

MINUTES OF AN OPEN MEETING OF THE BOARD OF  
DIRECTORS OF THE MONARCH FIRE PROTECTION  
DISTRICT OF ST. LOUIS COUNTY, MISSOURI, HELD ON  
THURSDAY, JUNE 22, 2017

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BE IT REMEMBERED, that the Board of Directors of the Monarch Fire Protection District of Saint Louis County, Chesterfield, Missouri, met at the Administration Building, of said District, 13725 Olive Boulevard, in the City of Chesterfield, County of Saint Louis, on Thursday, June 22, 2017 at 6:00 P.M. in an Open Board Meeting. At the above time and place the following Officers and Directors were in attendance.

Rick Gans - President/Chairman and Director  
Jane Cunningham - Secretary and Director  
Robin Harris - Treasurer and Director

Also present:                   Deputy Chief Les Crews  
                                  Deputy Chief Nick Harper  
                                  Atty. Matt Hoffman

A quorum being present, Director Gans called the meeting to order and announced the Board of Directors meeting to be in session for the transaction of any and all business to be brought before it at this time.

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P R O C E E D I N G S

6:02 P.M.

DIRECTOR GANS: Call to order the Open Meeting of the Monarch Fire Protection District Board of Directors.

Would you please rise and join me in the Pledge of Allegiance?

(Whereupon, all persons joined in reciting the Pledge of Allegiance, after which time, the following proceedings were had.)

DIRECTOR GANS: Approval of Agenda. Do we have any changes to tonight's agenda?

DIRECTOR CUNNINGHAM: I have none.

DIRECTOR HARRIS: I have none.

DIRECTOR GANS: Chief?

DEPUTY CHIEF CREWS: I have none, as well.

DIRECTOR GANS: All right. And, I don't, either.

Moving on to Citizen Comments, it doesn't appear we have any citizen comment sheets tonight.

That takes us to the President's Report.

1 I don't have a report, tonight,  
2 except to say that it's good to be back in  
3 person.

4 I have missed the last few Board  
5 Meetings sitting here. I've attended them and  
6 those who might've been here would have seen that  
7 I was in attendance, but it's good to be back.

8 I am in between surgeries, so  
9 there'll be another period while I'll be on the  
10 video, again, but -- for at least a while, here,  
11 I'll -- it's good to be back in person and to  
12 have this back. (Indicating.)

13 (General chuckles.)

14 DIRECTOR GANS: And then I get it  
15 back after the next surgery.

16 You're gonna -- you're gonna get  
17 it back a little bit. Yeah.

18 So, that concludes my report. We  
19 will move on to the Secretary's Report.

20 DIRECTOR CUNNINGHAM: I have some  
21 approval of some Minutes. Let me just check  
22 these out.

23 First, I move for the Open Meeting  
24 Minutes of 4-27-17; 5-11-17; 5-25-17 and 6-7-17.

25 Is that okay if I do it that way,

1       rather than name the months?

2                       DIRECTOR GANS:  Is that okay?

3                       DIRECTOR CUNNINGHAM:  Yeah.

4                       DIRECTOR GANS:  That's okay.

5                       DIRECTOR CUNNINGHAM:  Okay.

6                       DIRECTOR GANS:  So I will second the  
7       motion to accept those Open Meeting Minutes.

8                       Any discussion?

9                       (No response.)

10                      DIRECTOR GANS:  All in favor?

11                      DIRECTOR CUNNINGHAM:  Aye.

12                      DIRECTOR HARRIS:  Aye.

13                      DIRECTOR GANS:  Aye.

14                      Motion passes.

15                      DIRECTOR CUNNINGHAM:  So now I move  
16       for the approval of the Closed Meeting Minutes of  
17       4-27-17; 5-11-17 and 5-25-17.

18                      DIRECTOR GANS:  Second.

19                      Any discussion?

20                      (No response.)

21                      DIRECTOR GANS:  All in favor?

22                      DIRECTOR CUNNINGHAM:  Aye.

23                      DIRECTOR HARRIS:  Aye.

24                      DIRECTOR GANS:  Aye.

25                      Motion passes.

1                   DIRECTOR CUNNINGHAM: That's all I  
2     have.

3                   DIRECTOR GANS: Thank you.  
4     Treasurer's Report.

5                   DIRECTOR HARRIS: Well, we have  
6     disbursements in the amount of \$308,766.20 for  
7     the period.

8                   We have five checks over \$5,000.00.

9                   Check number 39755 to St. Louis  
10    Embroidery in the amount of \$6,694.50 and that is  
11    for uniform patches and articles.

12                  Check number 39762 to United Health  
13    Care, \$172,434.46 for health insurance.

14                  Check number 39764 to UNUM in the  
15    amount of \$11,876.58. That is life and AD&D  
16    short term and long term disability.

17                  Check number 39725 to Kansas State  
18    Bank in the amount of \$55,989.29. That is for  
19    the lease payment for one of our ambulances.

20                  Check number 39699 to Ameren  
21    Missouri in the amount of \$5,025.37 for  
22    utilities.

23                  Are there any questions?

24                  DIRECTOR GANS: Yes. I have some  
25    questions.

1                   On red page number six, invoice  
2                   number 85; hold on one sec. That's not my first  
3                   question.

4                   My first question is on red page  
5                   number five. Invoice 44 is to Best Buy and the  
6                   -- for the purchase, among other things, of an  
7                   Apple t.v. for 2209.

8                   Les, how -- how are we using that?

9                   DEPUTY CHIEF CREWS: Well, we do  
10                  some of our video exchanges from an Ipad for  
11                  presentations. That's how we connect, --

12                  DIRECTOR GANS: I know what they do.

13                  DEPUTY CHIEF CREWS: That's --  
14                  that's how it's being used.

15                  DIRECTOR GANS: Is that in training,  
16                  or, -- we -- we haven't used that in the Board  
17                  Room, --

18                  DEPUTY CHIEF CREWS: Correct.

19                  DIRECTOR GANS: -- for Board  
20                  Meetings.

21                  DEPUTY CHIEF CREWS: There's  
22                  currently one at the Training Center that's in  
23                  use and this one will be used up here in this  
24                  training room, or the multi-purpose room.

25                  DIRECTOR GANS: Okay.

1                   On red page number six, invoice 85,  
2 Crest Industries. I can't remember if I've seen  
3 that name before, but it says "House supplies."

4                   What do we buy from them?

5                   DEPUTY CHIEF CREWS:       Without  
6 looking, a lot of times those are cleaning  
7 supplies. I know that Crest -- sometimes the  
8 solvents that we use for --

9                   DIRECTOR GANS:    But --

10                  DEPUTY CHIEF CREWS:   -- mostly it's  
11 --

12                  DIRECTOR GANS:    The reason -- I see  
13 2217 compressor repair on the same invoice, so,  
14 that seems like an odd combination.

15                  DEPUTY CHIEF HARPER: Deputy Chief  
16 Harper.

17                  Mister Gans, there's O-rings,  
18 assorted O-rings, black engine "unamic" enamel  
19 ceramic and "express interior details and some  
20 sort of dressing."

21                  DEPUTY CHIEF CREWS:    That's the  
22 \$52.00 part of it.

23                  DIRECTOR GANS:    Can you translate,  
24 for me, what all of that is?

25                  DEPUTY CHIEF CREWS:       Without

1 actually seeing the product, I'm going to say  
2 that "detail dressing" is probably a -- a cleaner  
3 that's used for fires and things like that.

4 "O-ring assortment" and then the  
5 "Gloss black engine enamel ceramic," that's  
6 probably paint.

7 DIRECTOR GANS: Okay. Well, it's  
8 not a lot of money, but it's a purchase I haven't  
9 seen before.

10 I'm guessing Dave Schmitt would know  
11 exactly what that is?

12 DEPUTY CHIEF CREWS: There is a note  
13 in here that says it's for the air conditioner  
14 compressor and bracket's.

15 DIRECTOR GANS: Okay. Well, then  
16 the rest of it -- then that makes sense, --

17 DEPUTY CHIEF CREWS: Okay.

18 DIRECTOR GANS: -- along with the  
19 rest of it.

20 All right. I'm satisfied.

21 The same red -- the same page,  
22 "1169, Focal Points Outdoor Solutions."

23 Not a name I've ever seen before.

24 "House Four lawn care."

25 Since we have our own lawn

1 department, what did we do there?

2 MS. DEPEW: It's like a late spring  
3 lawn care application, like some fertilizer?

4 That, I don't know. It's at House  
5 Four.

6 I've never heard of them, either.

7 DEPUTY CHIEF CREWS: We'll follow up  
8 with that and get you an answer to that.

9 DIRECTOR GANS: Will you E-mail me  
10 the answer to that?

11 DEPUTY CHIEF CREWS: Yes.

12 DIRECTOR GANS: 'Cause it's a -- a  
13 good amount of money and we have our own lawn --  
14 we have our own maintenance department. So, what  
15 work would they be doing?

16 The same page, check number --  
17 invoice 1049, "Hack Multimedia."

18 I will admit that I did not have an  
19 opportunity to go over Deputy Chief Echele's  
20 report, so I may ask questions about some of the  
21 -- and this looks like it could be one.

22 Is that on your report?

23 DIRECTOR CUNNINGHAM: That's the  
24 website.

25 MS. DEPEW: It is the website.

1 Correct.

2 DIRECTOR GANS: Okay.

3 DIRECTOR CUNNINGHAM: Yeah. It's  
4 all administrative for the website.

5 DIRECTOR GANS: All right. Well,  
6 I've asked that one before. It's one of those.

7 But, anyway, Robin, be -- be  
8 prepared.

9 Red page number seven, Home Depot.  
10 The first item on there; I don't think I have  
11 this -- oh, I do have this invoice. Hold on.

12 I can look, myself. It says, "House  
13 Three bag for 2232." And --

14 DIRECTOR HARRIS: My guess is, since  
15 it's the House Five tool bag, that it was also  
16 the tool bag.

17 If you look down just a little  
18 farther, it's for the boat.

19 DIRECTOR GANS: Yeah. Yeah. Okay.  
20 Does that sound right, Chiefs?

21 DEPUTY CHIEF CREWS: I would agree  
22 with the one on House Five, but House Three I'd  
23 like to take a look at, so before I give you a --  
24 I'll -- I'll follow up on that tomorrow and give  
25 you --

1                   DIRECTOR GANS: Well, I -- I see it  
2 right -- I have the invoice here.

3                   DEPUTY CHIEF CREWS: Okay.

4                   DIRECTOR GANS: I have this. It's  
5 a credit card purchase, so they give those to me  
6 and it says it's a 14 inch bag, large mouth husky  
7 bag.

8                   It's actually two at 19.99, so it's  
9 two of 'em.

10                  Would we keep a tool bag like that  
11 on a truck?

12                  DEPUTY CHIEF CREWS: Often times,  
13 we'll prepackage things and put 'em in a bag for  
14 ease of convenience in carrying.

15                  DIRECTOR GANS: Okay. All right.

16                  Moving on to the same page, well, I  
17 know I have the detail on a tuition reimbursement  
18 here for Josh Moran, so just give me one second.

19                  I'm going to look at these as I go.

20                  I apologize.

21                  I normally I looked at these in  
22 advance, but I did not have an opportunity.

23                  All right. That's fine.

24                  Red page number eight, the Home  
25 Depot bill I have. I will review that.

1 Red page number five, we have  
2 another tuition reimbursement. One second.

3 MS. DEPEW: Red page number nine?

4 DIRECTOR HARRIS: You mean, nine?

5 MS. DEPEW: Nine.

6 DIRECTOR GANS: Did I say "five"?

7 DIRECTOR HARRIS: You did.

8 DIRECTOR GANS: I -- oh, red page  
9 nine. Right.

10 Robin?

11 DEPUTY CHIEF ECHELE: Robin Echele,  
12 deputy chief, training.

13 DIRECTOR GANS: Is this -- is this  
14 for two?

15 DEPUTY CHIEF ECHELE: Yeah, it says  
16 two classes. There's actually two forms and it's  
17 three classes.

18 That is his last tuition  
19 reimbursement. He's completed his Bachelor's in  
20 management.

21 DIRECTOR CUNNINGHAM: So it's six  
22 courses?

23 DEPUTY CHIEF ECHELE: No, there's  
24 three different classes that he took. He used  
25 two different -- he used two separate forms.

1                   On the first form it has the two  
2                   classes that he took and then with the receipts  
3                   and the grades and then there's another form with  
4                   the other -- the third class that he took.

5                   He took three classes this last  
6                   semester.

7                   DIRECTOR GANS:     And we reimbursed  
8                   him at the University of Missouri rate only.

9                   DEPUTY CHIEF ECHELE:       Correct.  
10                  Correct.

11                  DIRECTOR GANS:    Okay.   And this is  
12                  it.

13                  DEPUTY CHIEF ECHELE:    Yes, sir.

14                  DIRECTOR GANS:    Okay.   Thank you.  
15                  Maybe, stay up there.

16                  All right.   Sam's Club Credit Card,  
17                  House supplies, red page eleven.   I do have that.  
18                  I will review that before the meeting ends.

19                  DIRECTOR HARRIS:   At least we have  
20                  the bed frames to go with the pads, now.

21                  (General chuckles.)

22                  DIRECTOR GANS:    All right.   And the  
23                  last tuition reimbursement for -- well, this is  
24                  a smaller amount.

25                  DEPUTY CHIEF ECHELE:       Yes.    The

1 last time we had a reimbursement; I don't  
2 remember the exact amount, but he had  
3 miscalculated, going by -- he gets -- there's a  
4 Clayton, his son goes to Clayton, so he gets a --  
5 a parent discount, so he gets \$900.00 -- 199, off  
6 -- off his --

7 DIRECTOR GANS: I see that.

8 DEPUTY CHIEF ECHELE: -- sub-  
9 traction, so, the \$300.00 -- it should've been  
10 just 300. I think that got entered twice,  
11 initially, and it should've canceled and then  
12 that \$300.00 -- that was the difference to make  
13 up what he shorted himself.

14 DIRECTOR GANS: Okay. So he did  
15 pass. Okay. Thank you.

16 And, finally, I don't think will be  
17 you, but on red page 14, 2297, Weber Chevrolet.

18 What did we buy? We don't have  
19 Chevrolet ambulances. What is 2297?

20 DEPUTY CHIEF CREWS: It's one of the  
21 old Suburban's, but Michelle will look at that.

22 DIRECTOR GANS: Okay. So it's  
23 labeled with --

24 DEPUTY CHIEF CREWS: It's typically  
25 the vehicle that our technical medics use.

1                   DIRECTOR GANS:     Okay.     All right.  
2     I'm good with that, then.

3                   DEPUTY CHIEF CREWS:    Okay.

4                   DIRECTOR GANS:     Those are all my  
5     questions.

6                   DIRECTOR     HARRIS:             Director  
7     Cunningham?

8                   DIRECTOR CUNNINGHAM:   I don't have  
9     any.

10                  DIRECTOR     HARRIS:         Well,     you've  
11     covered all of mine, but two.

12                  Red page nine, near the bottom,  
13     invoice 1156, a "Face piece Fit tester."

14                  Was that the item that we had  
15     budgeted for, I believe, because we needed to get  
16     our own --

17                  DEPUTY CHIEF CREWS:    Yes.

18                  DIRECTOR HARRIS:     -- tester?

19                  DEPUTY     CHIEF     CREWS:         We     --  
20     obviously, we fit test some of our employees and  
21     what that's going to do, to manufacturer their  
22     mask, they had to buy this adapter to be  
23     compatible with those face pieces.

24                  DIRECTOR HARRIS:     Okay.     And then on  
25     red page eleven, near the top, invoice 1004, a

1 repair to the valve for the inflatable boat, I  
2 realize that's fairly new. Do we know, is that  
3 -- was there some damage done to it, or just wear  
4 and tear, or does anyone have --

5 DEPUTY CHIEF CREWS: Battalion Chief  
6 Bill Long, who's in the audience, will answer  
7 that question for you.

8 (General chuckles.)

9 DIRECTOR GANS: You must've driven  
10 the boat into something and he has to come and  
11 tell us about it.

12 (General chuckles.)

13 B. C. LONG: Battalion Chief Bill  
14 Long.

15 That valve is the valve that was bad  
16 and it's not holding in any longer and had to be  
17 replaced.

18 Not the result of any damage.

19 It's not uncommon for the inflatable  
20 boats to have issues like that from time to time.

21 DIRECTOR HARRIS: Because we -- we  
22 keep that inflated at all times, do we not, so  
23 there's no delay if we have to deploy it.

24 I -- I just -- I always like to know  
25 when I see an unusual item.

1                   B. C. LONG:   Yeah.   It was still  
2   deployable and useable with that valve, but we've  
3   not -- it's not the first time we've replaced a  
4   valve on that one and on the old boat, as well.

5                   DIRECTOR HARRIS:   And I'm only going  
6   to make this comment for anyone who might be  
7   reading our Minutes or listening in the audience,  
8   but that is our secondary boat.

9                   We actually have a primary boat that  
10  is a hard side that does not need valves for  
11  inflation, because it's a much more capable boat.

12                  And I know this gets you in smaller  
13  waters with smaller issues.

14                  But, thank you.

15                  B. C. LONG:   Thank you.

16                  DIRECTOR HARRIS:   That concludes my  
17  questions.

18                  In reviewing these disbursements,  
19  they appear to be reasonable and necessary in the  
20  conduct of the District's business.

21                  Chief Crews, were these checks  
22  prepared per your recommendation?

23                  DEPUTY CHIEF CREWS:   Yes, sir, they  
24  were.

25                  DIRECTOR HARRIS:   Do they violate

1 any state bidding statutes, or constitute  
2 installment payments?

3 DEPUTY CHIEF CREWS: Not to my  
4 knowledge.

5 DIRECTOR HARRIS: I make a motion  
6 that we accept the disbursements as prepared.

7 DIRECTOR GANS: I will second the  
8 motion.

9 Any discussion?

10 (No response.)

11 DIRECTOR GANS: All in favor?

12 DIRECTOR CUNNINGHAM: Aye.

13 DIRECTOR HARRIS: Aye.

14 DIRECTOR GANS: Aye.

15 Motion passes three to nothing.

16 DIRECTOR HARRIS: And that concludes  
17 the Treasurer's Report.

18 DIRECTOR GANS: Thank you.

19 Chief's Report?

20 DEPUTY CHIEF CREWS: Under the first  
21 item, we have the audit report and we have  
22 representatives here from Hochschild and Bloom,  
23 if they -- and Michelle DePew.

24 So we'll just --

25 DIRECTOR GANS: One of them, I know.

1 He's been coming here a long time, off and on.

2 MISTER OFFERMAN: Good evening,  
3 everyone.

4 My name's Bob Offerman and this is  
5 my partner Jim Pursley.

6 We're both with -- and it's hard to  
7 pronounce, the Hochschild, Bloom & Company.

8 Now, we -- we do have an office here  
9 in the City of Chesterfield, which some of you  
10 might know, but we're happy to working with --  
11 very happy and proud to be working again with the  
12 District.

13 But, this -- our firm is 70 years  
14 old and I've been with the firm for 41 years, so  
15 I sort of grew up in the firm and Jim, likewise.

16 He -- he's been with the firm for 13  
17 years. He's -- we made him a partner a year and  
18 a half ago, so, he's -- he's really a good  
19 person, a good auditor and I'm happy to -- to  
20 have the privilege to serve on this job with him.  
21 He does excellent work.

22 But, our firm, we have a -- a heavy  
23 concentration in government auditing. We audit,  
24 probably, at least 50 governmental entities in  
25 the area.

1                   We have a second office in  
2 Washington, Missouri.

3                   We -- we do about eight fire and  
4 ambulance districts, and so we know -- we know  
5 Matt and some of the other people that you deal  
6 with, so that's -- we're happy to be here.

7                   So we're gonna go through and talk  
8 about the audit and go over the financial  
9 statement and we'll see if the Directors have any  
10 questions.

11                   So, first, Jim's gonna talk a little  
12 bit about the audit.

13                   MISTER PURSLEY:     Hi, everyone.

14                   DIRECTOR GANS:     Welcome.

15                   MISTER PURSLEY:     I'm also proud to  
16 be here.

17                   My -- my father was a fire-  
18 fighter/paramedic for 40 years in a different  
19 district, so I wasn't talented enough to -- to  
20 follow in his footsteps, so I had to take up  
21 accounting. So, --

22                   (General laughter.)

23                   MISTER PURSLEY:     -- here's where  
24 I'm at.

25                   Has everyone gotten a copy of --

1 DIRECTOR CUNNINGHAM: Hm-hm.

2 MISTER PURSLEY: Great.

3 DIRECTOR GANS: We all have it.

4 MISTER PURSLEY: So, this is --  
5 this is -- this is our first year doing the audit  
6 and with that comes a lot of extra additional  
7 background work that we have to do.

8 I almost think that it's almost  
9 double the work that normal years audit, because  
10 what we have to do is go through all the -- the  
11 District's policies, procedures, meet the people,  
12 figure out who does what and kind of start --  
13 start the ground work.

14 In addition to that, and that being  
15 said, I -- I think this year's audit was a very  
16 thorough audit.

17 We did a lot of, you know, we  
18 checked a lot of different areas. We did a lot  
19 of extra testing that we normally don't do, being  
20 that -- being the first year of the audit, so we  
21 -- we thought it was a thorough audit and we got  
22 a lot going on, a lot to be proud of.

23 So, I -- I think you'll see in the  
24 results that -- that it reflects good upon the  
25 District, on -- on -- on the results of the

1 audit.

2                   So, I'm just going through the  
3 executive and the memo here, I was just gonna  
4 shoot down the bullet points.

5                   That we, as a firm are independent  
6 of the District. We -- we don't have any  
7 relation to the District so we -- we consider  
8 ourselves independent.

9                   And we have to be independent to do  
10 the audit.

11                   There was no disagreements, or  
12 difficulties encountered, during the audit.

13                   We found no fraud, or illegal acts.  
14 None came to our attention.

15                   And there was no uncorrected  
16 misstatements aggregated that would be material  
17 to the financial statements, individually, or --  
18 or, in the aggregate.

19                   So, that's differences, or -- or,  
20 errors, within the financial's themselves.

21                   So, everything was materially  
22 stated.

23                   Our audit was performed with  
24 accounting principles, they're -- the -- the  
25 audit standards accepted in the United States, so

1 that's the DAAS Standards.

2 We also follow the governmental  
3 audit standards and we -- and this bullet point  
4 five just states it.

5 We look at the internal control to  
6 develop our tests and our risk assessments.

7 A lot of audits, now-a-days, are  
8 risk assessed based, so, we -- we kinda go in and  
9 we -- we ask management where they think the risk  
10 is and then we figure out where we think the risk  
11 is and then -- then develop our audit around  
12 that.

13 So, it's -- by doing that, we -- we  
14 take an in-depth look at the internal controls.

15 We -- we, also, reviewed managements  
16 formation of the accounting estimates and  
17 concluded they are reasonable.

18 Management's responsibility is the  
19 selection and the use of accounting policies for  
20 the accuracy of the financial statements and to  
21 make certain representations to the auditor --  
22 auditor, including a written representation,  
23 which we plan to give at the conclusion of the  
24 audit.

25 And for establishing and maintaining

1 effective internal controls of financial  
2 reporting.

3 Number seven, I believe, is the --  
4 the most important bullet point here, that the  
5 District is -- is receiving an unmodified audit  
6 opinion, which is a clean opinion.

7 That's the highest opinion a CPA  
8 firm can give.

9 So, that's a -- you know, that's  
10 good to -- to show.

11 We also say that the -- the  
12 financial statements are fairly presented in all  
13 material respects and they are in conformity with  
14 generally accounting principles, which is GASB.

15 So, I, you know, that -- that's --  
16 that's one good thing.

17 There's -- there's, also, another  
18 good thing. There's a separate report that we  
19 issue which we issue which is -- it's sometimes  
20 referred to as a "Yellow Book Report," and that's  
21 -- that's in accordance with governmental  
22 auditing standards, which are a step above normal  
23 audit -- audit standards.

24 And in that report, we didn't -- we  
25 didn't find any material weaknesses or

1 significant deficiencies, so I think that's all  
2 great.

3 And then number eight we -- we found  
4 a few items that we discussed with management and  
5 we -- we've had discussions with management on --  
6 on how to improve on some of the internal  
7 procedures.

8 So, that's being taken care of and  
9 -- and it's all good with us. So.

10 And, with that, I was gonna let --  
11 let Bob take over. He's going to walk through  
12 the audit report, for a few minutes.

13 DIRECTOR GANS: Thank you.

14 MISTER PURSLEY: Any questions on  
15 --

16 DIRECTOR GANS: Anyone have any  
17 questions?

18 DIRECTOR CUNNINGHAM: You mentioned  
19 some governmental standards, that are looked at.

20 Is transparency one of those? I  
21 just am curious because we have gone above and  
22 beyond of putting all of our financial  
23 information on the website for anyone to see.

24 MISTER PURSLEY: I don't  
25 necessarily think that's a -- that's a -- that's

1 not a requirement, unless, you know, like if it's  
2 a Sunshine Law, or something that someone has to  
3 request information.

4 But, that was something that we did  
5 notice right from the start that the information  
6 was very transparent.

7 We had no difficulty getting  
8 information from Michelle and her team. All the  
9 questions were answered, you know.

10 We -- sometimes we got more than we  
11 needed.

12 (General chuckles.)

13 MISTER PURSLEY: So, that --

14 DIRECTOR CUNNINGHAM: We just --

15 MISTER PURSLEY: -- that was  
16 helpful.

17 DIRECTOR CUNNINGHAM: -- extra stars  
18 for our transparency portal.

19 (General chuckles.)

20 MISTER PURSLEY: Good.

21 DIRECTOR CUNNINGHAM: All right.

22 MISTER PURSLEY: All right. I'll  
23 let Bob speak for a minute.

24 MISTER OFFERMAN: Okay. To the  
25 financial statements, so this is for the Calendar

1 Year 2016 financial statements for the District.

2 And if you turn over to page five,  
3 the -- the District does their accounting in a  
4 few different methods.

5 On page five is a summary of your  
6 government wide financial statements, which are  
7 full of (one word not clear) bases of accounting.

8 So, this, the government wide  
9 financial statements includes everything except  
10 for your fiduciary fund, which would be your --  
11 the -- your Welfare, your VEBA fund and your  
12 Defined Contribution fund are not included in  
13 here, but all of the other assets and liabilities  
14 of the District are included.

15 And this is a summary format of your  
16 government wide financial statements.

17 So, you see the assets were thirty-  
18 six million three ninety-three compared to  
19 thirty-six-six-forty.

20 They were down two hundred and forty  
21 -seven thousand, or seven bases points your  
22 assets were down.

23 The same time your liability for the  
24 District are about two points, or four points,  
25 three million compared to right under four

1 million in the 2015, so your -- the liabilities  
2 were up two hundred and ninety-seven thousand and  
3 seven and a half percent.

4 So, your -- the net position of the  
5 District then is at 32.1 million compared to 32.6  
6 million.

7 So your net position went down by a  
8 little over a half a million dollars, or -- or,  
9 1.7 percent.

10 The net position is broken down in  
11 three categories, invested in capital assets,  
12 which is -- that's -- that's the Houses,  
13 everything in -- in your operating vehicles, all  
14 of the historical costs, minus depreciation and  
15 minus any debt that's on those.

16 The only debt is you have a little  
17 bit of capital leases.

18 So the 9.1 million dollars -- you  
19 can see that was up a million dollars, was the  
20 District invested a little over two million  
21 dollars in new assets during the year.

22 There was depreciation taken on your  
23 assets of about 1.1 million dollars.

24 And you also paid -- I see you've  
25 got capital leases and you paid off about

1       \$150,000.00 on the capital leases.

2                   So, those -- the net of those three  
3       is a million dollar increase in your capital  
4       assets.

5                   The restrictive part is the  
6       restricted -- that's the -- the tax levy for the  
7       pension.

8                   It comes in. It gets separated.  
9       And that will be used.

10                   Part of it goes into the VEBA and  
11       then -- then the rest goes into the pension  
12       program, so that -- that money is set aside by  
13       state statute and accounted for separately.

14                   So, you got 1.8 million dollars in  
15       the pension fund and you have then 21 million  
16       dollars of restricted net assets.

17                   That's the money the District has to  
18       live on.

19                   So the next page six, we saw your  
20       net position was down by a little over a half a  
21       million dollars.

22                   At the top of the page, you had  
23       about twenty and a half million dollars of  
24       revenues.

25                   The revenues were actually down 1.9

1 percent, or \$400,000.00 decrease in revenues.

2 A little under \$300,000.00 decrease  
3 in charges for services.

4 Charges for services are your  
5 ambulance billings and your inspections and  
6 building permits.

7 So, the building permits were  
8 actually the big change. They were down a little  
9 over \$350,000.00. I guess there wasn't a lot of  
10 -- much construction in the District.

11 And the ambulance billings were up  
12 \$79,000.00.

13 And as the Directors know, we'll see  
14 a big change this year with -- you're going to be  
15 billing residents for ambulance services. That's  
16 been approved, so that -- you'll have about seven  
17 months of additional billings there, as well as  
18 pre-stat revenue this year.

19 The tax revenues were 19.5 million  
20 compared to 19.7. They were down nine bases  
21 points.

22 And about 95 percent of what the  
23 District has to live on is the tax revenues.

24 Four percent is the charges for  
25 services, which are the inspections, ambulance

1 services.

2 And the District spent 20.1 million  
3 dollars, compared to 20.2 million dollars.

4 So your expenses were actually down  
5 \$113,000.00, or a six bases points drop in your  
6 expenses.

7 The dispatching is a pass-through.  
8 You -- you collect that levy and then you give  
9 that to Central County, but it was \$938,000.00 of  
10 dispatching expense in both years.

11 Only a thousand dollar change there.

12 A little bit of interest on your  
13 long-term debt.

14 So you had revenues of 20.6 million  
15 and 20 point -- 21.1 of expenses, so your fund  
16 balance went down by a little over a half a  
17 million dollars.

18 You started with 32.6. Ended up  
19 with \$32,000,000.00 in net assets.

20 So that's your government wide  
21 statements.

22 And if you go all the way over to  
23 page 12 -- so page -- these are your fund  
24 financial statements.

25 Your fund financial statements are

1 modified accruals. And this -- this -- I'm  
2 sorry, this is how you keep your check book.

3 So if you buy a new fire truck, you  
4 expense it on your fund statement.

5 So, since this is sort of how you,  
6 you know, keeping track, you know, from a  
7 budgeting perspective, too.

8 So your funds, your assets, all the  
9 way to the right, there's the top, you have  
10 assets of 26.6 million on your funds.

11 And we saw, before, you had  
12 \$36,000,000.00 on your government wide and that's  
13 because you had \$10,000,000.00 of capital assets  
14 that aren't shown on the funds.

15 And then if you buy something, it  
16 gets expend.

17 You have liabilities of  
18 \$2,000,000.00 here.

19 The government wide you saw you had  
20 liabilities of four million. That's because the  
21 long-term liabilities don't get reported on the  
22 -- on the fund financial statements.

23 There's another category here. It  
24 says "Deferred inflow."

25 Deferred inflows from a government

1 measurement.

2 Any revenues that aren't received  
3 within 60 days of your year-end.

4 So, it can pass every 29th, or the  
5 28th, this year. It's carried over and that gets  
6 recognized in the next year.

7 So that's 3.6 million dollars.

8 There's three and a half million  
9 dollars in tax revenues and \$37,000.00 in  
10 ambulance billing.

11 So that's the part of the tax levy  
12 and the ambulance billing that were not collected  
13 within the first 60 days of this 2007 (sic) year.

14 And then your fund balances. So the  
15 -- the general fund has a fund balance of 13.4.

16 The ambulance about \$6,000,000.00.

17 The dispatching fund, like I said,  
18 is a pass-through to Central County, so it  
19 doesn't really have a fund balance.

20 And you got 1.5 million dollars in  
21 the pension revenue fund, which will -- was --  
22 was -- would've been funded earlier this year  
23 into the pension program.

24 On page 13 then is a reconciliation  
25 between the funds and the government-wide

1 statements, showing the \$20,000,000.00; a fund  
2 balance on the funds and the \$32,000,000.00 on  
3 the government-wide.

4 And the big thing is, the big change  
5 is the \$10,000,000.00 of capital assets, minus  
6 depreciation, the deferral of the property taxes  
7 that didn't come in the 60 days and 3.6 million  
8 dollars.

9 But, then, like I said, the long-  
10 term liabilities, the capital leases, (two words  
11 not understood) are not on your fund statements.

12 But on page 14, then is -- here's  
13 the revenues expenses on a fund bases.

14 So you had revenues of 20.1 million  
15 dollars. Expenses of \$22,000,000.00.

16 Most the expenses are for public  
17 safety. That was almost \$19,000,000.00.

18 A million dollars for dispatching.

19 And then the District did buy the  
20 2.1 million dollars of assets and that was  
21 completely paid by the District out of funds that  
22 the District had.

23 There was no debt incurred to buy  
24 those assets.

25 So the general fund was down 1.6

1 million dollars, or about ten and a half percent.

2

3 And by the way I looked at it, that  
4 the 1.6 million drop and if you look up there in  
5 your capital outlay on the general fund, you're  
6 almost 1.9 million dollars.

7 So you bought 1.9 million dollars in  
8 new assets, capital assets that got expend.

9 That's a big part of why it's  
10 showing that the fund balance went down, because  
11 without that capital outlay, you would've had  
12 about a \$300,000.00 surplus in the general fund.

13 Likewise, the ambulance fund went  
14 down by half a million dollars, or about 7.8  
15 percent.

16 In the ambulance fund, you bought  
17 capital assets of \$284,000.00.

18 So, and that is at -- you would've  
19 lost about 200,000 in your ambulance fund.

20 And the dispatching fund is a break-  
21 even, because that's a pass-through.

22 And the pension revenue fund shows  
23 the revenues collected and the -- and the -- the  
24 payment of the 1.8 million dollars to the pension  
25 program.

1                   Then there's a reconciliation  
2 between the two bases of accounting on page 15  
3 between the -- the -- what you lost a few million  
4 dollars on the -- in the funds accounting bases  
5 and a half a million dollars on the government-  
6 wide statements.

7                   On page 16 and 17, this is your --  
8 the welfare fund that you have, the -- called the  
9 VEBA. You have about \$5,000,000.00 sitting in --  
10 in this VEBA fund.

11                   Most of that is in -- invested. You  
12 got a little over \$5,000,000.00 in investments,  
13 \$100,000.00 in cash and some "due-to-from's."

14                   You have the "from's."

15                   On page 17 you have -- this fund --  
16 basically the District is directed to make a  
17 decision each year, but -- (one word not clear)  
18 it's been about 15 percent of the tax levy for  
19 the pension goes into this fund, which would've  
20 been the \$272,000.00.

21                   DIRECTOR GANS: Bob, I think that's  
22 made by the Pension Board.

23                   MISTER OFFERMAN: Oh, the Pension  
24 Board?

25                   DIRECTOR GANS: Yes.

1 MISTER OFFERMAN: Okay.

2 DIRECTOR GANS: Not -- not --

3 MISTER OFFERMAN: Not the  
4 Directors?

5 DIRECTOR GANS: Right. Well, the  
6 Directors are on the Pension Board, but, --

7 MISTER OFFERMAN: Okay.

8 DIRECTOR GANS: -- it's the  
9 expanded Pension Board.

10 MISTER OFFERMAN: The Pension  
11 Board. Okay.

12 Good point, Rick.

13 On page 17, then at the top, is this  
14 -- those assets returned about \$161,000.00 in  
15 investment income.

16 There was, you know, benefits paid  
17 out, including disability payments, about  
18 \$350,000.00 and some insurance payments and just  
19 a small amount of administrative-type fees.

20 So that's the VEBA fund.

21 And then that gets into all the  
22 financial disclosures that -- there's a lot of  
23 financial disclosures and let's see, we'll turn  
24 it all over to -- turnover to page 26. I'll just  
25 point this out, too, that you guys have --

1 there's a lot -- there's a lot of disclosures in  
2 there and there's constantly changes.

3 And on page 26 is -- there's a new  
4 GASB statement, number 72, that require some  
5 additional disclosures on -- on the investments  
6 that the District has.

7 So there's disclosures about the  
8 excess, the individual investments that are more  
9 than five percent of the net position of the  
10 fiduciary fund and those are listed there.  
11 There's five of them.

12 And then fair value measurement,  
13 which we've had this standard for commercial  
14 entities but not government's under GASB 72, we  
15 have to disclose how your investments get valued.

16 And so like level one, is your  
17 "observable" and level two is -- is -- so given  
18 other "observable."

19 And then level three is  
20 "unobservable" input.

21 So they're all -- all these assets,  
22 investment assets that you have is how they're  
23 defined and how they're rated, not -- not that  
24 that actually indicates risk, because this is  
25 something that targets the value; does not

1 indicate that it's more risky.

2 It says here, like the money market  
3 and specifically deposits, they don't -- they  
4 don't get a level rating.

5 And, likewise, you have some real  
6 estate investment trusts that are actually traded  
7 and no asset value, that are market value.

8 So, these -- these are all just new  
9 -- new disclosures that are required by the  
10 Government Finance Officers Association.

11 Then on page 28, here's your capital  
12 assets from your capital assets. You started  
13 with 9.7 million dollars.

14 You have some construction in  
15 progress, which I think was on Houses Three and  
16 Five, 138,000.

17 You can see, you put -- you put 1.8  
18 million dollars in service, plus the construction  
19 in progress, so you put over \$2,000,000.00 of  
20 investment in new assets during this 2016 year.

21 We took 1.1 million dollars of  
22 depreciation, so your capital assets went up by  
23 just under \$900,000.00.

24 On page 29, this -- this District  
25 does not have a lot of debt. Any -- and it does

1 not have a lot of long-term debt either.

2 So, you -- you do have a few capital  
3 leases. None that were issued in 2016, but you  
4 had about 1.6 million dollars in capital leases.  
5 You paid off about -- just under ten percent,  
6 151,000.

7 So the capital leases remained, at  
8 the end of last year, 1.4 million.

9 Then the compensated absences to the  
10 -- to the staff, starting at 1.6 million dollars,  
11 it went down, also, by 121,000 net decrease to  
12 one million five.

13 So, your -- your long-term  
14 liabilities ended at 2.9 million dollars.

15 And I don't think there's any --  
16 behind that is just some additional disclosures  
17 and then all of the final budget comparisons for  
18 the prior year.

19 So I don't think there's anything  
20 unusual there that -- that we need to address  
21 with the Directors.

22 So, I think I'll ask the Directors  
23 if they have any questions on either the  
24 financial statements or the audit process.

25 DIRECTOR GANS: I do. And does

1 anyone else have anything before I comment?

2 DIRECTOR HARRIS: I do not.

3 DIRECTOR CUNNINGHAM: This is  
4 covered anyway.

5 DIRECTOR GANS: I -- I've been in  
6 touch throughout the day, because this came to us  
7 recently, --

8 MISTER OFFERMAN: Hm-hm.

9 DIRECTOR GANS: -- with Michelle.

10 And I had most of my questions  
11 answered. We had some discussions, so I want to  
12 just read to you, to everyone what I wrote about  
13 the financial statements.

14 This pretty much describes where I  
15 am with it.

16 "Obviously, the most critical  
17 sentence in this report gives the District a  
18 clean opinion."

19 And you covered that.

20 But, Bob, you -- you did talk a few  
21 times, in here, brought up the half a million  
22 dollar decrease.

23 And the de -- and you mentioned  
24 this, too.

25 "The decrease in reserves is known

1 to the Board and we made spending decisions with  
2 full knowledge of this.

3 "Last month," you mentioned, we put  
4 in a plan -- "we put a plan in place that will  
5 increase revenue to cover expenses that had been  
6 paid by reserves last year," which is the  
7 resident ambulance billing.

8 So we're going to have a -- you  
9 said, about seven months of that this year.

10 "The fact that expenses were down  
11 from 2015 reminds me that we're being careful in  
12 monitoring what we are spending, even though  
13 decreased revenues was a major" cause -- "cause  
14 of the decrease in reserves."

15 And -- and now we get into something  
16 that Bob has heard me talk about many times.

17 You talked -- I want to also  
18 mention, you talked about this is your first year  
19 doing the audit, but it's not your first time  
20 being the auditor for Monarch.

21 MISTER OFFERMAN: Yeah.

22 DIRECTOR GANS: And you acknowledged  
23 that, too.

24 In the time that I've been on the  
25 Board, you all have done the audits numerous

1 times and then, also, as the Central County rep,  
2 you've done work for Central County.

3 So, we've worked together for a long  
4 time.

5 "As for the presentation of  
6 financial statements, you have heard me make the  
7 same comments" since you -- "since I was first at  
8 Monarch.

9 "I continue to believe the  
10 simplified financial statements mandated by GASB  
11 34 and subsequent pronouncements are more  
12 complicated for a casual reader to understand and  
13 follow.

14 "I truly believe that without  
15 extensive coaching and explanation, most regular  
16 Monarch residents will have a hard time following  
17 what is presented.

18 "Each time I have to review one of  
19 these statements, and I have done it for years  
20 for both Monarch and Central County, I have to  
21 reacclimate myself to follow the statements in a  
22 meaningful manner."

23 And that's not a comment about you,  
24 or your firm. That's a comment about what we're  
25 required to do.

1           In the old days and -- and I've been  
2 here since the old days, before GASB 34, although  
3 the statements weren't simple, they were easier  
4 for me to follow.

5           I don't have an extensive accounting  
6 background, enough to follow this and -- and,  
7 again, as I say, I have to kind of reacclimate  
8 myself to it.

9           But, to -- to the casual user, this  
10 is a lot of stuff. A lot of information. And  
11 sifting through it to get the meaningful  
12 information, I think, kinda -- well, it starts  
13 and ends with a clean opinion. For me, that's  
14 the most important thing.

15           And then the numbers, themselves, we  
16 -- we see numbers as we go through the year.

17           Michelle keeps us up-to-date.

18           We have a brief financial statement  
19 tonight, through May, revenues and expenses,  
20 simplified, but we're, I think, satisfied that  
21 we're doing a good job.

22           And I want to give credit to  
23 Michelle and her staff, but especially Michelle  
24 for putting us and keeping us in -- in a position  
25 where we can get such a -- a good report.

1                   So those are my comments.

2                   MISTER OFFERMAN: I personally think  
3 those are excellent comments and I believe the  
4 statements are hard to understand.

5                   They're -- they're, you know,  
6 they're made for constituents to be able to read  
7 them and understand them, but, I think they're  
8 really meant for bond underwriters.

9                   (General laughter.)

10                  DIRECTOR GANS: I think you're  
11 right.

12                  Yeah, I think you're right.

13                  So, thank you. Welcome back.

14                  MISTER OFFERMAN: Thank you.

15                  DIRECTOR GANS: And we'll look  
16 forward to continuing to work with you for at  
17 least a few more years and maybe a long, long  
18 time.

19                  MISTER OFFERMAN: Yeah. Yeah. And  
20 we always like communicating and we don't charge  
21 for phone calls, so, yeah, we -- with Michelle,  
22 or the Directors, if questions come up during the  
23 year, we actually appreciate you calling and  
24 asking us questions and we'll try and give you an  
25 answer. You know.

1 DIRECTOR GANS: Okay.

2 MISTER OFFERMAN: Because things are  
3 changing all the time and we're, you know, we --  
4 we would like to help the District. So.

5 DIRECTOR GANS: Okay. Great.  
6 Thanks, gentlemen. We appreciate it.

7 MISTER OFFERMAN: Thank you.

8 DIRECTOR GANS: Les, do you have  
9 anything else?

10 DEPUTY CHIEF CREWS: Yes, I do. The  
11 next item is, -- Roger Herin, the Deputy Chief  
12 Fire Marshal will make this presentation.

13 FIRE MARSHAL HERIN: Yeah, this  
14 contract for consulting and development of our  
15 software; this is a capital project that we put  
16 in this year and we've gotten the figures for it  
17 and we've got a proposed contract for your  
18 approval.

19 Did you get copies of that?

20 DIRECTOR CUNNINGHAM: Roger, you're  
21 going to need to speak a little louder?

22 FIRE MARSHAL HERIN: I'm sorry?

23 DIRECTOR CUNNINGHAM: But, that's  
24 not a microphone, so you have to speak so I can  
25 hear all the way over here.

1                   DIRECTOR GANS:  So the answer is, we  
2   don't have copies of the contracts, do we?

3                   I don't think.

4                   DIRECTOR HARRIS:  I don't believe  
5   so.

6                   DEPUTY CHIEF CREWS:  I can make you  
7   some here real quick.

8                   MS. DEPEW:  I can make them.  That's  
9   fine.

10                  FIRE MARSHAL HERIN:  What this is,  
11   is it's for our permit software.

12                  As it is, right now, we have several  
13   different data bases and what this will -- one of  
14   the main things it will do is make a relation --  
15   a single relation of database.

16                  So you enter in on a "drop" at the  
17   beginning of a project and it stays in there  
18   throughout the life of a building.

19                  That's a real critical thing for us  
20   for efficiency, because right now our method is  
21   not very efficient in recording data.  We have to  
22   do it several times for the same property.

23                  It will also allow us to do reports  
24   easily.  It will allow us to compute the listings  
25   a lot more accurately and not have to do that

1 manually.

2                   There's a lot of benefits for this  
3 and we need saving time.

4                   DIRECTOR GANS:     And when we talk  
5 about the data base we maintain, is it just  
6 commercial?

7                   FIRE MARSHAL HERIN:    Yes.     It's  
8 "File Maker Pro."

9                   DIRECTOR GANS:     No, the -- the  
10 properties.  Just commercial properties?

11                   FIRE MARSHAL HERIN:   Anything that  
12 we do, yeah.

13                   DIRECTOR GANS:   Well, so, we're --

14                   FIRE MARSHAL HERIN:     Commercial  
15 properties.  It'll take a -- a property from the  
16 inception, the site plan review, all the way  
17 through to where the building is built and then  
18 deal with the annual inspections afterwards.

19                   DIRECTOR GANS:   Okay.  Are we still  
20 doing residential remodels?

21                   FIRE MARSHAL HERIN:   No, sir.

22                   DIRECTOR GANS:     Okay.     Nothing  
23 residential.  This is only commercial.

24                   FIRE MARSHAL HERIN:   Oh.  Well, I  
25 shouldn't say nothing residential, because we do

1 the subdivision layouts for Fire Department  
2 access and fire protection water.

3 And it'll be part of this, also.

4 DIRECTOR GANS: Okay. Will that  
5 just be going forward, or will this tie in all of  
6 your current data base?

7 FIRE MARSHAL HERIN: It will tie in  
8 what we have active now, --

9 DIRECTOR GANS: Hm-hm.

10 FIRE MARSHAL HERIN: -- and  
11 everything forward from there.

12 And what the plan is, if we're able  
13 to do it in the future, we can move some of the  
14 older stuff in there as needed.

15 DIRECTOR GANS: Okay. And, so, this  
16 -- this is an addendum to an existing contract?

17 FIRE MARSHAL HERIN: Yes.

18 DIRECTOR GANS: And so Skeletonkey,  
19 tell me how long we've been using Skeletonkey?

20 FIRE MARSHAL HERIN: Hmm, several  
21 years.

22 MS. DEPEW: Three-plus.

23 FIRE MARSHAL HERIN: I'm sorry?

24 MS. DEPEW: Three-plus.

25 FIRE MARSHAL HERIN: Yeah.

1                   DIRECTOR GANS:     And is this a  
2 product that we -- this particular product, can  
3 we get this anywhere else, or because we're  
4 already with Skeletonkey, this is an enhancement  
5 of what they offer?

6                   FIRE MARSHAL HERIN:  Skeletonkey is  
7 the company, the only company in the area, that  
8 we know, that has the ability to do what we need  
9 done.

10                  DIRECTOR GANS:  Okay.  And the total  
11 -- do we have a total value of this contract?  It  
12 seems --

13                  FIRE MARSHAL HERIN:  We do.  We --  
14 we have a "not to exceed" figure of \$61,192.00.

15                  DIRECTOR GANS:  I'm looking for that  
16 on the document.

17                  DIRECTOR CUNNINGHAM:  It's on the  
18 last page.

19                  DIRECTOR GANS:  Okay.

20                  DIRECTOR CUNNINGHAM:  The second to  
21 last page.  Sorry.

22                  DIRECTOR GANS:  All right.

23                  Matt, what do you think about  
24 extended -- creating an addendum to an existing  
25 as opposed to creating this as a new contract,

1 where we would --

2 MISTER HOFFMAN: Right. I do think  
3 there are exceptions here.

4 One is that there is an existing  
5 contract.

6 Two is that it does appear to be a  
7 sole provider of this service.

8 So, you know, those are -- those are  
9 the issues that jump out at, you know, that jump  
10 out at me on, --

11 DIRECTOR GANS: All right.

12 MISTER HOFFMAN: -- in that regard.

13 DIRECTOR GANS: All right.

14 Other Directors questions?

15 DIRECTOR CUNNINGHAM: Hm-hm.

16 DIRECTOR GANS: All right.

17 Then I will make a motion to accept  
18 the consulting and development addendum from  
19 Skeletonkey in an amount not to exceed \$60,550.00  
20 -- \$61,192.00.

21 Do I hear a second?

22 DIRECTOR CUNNINGHAM: Second.

23 DIRECTOR GANS: Discussion?

24 (No response.)

25 DIRECTOR GANS: All in favor?

1 DIRECTOR CUNNINGHAM: Aye.  
2 DIRECTOR HARRIS: Aye.  
3 DIRECTOR GANS: Aye.  
4 Motion passes.  
5 FIRE MARSHAL HERIN: Thank you very  
6 much.  
7 DIRECTOR GANS: You're welcome.  
8 And you'll need signatures on this,  
9 I assume?  
10 FIRE MARSHAL HERIN: Yes.  
11 DIRECTOR GANS: All right.  
12 DIRECTOR HARRIS: I have the  
13 original.  
14 DIRECTOR GANS: Okay. We'll do that  
15 before we leave tonight.  
16 Next item?  
17 DEPUTY CHIEF CREWS: We have the May  
18 financial's and Michelle DePew will make that  
19 report.  
20 MS. DEPEW: On page 21, you'll find  
21 the May revenue and expenditures.  
22 Do you have any questions?  
23 DIRECTOR GANS: Yes, I have  
24 questions.  
25 MS. DEPEW: Okay.

1                   DIRECTOR GANS: I note, under the  
2 revenue section, that we're behind in a couple of  
3 things.

4                   It was mentioned about last year the  
5 building permit fees; it looks like it's carried  
6 into this year.

7                   Roger, can I get you back up for a  
8 sec?

9                   MS. DEPEW: And I'll make a brief  
10 comment to that. Last year, for the permit fees,  
11 we had a really big project that came in.

12                   Our budget, last year, was 800,000  
13 that we having a big project that didn't happen  
14 in '16 and we knew wasn't coming.

15                   So we knew the revenue difference  
16 would be big -- not big, but material for the  
17 auditors from '15 to '16.

18                   DIRECTOR GANS: All right. But, for  
19 '17, we have budgeted 505. We're almost halfway  
20 through the year and at 163.

21                   MS. DEPEW: Would you like --

22                   DIRECTOR GANS: When I see a big  
23 piece of construction going on right at Olive and  
24 Chesterfield Parkway.

25                   FIRE MARSHAL HERIN: Yes, we do.

1                   DIRECTOR GANS: Okay. That's gotta  
2 be good.

3                   FIRE MARSHAL HERIN: That will put  
4 us over our projected revenue.

5                   DIRECTOR GANS: Okay.

6                   MS. DEPEW: And I would like to note  
7 that just last week, was it over 100,000?

8                   FIRE MARSHAL HERIN: Yeah.

9                   MS. DEPEW: What did get -- this  
10 number will change in June, significantly. You  
11 will see it start to even out.

12                   We have two big deposits in June.

13                   DIRECTOR GANS: Okay.

14                   MS. DEPEW: They're in the financial  
15 audit. When the financials come out, you'll see  
16 that even out.

17                   DIRECTOR GANS: Good.

18                   MS. DEPEW: Yeah.

19                   DIRECTOR GANS: Thanks.

20                   MS. DEPEW: You're welcome.

21                   DIRECTOR GANS: And then out-of-  
22 District billing, we know that's going to change.

23                   Well, I shouldn't say that.

24                   Maybe it'll be a new category, or  
25 maybe in-District will mix in with that.

1 MS. DEPEW: I think that one will  
2 also start to even out. You'll see that start to  
3 catch up.

4 DIRECTOR GANS: Okay. But, based on  
5 -- well, I say "based on the budget," it doesn't  
6 look like -- yeah, it does look like we are  
7 behind there.

8 MS. DEPEW: Well, you have to  
9 understand for out-of-District billing, January  
10 and February is accrued back to December of '16,  
11 --

12 DIRECTOR GANS: Okay.

13 MS. DEPEW: -- for the bases of  
14 accounting, for any (one word not clear) come in.  
15 So, the first two months,  
16 essentially, are not in there.

17 So, you -- that will help move that  
18 trend back to what you're used to seeing.

19 DIRECTOR GANS: And then my final  
20 question is about doctor fees. Are we due for  
21 physicals this year?

22 MS. DEPEW: The physicals have all  
23 taken place. I believe we're waiting on billing.

24 DIRECTOR GANS: Okay. Because we  
25 haven't used that.

1                   Later, we'll deal with the election  
2                   expense that's budgeted and there was no  
3                   election.

4                   MS. DEPEW:    Correct.

5                   DIRECTOR GANS:  Okay.  That's all my  
6                   questions.

7                   Anyone else?

8                   DIRECTOR CUNNINGHAM:  Hm-hm-Hm-hm.

9                   DIRECTOR HARRIS:  No.

10                  DIRECTOR GANS:  All right.  Les,  
11                  back to you.

12                  DEPUTY CHIEF CREWS:  The last item  
13                  I have this evening is we're requesting to go out  
14                  to bid for some concrete repair projects at three  
15                  different locations.

16                  House Four will take up 654 square  
17                  feet.

18                  House One on Baxter Road is 1129  
19                  square feet.

20                  And House Three, which is on  
21                  Fernview, will be an additional 1200 square feet.

22                  This is the standard bid that we go  
23                  out for, for those repairs and this is almost  
24                  done annually, at those locations.

25                  So, we're just asking for permission

1 to go out to bid and get our RFP's back.

2 DIRECTOR GANS: Now this is all  
3 driveway. Is this interior, at all?

4 DEPUTY CHIEF CREWS: No, it's all  
5 driveway.

6 DIRECTOR GANS: Okay.

7 DIRECTOR CUNNINGHAM: We have to do  
8 that every year?

9 MS. DEPEW: Yes. We budget that  
10 every year. We do --

11 DEPUTY CHIEF CREWS: What we do, if  
12 -- if you look at the slab replacements, we try  
13 to stretch that out as opposed to doing it all at  
14 one time, but there's the general wear and tear  
15 on some of these facilities.

16 These slabs, it's not the entire  
17 slab, but certain sections of them.

18 DIRECTOR CUNNINGHAM: Is there  
19 anything that we can do to prevent that much  
20 turnover in concrete?

21 DEPUTY CHIEF CREWS: Not really. I  
22 mean, concrete, over a period of time, even  
23 though you think it's a hard durable surface, it  
24 does break its fatigue over a period of time and  
25 these slabs are the ones that are in need of

1 replacing.

2 DIRECTOR CUNNINGHAM: Oh, okay.

3 DIRECTOR GANS: Driving those fire  
4 trucks --

5 DIRECTOR CUNNINGHAM: It just --

6 DIRECTOR GANS: -- is different --

7 DIRECTOR CUNNINGHAM: -- seems so --

8 DIRECTOR GANS: -- altogether --

9 DIRECTOR CUNNINGHAM: -- often.

10 DIRECTOR GANS: -- than our cars.

11 DEPUTY CHIEF CREWS: Oh, yeah.

12 DIRECTOR CUNNINGHAM: Oh, but trucks  
13 goes down the road. Or, I just think that other  
14 treatment -- yes, I'm okay with going out to bid.

15 DIRECTOR GANS: All right.

16 DIRECTOR CUNNINGHAM: Do you need a  
17 vote on that, or, --

18 DEPUTY CHIEF CREWS: Yes, that would  
19 be good.

20 DIRECTOR GANS: All right. I'll  
21 make a motion to go out to bid for concrete work,  
22 House Four, 654 square feet, House One, 1,129  
23 square feet, House Three, 1200 square feet with  
24 bids due back  
25 in --

1 DEPUTY CHIEF CREWS: Thirty days.  
2 DIRECTOR GANS: -- 30 days.  
3 Do I hear a second?  
4 DIRECTOR HARRIS: Second.  
5 DIRECTOR GANS: Discussion?  
6 (No response.)  
7 DIRECTOR GANS: All in favor?  
8 DIRECTOR CUNNINGHAM: Aye.  
9 DIRECTOR HARRIS: Aye.  
10 DIRECTOR GANS: Aye.  
11 Motion passes.  
12 DEPUTY CHIEF CREWS: That's all I  
13 have, this evening.  
14 DIRECTOR GANS: Thank you.  
15 Moving on to the Attorney's Report.  
16 MISTER HOFFMAN: Yes, sir. So, I  
17 have two Resolutions tonight.  
18 The first is Resolution 6-17 and  
19 that's the Resolution that's passed every two  
20 years and then we provide it to the Missouri  
21 Ethics Commission.  
22 This is the self regulation of  
23 disclosures that the Board passes each -- every  
24 two years.  
25 So, in a nutshell, what it does

1 state is that we need to self report any kind of  
2 conflicts of interest, any kind of financial  
3 irregularities or any sort of individual  
4 contracts that any Board Member, elected official  
5 has with the District.

6 So, in a -- in summary, I'm happy to  
7 read the whole thing. I know you got this in  
8 copies, but, in summary that's what it says.

9 And, also, it does say that within  
10 ten days of filing, of signing this, we will file  
11 it with the Missouri Ethics Commission.

12 And what this does, as -- as you  
13 guys know, is that that keeps, also, from filing  
14 out those long forms, because we are self  
15 reporting by Resolution, which, of course,  
16 allowed by state law.

17 DIRECTOR CUNNINGHAM: Wonderful.

18 DIRECTOR GANS: Okay. I will make  
19 a motion to pass Resolution 6-17 of the Board of  
20 Directors of the Monarch Fire Protection District  
21 regarding the financial disclosure procedures.

22 Do I hear a second.

23 DIRECTOR CUNNINGHAM: Second.

24 DIRECTOR GANS: Discussion?

25 (No response.)

1 DIRECTOR GANS: All in favor?

2 DIRECTOR CUNNINGHAM: Aye.

3

4 DIRECTOR HARRIS: Aye.

5 DIRECTOR GANS: Aye.

6 Motion passes three to nothing.

7 Item two?

8 MISTER HOFFMAN: Yes. And the  
9 second Resolution is Resolution 6-17-01 and that  
10 is with regard to ambulance billing.

11 It updates the ambulance billing  
12 Resolution and also, because of -- it not only  
13 increases the prices that haven't been renewed in  
14 a long time, but it also does include language  
15 that -- for the new resident billing change that  
16 the District passed.

17 DIRECTOR GANS: Okay. The amounts  
18 that were revised, --

19 MISTER HOFFMAN: Yes.

20 DIRECTOR GANS: -- these are  
21 acceptable amounts? Medicare approved amounts.  
22 Correct?

23 MISTER HOFFMAN: Yes. These are the  
24 amounts that Chief Harper got from the billing  
25 company and we updated it, just recently, went

1 back and forth and made changes.

2 There also was a slight change from  
3 \$10.00 per mile to \$12.00 per mile, which is  
4 ambulance based upon billing in Medicare.

5 And so really this is a very, very  
6 similar to the prior Resolution that was in  
7 place, but updated for -- to improve both non-  
8 resident and resident billing and the increases.

9 DIRECTOR GANS: All right. I'm just  
10 going to read what the fees are, for the record.

11 This has treatment with no transport  
12 of \$150.00.

13 Basic life support, \$750.00.

14 Advanced Life Support One, \$975.00.

15 And Advanced Life Support Two,  
16 \$1,150.00.

17 With that, I'll make a motion to  
18 approve, to pass Resolution 6-17-01.

19 Is that correct?

20 MISTER HOFFMAN: Yeah.

21 DIRECTOR GANS: And amended -- okay,  
22 6-17-01 of the Board of Directors regarding  
23 ambulance billing.

24 Do I hear a second?

25 DIRECTOR HARRIS: Second.

1 DIRECTOR GANS: Discussion?  
2 (No response.)  
3 DIRECTOR GANS: All in favor?  
4 DIRECTOR CUNNINGHAM: Aye.  
5 DIRECTOR HARRIS: Aye.  
6 DIRECTOR GANS: Aye.  
7 Motion passes three to nothing.  
8 DIRECTOR GANS: Anything else?  
9 MISTER HOFFMAN: No, that is it,  
10 sir. Thank you.  
11 DIRECTOR GANS: All right.  
12 Next, we have July Meeting Dates,  
13 under New Business.  
14 The Board has communicated by E-mail  
15 with a copy to the public file and has come up  
16 with the following proposed Meeting dates and  
17 times for July.  
18 Starting with a Meeting on July 6th,  
19 an Open Board Meeting at seven p.m.  
20 A Closed Board Meeting at 5:30 p.m.,  
21 on July 13th.  
22 A Open Board Meeting on July 20th at  
23 seven p.m. and a Closed Board Meeting on July  
24 24th at 5:30 p.m.  
25 And those are our Meeting dates,

1 unless anyone has any changes to `em.

2 DIRECTOR HARRIS: I have none.

3 DIRECTOR CUNNINGHAM: I have none.

4 DIRECTOR GANS: All right. So, Les,  
5 if you'll take care of posting those on the  
6 District's website, --

7 DEPUTY CHIEF CREWS: Okay.

8 DIRECTOR GANS: -- I'd appreciate  
9 it.

10 Does anyone else have any other New  
11 Business?

12 (No response.)

13 DIRECTOR GANS: Any Unfinished  
14 Business?

15 (No response.)

16 DIRECTOR GANS: I will make a motion  
17 to adjourn.

18 DIRECTOR HARRIS: Second.

19 DIRECTOR GANS: Any discussion?

20 (No response.)

21 DIRECTOR GANS: All in favor?

22 DIRECTOR CUNNINGHAM: Aye.

23 DIRECTOR HARRIS: Aye.

24 DIRECTOR GANS: Aye.

25 Motion passes. And we are adjourned

1 and off the record.

2 (Whereupon, at 7:00 P.M., the Meeting was  
3 adjourned as described above.)

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STATE OF MISSOURI            )  
                                          )  SS  
COUNTY OF ST. LOUIS        )

C E R T I F I C A T E

I, Julie M. Senoj, Notary Public and professional court reporter, within and for the State of Missouri, County of St. Louis, do hereby certify that there came before me at that time and in that place first aforesaid, those persons and matters herein described and has been transcribed into typewritten form by Virginia L. Long and is now herewith returned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 22nd day of June, 2017.

My commission expires March 20, 2021.

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Notary Public within and  
for the State of Missouri