



SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

MINUTES OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT BOARD OF DIRECTORS REGULAR MEETING OF May 8, 2019

1. Call to Order

The Regular Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Wednesday, May 8, 2019 at the City of Scotts Valley Council Chambers. President Patterson called the meeting to order at 6:30 p.m. and thanked Community Television for Broadcasting the Meeting.

1.1 Pledge of Allegiance and Moment of Silence

President Patterson called for the Pledge of Allegiance and a Moment of Silence to follow.

1.2 Roll Call

- | | |
|-------------------------|---|
| A. Directors Present: | Directors Campbell, Harmon, Parker, Patterson and Pisciotta |
| B. Directors Absent: | None |
| C. Fire District Staff: | Chief Kovacs, Battalion Chief Whittle and Administrative Secretary Walton |

2. Public Comment (GC §54954.3)

None

3. Agenda Amendments (GC §54954.2) – Discussion/Action

None

4. Consent Calendar

4.1 Minutes: Approve Regular Board Meeting Minutes of March 13, 2019

4.2 Payroll: Approve March Payroll 05, 06 and 07 in the amount of: \$430,818.22

4.3 Payroll: Approve April Payroll 08 and 09 in the amount of: \$298,305.30

4.4 Expenditures: Approve Expenditures for March in the Amount of:

<u>General Fund:</u>	\$116,855.60
<u>SCHMIT:</u>	\$ 79.06
<u>TOTAL:</u>	\$116,934.66

4.5 Expenditures: Approve Expenditures for April in the Amount of:

<u>General Fund:</u>	\$112,675.32
<u>SCHMIT:</u>	\$ 3,888.19
<u>TOTAL:</u>	\$116,563.51

4.6 Approve Resolution 2019-3: Resolution Requesting Temporary Transfer of Funds

4.7 Approve Fee Waiver Request from the City of Scotts Valley for the Fireworks Event 7/4/2019

On motion of Director Pisciotta seconded by Director Campbell to Approve the Consent Calendar Items 4.1 thru 4.7 as presented was approved by the following vote:

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 8, 2019

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

5. Action Item

5.1 Adopt the 2019/2020 FY Preliminary Budgets as Presented, Discussion/Action

685010	General Fund:	\$9,579,003
685020	Zone A:	\$1,209,137
685030	Capital Outlay:	\$ 421,699
685040	SCHMIT:	\$ 234,800

Set public hearing for adoption of the final budget for the August 14, 2019, Regular Board Meeting: 6:30 P.M.

Direct staff to publish a notice for the public hearing and make the budget available for public review

Chief Kovacs reviewed the Preliminary Budget and noted the following:

General Fund – 685010

- The estimated unassigned beginning fund balance is \$1,844,145. The estimated surplus is attributed to a 6.35% increase in Secured Property Tax, Plan Check and Inspection Fee activity, the Branciforte Fire Protection District Administrative Services Agreement and approximately \$740K in Strike Team reimbursements, which is the largest to date.
- As recommended by the County Auditor's Office, an estimated 4.5% increase in property tax has been budgeted.
- The CalPERS Safety Retirement Plan is 20.073% of payroll, which is up from the 2018/2019 FY amount of 18.677%. The Unfunded Accrued Liability (UAL) annual lump sum prepayment option for the Safety Plan is \$636,480, which is up from the 2018/2019 payment of \$507,715. The Safety side fund is captured as a loan payment to the Santa Cruz County Bank under "Other Charges".
- The CalPERS Miscellaneous Plan is 10.221% of payroll, which is up from the 2018/2019 FY amount of 9.409%. The UAL annual lump sum prepayment option for the Miscellaneous Plan is \$15,909, which is up from the 2018/2019 payment of \$12,000.
- The employer rate for new CalPERS safety employees hired after January 1, 2013 is 13.034% of payroll, up from the 2018/2019 rate of 12.141%. Non-safety employees are 6.985% of payroll, up from the 2018/2019 rate of 6.842%.
- An estimated 8% health insurance increase effective January 1, 2020 was budgeted. Retiree health insurance is budgeted at \$74,570, which is a decrease of \$10,303.69 over last FY due to one retiree coming off the plan.
- The estimated Workers Comp insurance was \$232,000, which is an increase of \$36,000 over last FY.
- The contribution to Other Agencies is for the District's share of the LAFCO budget, which is estimated at \$9,000.

Zone A – 685020

- The beginning fund balance is estimated at \$1,084,241.
- A 4.5% increase in property tax revenue is estimated.
- Besides Auditing and Accounting costs, \$50,000 is budgeted for Facility upgrades.
- For future projects, \$1,000,000 is budgeted and \$152,437 for Contingencies.

Capital Outlay – 685030

- Equipment replacement is budgeted at \$50,500, \$30,000 for Personal Protective Equipment, \$1,500 for Small Tools, \$289,699 for future capital outlay expenses and \$50,000 for Contingencies.

SCHMIT – 685040

- The SCHMIT Budget is up 20% this Fiscal Year. The contributing agencies have not been paying the true labor cost so we will be working toward budgeting true cost.

**SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 8, 2019**

- The Service and Supplies budget is \$74,800, which includes a \$5,000 charge to manage the program.
- The budget includes \$20,000 to reimburse response agencies in the event of an activation.
- The Differential cost for the response agencies is budgeted at \$140,000.

On motion of Director Harmon seconded by Director Parker to Adopt Item 5.1 as Presented: The 2019/2020 Fiscal Year Preliminary Budget, Set the Public Hearing for August 14, 2019 and Publish the Public Hearing Notice was approved by the following vote:

**AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None**

5.2 Consider audit proposals, received from the request for proposal to conduct financial audits and preparation of the District's Financial Statement for fiscal years ending 2019, 2020, and 2021. The Board will review the proposals and possibly enter into an agreement with an auditing firm.
Discussion/Action

Chief Kovacs stated that five audit proposals were received and ranged in cost from \$61,140 down to \$17,925 for three years. Based on cost, Bloomberg and Griffin would be a consideration or continuing with Zach Pehling our current auditor as he has history and experience with the SVFPD and has done a good job.

The Board discussed cost, experience and history and agreed to continue with the current auditor Zach Pehling.

On motion of Director Campbell seconded by Director Pisciotta to Approve Zach Pehling for Audit Services for the Next Three Years approved by the following vote:

**AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None**

5.3 Approve to declare the Public Education Trailer surplus and authorize the Fire Chief to place it for sale.
Discussion/Action

Chief Kovacs explained that the Public Education Trailer has served the SVFPD well for many years but with the changes in the program, is no longer being used. The recommendation is to surplus the Public Education Trailer and donate it to an organization that is in need and cannot afford one or sell it for a small cost.

On motion of Director Parker seconded by Director Harmon to Declare the Public Education Trailer Surplus and Authorize the Fire Chief to Place it for Sale was approved by the following vote:

**AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None**

5.4 LAFCO Call for Nominations for the Special District Alternate Member. Discussion/Action

Director Harmon stated that he was interested in LAFCO and requested Board support for the Alternate Member Nomination.

On motion of Director Campbell seconded by Director Pisciotta to Nominate Edward Harmon for the Special District Alternate Member approved by the following vote:

**AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None**

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 8, 2019

5.5 Approve Agreement with the Santa Cruz Consolidated Emergency Communications Center for Communications Services, Discussion/Action

Chief Kovacs stated that the agreement with Santa Cruz Regional 9-1-1 is for three years. The term of the agreement is for one year with an automatic renewal for two additional years. The cost percent for Fire is going down slightly as it was determined that Law Enforcement was taking more time, so the cost percentage was adjusted.

On motion of Director Campbell seconded by Director Parker to Approve Item 5.5 as Presented: Agreement with the Santa Cruz Consolidated Emergency Communications Center for Communication Services was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

5.6 Approve Proclamation for M. Travis Crivello for Firefighter of the Year, Discussion/Action

Chief Kovacs stated that Travis Crivello was voted Firefighter of the Year by his peers and will present the proclamation at the Blue and Gold Dinner Friday night.

On motion of Director Harmon seconded by Director Campbell to Approve Proclamation for M. Travis Crivello for Firefighter of the Year was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

6. **Board of Directors and Administrative Reports – Information/Discussion**
(No action will be taken on any questions raised by the Board at this time.)

6.1 Board of Directors Report – Directors

President Patterson reported that in April, all Board Members attended the FDAC Conference in Napa, which offered some great classes. Board members also attended Team Building Training with the Scotts Valley Water District. President Patterson attended the Scotts Valley General Planning Meeting Monday night and traffic related issues were discussed.

6.2 Administrative Report – Chief Officers

The full Administrative Report was included in the board packet and Chief Kovacs added the following:

- The new stove was purchased and installed
- The BFFA Graduation will be on Thursday, June 13th at the S.L.V. High School
- The April Property Tax has been posted and is on target
- The Facility Study should be completed shortly
- Capitan Andrew LoFranco has been selected as the Hometown Hero and will be recognized on May 18th at the Scotts Valley Boys and Girls Club on Scotts Valley Drive

7. **Correspondence – Information**

7.1 California Assistance Agreement Letter

7.2 Scotts Valley Water District- Fire Service Bills Letter

7.3 LAFCO Proposed 2019/2020 FY Final Budget

The Board received and filed the correspondence.

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 8, 2019


8. Request for Future Agenda Items

Chief Kovacs is working on setting up a Net Com Tour and when the date is confirmed, he will send the information.

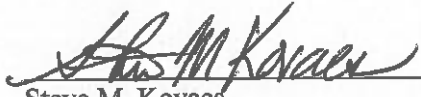
9. Adjournment

The meeting was adjourned at 6:55 p.m.

ATTEST



Russ Patterson
Board President



Steve M. Kovacs
Board Secretary