

The First Budget Hearing for the Fiscal Year 2012-2013, Beach Mosquito Control District, was called to order by Chairman Smith at 5:01 P.M., September 5, 2012. Smith directed the secretary to record the presence of all commissioners, the director, attorney and guest.

Present: Commissioner John Smith, Chairman  
Commissioner Larry Couch, Secretary  
Commissioner Tom Easter, Treasurer  
Director James Clauson  
Attorney Amy Myers  
District Secretary Joyce Dean

Guest: Brad Gunn

Smith stated the District advertised in the local newspaper the millage roll-back rate which was .1511, and opened the floor for discussion. Clauson related the roll-back rate would generate \$1,049,758.07; the current millage rate of .1438 would bring \$999,041.77, a difference of about \$50,000. Easter said he would not be willing to vote for raising taxes this year. He conceded that possibly next year he would consider doing so, if the economic situation was improved. He continued that everybody else is cutting back, laying employees off, and felt the District should remain at the current millage rate. Couch reiterated his concern because the District has continued to cut the budget. He felt the public health could be at risk if the District does not have adequate funding to purchase products needed for mosquito control, and cited the increased product necessary after all the recent rain. Couch commented that with the roll-back rate, a house valued at \$150,000 would see an increase of \$1.50 per year. Easter commented that his taxes for mosquito control would increase \$2.00 per year with the roll-back rate; his taxes were \$19.59 last year, but with the roll-back rate, the amount would be \$21.42. Easter continued that it wasn't the dollar amounts, but rather the principle, and added that the county was laying-off school teachers and deputies. Couch countered that the county has \$47,000,000 in their budget, compared to the District's \$1,000,000 budget. Easter said property values have not yet started to increase in value. Couch agreed, and questioned how the District could continue to operate if property values do not improve, and the District continues to cut the budget. Couch emphasized the District's responsibility for the health of the public, especially with the current West Nile advisory in effect for the county. He stated the additional \$50,000 to be generated by the roll-back rate would supply the District with a lot of chemicals, with a minimal increase for the District's residents.

Smith referenced the hand-out he prepared, which included a break-down of the budget, millage rates, revenue and percentage increases and decreases for the fiscal years from 2000/2001 through 2011/2012. He noted that the average tax increase over the last eleven years was 32%, which averaged out to be roughly 3% increase per year, which is in-line or slightly above the inflation rate. He added there were a lot of agencies that would be fortunate to be able to increase their revenue by that amount each year. Another area he considered was the District's carry-forward funds, which is anticipated to be just under \$400,000. Clauson clarified that the current estimated carry-over was \$325,000, which included the payment from the County for spraying in the county, as well as the

additional cost of the chemicals required to do so. He continued that he used \$300,000 as the estimated carry-over for the budget computations, lower than the previous year. Smith stated the District would have more money than anticipated, at least \$26,000 if not more, and would need to make up for the \$24,000 to equal the additional \$50,000 that could be received if the millage was set at the roll-back rate. Smith continued that he also reviewed the TRIM notice and with the exception of the District, which proposed adopting the roll-back rate, no agency was increasing the millage. He felt that did not look good. Smith concluded that based on his review of those three areas, he recommended staying with the existing millage of .1438 rather than the roll-back rate of .1511, with the knowledge that things will improve, that home values will increase, and by holding at that same rate, the District would see a revenue increase. Clauson agreed that would happen at some point in the future. He asked that if the millage rate is held at .1438 and property values increase, would the board feel the pressure to reduce the millage rate. Easter said he would not; Smith said not necessarily. Clauson reminded the board that residents would be paying more taxes, and Easter said he still would not reduce the rate because the rate has been held steady all those years.

Easter brought up that the board had cut back on the money, he did not remember the board ever discussing cutting back on services, employees, or equipment. He referenced again the Sheriff's office cutting back deputies; the school board laying-off teachers; the road department cutting employees. He stated everybody is cutting back except the District. He asked if the District has ever cut back on anything. Clauson responded that the budget has been reduced every year. Easter asked what had been cut, and Clauson explained line items had been reduced in the budget, with resulting necessary cuts. Couch added that one employee position was not filled when the employee retired. Smith stated that the budget has been reduced by 43% in the last four years. Couch added that the commissioners have cut the budget a little over a half-million dollars. Smith said he did not like cutting the budget, especially with the roof leaking and other areas that needed to be taken care of, but at the same time, he felt the District could get by with the amount of carry-over funds available. He continued that although there have been cuts, there are possibly other areas that could be cut as well. He stated that employees received their raises based on the every-other-year step-increase plan. Easter stated the District should have hired a part-time employee at half the cost and no benefits instead of the full-time employee that was hired to replace the last retiree. Smith, Couch and Clauson explained that two employees had recently retired and only one was replaced. Easter asked for confirmation that the District operates with a full staff only two days a week; that Mondays and Fridays are not fully staffed. Clauson confirmed the structure established, and stated it was a good system.

Brad Gunn asked what the carry-over amount was for the last fiscal year and Clauson responded a little over \$400,000. Gunn stated that the District spent \$80,000 more than it took in last year in tax revenue. Smith conceded that the reduced budget may require additional "belt-tightening". Clauson added that because of the dry season last year, the District was not required to spray as frequently and therefore used less product. Gunn continued that the District had a lot of drums, but has since gone through the chemicals inventory. The price has increased to about \$5,000 per drum for Dibrom, and it takes three drums, \$15,000, to adulticide the beach district area per night with the helicopter. Clauson stated eight drums were recently purchased, and three were used for the county spraying. He continued that all the

traps were overflowing with mosquitoes, the West Nile virus is throughout the Panhandle as well as the state, so as soon as the weather permits, the District will aggressively spray with the helicopter and the trucks. Gunn added that the helicopter has not been used that much, because at \$15,000 a night in chemical costs alone, it doesn't take much to go through a lot of money. Easter asked if we'd had any complaints about mosquitoes and Clauson responded that service requests have been low during the past week due to people not being outside in the stormy weather. Clauson emphasized that the traps are showing a lot of mosquitoes, consisting primarily of nigrpalpus, which are vectors for West Nile. Joyce Dean added that over 40 service requests had been received since the last board meeting and a lot of the calls were from individuals concerned about the West Nile virus. A brief discussion followed regarding the West Nile situation, and Couch noted that because of this concern, the residents may be much more receptive to the roll-back rate.

Brad Gunn related that the District has been fortunate that no major helicopter expenses have been necessary in the last seven years, and repairs for the helicopter would be extremely expensive. A discussion ensued regarding the use of the helicopter, routine maintenance and possible major expenses. Couch reiterated that he was worried about the cash carry-over continuing to decrease. Easter stated a bank loan was always an option.

Couch asked for and received confirmation that the tentative budget previously approved by the board was based on the roll-back rate. He then asked where the \$50,000 shortage would come from to meet the budget, and recommended that, if the roll-back rate was not approved, the shortage be moved from cash carry-over. Smith stated the budget will still need to be cut in some areas, probably through capital outlay and contingency. He continued that the District would save money on the FMCA attendance, since it would be in Destin this year and would just be a commute.

Gunn explained the fees the District is able to charge for using the helicopter to spray the county. He stated there is no profit; the charge consists solely of costs to the District. He continued that insurance, future maintenance, employee time as well as fuel and chemical costs, are factored into the price charged to the county. Easter stated the District should not be operating as a profit-neutral entity, and Gunn stated the FAA would not allow it. Easter said we wouldn't tell them, and Gunn emphasized the importance of adhering to FAA regulations. Gunn explained that if the District is found in violation and the Public Use Certificate is pulled, there would be no more aerial spraying.

Smith asked if there were additional comments or questions and there were none. Easter moved that the District establish the tentative millage rate of .1438 for the 2012-2013 fiscal year. Smith seconded the motion and called for vote. The motion passed unanimously. Couch moved that the District set the tentative budget for the fiscal year 2012-2013 at \$999,041.77. Easter seconded, and the motion passed unanimously.

Easter related that he may be out of town and unable to attend the Final Budget Hearing on Monday, September 10. Smith asked Attorney Myers if the remaining two commissioners would constitute a quorum sufficient for the Final Budget Hearing, and she confirmed that as long as the two

commissioners present were in agreement, there would not be a problem. She continued that Easter should be available to participate by telephone if there is a possibility of a vote disagreement. Smith did not feel that would be a problem. Clauson asked about the requirement on the TRIM form regarding a unanimous vote as opposed to a majority vote, and Myers clarified that the two commissioners constituting a quorum and voting the same would meet the requirement of a unanimous vote.

There being no further business for the First Budget Hearing, Chairman Smith adjourned the meeting at 5:35 P.M.

A handwritten signature in cursive script, appearing to read "John Smith", written over a horizontal line.

John Smith, Chairman

A handwritten signature in cursive script, appearing to read "Larry Couch", written over a horizontal line.

Larry Couch, Secretary

A handwritten signature in cursive script, appearing to read "Tom Easter", written over a horizontal line.

Tom Easter, Treasurer

RESOLUTION 12-02

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BEACH MOSQUITO  
CONTROL DISTRICT; ADOPTING A BUDGET FOR FISCAL YEAR 2012-2013;  
AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with Section 388.201, Florida Statutes, the District prepared a tentative detailed work plan budget in a total amount of \$1,049,758.07, covering its proposed operations and requirements for the arthropod control measures during fiscal year 2012-2013, which was approved by the Board on July 3, 2012, and

WHEREAS, in accordance with Section 200.065, Florida Statutes, the Board adopted the tentative budget in the amount of \$999,041.77 at the conclusion of a public hearing conducted on September 5, 2012, and

WHEREAS, the Board finds that the proposed budget of \$999,041.77 is appropriate to fund the District's proposed programs and commitments for Fiscal Year 2012-2013, and that the total funds available from taxation and other sources equal the total of appropriations for the expenditures and reserves.

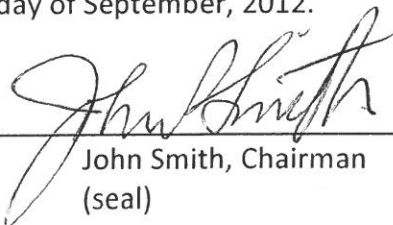
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE BEACH MOSQUITO CONTROL DISTRICT, BAY COUNTY, FLORIDA:

Section 1. That for the purpose of securing an equal and uniform rate of taxation, and to pay appropriations for all purposes due and necessary for the fiscal year beginning October 1, 2012, and ending September 30, 2013, the Annual Budget, attached and incorporated as Exhibit A hereto, is hereby approved and adopted.

Section 2. That a certified copy of this Budget shall be submitted to the Department of Agriculture and Consumer Services.

Section 3. This Resolution shall become effective immediately upon its passage.

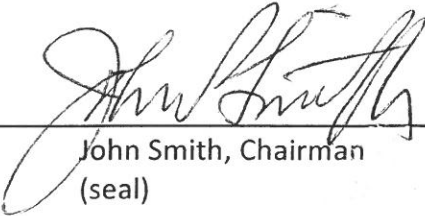
Adopted and dated in Bay County, Florida, this 10th day of September, 2012.

  
\_\_\_\_\_  
John Smith, Chairman  
(seal)

Attest:

  
\_\_\_\_\_  
Larry Couch, Secretary

I, John Smith, Chairman of the Board of Commissioners of the Beach Mosquito Control District of Bay County, Florida, do hereby certify that the foregoing is a true and correct copy of the Resolution as adopted on September 10, 2012.

  
\_\_\_\_\_  
John Smith, Chairman  
(seal)

Attest:

  
\_\_\_\_\_  
Larry Couch, Secretary

RESOLUTION 12-01

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BEACH MOSQUITO  
CONTROL DISTRICT; LEVYING A .1438 MILLAGE RATE FOR THE FISCAL YEAR 2012-2013;  
AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board is authorized to levy a millage rate upon real property pursuant to  
Section 388.221, Florida Statutes; and

WHEREAS, in accordance with Chapters 200 and 388, Florida Statutes, the District  
prepared a tentative budget and proposed a .1511 millage rate; and

WHEREAS, the Board finds that the .1438 millage rate is appropriate and sufficient to  
fund the District's proposed expenditures for the Fiscal Year 2012-2013; and that such rate is  
1.05% below the roll-back rate.

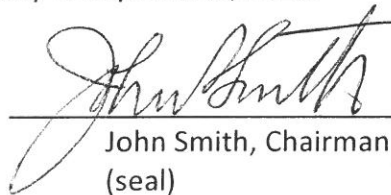
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE BEACH  
MOSQUITO CONTROL DISTRICT, BAY COUNTY, FLORIDA:

Section 1. That for the purpose of securing an equal and uniform rate of taxation, and to pay  
appropriations for all purposes due and necessary for the fiscal year beginning October 1, 2012,  
and ending September 30, 2013, there shall be levied upon all real estate within the boundary  
limits of Beach Mosquito Control District of Bay County, Florida, a tax of .1438 Mills on the  
dollar, which is 1.05% below the roll-back rate.

Section 2. That a certified copy of this Resolution shall be made and forwarded to the Bay  
County Property Appraiser, the Bay County Tax Collector and the Florida Department of  
Revenue.

Section 3. This Resolution shall become effective immediately upon its passage.

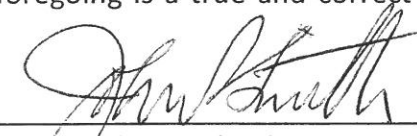
Adopted and dated in Bay County, Florida this 10<sup>th</sup> day of September, 2012.

  
John Smith, Chairman  
(seal)

Attest:

  
Larry Couch, Secretary

I, John Smith, Chairman of the Board of Commissioners of the Beach Mosquito Control District of Bay County, Florida, do hereby certify that the foregoing is a true and correct copy of the Resolution as adopted on September 10, 2012.

  
\_\_\_\_\_  
John Smith, Chairman  
(seal)

Attest:

  
\_\_\_\_\_  
Larry Couch, Secretary





## HARRISON SALE McCLOY

AMY E. MYERS

amyers@HSMcLw.com

304 Magnolia Avenue  
Post Office Drawer 1579  
Panama City, Florida 32401

T 850.769.3434 F 850.769.6121

September 6, 2012

Mr. James Clauson, Director  
Beach Mosquito Control District  
1016 Cox Grade Road  
Panama City Beach, Florida 32407

RE: Professional Services as General Counsel

Dear James:

This confirms the Board's action at its August meeting, revising the scope of professional services the Board desires to be provided by my firm. Fundamentally, the Board would like to forego the \$500 monthly retainer previously paid to our firm for attendance at meetings and standby services in between, and instead retain our firm on as-needed basis, effective October 1, 2012.

The District has agreed that I will continue to serve as the principal attorney for the District at a new rate of \$170.00 per hour. Because the District is still retaining my Firm, it is likely that other attorneys here may work on District matters from time to time, in which event the rates for senior partners will be \$195 per hour, rates for other junior partners like myself will be \$170 per hour, and rates for associates is \$150 per hour.

The District will no longer require my or my firm's attendance at every meeting, though attendance at a specific Board meeting may be requested periodically. In lieu of meeting attendance, I will continue to review the minutes of each Board meeting as a routine matter.

Our firm will continue to represent the District as its general counsel, and strive to provide the maximum value to you. Of course, our representation of the Board and the District is at will, and the Board can terminate our engagement at any time.

We will continue to send you monthly invoices itemizing the amount of fees and costs incurred, which are payable upon receipt. As always, if you have any questions about your bill or any aspect of our representation, do not hesitate to call.

James Clauson  
September 6, 2012  
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If you agree this letter accurately reflects the Board's intentions regarding my representation, please sign where indicated and return this letter to my office. Thank you once again for entrusting your work to my firm.

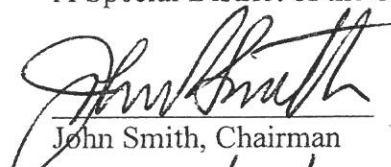
Very truly yours,  
HARRISON SALE McCLOY

For the Firm:



Amy E. Myers, Partner

ACCEPTED: BEACH MOSQUITO CONTROL DISTRICT  
A Special District of the State of Florida



John Smith, Chairman

Dated: 9/10/12

The Final Budget Hearing and the Regularly Scheduled Meeting of the Board of Commissioners for Beach Mosquito Control District was called to order by Chairman Smith at 5:01 P.M., September 10, 2012. Smith requested the roll be recorded, and noted that all commissioners were present as well as the director, attorney and guests.

Present:	Commissioner:	John Smith, Chairman
	Commissioner:	Larry Couch, Secretary
	Commissioner:	Tom Easter, Treasurer
	Director:	James Clauson
	Attorney:	Amy Myers
	District Secretary:	Joyce Dean
Guests:	Brad Gunn	Lee Duke

Chairman Smith opened the Final Budget Hearing and asked for any Public Comments. There were none. Smith then stated the roll-back rate of .1511, the decrease from the roll-back rate is 1.05%, and the millage rate to be levied is going to be .1438. Easter moved that the board adopt Resolution 12-01: A Resolution of the Board of Commissioners of Beach Mosquito Control District; levying a .1438 millage rate for the fiscal year 2012-2013; and providing an effective date of October 1, 2012. Couch seconded, there was no discussion and the motion carried unanimously. Smith stated the total budget is \$1,333,239.82. Couch moved that the board adopt Resolution 12-02: A Resolution of the Board of Commissioners of the Beach Mosquito Control District; adopting a budget of \$1,333,239.82 for the fiscal year 2012-2013; and providing an effective date of October 1, 2012. Easter seconded, there was no discussion, and the motion passed unanimously. Smith then declared the Budget Hearing completed, and proceeded to the regular monthly meeting.

#### Approval of Minutes

Secretary Couch confirmed that everyone received and reviewed the minutes of the August 13, 2012 Regular Board Meeting, and asked if there were any corrections. Attorney Myers pointed out that apparently a word had been omitted from the minutes, and referenced paragraph four on page three: "...which was approved and the District will \$871.00...". She recommended that the word "receive" be placed, and the minutes be corrected to read "...which was approved and the District will receive \$871,000...". Couch moved that the minutes be accepted with the correction as noted. Easter seconded, and the motion passed unanimously.

Couch then asked if all commissioners had read the minutes of the First Budget Hearing on September 5, 2012, and if there were any corrections. Hearing none, Couch moved the minutes be approved as submitted; Easter seconded, and the motion carried unanimously.

### Financial Reports

Treasurer Easter referenced the financial reports. Easter asked if the \$40,000 spent for Dibrom included the Dibrom used for spraying the county, and if the District gets that money back, would it be included in the budget as income. Clauson confirmed the payment of \$17,901.84 from the county is reflected on the Financial Report. Easter continued that the District has only spent only 77.6% of the budget thus far. He then asked about the results of the 150-day Altosid Briquets. Clauson acknowledged that the Natular briquets worked, and the District will be providing a presentation at the FMCA meeting on their effectiveness. He continued that when Dale Martin completes the study report, he will provide a copy for the Board's review. Clauson explained the study was discontinued after 17 weeks, and the product was not effective the full 180 days as advertised. Smith inquired if the total Local and State Funds of \$372,428.82, shown on the Financial Report was the amount the District is carrying over. Clauson stated he needed to confirm the final carry-over figure and would let the commissioners know. Easter asked if there were other questions regarding the financial reports, and hearing none, he recommended the financial report be filed for audit.

### Old Business

The board reviewed the letter from Amy Myers, Partner with the firm Harrison Sale McCloy, which confirmed the board's motion at the August board meeting which revised the scope of professional services the board desired to be provided by the firm. Upon motion by Commissioner Couch and second by Easter, the board unanimously approved the proposal and authorized Chairman Smith to sign the acceptance on the board's behalf. A copy of the letter is attached to and made a part of these minutes.

Easter asked if FAMU had responded to our request for any remaining equipment at the lab property, and Smith replied that there has been no response. Myers related her conversation with the airport attorney that the property was being quit-claimed back to the airport. She stated the airport authority is aware that the District would like to obtain the equipment, and at this point, there does not seem to be a resistance to granting that request. Smith discussed his conversation with Parker McClellan, Deputy Executive Director of the Airport Authority, regarding the equipment. McClellan stated there was still a lot to do regarding the transfer, and Smith is waiting for McClellan to respond. Smith continued that Gulf Coast Marine Life Center was still interested in acquiring the property.

### Attorney Report

Myers had no report.

### Director Report

Clauson reviewed events during the months of September and October: September 12, staff meeting and employee luncheon for Brad and James' birthdays; September 15 reflects the certified budget is due, but this has been changed to the end of September; September 19, Clauson will attend the 2012 First Amendment Foundation Sunshine Seminar in Tallahassee, at no cost to the District except minimal registration fee; September 24 is John Smith's birthday; September 28 will be Brad Gunn and James Clauson's birthday; the educational trailer will be at Zoo World for the Zoobilee on September 29 and 30; the District will once again participate in the Pirates of the High Seas Parade with

the helicopter on October 6; the next regular board meeting is scheduled for October 8; Cindy Mulla's birthday is October 8; Eddie Summers' birthday is October 9; from October 9 through October 12, Cindy Mulla will be at Breakfast Point 4<sup>th</sup> grade classes; she will be a guest speaker at the Boy Scout Round Table meeting at Northside Baptist Church on October 11; she will also provide a presentation at Gulf World for the Under the Sea program on October 13; Bosses Day is October 16.

Clauson discussed the Operations Reports, including ULV spraying, aerial adulticiding and trapping results. He noted that the volume of mosquitoes was very high, with a lot being *Culex nigripalpus*, a vector for West Nile; there has been a human death in Okaloosa County from West Nile, three reported cases of West Nile in Escambia County, and three more sentinel chicken conversions in the District. He added that because of all the virus activity, the District has been increasing the spraying missions, both with the trucks as well as the helicopter, and will continue to do so. Smith mentioned all the ditches in the District area that are holding water and stagnant and asked if the District was taking samples from the ditches and treating as necessary. Clauson confirmed the technicians were doing so, and larviciding when appropriate. Clauson related that service requests are being received regarding dog flies, so the District will be monitoring the beaches and may need to purchase the necessary chemicals for aerial spraying for dog flies. A brief discussion ensued regarding the procedures and costs involved for dog fly spraying. Smith asked if other counties need dog fly control, could the District provide the service and Clauson responded that an inter-local agreement could be made, similar to the contract with Bay County for mosquito aerial spraying. During the subsequent discussion, Lee Duke and Brad Gunn provided input regarding the limitations and requirements for spraying other counties. Easter brought up the possibility of approaching the TDC regarding financial assistance for dog fly spraying. Couch reminded him that this was discussed with the TDC previously. Myers reiterated that the TDC funds can only be used for tourism purposes; controlling mosquitoes and dog flies is not within their mission. Easter then asked about the City of Panama City Beach contributing toward the cost, and Myers explained the city is within the District and feels spraying is the job of the District. Couch confirmed this was their stance the last time it was discussed. Clauson added that was why the District has the authority to levy a millage.

Clauson continued with the Operations Reports by relating that, since several sentinel chickens have sera-converted, the District was required to purchase ten additional chickens. He added that the new chickens have been bled and will not be placed in the field until test results confirm they are not positive. Easter asked why we were putting out more chickens and were we setting up more traps. Clauson explained the chickens that have sera-converted, showing antibodies for the West Nile virus, can no longer be used for determining the presence of West Nile, so replacement chickens are required. Clauson continued to review the Operations Reports, mosquitoes collected, the species and the trap locations. He related the District is now sending mosquito pools collected from trap locations to Tampa for testing; one of the pools came back positive for West Nile virus. He explained that mosquito pools represent testing of the actual mosquito, since there is the need to know if the virus is in the actual mosquito. The board continued the review of the Operations Reports, including service requests, routes sprayed, and activity report which reflects various activities, hours and number of times for each activity, and products used.

Smith questioned that only 25 truck-spraying hours were reflected on the ULV Report for August, and the next report reflects 54 hours spent adulticiding. He commented that was not a lot of time. Clauson responded that the constant rain in August prohibited additional spraying, and he would clarify the discrepancy in the reports. The District has continued to inspect and treat ditches since there's still a lot of water. Easter brought up a newspaper article regarding an individual with water drainage problems, and Clauson stated he would look into it.

Clauson related that a roofer had indicated some screws holding the roof down have rusted out, the rubber gaskets are gone, and estimated a repair cost between \$7,000 and \$10,000. Clauson continued that he planned for the District to repair the roof, but the materials needed are very expensive and available only through a contractor. He did not feel it was necessary to do anything immediately as the leaks weren't that bad, and planned instead to address the roof problem later in the year.

#### New Business

The board discussed dates for regular board meetings to be held in the upcoming fiscal year, and with two exceptions, chose to continue to hold the meetings on the second Monday of each month at 5:00 P.M. Due to conflicts with other activities, the November meeting will be held the first Monday of the month, November 5, and the January meeting will be the third Monday, January 21. In addition, the board scheduled a tentative budget workshop for June 24, 2013. Meeting dates will be published in the local newspaper and posted in the District office. Clauson related the District winter shut-down will be from December 24, 2012 through January 4, 2013, to coincide with school holiday closures.

Smith reminded the commissioners that according to the Step-Plan already approved by the board, employees are scheduled to receive raises effective October 1, 2012. Couch added that the increases are in the budget. Smith referenced the Step-Plan worksheet provided to the commissioners previously, and stated the only modifications would be the changes the board made regarding educational incentives for Brad Gunn and James Clauson. During the brief discussion that followed, Myers stated that since the board has already approved the Step-Plan, the changes to the educational incentive, and the budget, no motion was required to go forward with the Step-Plan increases.

#### Announcements

Easter brought up the possibility of the District paying for employees to attend a fitness center at the cost of \$15.00 monthly per employee. He felt there was a possibility the initial \$100.00 sign-up fee may be waived if there was enough employee participation. Clauson will poll the employees to determine interest and inquire about the sign-up fee waiver. Myers stated that the District is to use District funds for mosquito control purposes and this seems to be outside those restrictions; however, as part of an established wellness program, part of the health insurance program, she felt the District could subsidize employees' affiliation. She advised the board to be cautious that it does not appear to be a monetary benefit that will have to be reported for tax purposes. Clauson said he would check with the health insurance agent as well.

Smith asked if health insurance renewal was not scheduled to be addressed prior to the new fiscal year. Clauson related that the board had discussed with Scott Clemons the possibility of changing the renewal date to coincide with the District's fiscal year, and he would contact Clemons to determine the status. There were no further announcements and no further business to come before the board, and Chairman Smith adjourned the meeting at 6:05 P.M.

  
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John Smith, Chairman  
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Tom Easter, Treasurer  
\_\_\_\_\_  
Larry Couch, Secretary