

Pursuant to due call and notice thereof a regular meeting of the Albany Area Fire Board was called to order by Chairman Tom Kasner at 7:00 o'clock in the evening on Thursday, July 16, 2015, in the Council Room at 400 Railroad Avenue in and for the City of Albany, Stearns County, Minnesota.

Board members present were:	Fire Chief	Gary Winkels
	City of Albany	Tom Kasner
	Town of Farming	Neil Franz
	Town of Krain	Scot Laing
	Town of Albany	Loren Pelzer

Board members absent were: none

Others members of the Fire Department present were: Derrick Dirkes, Assistant Fire Chief, Scott Reber, Assistant Fire Chief, Greg Muellner, Secretary, and Jamie Thelen, Treasurer.

Chairman Tom Kasner called for any additions or corrections to the minutes of February 9th and hearing none declared them approved.

Mr. Thelen appeared before the Board to update the Board on the number of fire/rescue calls that were billed out to individuals in 2015. Mr. Thelen noted there was a large wildland fire (300+/- acres) in Farming Township due to the negligence of a property owner that required the services of many other fire departments, MN Department of Natural Resources (DNR), and airplanes dropping water on the fire. Mr. Thelen informed the Board that Albany and other departments responding to the wildfire submitted invoices to the DNR for collection; whereby the DNR will discuss penalties and collection of other associated costs with the property owner. Mr. Thelen noted that the invoice submitted to the DNR was nearly \$24,000 and was told by the DNR payment will be received soon.

Mary Sauerer, a local insurance agent with Apollo Insurance, appeared before the Board to question why the Albany Fire Department billed an insured client for a fire service call when the property owner had obtained a Minnesota Open Burning Permit and resides within the Fire District. Mr. Winkels informed Ms. Sauerer that on the application of a burning permit, the applicant agrees to several stipulations and one of them is to keep the fire under control and assumes responsibility for all damages and costs that may result from burning done under the permit. Mr. Winkels noted that the applicant ignited a brush pile and the fire spread to the cattails in a swamp; whereby the Albany Fire Department was called to extinguish the fire which resulted in a \$3,500 invoice billed to the property owner for services per the Departments billing policy. Ms. Sauerer questioned what she should be telling her clients if they want to burn regarding potential liabilities and invoices from the Fire Department because they have the option of adding more coverage to their homeowner's policy. Mr. Kasner directed the Fire Chief to forward the departments billing policy and copy of a burning permit to all the local insurance agents.

Mr. Muellner appeared before the Board to inform the Board that the number of calls responded to year-to-date for the Fire Department is 132.

Mr. Winkels presented to the Board the following proposed 2016 Budget:

<u>ITEM</u>	<u>2015</u>	<u>2016</u>
Part time employees		
Training and Instruction/physicals		
Workers Compensation .....	\$80,500	\$55,500
Workers Compensation begin 2016	\$0	\$30,000
Relief	\$44,150	\$44,150
Office Supplies	\$1,150	\$1,150
Legal Fees	\$200	\$200

Telephone	\$2,300	\$2,300
Legal Notices Publications/Dues	\$2,800	\$2,800
General Liability Insurance	\$10,000	\$10,000
Electric Utilities	\$2,900	\$2,900
Gas Utilities	\$3,600	\$3,600
Repairs/Maint Building	\$3,000	\$3,000
Repairs/Maint Equipment o/m	\$20,800	\$20,800
Capital Investment Fund	\$25,000	\$25,750
Other Equipment/New	\$2,000	\$2,000

**Total: \$198,400                      \$204,150**

Mr. Winkels noted the proposed increase is 2.9%. Mr. Schneider estimated the revenues to be \$62,000 +/- Mr. Schneider informed the Board that the workers compensation premium has increased significantly, nearly \$28,000 annually, due to several firemen getting injured in separate incidences the past few years. Mr. Franz noted that it would be good to add a line item in the budget for workers compensation. After due discussion, a motion was made by Scot Laing and seconded by Neil Franz to approve the aforesaid Budget in the amount of \$204,150. All voted for the motion and it carried.

Mr. Schneider presented to the Council a letter the City received from Schlenner Wenner Co., the City's Auditor, regarding the Governmental Accounting Standards Board (GASB) Statement 67 and 68. Mr. Schneider noted that the Office of the State Auditor will not mandate GASB 67 and 68, but if the City does not adopt an actuarial study done to determine pension liabilities (PERA/fire relief association) for the 2015 audit, many funding agencies such as Mn Public Finance Agency (PFA), Rural Development, and the Federal Emergency Management Agency (FEMA), will not borrow or grant funds in the future in addition a negative impact on the City's bond rating. Mr. Schneider also noted that estimated cost for the actuarial study for the first year is \$2,400 to \$3,500 and then decreases in the future. Mr. Franz noted that the Fire Department has applied and received FEMA grants and recommend that the fee be divided between the City and Fire Department in a fair manner. After due discussion, a motion was made by Loren Pelzer and seconded by Neil Franz to comply with GASB 67 & 68 and to base the fee paid to a consultant by each entity as a percentage of the total fund balance in each. All voted for the motion and it carried.

The Board took notice of the renewal of a proposed three-year agreement to provide rural fire protection by the Albany Fire Department to the City of Albany, Townships of Albany, Farming, and Krain. Mr. Schneider presented to the Board calculations depicting total tax capacity and/or market values for each participating jurisdiction, those sections within the Fire District, to determine what percentage for reimbursement of the annual expenses of the Fire Department would be considered. Mr. Schneider noted that other fire departments no longer use the aforementioned calculations because there are too many variables to consider in each jurisdiction and randomly select a percentage that is favorable to each. Mr. Franz questioned how many fire/rescue calls relate to Interstate 94 and recommended that the calls not be included in the year-end call total for the City of Albany and Albany Township because other participating jurisdictions do not have a major highway intersecting their jurisdiction. Mr. Laing noted that the current fire service agreement and percentage for reimbursement to the Albany Fire Department is fair and has no objections. After due discussion, and careful consideration, a motion was made by Loren Pelzer and seconded by Neil Franz to approve the renewal of a three-year agreement (2016-2019) to provide fire protection by the Albany Fire Department to the City of Albany, Townships of Albany, Farming, and Krain. All voted for the motion and it carried. The following are the set percentages for each jurisdiction relating to reimbursement for the Fire Department operations that are included in the aforesaid agreement:

- City of Albany                      56%
- Town of Albany                      28%
- Town of Farming                      10%
- Town of Krain                      6%

Mr. Winkels informed the Board that within a month the Department should receive confirmation from the Insurance Services Organization (ISO) confirming the final ISO rate for the service area. Mr.

Winkels noted that communities whose Public Protection Classification rate improves may result in lower insurance premiums. Mr. Winkels informed the Board that a copy of the letter will be forwarded to the Board upon receipt which can be given to local agents to determine any savings for property owners within the Fire District.

Mr. Winkels presented the following bids received for a new Pumper Tender Truck (Apparatus Body and Chassis):

- Stainless & Repair, Inc.  
Marshfield, WI                    \$219,564
  
- Heiman Fire Equipment  
Albany, MN                         \$207,446

Mr. Winkels informed the Board that an advertisement for bids was published in the Albany Enterprise on May 27<sup>th</sup> and bids opened on July 1<sup>st</sup>. Mr. Winkels noted that the new pumper tender would replace Unit 11, a 1996 Ford 2000 gallon tanker. Mr. Winkels also informed the Board the truck committee reviewed each bid as per the specifications and noted Heiman Fire Equipment did not meet the specifications. Mr. Thelen presented to the Board the Fire Apparatus & Equipment Replacement Schedule that includes financing the replacement of all trucks over a period of time. Mr. Thelen noted that potential funding source to be the Fire Board Equipment fund (\$120,000) and the Department's general/gambling funds (\$100,000). Mr. Winkels noted that the existing tanker truck would be sold and funds deposited in the Departments general fund. Mr. Pelzer questioned how funding projected in the future on the schedule can be maintained being fire trucks are getting more and more expensive to replace. Mr. Winkels noted that the prices for new vehicles are increasing a small percentage each year and it may be difficult to maintain adequate funding or FEMA grant applications may be considered. After due discussion and careful consideration, a motion was made by Scot Laing and seconded by Loren Pelzer to accept the low bid from Stainless & Repair, Inc. in the amount of \$219,564 and proposed funding sources. All voted for the motion and it carried.

Mr. Thelen presented to the Board non-budgeted equipment purchases by the Fire Department that included the general and charitable gambling fund.

Mr. Winkels presented the following information to the Board relating to the activities of the Department:

- FEMA grant approved in the amount of \$64,000+/- (turnout gear, helmets, fire hose, 800 Mhz portable radios, pagers, air compressor w/bottles, and smoke machine)
  
- The annual Blattner Family Golf Tournaments for the Albany and Avon Fire Departments is on Monday, August 10<sup>th</sup> at the Albany Golf Club. Donations received by each department have been in excess of \$15,000 in the past.
  
- CenterPoint Energy Service Company, LLC, grant approved in the amount of \$2,500 from their Community Partnership Matching Grant Program. Funds to purchase two (2) Hydrogen Cyanide gas detectors and an automatic blood pressure monitor.
  
- Applied for MN Department of Natural Resources (DNR) 50/50 grant. Maximum grant \$5,000 to local department.

Chairman Tom Kasner adjourned the meeting at 8:40 PM.

Tom Schneider  
Clerk/Adm.

## NOTICE OF THE ALBANY AREA FIRE BOARD MEETING

There will be a meeting of the Albany Area Fire Board in and for the City of Albany, Stearns County, Minnesota at 7:00 o'clock in the evening on Tuesday, February 16, 2016, in the Council Room at 400 Railroad Avenue for the said City.

### AGENDA

1. Act on minutes of meeting held July 16, 2015.
2. Gary Winkels, Fire Chief - update Board on new 2016 Officers of Department
  - Fireman Dean Mitchell retirement
  - new Firemen
3. James Czajkowski, President, Relief Association - GASB Actuarial Valuation Report update
4. Jamie Thelen, Treasurer - report on fire/rescue call out charges and equipment replacement schedule
  - 2016 Capital Equipment recommendation
  - present proposed amendment to billing policy
5. Greg Muellner, Secretary - present summary of calls responded to by Albany Fire Department from previous year
6. Gary Winkels, Fire Chief - present the following:
  - present 2015 operations report and reimbursement
  - present 2016 capital equipment fund
  - Albany Fire Dept. Relief Charitable Gambling Activity Report
  - New firemen training update
  - Update Pumper Tender Truck (Apparatus Body and Chassis)
  - 2015 FEMA Grant update (purchases/revenue)
  - Donation received from 2015 Annual Blattner Family Foundation Fire/Police Department golf fundraiser
  - Discuss 2017 firemen, officer wage increase and equipment/firemen billing rates

Tom Schneider  
Clerk/Adm.