

BOARD OF WARSAW-WAYNE TOWNSHIP FIRE PROTECTION TERRITORY  
November 15, 2011  
4:00 P.M.  
REGULAR SESSION

The Board of Warsaw-Wayne Township Fire Protection Territory met on Tuesday, November 15, 2011 at 4:00 P.M. in the City of Warsaw Council Chambers at City Hall. The following persons were noted as present or absent:

PRESENT: Board Members Joseph Streeter, Michael Reed, Sheila Burner, George Clemens, Mayor Ernie Wiggins and Mayor-Elect Dr. Joseph Thallemer. Also present Recording Secretary Shirley Fetrow and Chief Mike Rice

Absent: Attorney David Cates

Mayor Ernie Wiggins called the meeting to order. The Pledge of Allegiance and a Moment of Silence followed. A quorum was noted.

**MINUTES -**

Board Member Reed made a motion to approve the October 4, 2011 Minutes; seconded by Board Member Burner. No further discussion. All were in favor. Motion carried.

**RECOGNITION OF VISITORS -**

Mayor Wiggins welcomed Paige Sansone from H. J. Umbaugh & Associates.

**REPORTS / ORAL & WRITTEN COMMUNICATIONS -**

**MONTHLY REPORT - SEPTEMBER 2011** - Chief Rice indicated the rescue and medical assist calls comprised 59% of the total responses for September. This percentage is consistent with last month's 58% rescue and medical assist responses. (Documentation attached to Minutes).

**EXPENDITURES REPORT - OCTOBER 2011** - No questions or concerns were noted. (Documentation attached to Minutes).

**YEAREND BUDGET REVIEW** - Paige Sansone from H. J. Umbaugh & Associates distributed a cash flow projections report (Accountants Financial Management and Compilation Report) for both Fire Territory funds covering the period 2011 through 2016. Ms. Sansone also distributed a Power Point presentation which summarized the report. Ms. Sansone briefly explained the basic concepts of fire territories. She indicated the Fire Territory Operating Fund has two limitations: (1) limited by the maximum property tax limitation, and (2) limited by a 20% ending cash reserve. The Fire Territory Equipment Replacement Fund has a rate limit of \$.0333, but there is no limit on the amount of money that can accumulate in this fund. Ms. Sansone also indicated that the Operating Fund is allowed to transfer cash to the Equipment Replacement Fund. Total transfers are limited to 5% of the Operating Fund tax levy. Both fiscal bodies of the participating units (Warsaw City Council and Wayne Township Board) must approve the 5% transfer. Ms. Sansone projected the Fire Territory can end 2011 with a 20% cash reserve if it spends approximately \$3.1 million in operating and another roughly \$500,000 for the purchase of an engine. (Documentation attached to Minutes).

Ms. Sansone provided projected financial data for the period 2012 - 2016. One projection shows what the maximum budget the fire department can have assuming 20% cash reserves and annual transfers to the Equipment Replacement Fund. The second projection pertains to what is being proposed assuming full staffing, annual transfer to the Equipment Replacement Fund and 20% cash reserves. According to the second projection, the average yearly deficit is \$600,000. With this deficit in mind, Ms. Sansone provided funding options in order to bridge the funding gap. Funding options

include additional COIT distribution from the City, eliminate annual transfer to Equipment Replacement Fund, and cut expenses such as reducing the proposed number of new hires. Another option not recommended by Ms. Sansone would be to lower the 20% cash reserve. It is suggested to have an ending 15% to 20% cash reserve each year in order to operate during the first six months of the following year. The main revenue source for a fire territory is property taxes which are not received until the end of June.

Mayor Wiggins indicated there will be a Line 1 cut for 2012 of approximately \$380,000. This Line 1 cut will reflect employee insurance for 11 new hires. Mayor Wiggins stated that the potential new fire station, even if constructed, would not be staffed until later in the year.

#### **NEW BUSINESS -**

**TRANSFER ORDINANCE 2011-11-03** - Ordinance 2011-11-03 reflects the 5% transfer allowable by law from the Territory Operating Fund to the Territory Equipment Replacement Fund. Board Member Reed made a motion to approve the transfer ordinance and transfer \$155,000 from the Operating Fund to the Equipment Replacement Fund; seconded by Board Member Streeter. No further discussion. All members were in favor. Motion carried. (Documentation attached to Minutes).

**TRANSFER ORDINANCE 2011-11-05** - Ordinance 2011-11-05 transfers \$500,000 from the Fire Territory Operating Fund (Salaries and Wages) to the Fire Territory Operating Fund (Other Capital Outlays). This transfer is for the potential acquisition of an engine. Board Member Reed made a motion to approve the transfer ordinance; seconded by Board Member Clemens. No further discussion. All members were in favor. Motion carried. (Documentation attached to Minutes).

Chief Rice distributed a memo asking the Fire Territory Board approval to pursue the purchase of a demo engine. The memo explains the cost savings of buying a demo engine as well as confirms the funding. Chief Rice also indicated he is working with Clerk-Treasurer Christiansen, Attorney Valentine and the Pierce salesman on documentation for bypassing the bidding process allowable by Indiana Code 5-22-10-5. This code allows a municipality to bypass the bidding process if a substantial savings can be made to the community. Board Member Streeter made a motion to approve the purchase; seconded by Board Member Reed. No further discussion. All members were in favor. Motion carried. (Documentation attached to Minutes).

**WARSAW VOLUNTEER FIRE DEPARTMENT 2012 AGREEMENT AND BYLAWS -** Chief Rice noted an increase in the amount payable to the Warsaw Volunteer Fire Department for 2012. This increase reflects 2 additional volunteers to the roster. Chief Rice also noted that the 2012 Agreement provides clarification on equipment to be provided by the Fire Territory. A copy of the bylaws is attached to the Agreement. Chief Rice indicated that Attorney Cates has reviewed both documents. Board Member Clemens made a motion to accept the 2012 Agreement; seconded by Board Member Burner. No further discussion. All members were in favor. (Documentation attached to Minutes).

**TRAVEL REQUESTS** - No travel requests were presented.

#### **OTHER MATTERS THAT MAY COME BEFORE THE BOARD -**

**SOUTH STATION PROPERTY AND EASEMENT** - Chief Rice noted that the South Station property as well as the sanitary sewer easement has been purchased.

A list of guests attending today's meeting is attached.

There being no further business, Mayor Wiggins made a motion to adjourn; seconded by Board Member Clemens. All members were in favor.

**ATTEST:**

\_\_\_\_\_  
Shirley Fetrow, Recording Secretary

\_\_\_\_\_  
Sheila Burner, Board Member

\_\_\_\_\_  
George Clemens, Board Member

\_\_\_\_\_  
Michael Reed, Board Member

\_\_\_\_\_  
Joseph Streeter, Board Member

\_\_\_\_\_  
Ernest Wiggins, Board Member