

South Metro Fire Rescue Fire Protection District
Regular Board of Directors' Meeting Minutes
May 2, 2022 - **AMENDED**

Present:	Jim Albee, Chair	Bob Baker, Fire Chief
	Renee Anderson, Vice Chair	Mike Dell'Orfano, Assistant Chief
	William Shriver, Treasurer	Tobias Kirschke, Assistant Chief (absent)
	Hank Eng, Secretary	Kevin Milan, Assistant Chief
	Sue Roche (via Teams)	Jon Adams, Assistant Chief
	Cindy Hathaway	Dillon Miskimins, Chief Financial Officer
	Alison Rausch	Kristin Eckmann, Chief Communications Officer
		Camie Chapman, Human Resources Director
		Bob Cole, Legal Counsel (via Teams)

Others Present: SMFR Staff Members

MEETING CALL TO ORDER

Chair Albee called the Regular Meeting of the South Metro Fire Rescue Fire Protection District to order at 6:09 p.m. and welcomed everyone to the meeting.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited at the Volunteer Firefighter Pension Board of Trustees Meeting.

ROLL CALL

Director Roche attended via Teams. All of the other Board members were present in person.

PUBLIC COMMENT

Lieutenant Mark Dzengelewski informed that he is the new Local 2086 president, provided a short personal bio, expressed his passion for the fire service and his goal to continue moving SMFR from best in the state, to best in the country and be the gold standard for the world.

Lt. Dzengelewski stated that he will be meeting with Chief Baker and members of the ETeam next week; elections for Local 2086 Vice President and Delegates coming up soon; the Local is launching a new website for members and the public to see. Upcoming events include the May 11th Cigars and Whiskey & May 13-15th Hockey Tournament fundraisers being held to benefit the Local Foundation, and most importantly the IAFF Memorial in Colorado Springs on September 17th where Chief Jackson and Paramedic Palato's names will be placed on the wall. Lt. Dzengelewski wished the Board members luck in the election tomorrow.

At Director Anderson's request, Lt. Dzengelewski stated that the Local Meetings allow the opportunity for non-members to address the group and then it is closed to non-members.

Lt. Dzengelewski thanked the Board for the opportunity to speak and hopes to provide regular updates & he is looking forward to working with Chief Baker.

Chief Baker stated that he is pleased with Lt. Dzengelewski as the new Local 2086 President as they have a had a long relationship and a strong commitment from his membership to be a part of the Board meeting updates.

CONSENT AGENDA

April 4, 2022 South Metro Fire Rescue Fire Protection District Regular Board Meeting Minutes
April 18, 2022 South Metro Fire Rescue Fire Protection District Special Board Meeting Minutes

A motion was made by Hank Eng and seconded by Cindy Hathaway to approve the consent agenda as presented. All were in favor and the motion carried.

ACTION ITEMS

March 2022 Financial Statements – CFO Miskimins reviewed the financial statements, highlighting:

1. Fund balance increased by \$1.1 million compared to the prior month bringing the fund balance to a total of \$86.7 million.
2. Through March, the District has collected \$42.9 million in property taxes and \$1.5 million in specific ownership tax revenue, which reflects 42.8% collection vs. 44.64% at this time last year for property taxes, and 21.82% vs. 27.34% for specific ownership taxes. A total of \$236,822 of property taxes have been diverted to TIF in 2022.
3. As of March 31st, the District has expended \$34.4 million in the General Fund related to operations or 22.34% of the annual budget not including Capital Project transfers.
4. First quarter excise taxes totaling \$151,545 have been recorded.
5. Ambulance transports have exceeded 2022 budget expectations by 929 transports, for a total number of transports of 5,671 through March. The District's net revenue is \$392k over the year-to-date budgeted amount and \$539k more than the same period last year. Total bad debt is increasing in 2022 as compared to 2021. Through March this year, bad debt as a % of net revenue is at 24.2% as compared to 21.3% in 2021. Collections received as % of bad debt is at 10% through March this year as compared to 12% in 2021.
6. Through March, the District has expended \$907k or 6.67% of our total budgeted expenditures in the Capital Fund.
7. In March, the District had a loss of \$432k in investment income bringing our year-to-date actuals under the annual budget by 150%.
8. Through March, the District has billed \$584k in Plan Review Fees or 32.01% of the total budgeted amount.
9. Just over a million dollars of minimum staffing overtime was reclassified to the COVID-19 incident budget for overtime related to covering for employees who were either recovering from or were exposed to COVID-19. \$477k was related to 2021 and 537k was related to 2022.
10. In March, the District received a \$477,380 pharmacy rebate per our contract with Cigna.

CFO Miskimins pointed out that both the Chandler and PFM quarterly investment reports were included in the packet.

At Director Anderson's request, CFO Miskimins stated that unlike the stock market, statute restricts investing in anything for greater than five years. So most of the maturities are on the 2-3 mark so that as the investments mature they are re-invested out another 2.5 to 5 years at higher rates. Basically, if you let the system play out, we are better off in the long-term because we are rarely selling at a loss.

At Chair Albee's request, CFO Miskimins reported that we will receive the Medicare & Medicaid supplemental reimbursement numbers sometime in the next couple of weeks; the predictions are that transports will continue to trend higher next year & another part of the formula includes cost increases; and the minimum staffing overtime is \$48,000 over budget but overall overtime is under budget.

At Director Shriver's request, CFO Miskimins stated that assuming the apparatus purchase is approved tonight, the District has enough cash flow to allow flexibility but will probably continue to see the need to borrow from the investment portfolios at the end of the year to cover first quarter expenditures.

A motion was made by Bill Shriver and seconded by Alison Rausch to accept the March 2022 Financial Statements as presented. All were in favor and the motion carried.

Fund Balance and Reserves Policy – CFO Miskimins reported that the revised draft Board policy on fund balances and reserved was included in the packet, noting that as recommended by the Board at the last meeting, Staff has incorporated a section related to a reserve for the Capital Projects fund & recommends Board approval of the policy. CFO Miskimins also highlighted a last-minute change that under the section for the Tabor reserve, took the language straight out of the statute but in discussions with the auditor about fiscal year spending she said they interpret it as 3% of general fund

expenditures. So, he added language that it shall be 3% of fiscal year spending which the District interprets as 3% of general fund expenditures.

Legal Counsel Cole advised that there is a level of risk based on interpretation and although it is odd to define spending by total revenue but specifically in the definition it says revenue is included in fiscal year spending.

After discussion, the Board recommends the definition fiscal year spending to include total revenue.

A motion was made by William Shriver and seconded by Alison Rausch to approve the Fund Balance and Reserves Policy with the language that the District interprets fiscal year spending as general fund expenditures and revenues. All were in favor and the motion carried.

Retirement Plan Board Charter Amendment – CFO Miskimins reminded that the Board delegates authority to administer the District’s Money Purchase Pension Plan ((401(a) and it Section 457(b) Deferred Compensation Plan) to the Retirement Plan Board of Trustees. The Charter, drafted and approved by resolution of the Board in 2019, formally sets forth the rights and responsibilities of the Retirement Board. This amendment adjusts the Retirement Board’s membership requirements to that the majority of trustees are active participants of the District’s 401(a) Money Purchase Plan. Adding that all employees are eligible to serve as Retirement Board trustees which governs both the 401(a) and 457(b) plans. Many employees only participate in the 457(b) plans, however, because they contribute to a defined benefit pension administered by the Fire and Police Pension Association (FPPA) instead of the District’s 401(a) plan. Given the vast majority of total assets reside in the 401(a) plan while still allowing representation on the Board from employees who only participate in the 457(b) plan. Staff recommends the Board approve the resolution to amend the Retirement Board charter.

At Director Shriver’s request, CFO Miskimins stated that the Retirement Board consists of seven members, he is the Chair and Controller Aragon was the Treasurer/Secretary (which will now have to be filled) with the consultants largely doing the record-keeping. The CFO & HR Director are the two defacto members and the rest are elected for a two-year term.

A motion was made by Cindy Hathaway and seconded by Renee Anderson to approve the Retirement Plan Board Charter Amendment as presented. All were in favor and the motion carried.

Second Amendment to Agreement, ARFF Apparatus Replacement – Fleet Manager Frank reminded that the SMFR Fleet Capital Replacement Schedule (FCRS) reflects budget funding for one aircraft rescue firefighting (ARFF) replacement until at \$95,000 in 2023 and one unit at \$985,000 in 2024 for a total of \$1,935,000. Based on this schedule, build times, discounts, and the partnership with Centennial Airport, Staff has proposed purchasing both units at the same time. SMFR Staff worked closely with Centennial Airport to identify the apparatus needs for the specification process. With cost, operational need and safety at the forefront of the specification, the apparatus replacement committee contacted three ARFF vendors to provide SMFR with proposals. The selected vendor has set their base pricing at \$947,638, before pre-payment & multi-unit discounts. The selected vendor has notified that quoted pricing is set to increase 8% on May 9, 2022. The quoted price can be held with contract agreement to build-to-delivery estimated at 350 days for the two units. FM Frank added that Centennial Airport has preliminarily approved the cost-share of the apparatus up to \$1M, contingent upon SMFR’s approval of the same. The total cost will allow for unit purchase, in-service upfitting costs and any factory change orders. A copy of the agreement between SMFR and the Airport Authority was included in the Board packet, outlining the details of the purchase. Staff recommends approving the Second Amendment to the Agreement as presented.

At Director Eng’s request, FM Frank reported that the specifications are all set, adding that projects like this usually take 8-10 months but everyone really pushed to beat the price increase and completed them in about 6 months.

At Director Shriver’s request, FM Frank stated that 23-year-old apparatus salvage value is pennies on the dollar but he works hard to assist smaller agencies that could use the apparatus. Chair Albee added that in the request one unit will be salvaged and one will be kept in reserves.

At Chair Albee's request, CFO Miskimins reported that the Airport Authority will pay their \$1 million to us this year and **SMFR will pre-pay the \$2 million this year and place it on the books for next year.**

A motion was made by William Shriver and seconded by Sue Roche to approve the Second Amendment to Agreement, ARFF Apparatus Replacement, and the corresponding purchase of two ARFF units with a total cost not to exceed \$2 million split evenly with the Arapahoe County Public Airport Authority and each party's cost not to exceed \$1 million. The Board delegates signing authority to the Fire Chief, or designee, for any further agreements, purchase orders, invoices, or other documents related to this purchase. All were in favor and the motion carried.

SMFR Resolution No. 2022-06 – A Resolution Adopting a Firearms Policy -Chief Dell'Orfano reminded that on August 16, 2021, January 24, 2022 and April 4, 2022 the Board discussed the regulation of firearms. This topic was discussed since Senate Bill 21-256 was signed into law and allows local governments, including special districts, to enact regulations that prohibit the carrying of concealed handguns in a building or area under direct control of the District. Based on Board feedback of SMFR's existing Violence-Free Workplace Policy, additional exceptions needed to be incorporated that allow concealed handguns in some public areas where handguns are not already prohibited by a lease, use or other agreement, and the need for signage needed to be incorporated. Additionally, the Board wanted to focus the resolution and policy only on the topic of firearms in order to be compliant with State Statutes. Therefore, Staff has prepared a firearms policy along with a Board resolution adopting that policy, which were included in the Board's packet. Chief Dell'Orfano noted that the policy and existing lease, use, and other agreements granting the right to use public areas within SMFR's facilities, prohibit firearms and handguns in most locations and situations. Very few public areas/uses would allow such weapons. These would include the board room only when used for board meetings and potentially public use of a limited number of meeting rooms. Staff recommends approval of the resolution.

At Directors Shriver and Anderson's request, Chief Dell'Orfano clarified that Firearms Policy is a new Board policy; the Violence-Free Workplace Policy is now an HR policy & the reason for the new policy is to comply with Senate Bill 21-56 and incorporate needed signage, permanent and temporary.

A motion was made by Hank Eng and seconded by Cindy Hathaway to approve SMFR Resolution No. 2022-06 Adopting a Firearms Policy as presented. All were in favor and the motion carried.

DISCUSSION ITEMS

N/A

INFORMATION ITEMS

Cancer Seminar: Prevent, Detect, Protect: Employee Services Executive Officer Chris Macklin, referring to the attachment in the board packet, introduced the upcoming seminars, Cancer: Prevent It, Detect It, Survive It created in partnership with the Firefighter Cancer Support Network. This will be the first seminar hosted together, with SMFR as the west representative, on June 6th and 7th. XO Macklin thanked Board Member Renee Anderson for putting Firefighter Cancer Support Network Vice President Russ Osgood and the other agencies in touch.

XO Macklin added March is National Colorectal Cancer Awareness Month and that he accompanied Tony Palato's wife to the state capital on March 2nd to represent support of the recent federal policy changes.

At Director Anderson's request, XO Macklin outlined how the information has been distributed to draw attention to the seminar.

Intergovernmental Agreement Update – Chief Dell'Orfano informed that SMFR Resolution 2018-13 delegates and authorizes the Fire Chief to sign and execute on behalf of the District any contract, agreement, or application to participate in programs involving the administration and operational functions of the District. The Fire Chief has further delegated signatory authority (CFO, Assistant Chief of Business Services) and established a policy that states "All contracts that contain intergovernmental agreements or sensitive political topics shall be presented to the board of directs as an informational item at the next available board meeting." Included in the packet is a list intended to catch the board up on IGA's that have been entered into since the beginning of 2022. Chief Dell'Orfano added that Staff has been redoing all

of our dispatch agreements, TJTC cleanup & use for the center, interoperability agreement with DCSO and DC Schools as well, IT cyber security, and others in progress. Staff will try to make a monthly update as they come along.

At Chair Albee's request, Chief Dell'Orfano stated that the Joint Services Facility ownership was 50-50 with the Douglas County School District and is now 85-15 based on the remodel plans and management board increases.

JeffCom911 CAD to CAD – Chief Adams turned it over the Dispatch Director Tyler March, who reported that prior to JeffCom911 purchasing their own CAD system there was CAD to CAD interface between the agencies & Staff has been working to recreate those communication capabilities with the JeffCom911 agencies. Director March was happy to say that the system successfully went live on April 12th. The new system allowed SMFR to pay a one-time fee and any other agencies want to join the interface would be billed but there would be no additional cost to SMFR. The goal is to have an interface with Douglas County by the end of the year & conversations are taking place with the Cities of Aurora and Denver & Adams County agencies.

Correspondence items in the Board's packet are summarized below as well as other information items that were communicated:

- With the election tomorrow, Director Shriver expressed hope that he would be able to continue to work with this group and continue to make SMFR the best. Directors Eng and Rausch echoed that statement.
- At Director Anderson's request, Chief Adams stated that the Office of Emergency Management takes fuel samples to make a determination on the fire danger level and then consults with us and the counties to make a determination. It is a team effort that is difficult because we cover three counties and citizens don't understand that a Sheriff determines the level because they have the authority to enforce the restrictions.
- Chief Richardson informed that crews are deployed to assist with two fires. A Type 3 Engine with a 4-member crew was deployed on March 21st to assist with the Crooks Fire near Prescott, Arizona and they will be swapping crews on May 5th. A Type 3 Engine with a 4-member crew left for a two-week deployment on April 30th to assist with the Calf Canyon Fire in Las Vegas. At Director Eng's request, Chief Richardson stated that no apparatus would be deployed if it depleted our front line response & the deployed member positions are backfilled.
- Chief Baker apologized to the Board for the late notice invitation to the recent recognition ceremony; Staff will continue to try to get ahead of these things.
- Chief Baker reviewed a plasticized sheet with a summarized listing of the Strategic Plan's 5 Objectives that was provided to the Board members.
- Chief Baker stated that he met this morning with Sky Ridge CEO Kirk McCarty to thank him for the exceptional care provided for Lt. Matt Searcy. Lt. Searcy was in the office last week and is confident he will be able to go back on Line. CEO McCarty stated his staff thinks Lt. Searcy's recovery was miraculous. XO Macklin reported that Lt. Searcy will be starting in-house rehab next week.
- Chief Baker reported that the Alumni Luncheon was last week. There was a great turnout and HR did a great job arranging everything at Station 17.
- Chief Baker stated he hoped the Board had a chance to take a look at the last Around the District. The videography and information is as good or better than any Fortune 500 Company creates.
- Chief Dell'Orfano noted that the May 16th meeting has a 5:00 p.m. start time and will be held at the JSF, to give the board a feel for what goes into our firefighter recruit academies as well as talk about the center overall. Any new or re-elected Board members will be sworn in at this meeting & any new or re-elected Board members will elect officers at the June 6th meeting. Chief Baker stated that he will not be at the May 16th meeting because he will be attending the Metro Fire Chiefs Conference in Memphis.
- Director Shriver reminded that the Parker Rotary & SMFR hosted a group of Ukrainian delegates back in 2018 to learn about and compare emergency service programs and services. Director Shriver received a couple of pictures from a member of the group. Chief Baker stated that staff recently reached out to everyone in that group in a show of support.
- A thank you letter was received from the Boulder County Sheriff's Office thanking SMFR for help provided during the Marshall Fire.
- A thank you note was received from Cole Hoholik from Two Arrows Group in appreciation of Fire Inspector Dylan Sickler's assistance with their recent inspection.

EXECUTIVE SESSION (UPON MOTION)

NEXT MEETING

The next Special South Metro Fire Rescue District Board of Directors' meeting will take place on May 16, 2022, at 5:00 p.m. at the Joint Services Facility, 17801 East Plaza Drive, Parker, CO.

ADJOURNMENT

The meeting was adjourned by Chair Albee at 7:32 pm.

Attested by: 

Date: Jun 6, 2022