

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

Commissioner Parks said, "Reserves of the fire department or Fire District, I guess."

Mr. Miller said, "For 2009, the Fire District fund ended with a fund balance of \$2,184,246. For 2010, we estimate that that fund balance will actually increase at the end of the year to \$2,922,306, so based on estimates, we believe that they would start 2011 with \$2,922,000."

Commissioner Parks said, "And I guess I'm going to have a gotcha here too for either Mr. Lamkey or the Fire Chief to ask if they're comfortable increasing this, or this increase by \$800,000 or where we need to go from there, or if we might be able to look at reducing that and rolling that back a little bit."

Mr. Miller said, "One thing I might outline for you, Commissioner, you might recall, earlier this year we came to the Commission and outlined a financial plan for the Fire District that included funding for the self-contained breathing apparatuses (SCBA), for some new vehicle apparatus and the funding, or the estimated bond cost, for the station relocations. That financial plan indicated that, you know, through 2010, we were looking like we were in very good shape, however, as those additional costs came online, that's when we started to see in deficits. That financial plan that you saw about six months, probably more than that, eight months ago, outlined a projected deficit for 2011 that was in the range of \$840,245, and that that deficit of a fairly comparable size, but declining each year, would continue all the way out to 2014. That financial plan was based on an assessed valuation estimate, again, eight months ago, of a one percent increase. We know now from the Clerk's estimate for the assessed valuation that for the Fire District, the increase is 3.8 percent. So for 2011, the estimate of a reduction in the fund balance now is \$311,900. For 2012, we expect that to grow slightly to \$424,943, but then be much smaller increments but still operating deficits all the way out to 2015. With those operating deficits, we project that by 2015, the ending balance would be \$1.8 million."

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Commissioner Parks said, "Thank you for that. And what's the timeline on the 'Scotts Packs,' or the self-contained breathing apparatus? Now, I believe that's about a \$600,000 expenditure, is it not? For some reason I thought that was going to happen this year, but."

Mr. Gary Curmode, Fire Chief, greeted the Commissioners and said, "Basically, our SCBAs is on a lease purchase and we're going to do that over a, basically a five-year period. And that will take care of paying for the Scott Air-Paks that we'll be getting in within this next few months."

Chairman Peterjohn said, "So it's part of the 2010?"

Chief Curmode said, "Correct."

Chairman Peterjohn said, "Or at least the payment for this year is part of that total acquisition..."

Chief Curmode said, "Yes, that is, sir."

Commissioner Parks said, "Okay."

Chairman Peterjohn said, "Thank you, Chief. Mr. Miller, if I could ask you a budget question, you said the appraised value went up about 3.8 percent instead of about 1 percent, my recollection is the one mill generates about, a little less than \$800,000 a year for the Fire District. This increase being 3.8 [percent] instead of 1 [percent], how much additional revenue does that bring in..."

Mr. Miller said, "About..."

Chairman Peterjohn said, "...per mill or total?"

Mr. Miller said, "What I wrote down is, the increase from 1 percent to 3.8 percent increase collections by about \$350,000."

Chairman Peterjohn said, "So that's the total for all 18 mills?"

Mr. Miller said, "No, that's the total related to the increase in the assessed valuation instead of being 1 percent but now being 3.8 percent. Total collections, well, if you look at the budget for Fire District #1 on page 257, total property tax collections are estimated at \$15.5 million. The only point of caution I'd outline for you is that \$15.5 million is not just new taxes, but it's also property taxes, back taxes if you will, that are slightly delinquent."

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Chairman Peterjohn said, "Let me ask you this question about the Fire budget, because we've got, we're in the fortunate position that assessed value has grown in the Fire District and we've got the additional revenue, however, there was an interesting and very, we've got a significant increase in delinquent property taxes across the board countywide, I was curious if, and then that was an article, I believe, in Saturday's [The Wichita] Eagle, I was interested in the how the Fire District might have been impacted by increased delinquencies, do you have any idea on how that reserve budgeted for that?"

Mr. Miller said, "I don't have the numbers with me, Commissioners. Off the top of my head though, the Fire District traditionally does much better than what the county does in the sense of delinquent property taxes and then receiving the payments on a more timely basis, if you will."

Chairman Peterjohn said, "Oh really?"

Mr. Miller said, "Off the top of my head, normally it's about one percent better than what the county does."

Chairman Peterjohn said, "Thank you. Seeing no further questions, next item."

Ms. Katie Asbury, Deputy County Clerk, greeted the Commissioners and said, "The next item is adjournment."

Chairman Peterjohn said, "Adjournment? I'll entertain a motion to adjourn this meeting."

MOTION

Commissioner Parks moved to adjourn.

Commissioner Welshimer 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

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E. ADJOURNMENT

There being no other business to come before the Board, the Meeting was adjourned at 11:28 a.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:

_____, 2010