

OKALOOSA ISLAND FIRE DISTRICT
REGULAR MONTHLY MEETING
MARCH 21, 2018 AGENDA

- I. **CALL TO ORDER:** Meeting called to order at _____ p.m. by Chairman Jones.
- II. **CALLING OF THE ROLL:** Present were Commissioners Jones _____ Mitchell _____
Edlund _____ Simpson _____ Linz _____
- III. **APPROVAL OF THE MARCH 21, 2018 AGENDA:**
- (a) **PUBLIC COMMENTS:**
- IV. **APPROVAL OF MINUTES:** Minutes for the **February 21, 2018** regular meeting.
- V. **APPROVAL OF THE FINANCIAL REPORT FOR: MARCH 2018**
- VI. **OFFICERS REPORT:**
1. **Chairman:**
 2. **Vice-Chairman:**
 3. **Secretary/ Treasurer:**
 4. **Department Chief Carvalho:**
 - A. Reported 80 responses for the month of ***FEBRUARY 2018 (90 FEBRUARY 2017).***

Response Summary:

<u>2</u>	Fire Calls
<u>8</u>	False Alarms/Alarm Activations
<u>34</u>	EMS/ Rescue/ MVA
<u>36</u>	Other

OKALOOSA ISLAND FIRE DISTRICT
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VEHICLE STATUS: CHIEF CARVALHO

VII. **OLD BUSINESS:**

VIII. **NEW BUSINESS:**

- A. PENSION UPDATES
- B. CPA/AUDITOR CONTRACT
- C. 2018 ELECTION OF COMMISSIONERS (EDLUND & LINZ)
- D. FORM 1'S
- E. RIDE A-LONG DATES

IX. **ADJOURNMENT:** Meeting was adjourned at _____ p.m.

**Okaloosa Island Fire District
Board of Fire Commissioners Minutes
FEBRUARY 21, 2018**

- I. **MEETING:** Meeting was called to order @ 5:30 p.m. by Chairman Jones.
- II. **ROLL CALL:** Present were Chairman Jones, Commissioner Dr. Edlund, Commissioner Mitchell, and Commissioner Linz. Commissioner Simpson was absent. Also present were Chief Carvalho, Assistant Chief Strawn and Medical Division Officer Phil Metz.
- III. **APPROVAL OF FEBRUARY AGENDA:** Chairman Jones called for an approval of the Agenda. **Commissioner Mitchell** made a motion to approve the Agenda, **Commissioner Edlund** seconded, all were in favor, none opposed, motion carried.
- IV. **PUBLIC COMMENTS:** Chairman Jones ask what the issue at Olive Garden entailed for O.I.F.D to respond. Chief Carvalho stated we were dispatched to Olive Garden due to an alarm activation. Chief Carvalho also stated we had two new promotions on C Shift with James Warf promoting from Engineer to Lieutenant and Moritz “Mo” Mailandt promoted from Firefighter to Engineer. Additionally, there will be a blood drive and complimentary chair massages from A Day Away Spa on March 8th from 9:00 A.M. until 3:00 P.M.
- V. **APPROVAL OF THE MINUTES:** The minutes for the January 17, 2018 regular meeting minutes were reviewed. Commissioner Jones called for corrections, deletions, and/or additions. There being none, **Commissioner Mitchell** made a motion to accept the Minutes as read. **Commissioner Simpson** seconded the motion, all were in favor, none opposed, motion carried.
- VI. **APPROVAL OF THE FINANCIALS FOR MONTH ENDING February 2018.** Commissioner Jones called for an approval of the financials. **Commissioner Mitchell** made a motion to approve the financials. **Commissioner Linz** seconded the motion, all were in favor, none opposed, motion carried.

VII. REPORT OF OFFICERS:

1. Chairman Jones: No Report
2. Vice Chairman Edlund: No Report
3. Secretary/Treasurer Mitchell: No Report
4. Chief Carvalho Department Report:

A. Total responses for the month of *February 2018* 76, (95 for *February 2017*).

4 Fire Calls
16 Alarm Activations
49 EMS/RECUE/MVA
7 Other

B. Fractile Response Times: ANNUALLY (last updated in January's meeting)

C. Vehicle Status Report: All vehicles are in service.

VIII. OLD BUSINESS:

BLUE EXPEDITION TRAINING EVOLUTION:

Started training -showing new guys how to stabilize while extricating a patient on the back pad. We did empty all fuel, oil, batteries and radios before this training. Display of evolution should be ready in a month. O.I.F.D would like Commissioner Simpson to put the public viewing invitation, when ready, in the OILA (Okaloosa Island Leaseholder's Association) newsletter. During this viewing, the public would see a JAWS demonstration. Chairman Jones asked about a ride-along. Chief Carvalho stated he would pick some dates and give the dates to Danie for scheduling times for the Commissioners. Commissioner's Mitchell and Linz have participated in ride-along and the stated they both really enjoyed the experience.

IX. NEW BUSINESS:

AHJ (AUTHORITY HAVING JURISDICTION): Chief Carvalho stated that when he was the Assistant Fire Chief, he was the AHJ of the District by Chief Tilley's appointment. Therefore, when Chief Carvalho promoted to Fire Chief and Chief Strawn promoted to Assistant Chief, this authority was transferred to Chief Strawn. The intent of this authority is as the Fire Marshall, you have the authority over the jurisdiction

you are serving to decide if the NFPA codes are being followed. This is an official position and it acts as a quasi-judge in which as the AHJ has final say. This title transfer from Assistant Fire Chief to Assistant Fire Chief does not require a vote or motion from the Board as it is the discretion of the Fire Chief to inaugurate the Assistant Fire Chief to this position.

ADJOURNMENT: With nothing further, the meeting was adjourned at 5:45 p.m.

These minutes are approved and attested to by signature.

Catherine A. Jones
Chairman

Mike Mitchell
Secretary

Nicholson, Reeder & Reynolds, P.A.

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William F. Nicholson (1961 - 2004)

March 5, 2018

To Board of Commissioners and Chief Kevin Carvalho

Okaloosa Island Fire District
104 Santa Rosa Blvd
Fort Walton Beach, FL 32548

We are pleased to confirm our understanding of the services we are to provide Okaloosa Island Fire District for the year ended September 30, 2017. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Okaloosa Island Fire District as of and for the year ended September 30, 2017. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Okaloosa Island Fire District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Okaloosa Island Fire District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule
- 3) GASB required supplementary pension
- 4) OPEB

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the

United States, and will include tests of the accounting records of Okaloosa Island Fire District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Okaloosa Island Fire District's financial statements. Our report will be addressed to Board of Commissioners of Okaloosa Island Fire District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Okaloosa Island Fire District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our

attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Okaloosa Island Fire District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to State Auditor General; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Nicholson, Reeder & Reynolds, PA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to State Auditor General or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Nicholson, Reeder & Reynolds, PA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal or state agencies. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately March 5, 2018 and to issue our reports no later than April 15, 2018. Larry Reeder is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$14,250. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

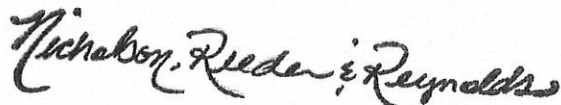
Okaloosa Island Fire District

March 5, 2018

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We appreciate the opportunity to be of service to Okaloosa Island Fire District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



NICHOLSON, REEDER & REYNOLDS

RESPONSE:

This letter correctly sets forth the understanding of Okaloosa Island Fire District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

5:02 PM

03/13/18

Accrual Basis

OKALOOSA ISLAND FIRE DISTRICT
Profit & Loss Budget vs. Actual
October 1, 2017 through March 13, 2018

	Oct 1, '17 - Mar 13, 18	Budget	\$ Over Budget
Income			
311.110 · County Reserve- Current Year	3,282,656.60	3,349,681.00	-67,024.40
311.120 · Discounts Allowed	-100,808.98	0.00	-100,808.98
335.200 · State Incentive	6,568.33	0.00	6,568.33
339.000 · Recreational Property	0.00	33,516.00	-33,516.00
361.100 · Interest Earned - Checking	127.08	0.00	127.08
369.120 · Cash Brought Forward	0.00	591,872.00	-591,872.00
Total Income	3,188,543.03	3,975,069.00	-786,525.97
Gross Profit	3,188,543.03	3,975,069.00	-786,525.97
Expense			
Contingency Reserve Expense	260,000.00	560,088.00	-300,088.00
Hurricane Reserve Expense	0.00	50,000.00	-50,000.00
522.120 · OIFD Salaries	509,987.34	1,200,000.00	-690,012.66
522.121 · Holiday Pay	7,727.52	15,000.00	-7,272.48
522.122 · Liability for Compensated Absen	1,026.24	161,631.00	-160,604.76
522.123 · Direct Deposit Charges	427.20	0.00	427.20
522.141 · Scheduled OT	9,549.34	30,000.00	-20,450.66
522.142 · Unscheduled OT	13,787.07	30,000.00	-16,212.93
522.150 · Incentive Pay	2,589.51	0.00	2,589.51
522.210 · S.S. & MED - ER Portion	41,288.42	100,000.00	-58,711.58
522.220 · Pension - ER	640,660.00	850,000.00	-209,340.00
522.230 · Medical - Group ER	133,193.96	320,000.00	-186,806.04
522.240 · Worker's Compensation	32,502.65	70,000.00	-37,497.35
522.311 · Property Appraiser	20,846.62	55,000.00	-34,153.38
522.312 · Legal	135.00	12,500.00	-12,365.00
522.313 · Tax Collector	64,125.27	65,000.00	-874.73
522.314 · Physicals & Misc Medical	664.60	8,000.00	-7,335.40
522.320 · Audit - CPA	0.00	14,250.00	-14,250.00
522.340 · Alarm Monitor Contract	720.85	1,500.00	-779.15
522.412 · Central Dispatch	1,566.00	4,000.00	-2,434.00
522.431 · Electric Co.	8,658.07	23,500.00	-14,841.93
522.432 · Gas Co.	1,448.07	3,000.00	-1,551.93
522.433 · Water, Sewer & Trash	3,238.90	7,500.00	-4,261.10
522.434 · Telephone, Internet & Cable	5,715.52	11,000.00	-5,284.48
522.451 · Insurance - Security Bonds	100.00	1,200.00	-1,100.00
522.452 · Insurance - Liability/ Property	33,417.19	33,400.00	17.19
522.460 · Maintenance and Repair	20,473.02	50,000.00	-29,526.98
522.491 · Advertising	1,901.06	7,000.00	-5,098.94
522.492 · Travel & Training	7,178.90	15,000.00	-7,821.10
522.511 · Admin/ Office Supplies	7,528.27	12,500.00	-4,971.73
522.521 · Fuel & Oil	3,434.95	25,000.00	-21,565.05
522.522 · ALS	20,076.30	35,000.00	-14,923.70
522.523 · Uniforms	6,318.57	8,000.00	-1,681.43
522.525 · Operational Supplies	4,028.62	35,000.00	-30,971.38
522.542 · Dues & Subscriptions	13,144.22	21,000.00	-7,855.78
522.543 · Haz Mat Assessment	4,483.00	5,000.00	-517.00
522.644 · Equipments	3,916.86	40,000.00	-36,083.14
522.647 · Capital Equipment (Vehicle)	0.00	65,000.00	-65,000.00
522.700 · Building Maintenance	9,102.20	30,000.00	-20,897.80
Total Expense	1,894,961.31	3,975,069.00	-2,080,107.69
Net Income	1,293,581.72	0.00	1,293,581.72