

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, May 20, 2015

CALL TO ORDER: 6:33 p.m. by Chairman Murray. Director McLeran led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith and Accountant Hom.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors McLeran/Gerbsman M/S to approve the minutes of the April 16, 2015 regular meeting. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **2015-2016 District Preliminary Budget:** Chief Smith explained, after a discussion with Chairman Murray, he was presenting the preliminary budget in May due to June vacation schedules. At this time the Association is still in negotiation with the District so the preliminary budget still reflects 2014/15 personnel cost figures. Once the negotiations are complete Chief Smith will finalize the 2015/16 personnel figures for the Board's review. Accountant Hom added after June 30 the District will have updated property tax bills for next year as well as more projections on the CalPERS health insurance costs. When the final budget is presented the District will have refined numbers.

Chief Smith presented the following figures for the 2015-2016 District preliminary budget:

Revenue: Chief Smith noted these figures reflect April data and that Accountant Hom will have updated figures by the end of June. Chief Smith reported the District will see an increase in projected property tax income and a revenue increase in the District's contract leases with AT&T, T-Mobile, Marin General Hospital and Sprint due to Consumer Price Increase adjustments. AT&T revenue has gone up significantly due to the new lease agreement. The District revenue is projected to be approximately \$5 million.

Personnel Costs: Chief Smith noted the figures in this category are preliminary pending an agreement with the Association. Chief Smith asked the Board to consider this category a draft. Chairman Murray asked if the Safety salaries were current numbers. Chief Smith replied the 2015/16 proposed Safety salaries reflect current 2014/15 salaries. The preliminary estimate is \$3.6 million.

Service Supply: These figures have not changed significantly reported Chief Smith. There will, however, be a few additional administrative expenses in 2015/16. Chief Smith explained he has been working with Accountant Hom on the GASB 68 analysis in addition to the OPEB actuarial study which will be completed next fiscal year. There may also be potential election costs in November. As a result this category reflects a \$9,000 increase in comparison to the last fiscal year, with a total figure of \$646,160.

Debt Service: These are firm numbers. The District refinanced the fire station project in 2013/14, saving approximately \$18,000 a year on interest going forward.

Capital Outlay: The staff has done a good job the last four to five years getting the District outfitted with capital outlay: purchasing SCBAs and turnout equipment. Due to the potential building repair, \$200,000 is estimated for the repair. The District will not know the true cost until work estimates are received. Chief Smith thought this figure was his best estimate.

Reserve Allocation: This category will be reviewed by the Board after our audit by Maze & Associates.

Chief Smith asked Accountant Hom for additional comments. Accountant Hom explained the actual figures for 2015/16 County of Marin Property Taxes will not be available until July. At best the District is working with estimates. The salary negotiation with the Association is still in progress hence the numbers are not reflected yet. Too many significant numbers are unknown so the preliminary budget reflects numbers known to date. Accountant Hom advised the Board that some of the figures may change significantly. Chief Smith added he made the assumption of keeping the current special tax assessment rate at 7 cents per square foot. The Board will review this special tax during the June Board meeting and ratify the rate by resolution. Chairman Murray expressed concern over the \$200,000 budgeted for the building repair. Chief Smith suggested he could leave the funds out of that category and have the Board move money in from the reserve accounts when needed. Chairman Murray replied the category estimate was conservative and agreed it was reasonable. Chairman Murray thanked Chief Smith and Accountant Hom for working on the budget. Chairman Murray/Naso M/S to accept preliminary 2015-16 budget as presented to the Board. All Ayes.

- b. **Closed Session-Public Employee Labor Negotiation and Public Employee Benefit Negotiation:** The Board moved into closed session at 6:41 pm. The Board returned into open

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session at 7:00 pm. Chairman Murray advised there is nothing to report at this time other than the fact the full board has directed the sub-committee to schedule another meeting with the Association to continue the negotiations.

NEW BUSINESS:

- a. **Bickmore Engagement Letter for OPEB Actuarial Valuation Services:** Chief Smith referred the Board to the Bickmore Engagement Letter for OPEB Actuarial Valuation Services in the Board packet explaining the District has contracted with Bickmore for the last four to five years. This year the Chief contacted Bickmore to do the actuarial for the OPEB valuation and requested a proposal. The cost for the actuarial report is \$6750 and Chief recommended the District contract again with Bickmore. The caveat this year is the addition of the GASB68 valuation that he and Accountant Hom have been working on with CalPERS. The GASB68 valuation is effective this current year. After a brief discussion Chairman Murray/Director McLeran M/S to accept the engagement letter for this year for the actuarial valuation. All Ayes.
- b. **FAIRA Governing Board of Directors Election:** Chief Smith explained the FAIRA Governing Board of Directors Official ballot needs to be completed for this election. Chief Smith recalled that two months ago the Board nominated Chief Smith to again represent the District on the FAIRA Board. The ballot reflects eight members running for seven vacancies. He referred Board members to the member letters the candidates wrote to the District with their qualifications and request for the Board's support. The Board, after discussion, selected the following candidates to the FAIRA Governing Board of Directors: Chief Paul Smith, Kentfield FPD, Chief Richard Pierce, Tiburon FPD, Chief Lawrence Bettencourt, South Placer FPD, Mark Shadowens, Northstar CSD, and Chief Howard Wood, from Vacaville FPD.

CORRESPONDENCE: Reviewed

REPORTS:

- a. **Overtime, Incident (April):** Reviewed

CHIEF'S REPORT:

- a. **KFD/MAGC Blood Drive May 12, 2015:** Chief Smith referred to the After Drive Report in the board packet, and noted the next day he received information from Mr. Humber on who received donations. A couple of young kids, less than two years of age, a 58 year old male with aortic valve replacement and a woman with a brain aneurysm. Sixty-eight pints of blood was collected at the drive on May 12. The drive went really well. Mr. Humber did a great job.
- b. **AT&T System Upgrade Closeout:** Chief Smith directed the Board to the EMF Executive Summary Report in the board packet. Engineer Trimble walked the facility with the Engineer during the readings. The results of the measured EMF's were less than the original engineer's estimates. Also the Chief recalled that Director Gerbsman had negotiated with AT&T a \$50,000 Surety Bond to cover the District in the event AT&T abandoned the site at some future date. The bond arrived this week. The required roof water test has been scheduled and will be paid for by AT&T. The Chief was happy to announce the site work is completely water tight. Unfortunately, Aquatech did find the source of a leak around one of our duct work areas, unrelated to AT&T. Chief Smith received the report this morning and will take action to repair it. Director Naso asked if the District has notified the neighbors regarding the site work had been completed. Chief Smith replied no, but added the documentation is in the file, if we have an inquiry as a public record the information is available for viewing. Chief Smith added he did receive a call from a neighbor that commented the screening was better than he thought it would be. Chief also announced he did receive a report on the projected work to repair the discovered leak and will place this item on the agenda for the June meeting.

APPROVAL OF WARRANTS: Directors Naso/McLeran M/S to approve April warrants no. 6964 to and including 7037 in the amount of \$990,435.63. All ayes.

A moment of silence was held for our recently departed members.

Chairman Murray/Director McLeran M/S to adjourn the meeting at 7:30 pm. All Ayes.

Respectfully submitted,

Ronald T. Naso
Recording Secretary