

CARBONDALE & RURAL FIRE PROTECTION DISTRICT

MINUTES OF THE MEETING

BOARD OF DIRECTORS

CARBONDALE FIRE HEADQUARTERS

DECEMBER 9, 2015

The Board of Directors of the Carbondale & Rural Fire Protection District met for their regular meeting on December 9, 2015 at the Carbondale Fire Headquarters/Training Building.

President Gene Schilling called the meeting to order at 5:35 p.m. Directors present were Mike Kennedy, Louis Eller, Bob Emerson and Carl Smith. Also present were Ron Leach, Jenny Cutright, Eric Gross, Rob Goodwin, Bill Gavette, Frank Nadell, Hank van Berlo, Jake Spaulding, Mike Wagner, John Colson and Dean Perkins.

CHANGES TO AGENDA

There were no changes to the agenda.

CONSENT AGENDA

The items on the consent agenda were:

- Approve the Minutes of November 11, 2015 Regular Meeting
- Approve Current Bills and Balances

MOTION: made to approve the consent agenda as noted. It carried and passed unanimously.

PERSONS PRESENT NOT ON THE AGENDA

No members of the public had any comments

2016 BUDGET ADOPTION

President Gene Schilling continued the Public Hearing for the 2016 Budget at 5:36 p.m.

Ron Leach distributed updated objectives and the general fund budget which shows both the restricted and unrestricted fund balances. He said that the final assessed valuations have been received and the general fund property tax was increased by \$945. He said that is the only change made since the November 30, 2015 budget meeting.

Ron Leach reviewed the objectives packet. He said the 2015 objectives that were not accomplished have been added to the 2016 objectives. Ron Leach reviewed the changes to the objectives and division summary for each division that has been added. Ron Leach said that Operations added *Ensure the Safety of All CRFPD Personnel* as the Districtwide number one objective.

Ron Leach said that the objectives have been reformatted and expanded. He said he appreciates the work the staff has done on the budget. Ron Leach noted that budget shows the restricted and unrestricted fund balances that were cut off due to a printer error from the original packet. Ron Leach said that the restricted funds are the total amount of the loan that is due.

General discussion regarding objectives and budget followed.

Carl Smith said that hiring three people in 2016 will commit the district to funding an additional \$105,000 in wages in 2017. He said that Mark Chain's estimate also has a 2.8% as an escalator for all other line items. He said that the advisory committee recommended not to 'paint yourselves in to a corner' which may happen. He said that he supports hiring one person. He said that if the other two people are not hired then there is \$62,000 available in the budget. He added there is equipment that is needed, including a chief's truck. Carl Smith added that most chiefs have a district vehicle. He said there are also other things that could be done with those funds.

Louis Eller said that he reviewed the master plan and the paragraphs on staffing. He said that the master plan is vague on the number of firefighters recommended. He said that the accreditation process will help determine how many personnel are needed. He said that he has spent a lot of time over the past two years gathering input from various committees and residents. He added that the majority of district residents desire a fire department that can staff two calls at once, can maintain a minimal staffing. He added that staff has indicated that there is not enough personnel now and it is unsafe. Louis Eller said that the Board told the voters a certain amount of the mill levy increase would go toward personnel. He said that the operations chief requested six people on each shift, which wasn't funded. Louis Eller said funding is something the board has had to consistently deal with, as revenues fluctuate. He said that the Board has had live in the minute, plan ahead and save money, which helped the district get through the great recession. He said the board will need to figure out how to fund the wages line item in 2017.

Bob Emerson said the budget is a planning tool. He said that a line item was created saying X is being put toward personnel. He said that the board did tell the public how they planned to spend the tax money if approved. He said that the plan said to hire employees over a staggered period of time. Bob Emerson added it is up to Ron Leach when and who to hire. He said that just because the funds are budgeted for doesn't mean they will be spent. He said the voters approved the mill levy increase with the plan for employees by a substantial margin. He said that he is not willing to deviate from the plan presented to the public. Bob Emerson asked Ron Leach to keep the board apprised of the situation in 2016.

Mike Kennedy said that staffing issues have always been an issue. He said that just because the dates are listed, it doesn't necessarily mean employees will be hired on those dates. He said that it is something the board will look at over 2016 and base decision on the current situation. He added that Mark Chain's estimate that is being referenced also shows a 12% increase in property valuations that wasn't taken in to consideration. Mike Kennedy said that the board regularly has to deal with adjusting the funds available to the priorities. He added that the board gave the public an idea of what that plan for the tax increase was and the board needs to follow through with that.

Bob Emerson added that there is a lot of construction happening that will most likely increase the property tax revenue in 2017.

Carl Smith said that the board also said during the election that \$200,000 would go to the reserves. He said that the proposed budget does not increase the reserves. Bob Emerson said that the past two years had \$1.2 million less in revenue. He said that the shortfall was made up by roughly cutting \$600,000 from the budget and using \$600,000 from the reserves. He said that the new assessed valuations projected \$400,000 additional in revenue. He said what was presented to the public was that if the tax measure was approved, it would replace the roughly \$200,000 that would be needed to balance the budget. He said it was not projected to increase the reserves. Mike Kennedy noted that this issue has been discussed and the intent was to use those funds so the reserves could be stabilized.

Ron Leach reviewed the restricted and unrestricted fund balances on the 2016 budget. He said that the unrestricted fund balance on 12/31/16 is \$60,000 less than on the 12/31/15 estimate, but taking in to consideration the \$90,000 in TABOR reserves that will not be spent, the unrestricted reserves will go up slightly. Ron Leach said the unrestricted fund balance will be over \$1,000,000 which has been the unofficial goal for many years.

Ron Leach said the 2016 budget maintains the reserves, funds three new personnel, needed equipment and increased budgets for training and volunteer retention. He said the tax increase is being well spent. Carl Smith noted that the new assessed valuations will not come to the district until January 2018. Discussion followed. Mike Kennedy said that hiring is an ongoing discussion that will happen. He said that there is a budget number, which is what the board hopes to do. He said that things could change and the board will adjust as needed and try to stay within the budget.

Carl Smith suggested taking \$15,000 from the seasonal staffing line item and moving it to creating a LOSAP program. Louis Eller said that the voters were told that there would be funding for the IA Team and other seasonal employees. He reviewed why the seasonal staffing line was reduced to \$30,000 for the past two years. Gene Schilling said funding the seasonal staffing was a request made during a budget discussion. He said that it was discussed that a citizen said it was a very valuable program and the budget amount was increased. Louis Eller said that history has shown that \$60,000 is barely enough to fund the program. Gene Schilling said that many people have said that one of their highest priorities is having the seasonal staffing program funded. Carl Smith said he brought up the same topic and agrees the seasonal staffing program needs to be funded, but questioned at what level. He added that a LOSAP program could be the answer to the staffing problems.

Gene Schilling suggested leaving the seasonal staffing program budget where it is now and if there is any funding left in late summer or fall, the board can discuss if should if funds should be allocated to the development of a LOSAP program.

Carl Smith said that a 3% raise has been proposed for all employees. He said that the salary survey showed that the positions of captain and below are the most underpaid and in need of a salary adjustment. He said that turnover is happening. He suggested dividing the total amount

budgeted for raises equally between all employees instead of a 3% raise. He said all employees received the same amount when the bonuses were issued.

Ron Leach said that the line is with the salaried employees. He said that salaried employees do not have the opportunity to earn overtime pay and work more than 40 hours per week regularly. He said that salaried employees deserve a 3% raise as much as the hourly employees. He said that the amount employees are paid needs to be reviewed. Ron Leach said that the board should look at a wage adjustment for hourly employees. He said he would like to issue the raises on January 1. He said that a 3% raise has been discussed for many months and that is what the employees are expecting. Gene Schilling said a raise is called a cost of living increase it should be across the board. He said that the Town of Carbondale did a salary survey a few years ago and all employees received a cost of living raise, along with adjusting all staff to the minimum level salaries. Gene Schilling said if salaries need to be adjusted the board needs to formulate a plan and determine where the funds would come from.

Bob Emerson said that Ron Leach has mentioned the 3% raise several times over the past few months without anyone commenting on a different idea for raises. He said that the employees expect this and to change now is unfair.

Carl Smith asked if the TABOR reserves could be moved to a line outside of the budget like the restricted funds are. Discussion followed. Ron Leach said a question for the auditor. He added that the TABOR reserves have been budgeted this way since TABOR began in 1992. Further discussion regarding TABOR reserves followed. Bob Emerson noted that if the TABOR reserves are not spent, they go back in to the reserves.

Carl Smith said that he thought that the budgeting process was very positive. Bob Emerson and Mike Kennedy agreed and thanked the staff for their work on the budget

MOTION: made to close the public hearing regarding the 2016 budget at 6:41 p.m. It carried and passed unanimously.

MOTION: made to adopt Resolution 2015-009, A Resolution Summarizing Expenditures and Revenues for each Fund and Adopting a Budget for the Carbondale & Rural Fire Protection District, Colorado, for the calendar year beginning on the first day of January, 2016 and ending on the last day of December, 2016. Carl Smith said that he debated whether to vote on the budget. He said he would take Mike Kennedy at his word and go from there. He added that he has reservations but would vote for the budget. It carried and passed unanimously.

MOTION: made to adopt Resolution 2015-010, A Resolution Levying General Property Taxes for the Year 2016, to help Defray the Costs of Government for the Carbondale & Rural Fire Protection District, Colorado, for the 2016 Budget Year. It carried and passed unanimously.

MOTION: made to adopt Resolution 2015-011, A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies, in the Amounts and for the Purpose as set forth

below, for the Carbondale & Rural Fire Protection District, Colorado, for the 2016 Budget Year. It carried and passed unanimously.

MOTION: made to adopt Resolution 2015-012, A Resolution Designating all Year-End Fund Balances as a "Reserve Increase". It carried and passed unanimously.

MOTION: made to adopt Resolution 2015-013, A Resolution Appropriating Additional Sums of Money to Defray Expenses in Excess of Amounts Budgeted for the Carbondale & Rural Fire Protection District, Colorado. It carried and passed unanimously.

STAFF REPORTS

Prevention Carl Smith asked Bill Gavette a question on his staff report. Bill Gavette said that the company would be storing butane

FINANCIAL REPORT

2015 Budget Louis Eller asked Ron Leach where he thought the budget would come in at the end of 2015. Ron Leach said he expects to be \$77,000 under budget Louis Eller thanked him for saving the district money.

OLD BUSINESS

Consideration of a Policy for an Employment Contract with the Fire Chief Bob Emerson said that this is a follow up item on an issue from the previous summer. He said it is up to the Board of Directors if they want to have an employment contract with the fire chief. He added that he has worked on a number of employment contracts.

Bob Emerson said that there are advantages to both the government entity and the individual by having an employment agreement. He said that he felt it was appropriate to discuss the issue again. He said as the board looks to the future when Ron Leach retires, having a contract or a policy will be important when searching for a new chief. He said that he feels it is appropriate to have a contract with the fire chief. Board of Directors discussion followed. Bob Emerson said that a contract can help prevent misunderstandings and possible litigation.

Carl Smith said that he supports a contract but feels there needs to be a job analysis and job description first. Discussion regarding job descriptions followed. Louis Eller noted that one recommendation of the master plan was to update the current job descriptions.

Gene Schilling recommended creating a policy about an employment contract. Discussion regarding a policy followed.

MOTION: made to direct the attorney to develop a policy for an employment contract with potential current and future fire chiefs and bring the policy back to the board for review. It carried and passed unanimously.

Raise Carl Smith asked if the 3% raise approved included a raise for Ron Leach. Ron Leach noted that he does not award himself a raise.

MOTION: made to award a 3% raise to Ron Leach. General discussion followed. It carried and passed 4-0, with Gene Schilling out of the room during the vote.

NEW BUSINESS

Health Insurance for Domestic Partnerships Ron Leach said that an employee requested to add his domestic partner to the district's health insurance policy. He said this request has never been made before. He said that the district's insurance will cover domestic partners, but the criteria on what makes someone a domestic partner is up to the organization. He added that they will only add domestic partners during open enrollment, which is in December. He said that other organizations in the health care group handle domestic partners differently; everything from people must be married to obtain partner health insurance to showing joint tax returns to a minimal criteria.

Ron Leach said that this is a policy decision that needs to be made by the Board of Directors. He said that he would expect to see more requests like this in the future. Ron Leach added that he supports the idea of covering domestic partners.

Discussion regarding what constitutes proving a domestic partnership followed. Eric Gross said that some government entities accept domestic partnership declarations for those who meet specific criteria. He also reviewed an affidavit used by a different government organization that people claiming domestic partnerships must complete. He said that domestic partners are a different status than being married. He added if the board agrees to approve domestic partnerships, then the personnel policies will need to be updated to reflect this.

Carl Smith said that it is a legal issue. He said that the Board of Directors owes it to the taxpayers that there is a safeguard on this issue. Further discussion regarding domestic partnerships followed. Carl Smith added that if the board is making a policy change that spends taxpayer money, there needs to be a formal policy and procedure. Further discussion followed. The consensus reached by the board was to further discuss the issue.

Planning Meetings Louis Eller asked how the board wanted to address some of the target dates in the master plan.; Ron Leach said that there will be master plan meetings on the 4th Wednesday of each month in 2016 that are open to the public. He said this will allow input from the staff, board and public. Bob Emerson asked that planning meeting updates be a standing agenda item in 2016. Carl Smith noted that it is important for board members to attend as many meetings as possible.

Town Council Gene Schilling said that the Carbondale Town Council changed their meeting day to Wednesday nights. He said he may have to miss some Carbondale & Rural Fire Protection District Board meetings due to the conflict. He said if it becomes an issue, he may suggest discussion on changing the Board of Directors meeting date.

MOTION: made to adjourn the Board of Directors meeting at 7:30 p.m. It carried and passed unanimously.

Respectfully submitted,

Jenny Cutright, Recording Secretary

Gene Schilling, President