

MINUTES OF THE REGULAR WORK SESSION OF  
THE O'FALLON FIRE PROTECTION DISTRICT  
BOARD OF DIRECTORS  
September 11, 2014

A Work Session of the O'Fallon Fire Protection District Board of Directors was held on September 11, 2014, at Station #1's Multipurpose Room, 119 East Elm Street, O'Fallon, MO. Director Laughlin called the meeting to order at 7:10 p.m. Notice of said meeting had been provided at least 24 hours in advance of the meeting by posting the meeting time in the case on the outside wall of the Administrative Offices at Station No. 1. The following Directors were present: Director Bill Laughlin, Director Matt Gober, and Director Matt Simmons. The following staff members were present: Chief Tom Vineyard, Assistant Chief Ken Vomund, Fire Marshal Mark Morrison, Financial Director Bob Cerrano, Shop Steward Eric Johnston, Captain Mike Alcorn, and Board Admin Assistant Karen Lucido.

The following guest was present: Attorney Neil Bruntrager; Members of the Missouri Heat 14+under Select Softball Team

The Pledge of Allegiance was lead by Chief Vineyard, followed by Fire Marshal Morrison's reading of the Firefighter Prayer.

Director Laughlin requested a moment of silence in memory of the firefighters, emergency responders, and victims of the World Trade Center 9-11 Tragedy.

FINANCIAL MATTERS:

Financial Director Cerrano reviewed Ekon's Actuarial Report regarding the District's Retiree Insurance Program. The results are based on worse-case scenario and directly relate to how the District's Retiree Health Insurance Policy is currently worded. Discussion held that the report shows this program is under-funded by \$2.7 million and that based on the current policy the District should have \$3.7 million in the bank. Financial Director Cerrano said our District is one of the few Fire District's actually funding this program and putting money for it in its Reserves. Mr. Cerrano recommended that the Medical Committee look at the Retiree Health Insurance Policy in 2015 and review options for not having it be an open-ended policy, bringing their recommendation back to Labor Management for review. He said we need to keep the intent of the policy intact which is to ensure our retirees have health insurance coverage until they are eligible for Medicare. He stated another issue is

Approved, Board Mtg OF 9-25-14

that insurance companies only allow a percent of enrollees to be retirees (currently it is 10% or 6 employees) and that is limiting. As of today, the District has 4 Retirees on the program. Possible solutions may be to reimburse retirees for their premiums up to the premium amount paid by employees, or consider having a Retiree HRA Program. Attorney Bruntrager asked why the Actuary predicted a shortfall? The Actuary looks at many variables including the ages of the employees, potential number of retirees, and adds inflation to Health Insurance costs. Attorney Bruntrager said he is familiar with Ekon and they are a good firm. Shop Steward Johnston said this is a contractual issue so it needs to also be sent to the Shop, and should possibly be part of this year's contract negotiations. Attorney Bruntrager recommended looking at other fire departments' programs. Mr. Cerrano said we are currently making payments to Reserves for this program, but have not made up the shortfall from earlier years when this program was not funded. Chief Vineyard said this is not an emergency situation and we have time to review it. Mr. Cerrano recommended reviewing the program and making any revisions by the end of 2015.

Financial Director Cerrano asked for approval for Budget Amendments to cover 9142's Repairs and higher than anticipated overall vehicle repairs, and to adjust for the increased worker comp premiums. A motion was made by Director Laughlin to approve the Request for Amendments to the 2014 Budget as presented in Financial Director Cerrano's memo dated August 28, 2014 and attached as Exhibit I, seconded by Director Gober. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

Director Gober said he met with Vision Electric regarding remedies for Station #5's water/electric issue and he agreed with their proposed repairs, and the Board had recommended immediately proceeding with repairs. Discussion held. A motion was made by Director Laughlin to ratify Vision Electric's proposal dated August 28, 2014 for repair of Station #5's electrical issues as presented, stating a total lump sum quote of \$9,412.00 with a contingent amount of \$1,582.00 if existing wiring from the Ameren Transformer needs replacing, seconded by Director Gober. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

Assistant Chief Vomund said Vision began repairs today, and will complete them Monday when the station's power will need to be shut down for approximately 4-5 hours.

Director Laughlin said he met Greg Stewart, Summit Financial's broker at the last MACFPD seminar who asked to give the District a Disability Insurance quote. Mr. Stewart is proposing to group District's together to save on premium and needs permission to gather certain information from our District's insurance carrier as there is already a Broker of Record. Discussion held. Chief Vineyard requested this be moved to Closed Session for further discussion; consensus to move discussion to Closed Session.

LABOR MANAGEMENT:

Chief Vineyard said Labor Management has Return to Work, Reserve Program, and Social Media policies currently posted for 30 days for employee review. The Return to Work Policy does not include Return to Work Testing criteria which will be looked at further by the Fitness Committee, and is a contractual issue. The Committee is looking at a third-party, the Work Center, to do return to work testing for specific injuries, not fit for duty testing. Chief Vineyard explained the repercussions of doing fit for duty testing versus specific injury testing. The Board will be kept updated, and Chief Vineyard requested the Directors contact him with any questions.

OPERATIONS

Chief Vomund said the new Rescue Pumper is at Station #1 and having the radio installed and equipment and hose loaded on it. He estimated a week to 10 days until it is ready to be placed in service. Old hose will be added now until new hose arrives the week of October 2, when it will replace the old hose.

Chief Vomund stated 9154's 2001 portable generator needed repairs, and the repairs equaled the cost of a new generator. He stated a new generator was purchased as this is an essential piece of equipment for the trucks. A motion was made by Director Laughlin to ratify Harvester Small Engine's proposal in the amount of \$1,950.00 for the purchase of a replacement 5,000 watt generator for 9154, as

presented, seconded by Director Gober. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

OTHER ITEMS FOR CONSIDERATION

Fire Marshal Morrison said that a change order for new Station #1 has been received regarding the required traffic light. This item was not in the original contract, but was estimated at \$100,000 in the original construction budget. He stated Lamb put it out for bid and the cost will be \$51,232.00, which is just paying cost, not a premium. A motion was made by Director Laughlin to approve Change Order #001 for Project #11077-003 in the amount of \$51,232.00 for all work associated with the installation of a traffic signal by Schneider Electric as presented; Director Laughlin authorized to sign the Change Order, seconded by Director Simmons. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

Shop Steward Johnston said the Shop voted to recommend Captain Mike Alcorn serve as the Pension Board Member representative for the Shop for the next term. A motion was made by Director Laughlin to appoint Captain Mike Alcorn as Pension Board Member representing Shop employees for a 2-year term, effective immediately, seconded by Director Gober. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

A motion was by Director Laughlin at 7:44 p.m. to go into Closed Session after a 10 minute break, pursuant to RSMo 610.021 (1) Legal Actions involving a public governmental body and confidential or privileged communications between a public governmental body or its representatives and its attorneys; (12) Any documents related to a negotiated contract until a contract is executed; (13) Individually identifiable personnel records or records pertaining to employees, seconded by Director Gober. Upon roll call the vote was:

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Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

A motion was made at 8:53 p.m. by Director Laughlin to adjourn the Closed Session and reconvene in Open Session, seconded by Director Gober. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

A motion was made by Director Laughlin to approve Summit Financial Group's Letter of Authorization to obtain needed information to quote on employee benefits in force with Standard Insurance Company, as presented; Director Laughlin authorized to sign the letter, seconded by Director Gober. Upon roll call the vote was:

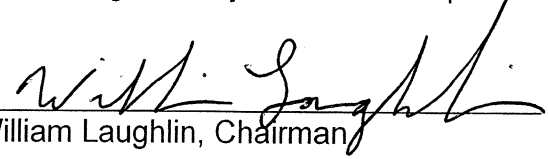
Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

Director Laughlin announced that the next Board Meeting will be held Thursday, September 25, 2014, beginning at 7:00 p.m., Station #1, as well as a Public Hearing regarding setting the District's 2015 Tax Rates.

A motion was made by Director Laughlin to adjourn the meeting, seconded by Director Simmons. Upon roll call the vote was:

Ayes: (3) Directors Laughlin, Gober and Simmons  
Nays: (0) None  
Absent: (0) None  
Motion declared and carried.

There being no further business, the meeting was adjourned at 8:55 p.m.

  
William Laughlin, Chairman

ATTEST:

  
Karen Lucido, Board Administrative Assistant

9-11-2014  
*[Signature]*

**EXHIBIT I**

# MEMORANDUM



**O'FALLON FIRE PROTECTION DISTRICT**  
119 E ELM STREET  
O'FALLON, MO 63366  
PHONE: 636-240-5312 EXT 251  
FAX: 636-272-7857  
EMAIL: rcerrano@ofallonfire.org

To: Board of Directors  
CC:  
From: Robert Cerrano  
Date: 08/28/2014  
RE: Request for Amendments to the 2014 Budget

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## GENERAL FUND

I am requesting the Board increase Line Item 5410000, Insurance, by \$40,000 to reflect the increase in Workers Compensation premiums. To offset this increase, I am asking the Board to decrease Line Item 5431000, Legal and Election Costs by \$35,000.

I would also request the Board increase Line Item 5211000 \$121,000 for higher than anticipated vehicle repair including rust damage repairs to 9142.