

SOUTH PLACER FIRE DISTRICT
BOARD OF DIRECTORS
Regular Board Meeting Minutes
May 20, 2015

REGULAR BUSINESS

The South Placer Fire District Board of Directors regular meeting was called to order on Wednesday, May 20, 2015 at 7:01 p.m. by President, Mike DeLaurentis.

Present:

Mike DeLaurentis, President
Dave Harris, Vice-President
Sean Mullin, Clerk
Terri Ryland, Director
Gary Grenfell, Director

Staff in Attendance:

Fire Chief, Lawrence Bettencourt
Deputy Chief, Eric Walder
Board Secretary, Kathy Medeiros
Battalion Chief, Jason Brooks

Absent: None

Special Presentation: None

Public Comment: Member of the public, Merrill Furlow, complimented the Board for the issuance of bonds for the financing of the Cal PERS side fund and unfunded actuarial liability.

Consent Agenda: Director Grenfell made a motion to approve the consent agenda; seconded by Director Ryland. Carried

Ayes: Grenfell, Harris, DeLaurentis, Ryland, Mullin Noes: None Abstain: None Absent: None

OLD BUSINESS

Funding of Cal PERS Pension Obligations: Staff recommends an update on the issuance of Pension Obligation Bonds to finance the Cal PERS Side Fund and a share of the Unfunded Actuarial Liability (UAL) of miscellaneous and safety employees. Chief Bettencourt gave a brief update on the status of the issuance of the bonds. The District had received a short term Standard & Poor's rating of A+, long term rating of AA-. It was recommended that the District not purchase bond insurance at this time. Following the due diligence call, the Preliminary Official Statement will be posted. The pre-pricing call was rescheduled due to bond prices spiking in order to get a better rate. The Cal PERS obligation has to be funded by the first pay period in July. Director Mullin explained that bond prices have spiked due to the market pricing that is based on soft economic numbers. The current escalation is anticipated to be an artificial spike in bond prices. Chief Bettencourt explained that the current timeline allows for a delay of a couple of weeks in anticipation of obtaining the best rate.

NEW BUSINESS

Fiscal Year 2015/16 Budget Planning: Staff recommends a presentation and discussion on the draft preliminary Fiscal Year 2015/16 budget. Chief Bettencourt presented the budget and explained that several changes will occur in the final budget when revenues and expenses are finalized. The Board

will need to pass a preliminary budget at the June Board meeting. He noted that this year was a dynamic budget with 2-3 retirements, a 5% increase in property tax revenue, a drop in expected ambulance revenues, and an increase in overall salaries by 5%. Salaries for the 2015/16 fiscal year amounted to 82.3% of the budget exceeding the 80.25% board approved budget principle. In an effort to cut costs, the proposed budget allows a minimized shadow time for the newly appointed Deputy Chief position. The District expects to also hire a Division Chief for prevention work with the intention of completing the plan checks currently contracted out to the City of Roseville Fire Department. The Other Post Employment Benefit (OPEB) has been funded at the minimum Annual Required Contribution (ARC) of \$70,000 with the intention to fully fund the trust account with the savings from the upcoming pension obligation bonds.

He continued that the last 5% of the property tax draw for 2014/15 has not yet been received. Currently, the District tax roll has 25% of houses assessed under Proposition 8, the other 75% are allotted an annual increase of 2%. Current reserves are at \$1.1 million. CFAA revenues from the Office of Emergency Services (OES) are again at \$250,000 for the 2015/16 fire season. The District is anticipating a very early fire season and is making preparations to hire 3 full time fire fighters. The current budget will likely carry over an expected \$50,000 in overtime costs that will need to be recovered. Service and operations have been decreased to 11% of the budget, down from 12%. Fixed assets purchases will be within budget principle at .95%. The appropriation for contingency has been increased by \$20,000 for the new budget year. Capital expenditures have been minimized and projects such as the Station 15 upgrade have been delayed. Mitigation revenues have been allocated to upgrading structure gear, thermal imaging cameras, and radios. He concluded by noting that any additional revenues that were received would be put into apparatus and facility expenditures.

Fire Agencies Insurance Risk Authority (FAIRA) Official Election Ballot: Staff recommends Board President Mike DeLaurentis submit the election ballot for South Placer Fire District. Chief Bettencourt explained that he is currently serving on the FAIRA board along with President DeLaurentis as an alternate. Chief Bettencourt recommended the Board cast their ballots for the first seven incumbents on the ballot. Director Mullin made a motion to authorize President DeLaurentis to submit the FAIRA election ballot for the first 7 candidates for the FAIRA Board of Directors on behalf of the South Pacer Fire District. Seconded by Director Harris. Carried

Ayes: Grenfell, Harris, DeLaurentis, Ryland, Mullin Noes: None Abstain: None Absent: None

Advanced Life Support and Treatment-Non Transport Fees: Staff recommends discussion and adoption on a fee schedule for an advanced life support engine company 1st Responder Fee and a Treat-No Transport fee. Currently, the District does not bill for EMS responses unless a patient is transported to the hospital. Deputy Chief Walder explained that the first responder fee would be assessed when Advanced Life Support (ALS) engines assist with patient care or transportation to the hospital. The treat-no transport fee would be assessed when ALS engines/ambulances initiate ALS treatment and the patient refuses transportation to the hospital. Every call would generate one of these two fees unless there was not an ALS engine response. Truck 17, Engine 15, and Engine 19 are ALS units. The cost to provide ALS units is \$92,000 per year in paramedic incentives and equipment costs. The treat-no transport fee would be assessed to recover these costs. These fees are not included in the preliminary 2015/16 budget. These \$250 charges would be billed for every call for service by an ALS unit that received medical care. There would be no charge for false alarms. Patients that could not afford to pay could request a hardship to write off the charge. He continued that patients would be directly billed for the reimbursement of expenses. Member of the public, Merrill Furlow, questioned the Board and Deputy Chief Walder whether this could be another unbundling of services. Director Ryland responded that property taxes don't provide the level of services we currently require and it is time to consider additional revenue sources. Director Grenfell agreed that while service has increased; the cost for providing the service has not. Deputy Chief

Walder added that ALS services are now at all stations and engines and medic response times are stellar, meeting SSV-EMS contract compliance times at 99%. Chief Bettencourt noted that staff needs Board direction on whether to move forward with the charges. Director Ryland made a motion to approve the adoption of the ALS 1st Responder fee and Treat-No Transport fee. Seconded by Director Grenfell. Carried

Ayes: Grenfell, Harris, DeLaurentis, Ryland, Mullin Noes: None Abstain: None Absent: None

INFORMATION AND DISCUSSION

Functional Consolidation or Merger with Loomis Fire Protection District: Staff recommends discussion and assignment of a Board committee to meet with a Board committee from Loomis Fire Protection District (LFPD) to discuss a functional consolidation or merger. Chief Bettencourt explained that Board members from Loomis Fire have inquired about the possibility of a merger with South Placer. He continued that if the Board is interested in merging, a committee should be formed for further consideration. Loomis Fire is currently in a solid financial position with lower salaries and a different PERS retirement contract than SPFD. The majority of their revenue is derived from special assessments with a cost of living allowance. They also receive \$240,000 from property tax revenues. The District has completed one year in the three year contract for administrative services with Loomis Fire. Chief Bettencourt recommended Chris Berry, President of the Local Agency Formation Commission (LAFCO) attend the next regular Board meeting to further discuss the issue and answer any questions the Board may have. LAFCO is the approving authority of all special district mergers and consolidations. President DeLaurentis asked Chief Bettencourt to invite her to the next regular Board meeting to discuss the makeup of a Board committee and implications of a merger or consolidation with LFPD.

Correspondence: A letter of gratitude thanking Captain Eric Sex and his colleagues for their work at a medical call. A card thanking Chief Bettencourt for his assistance during the interview process at Placer Hills Fire District.

Chief's Report:

- Kaiser Emergency Physician, Dr. Morris, recognized Engineer Matt Van Voltinburg and Engineer Donavon Gray for their excellent response recognizing a stroke patient during EMS week.
- Engine 20 was sold to Sierra College Fire Academy for \$10,000.
- Battalion Chief McMillin acted as the training coordinator for the Placer County RT 130 training at Rattlesnake Bar for all fire agencies.
- There are two applicants for the Deputy Fire Chief position.
- Paramedic/Firefighter oral and practical assessment testing is May 21st.
- A structure fire occurred on Winterhawk Lane that was believed to be accidental in cause.
- On June 27th Hidden Lakes will have their annual fireworks display dependent upon weather conditions.
- A hail and lightening storm initiated 6 emergency calls in 15 minutes, including two structure fires.
- The allocation of Proposition 172 funds were discussed at the recent Board of Supervisors meeting. Chief to meet with Supervisor Uhler to discuss PILT and 172 funding for fire districts.

Functions: None

Board/Staff Comments: None

Future Agenda Items: Preliminary 2015/16 budget, Special Tax Resolution, Chris Berry of LAFCO

There being no further business to come before the Board, the meeting adjourned at 8:40 p.m. The next regular meeting will be held on Wednesday, June 17, 2015.

Respectfully submitted,

A handwritten signature in black ink that reads "Kathy Medeiros". The signature is written in a cursive, flowing style.

Recording Secretary, Kathy Medeiros