

South Metro Fire Rescue Fire Protection District
Special Board of Directors' Meeting Minutes - **AMENDED**
July 19, 2021

Present:

Jim Albee, Chair	Bob Baker, Fire Chief (absent)
Renee Anderson, Vice Chair	Mike Dell'Orfano, Assistant Chief
William Shriver, Treasurer	Tobias Kirschke, Assistant Chief
Hank Eng, Secretary	Kevin Milan, Assistant Chief
Cindy Hathaway	Jon Adams, Assistant Chief
Alison Rausch	Kristin Eckman, Chief Communications Officer
Sue Roche	Bob Cole, Legal Counsel

Others Present: Mark Larson, Castle Pines Homes Association, General Manager
Matt Wortsman, Castle Pines Homes Association, Chief of Emergency Services/EMT
& SMFR Staff

MEETING CALLED TO ORDER

Chair Albee called the special meeting of the South Metro Fire Rescue Fire Protection District to order at 6:04 p.m. and welcomed everyone to the meeting.

PLEDGE OF ALLEGIANCE

Chair Albee led the Pledge of Allegiance to the United States of America.

ROLL CALL

All of the Board Members were present in person.

PRESENTATION

Castle Pines Village – Mark Larson, General Manager

This presentation can be viewed at the following address:

<https://www.southmetro.org/DocumentCenter/View/1955/Village-at-Castle-Pines-Presentation--071921>

General Manager, Mark Larson welcomed the board and staff and gave an overview of the history and demographics of The Village at Castle Pines, which included the following highlights:

- The Village at Castle Pines is a Home Association and is also a Metro District. All amenities are owned by the HOA and the road surfaces are paid by the district.
- 100k entries by residents a month
- 35k-40k visitors a month
- 88 miles of road
- 5 access gates around the Village (odd numbers located on the north side and even numbers on the south side)
- Amenities
- Ecosystem Management Plan and Fire Life Safety recommendations implementations from a 2007 fire management study conducted by Anchor Point Fire Management with SMFR

Chief of Emergency Services/EMT for The Village at Castle Pines, Matt Wortsman gave a brief overview of operations including positions, training, in-home alarm monitoring/dispatch and EMT Technicians

Chief Wortsman stated that the Medical Director for The Village at Castle Pines is Dr. Dylan Luyten, who works out of Swedish Medical Center.

PRESENTATION (cont.)

All homes are protected by fire sprinkler systems and monitored fire alarm systems with alarm verification, which has a 90-second delay before calling SMFR. When it was first instituted, it was noted that it prevented 250 responses from Station 39. All houses are prewired with these alarm systems. All monitoring systems are paid for by The Village at Castle Pines.

ACTION ITEMS

The Colorado Special Districts Property and Liability Pool Repayment Agreement was presented by Chris Macklin. Through our membership in the Colorado Special District's worker's compensation pool, the District participates in the Colorado Firefighter Heart and Cancer Benefits Trust. The Heart Trust premium is paid by the District to the CSD Pool and once paid, we apply and receive reimbursement through the Colorado Department of Local Affairs (DOLA) Firefighter Cardiac Benefit Program. The CSD Pool also pays the premium for the Cancer Trust Award Program. The CSD Pool requires the Repayment Agreement between the CSD Pool and the District acknowledging SMFR's repayment obligation in case we cancel or choose not to renew the workers' compensation coverage during the coverage period from July 1, 2021 to June 30, 2022. It needs to be executed by the District's governing body. This agreement has been signed by SMFR in previous years.

A motion was made by Director Eng and seconded by Director Roche, all were in favor to accept and approve the Colorado Special Districts Property and Liability Pool Repayment Agreement.

Resolution# 2021-07 - Approving the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool was presented by Chris Macklin. The Colorado Special Districts Property and Liability Pool does not have a current Resolution and Intergovernmental Agreement (IGA) on file for South Metro Fire Rescue. The last agreement was signed in 2011 when the District was part of the former South Metro Fire Rescue Authority (South Metro/Parker). The updated agreement is needed due to our name change, recent consolidations, and to renew coverage in 2022. This important contract is the agreement authorizing participation in the Colorado Special Districts Property and Liability Pool and acceptance of the IGA's terms and conditions. Only members are allowed to purchase coverage through this specialized risk pool and currently South Metro utilizes the Pool for worker's compensation coverage.

- Director Eng inquired if SMFR maintains continuous coverage, and Chris Macklin confirmed.

A motion was made by Director Roche and seconded by Director Eng, all were in favor to accept and approve Resolution# 2021-07 - Approving the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.

DISCUSSION ITEMS

CFO Miskimins and Controller Aragon presented and discussed how several scenarios might affect the District's long-term financial plan.

CFO Miskimins first explained that he incorporated two probable 2021-2022 capital projects, a remodel of the locker rooms at the JSF and leasing a warehouse for the Logistics Bureau into the long-term financial plan.

CFO Miskimins then went on to explain how some bills passed at the legislature will impact the District's long-term financial plan. CFO Miskimins explained that Senate Bill 293 has been signed by the Governor and will affect the District's tax revenue in 2023 and 2024. The bill temporarily lowers the residential assessment rate to 6.95% (down from 7.15%) for most residential property types and to 6.80% (down from 7.15%) for multi-family residential property types. The bill also lowers the assessment rate for some non-residential property class types to 26.4% (down from 29%). It is

estimated the bill will lower the District's property tax revenue by \$2 million. CFO Miskimins then explained the potential impacts of Initiative 27 which is expected to be placed on the ballot this November.

CFO Miskimins then walked the Board through two different Capital Project scenarios and how each might affect the District's long-term financial plan. CFO Miskimins reminded the Board about prior discussions of completing \$540 million of capital projects over the next 30 years and if the District wanted to continue using pay-as-you-go funding, it would need to transfer \$18 million per year to the Capital Projects Fund to accomplish this plan. CFO Miskimins showed another capital projects scenario that would require an annual \$15 million transfer to the Capital Projects Fund for the next 10 years.

Bob Cole prepared a memo to the board regarding recent legislature and the ability to protect our revenues from reductions in assessment rates. Bob Cole also reflected on timing of elections, reminding the board that they may need to allow time for voter education depending on what type of ballot measures we choose.

Director Anderson expressed the concern of educating future boards on our current pay-as-you-go funding. CFO Miskimins and Bob Cole both agreed that a resolution could be put in place for documentation, as well as stating this information would be posted in the meeting minutes. Any future ballot measures would also capture the intent of the board.

CFO Miskimins and Controller Aragon also presented how potential changes in the shift schedule would impact the District's long-term financial plan. CFO Miskimins presented how both the least and most expensive shift schedule might affect the District's long-term plan. CFO Miskimins explained that when incorporated with the increased capital project scenario, the range of increased expenses related to a change in the shift schedule would cause the District's reserves to fall below policy sometime between 2024 and 2026. The most expensive option is estimated to deplete the District's reserves by 2027. CFO Miskimins then displayed and discussed how changes to the assessed value assumptions might affect the District's long-term financial outlook. The best case assessed value scenario still had the most expensive shift schedule option depleting the District's reserves, but the least expensive shift schedule option put the District's reserves right at the Board's policy.

Chief Dell'Orfano summarized that this information is very helpful in determining what level of financial support is available for shift schedule changes and our philosophy for long-term financing of capital including whether we continue to pay cash or look at other options. The potential that we may have 5 or more years of funding for our needs is more positive than the scenarios that were facing our organization last Fall and provides more breathing room. The board has options and could conduct an election soon to protect revenue but take more time to determine the need for additional revenue. Staff will need to hear the board's philosophy as we move forward and continue to provide information on needs and potential strategies.

INFORMATION ITEMS

- Chief Dell'Orfano provided a preview for the August Board Meeting to include the following:
 - The financials and shift-change schedules will remain topics of discussion at both of the August meetings
 - Nancy Jackson - Arapahoe Commissioner will provide an update on August 2, 2021
 - Firefighter Volunteer Pension Board will be meeting on August 2, 2021. Finance will have additional information on benefit options.
 - The August 16th meeting will be held at Station 41 with a station tour prior to the meeting. The discussion will be as follows:
 - Education and awareness around response times related to accreditation feedback
 - Wildland Team planning, deployments, types of calls, and reimbursement
 - Overview of current Agreements and Auto/Mutual Aid status/CAD interfaces
 - Analysis of impact of Station 20 based on 2nd Quarter statistics

- Director Anderson requested that staff consider incorporating some of the information presented to Highlands Ranch in the past.
- Chair Albee informed that a special meeting was held on the July 15, 2021 at Director Anderson's home. The meeting was **properly** posted. Attendees were Chair Albee, Director Anderson, and Director Rausch to go over the shift schedule presentation from the July 12, 2021 board meeting more thoroughly.
- Chair Albee expressed, based on recent hires, the board is interested in hearing more in the future about the impact of changes to our staff salary structure and whether our goals are being met in attracting candidates
- Chair Albee advised that the City of Littleton and City of Lone Tree are looking at sales tax increases this year; they are our community partners. Their voters are our voters and important to be aware of what and how they ask their voters. Chair Albee believes the City of Centennial will do the same next year. as Additionally, school and library districts will be asking for revenue if not this year, next. This will give us guidance of if it works and how it works.
- Chief Milan updated on the station visits for noise reduction. Paul DeSalvo and Brandon Howard have started doing station visits to evaluate possible noise reduction options
- Director Hathaway notified the board and staff that Western Welcome Week begins the week of August 13, 2021. Director Hathaway also stated that the annual SMFR Children's parade will take place on 8/21/21 in the city of Littleton, they are looking for a judge from the board, Chair Albee has judged it in the past. The parade starts at Bega Park and runs down Main Street. Pipes and drums will be in attendance at the parade

EXECUTIVE SESSION (UPON MOTION)

N/A

NEXT MEETING

The next Regular Board of Directors' meeting to be held on Aug 2, 2021, 6:00 p.m. at 9195 East Mineral Avenue, Centennial, CO

SMFR Volunteer Firefighter Pension Board of Trustees Meeting to be held on August 2, 2021, 6:00 p.m. at 9195 E. Mineral Avenue, Centennial, CO

ADJOURNMENT

Chair Albee adjourned the meeting at 7:55 p.m.

Attested by:  Date: Aug 2, 2021