

**MINUTES
BOARD OF DIRECTORS REGULAR MEETING
NORTH METRO FIRE RESCUE DISTRICT
ADMINISTRATIVE HEADQUARTERS
101 SPADER WAY, BROOMFIELD, CO 80020**

Date: May 15, 2018

BOARD MEMBERS PRESENT:

John Abboud, President
Peter Billera, Vice President
Tim Long, Treasurer
Jenni Murphy, Secretary
Richard Miller, Asst. Secretary
Dennis Day, outgoing Director
Robert Nielsen, outgoing Director

STAFF PRESENT:

David Ramos, Fire Chief
David Anderson, Deputy Chief, Support Services
Jeff Bybee, Deputy Chief, Operations
Lisa Willis, Chief Financial Officer
Eileen Gomez, Human Resources Manager
Steve Gosselin, Division Chief, Fire Prevention
Sara Farris, PIO

LEGAL COUNSEL:

Richard Shearer, Esq.

A. Call to Order

President Abboud called the Board of Directors meeting to order at 5:00 p.m. on May 15, 2018.

B. Pledge of Allegiance – Led by Director Nielsen

C. Additions/Deletions to Agenda

None.

D. Public Comment (Agenda Items Only)

None.

E. Presentations

1. December 31, 2017, Audit Report – Feis & Company, P.C.

President Abboud introduced Bob Feis to present the 2017 Audit Report. Mr. Feis thanked the District for allowing him to work on its audit. He noted that the audit went very well, that the accounting records were in excellent condition and that there were no unusual transactions or problems with internal controls. The financial condition of the District is very strong, which has

greatly improved over the past three years. He gave his cleanest audit opinion. He reviewed some summary highlights of the audit.

Director Long, Chairman of the Audit Committee, presented his report. He noted that the District is honoring the trust of the citizens when they approved the mill levy increase by purchasing bunker gear and fire engines, and by hiring additional personnel. He complimented the District on its efforts.

A MOTION TO ACCEPT THE FIRE DISTRICT'S 2017 AUDIT REPORT, AS SUBMITTED BY FEIS & COMPANY, P.C. WAS MADE BY DIRECTOR LONG AND SECONDED BY DIRECTOR NIELSEN. THE MOTION PASSED UNANIMOUSLY.

F. Action Items (Old Business)

1. A MOTION TO APPROVE THE CONSENT CALENDAR WAS MADE BY DIRECTOR DAY AND SECONDED BY DIRECTOR MURPHY. THE MOTION PASSED UNANIMOUSLY.
 - a) Approval of accounts payable checks 46376 through 46514 and online bill pay 2018-31 through 2018-40 for a net total of \$574,453.15. Voided checks: 46388, 46411 and 46430.
 - b) Approval of minutes from the February 28, 2018 regular district board meeting.
 - c) Approval of minutes from the April 17, 2018 regular district board meeting.

Chief Ramos noted that the District was celebrating eight years of service by Directors Day and Nielsen. Both had many years of service in the fire service prior to their time on the Board of Directors. He reviewed the fire service career of Director Nielsen, which prepared him for his time on the Board. He mentioned that two past Fire Chiefs from Illinois who worked with Director Nielsen had come to Colorado to celebrate Director Nielsen's service as a Director for the District.

Chief Ramos reviewed the 35-year career of Director Day, affectionately known as "Chief Day." Chief Ramos noted that Director Day was his training officer during his academy. Director Day also was a charter member of Local 2203. Chief Ramos expressed his extreme gratitude to the two outgoing Directors.

Lt. Matt Horan, President of Local 2203, shared some of the accomplishments the District has enjoyed thanks to the leadership of the Board of Directors during the time Directors Day and Nielsen were on the Board. These improvements have in some way increased the protection of the citizens or improved the safety and wellbeing of the firefighters. He credited the positive working relationship between the Union, the Board and Administrative Staff. He thanked Directors Day and Nielsen for their service and welcomed the new Board members.

President Abboud noted that he had recently attended the retirement dinner honoring Directors Day and Nielsen. Director Long complimented the outgoing Directors, noting that they are legends and role models for all. Director Murphy noted that they are both heroes, and she enjoyed learning from them.

Director Nielsen noted that his term as Director culminates his 50-year career in the fire service and Air Force. He reviewed his personal highlights of his terms as Director of the District.

Director Day thanked the Board for their kind words. President Abboud thanked him for his service.

G. Recess to Recognize outgoing Board Members, Dennis Day and Bob Nielsen

A MOTION TO RECESS THE BOARD MEETING AT 5:34 P.M. FOR THE PURPOSE OF RECOGNIZING OUTGOING BOARD MEMBERS, DENNIS DAY AND BOB NIELSEN, WAS MADE BY DIRECTOR ABBLOUD AND SECONDED BY DIRECTOR LONG. THE MOTION PASSED UNANIMOUSLY.

Upon completion of the recess, President Abboud reconvened the District Board meeting at 5:49 p.m.

H. Presentation – Oaths of Office for New Board Members

Attorney Rick Shearer administered the Oath of Office to Director Billera and Director Miller. President Abboud presented Directors Billera and Miller with District badges.

I. Board Reorganization and Election of Officers

Attorney Shearer announced that the new Board should be reorganized and called for nominations for the office of Board President. Director Long nominated Director Abboud for the office of President. Director Murphy seconded the nomination. Attorney Shearer asked if there were any other nominations for President of the Board. Hearing none, Attorney Shearer closed the nominations and stated that Director Abboud was elected as President of the Board by acclamation for a two-year term.

President Abboud opened the floor for nominations for the office of Vice President. Director Miller nominated Director Billera. Director Long seconded the nomination. Upon receiving no further nominations, President Abboud closed the nominations and stated that Director Billera was elected by acclamation for a two-year term as Vice President.

President Abboud then opened the floor for nominations for the office of Treasurer. Director Murphy nominated Director Long. President Abboud seconded the nomination. Upon receiving no further nominations, President Abboud closed the nominations and stated that Director Long was elected by acclamation for a two-year term as Treasurer.

President Abboud opened the floor for nominations for the office of Secretary. President Abboud nominated Director Murphy. Director Long seconded the nomination. Upon receiving no further nominations, President Abboud closed the nominations and stated that Director Murphy was elected by acclamation for a two-year term as Secretary.

President Abboud opened the floor for nominations for the office of Assistant Secretary. Director Billera nominated Director Miller. Director Murphy seconded the nomination. Upon receiving no further nominations, President Abboud closed the nominations and stated that Director Miller was elected by acclamation for a two-year term as Assistant Secretary.

J. Presentations

1. Operations Division Update

Chief Ramos announced that Chief Bybee would be presenting a Division update for Operations. He noted that he would be providing additional education and background information for new Board members over the next few months.

Chief Bybee welcomed the new Board members and noted that he would present a high-level overview of the Operations Division.

The District uses a values-based approach, and this is included in employees' performance evaluations. The District recently added humility to the list of core values. He summed up the core values with the following statement: Get there quickly, be skilled, professional and compassionate. He noted that the District uses an outside company to conduct surveys of citizens that used the District's services. He displayed a summary of the most frequent words used in the survey comments. All of the words used to describe the services provided by the District were positive.

Chief Bybee reviewed the District's personnel and equipment resources. He discussed the Special Operations Teams: Wildland, Technical Rescue and Hazardous Materials.

Chief Bybee reviewed the run statistics comparing 2016 to 2017. The statistics showed some large percentage differences, attributed to the new AVL (Automatic Vehicle Location) dispatching, which alerts the closest available units. This will help the District marshal resources more effectively.

The District's call volume has increased by 27 percent over the past five years. He noted that call type distribution remains stable with medical calls representing more than 70 percent of all calls.

Chief Bybee reviewed the Strategic Plan progress by the Operations Division, which included increased staffing at Station 65 and North Area cooperation. CAD-to-CAD dispatching is coming soon which will permit four dispatch centers to share real time unit locations and allowing for the closest unit response. The District has convened a cancer prevention committee, which has recommended policy changes and the use of the correct safety equipment and decontamination after fires. The District purchased special hoods in 2017 and offered skin cancer screenings for firefighters.

Chief Bybee discussed the grant revenue the District received in 2017. The District has commitments of \$354,000 for 2018.

Chief Bybee concluded with a brief discussion of recent and upcoming plans for oil and gas well emergency planning and training, CAD-to-CAD, Blue Card training, ISO and Accreditation activities as well as the development of a new Strategic Plan for 2019-2023.

2. PIO Presentation

PIO Farris reviewed media coverage from the previous month including wind damage and election coverage. There was also coverage about the Station 63 opening. She is publicizing the Red and Blue BBQ Cook-Off in Northglenn in June. The District is collaborating with both cities to encourage registration for Code Red alerting. Upcoming events include Northglenn local heroes BBQ, Memorial Day ceremony in Broomfield, Police and Fire golf tournament, flag retirement ceremony at Station 61 and Red and Blue BBQ Cook-off in June.

K. Staff Reports

1. April 30, 2018, YTD Financial Statements – General Fund

CFO Willis reviewed the financial statements for the General Fund, ending April 30, 2018. She noted that she would review all seven funds at the end of each quarter. The majority of the District's revenue comes from property taxes. The District also receives revenue from ambulance transports and special use fees for motor vehicles. She discussed the expenses of the General Fund. CFO Willis noted that Emergency Services overtime is only 15% for the year so far. She also highlighted some of the expense categories in the Training Division and Fleet Maintenance.

2. Cash Flow projections

CFO Willis also discussed earnings and investments of the District. She projects cash inflows and outflows on a monthly basis in order to cover expenses and invest the excess. She noted that the District maintains a reserve balance of \$1.5 million to cover unexpected operational expenses. The District also has a Capital Improvements Fund, which undergoes similar analysis. She noted that governmental accounting requires the District to keep the individual funds separate for investing purposes. CFO Willis uses these charts to determine how much money can be invested and for what length of time, laddering the District's investments. There are very few options for proper government funds investments, and those that are available pay very limited returns. CFO Willis reviewed a chart with the results of the last year to see how her projections compared to actual.

Director Long, the Board Treasurer, complimented CFO Willis on excellent work and an excellent explanation.

3. Residential Assessment Rate

Chief Ramos updated the Board on property tax residential assessment rates (RAR). There is a significant threat to special districts due to the interplay of two State Constitutional Amendments: TABOR and Gallagher. These amendments restrict how much revenue can be generated from property tax. The RAR recently dropped by 10 percent, which was significant. Fortunately, property value rates in the District increased enough to cover this decrease. However, there is an impending additional reduction in the RAR for 2019, which is predicted to drop from 7.2 to 6.1%,

another 15% cut in revenue. This is a significant challenge to special districts. The Board recently approved staff supporting lobbying efforts at the state legislature, to freeze the RAR and values for one reassessment cycle. That bill never made it out of the House and will not be considered further in 2018. The State Fire Chief's association in partnership with SDA is working diligently on the problem. Chief Ramos will give a more detailed update to the new board members in the near future. Residential property tax revenue makes up 52% of the District's budget.

President Abboud commented that this issue could be the biggest single challenge that the Board may face in the coming four years. The Board would need to develop strategies and ideas to get ahead of this issue.

Attorney Shearer added that the TABOR and Gallagher Amendments are constitutional amendments that cannot be amended by the legislature. The only fix would be a constitutional amendment approved by the citizens of the state.

President Abboud replied that he thinks there are things the District could do to offset this revenue loss. Attorney Shearer added that the District could pursue an election to have a floater increase that tracks the Gallagher's losses.

Chief Ramos noted that the TABOR Amendment of 1992 further restricts the Gallagher amendment by requiring automatic reductions in RAR rates when appropriate under Gallagher, but requiring voter approval for increasing RAR when appropriate under Gallagher provisions which effectively creates a one-way, downward valve for RAR. The Chief promised to keep the Board apprised of new developments in the future.

4. Project Updates

Chief Ramos stated that the District is providing an opportunity for orientation and additional education for the new Board members at a time that works with their schedules. Attorney Shearer will make a presentation regarding the roles and responsibilities of special district Board members and will briefly review the District's Board Bylaws. Chief Ramos and CFO Willis will make a presentation regarding District finances. Chiefs Ramos, Anderson and Bybee will review the operations of the District, Division-by-Division, and there will be a tour of the stations, training and maintenance facilities.

L. Attorney's Report

Attorney Shearer advised the Board that he had nothing to add to his written report. He explained for the new members of the Board that his monthly written Attorneys Reports are confidential attorney-client privileged communications and often contain information that should not be discussed in Open Session. Attorney Shearer noted that the District follows the Sunshine Act with respect to what is appropriate to discuss in Open Session and what is discussed in Executive Session. For example, personnel matters and contract negotiations should be discussed in Executive Session.

M. Public Comment

None.

N. Directors' Reports

Director Murphy welcomed the two new Board members. She enjoyed the celebrations of Directors Day and Nielsen. She also appreciated the presentations by Chief Bybee and CFO Willis. She applauded the success of the Station 63 event and thanked Chief Anderson, Eric Stewart and staff.

Director Long thanked Directors Day and Nielsen for their service and servant leadership. He welcomed the two new Board members. He was taken by Chief Bybee's presentation and appreciated the grants, which garner more than the investments. He thanked the line firefighters and senior leadership for their good work and service.

Director Miller said he hopes he will be able to measure up to the two outgoing Board members. This is the third badge in his career; he previously wore State Police and Chief of Police badges in Michigan.

Director Long complimented the District for the excellent ceremony at the Station 63 reopening.

Director Murphy noted that it meant so much for Lt. Horan to speak from the heart and to list the accomplishments of the past four years.

President Abboud added that the list from Lt. Horan and the remodel of Station 63 would not have been possible without the mill levy increase. He acknowledged the confidence of the citizens of Northglenn and Broomfield, and stated that the District will continue to use its revenues judiciously to provide good service. He thinks the District will face a crisis with declining property tax revenue due to the effect of the Gallagher Amendment on the residential assessment rate. He noted the reference of a Rotary motto to those who serve on the Board: "Service above Self" and said Directors Day and Nielsen were examples of citizens who served the District in that way.

O. Executive Session

None.

P. Recess/Adjournment

A MOTION TO ADJOURN THE MEETING WAS MADE BY DIRECTOR MURPHY AND SECONDED BY DIRECTOR MILLER. THE MOTION PASSED UNANIMOUSLY. THE MEETING ADJOURNED AT 7:11 P.M.


John Abboud, President


Jenni Murphy, Secretary