

**Murrells Inlet – Garden City Fire District
Board of Directors Meeting
July 26, 2021**

Members in attendance: Gene Connell, Pat Walsh, Kay Benton, Alison Burns, Beth Ward, John Magann.

Also in attendance: Chief Haney, Assistant Chief Kosto.

Accountants David DeKleva and Clare McLaurin from the accounting firm Smith Sapp were in attendance and presented the 2020 audited financial statements. The firm issued an unmodified opinion on the financial statements, also known as a clean opinion, this means the amounts and the disclosures contained in the statements are fairly represented in all material respects. The Statement of Net Assets, or Balance Sheet, show the total assets were \$12,462,000 at year end, a 5% increase from the prior year. The largest asset, Capital Assets, including building, equipment, and fire trucks, totaled \$5,848,000. The next largest asset was receivables, which totaled \$4,991,000. It consists primarily of EMS billings and property tax receivables. Cash and Cash Equivalents totaled \$1,460,000 at year end. Mr. DeKleva pointed out that the Cash and Cash Equivalents equates to approximately two and a half months of the department's annual expenditures. Liabilities were \$9,555,000. Total Net Position, which is the difference between the assets and liabilities is \$4,805,000 – the majority of which is the department's investment in its capital assets. The Statement of Activities shows total revenues at \$7,592,000. The largest revenue was property taxes, it totaled \$4,450,000, which was about a 4% increase from the prior year. The next largest revenue item was charges for services was \$1,600,000, a nearly 5% increase. Total expenses were \$7,564,000, a 13% increase due primarily to an increase in personnel costs. Overall, the department's operations for the year resulted in a slight increase in its net position of about \$27,000. Mr. DeKleva notes one control related item to relate, which is the same as prior years: "We assisted the department in preparing its financial statements. Our professional standards require us to make this communication." Beth Ward stated she and the administrative staff had met with the auditors regarding some changes we'll make going forward to our internal financial statements and Clare will be working with Barbara to do that. It won't affect our quarterly reviews, but it will affect our presentation of the financial statements on an interim basis to more closely align with what we get on an audited basis. There were no concerns that we had on the audited statement.

Beth Ward made the motion to accept the audited financial statements as presented. John Magann seconded the motion, and the motion carried.

Impact Fees: The group asking for a reduction in impact fees has asked to make a presentation at the August meeting. Another group is asking if the district would be interested in the property near Seaside Elementary in lieu of impact fees and should also be in attendance next month.

Minutes: Kay Benton made the motion to accept the February minutes as written. Beth Ward seconded the motion and the motion carried.

Financials: Kay Benton made the motion to accept the financials as presented. Alison Burns seconded the motion and the motion carried.

Chairman's Report: None.

Chief's Report: Chief Haney distributed a resolution for approval. This resolution was last discussed in July 2016, and provides for the collection of fees from insurance companies for response to certain motor vehicle

accidents. We have been collecting these fees through the vendor Innovapad since 2016, but there is no record of the resolution. Chairman Connell states we will need three readings to approve a resolution due to the time passed since the last discussion. Chief Haney will pause current collection activities until this issue can be resolved.

The American Rescue Plan Act was approved in March, giving states and counties the ability to request funds directly from the federal government. Neighboring fire departments have acquired funds to issue a premium payment to their staff. Special purpose districts are unable to request funds directly, and the mechanism to request funds has not been put into place. Chief Haney has reached out to the SC Association of Special Purpose Districts and the Legislative Delegation to find out how to secure funds. State level task force meetings are being held this month to determine the allocation of these funds.

Old Business: None.

New Business: None.

Public Comment: Larry Hopkins asked if anyone knew about the lot next to headquarters? If it is available, the district should look into purchasing it.

Executive Session: Alison Burns moved to enter executive session. Pat Walsh seconded the motion and the motion carried.

Chairman Connell announced at the end of executive session that no votes were taken. He read part of the Employee Manual, revised 2014, Problem Solving Procedure, page 22, Section F: "Except in circumstances involving alleged harassment or discrimination (which procedures are outlined in the Harassment Policy), employees wishing to address the Board of Directors about a problem or concern of the Fire Department should use the following procedure: 1. Schedule a meeting with the Fire Chief. 2. Explain the nature of the problem to the Chief and try to resolve the matter. If for any reason you are not satisfied with the explanation or still feel that it needs to be brought before the Board, then a form will be provided for that purpose. The form should be completed and returned to the Chief. He will see that it is delivered to the Board Chairman. The Chairman will determine if the Chief has answered the request or if it needs to be brought to the Board. 3. If it is determined that the request needs to be brought to the Board, then it will be placed on the agenda and the employee will be notified of the date and time. 4. By following this procedure, problems and concerns can be addressed in a timely manner and a better system utilizing the chain of command is provided. The Board of Directors will also be better prepared to effectively answer questions." The Chairman stated in the future, if anybody who is an employee, has a problem, must follow this procedure and must use this form, which says "I hereby request to be placed on the agenda at the next board meeting. I have met with the Fire Chief on (blank) date and now request to meet with the board." The board requests the following documents be placed on the internet for public consumption: the Employee Manual, the Bylaws and Policy and Procedures, and a copy of the Statute that governs the Murrells Inlet – Garden City Fire District.

Next meeting is August 23, 2021 at 6:00 p.m.

Adjourn: Kay Benton made the motion to adjourn. Pat Walsh seconded the motion and the motion carried.

Approved on August 23, 2021

