

South Metro Fire Rescue Fire Protection District
Regular Board of Directors' Meeting Minutes
November 4, 2024

Present:	Jim Albee, Chair	Bob Baker, Fire Chief
	Renee Anderson, Vice Chair	Mike Dell'Orfano, Chief Govt. Affairs Officer
	Rich Sokol, Treasurer	John Curtis, Deputy Chief– Emergency Services
	Sue Roche, Secretary	Kristin Eckmann, Deputy Chief – Community Services
	Kevin Leung	Matt Weller, Deputy Chief – Employee Services
	William Shriver	Stephanie Corbo, Chief Financial Officer
	Bruce Stahlman	Camie Chapman, CHRO Employee Services
		Allison Ulmer, Legal Counsel

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 6:31 p.m. and welcomed everyone to the meeting.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited at the South Metro Fire Rescue Volunteer Firefighter Board of Trustees' Meeting.

ROLL CALL

All of the Board members were present in person.

APPROVAL OF THE AGENDA

Director Anderson motioned to approve the agenda as presented. Director Roche seconded the motion. All were in favor and the motion carried.

CONFLICT OF INTEREST DISCLOSURE

Chair Albee asked if there were any changes to conflict of interest affirmation:

- Director Stahlman – no changes
- Director Roche – no changes
- Director Anderson – no changes
- Chair Albee- no changes
- Director Shriver – no changes
- Director Sokol – no changes
- Director Leung – no changes

PUBLIC COMMENT

N/A

PRESENTATION

1. **Behavior Health Program** – CHRO Chapman introduced Health and Wellbeing Officer Macklin who has been very heavily involved in the wellness program and taking it to a new level with the health and wellbeing of our personnel.

H&W Officer Macklin expressed appreciation for Chief Baker and Local President Dzengelewski' s support of the various wellbeing programs. H&W Officer Macklin provided an overview of our Behavioral Health & Wellbeing,

providing a personal background summary as well as an overview of the Employee Assistance Program, Behavioral Health Programs & Additional Services and Growth.

The Board thanked H&W Officer Macklin for the presentation.

CONSENT AGENDA

October 7, 2024 South Metro Fire Rescue Fire Protection District Regular Board Meeting Minutes

October 21, 2024 South Metro Fire Rescue Fire Protection District Special Board Meeting Minutes

Resolution No. 2024-08: A Resolution Ratifying, Approving, and Confirming the Rates, Fees and Charges of the Fire Marshal's Office.

Director Sokol recommended correcting three spelling errors on the October 7th meeting minutes and one on the October 21st meeting minutes.

Director Roche motioned to approve the consent agenda as amended. Director Leung seconded the motion. All were in favor and the motion carried.

ACTION ITEMS

1. Public Hearing: Resolution No. 2024-07: Resolution and Order of Exclusion (Castle Cliff Estates) – Final Adoption

Chair Albee opened the public hearing at 6:56 p.m.

Chief Dell'Orfano informed that the Castle Cliff Estates development is located on the west side of Daniels Park Road approximately two miles north of the intersection of US Highway 85 and Daniels Park Road. The area is almost completely within the West Douglas County Fire Protection District's boundaries, but a small 2-acre portion is in SMFR's. The request is for SMFR to exclude the property so that it can be included into West Douglas. The exclusion process began with an initial adoption of the Resolution and Order of Exclusion on October 7, 2024, West Douglas County Fire Protection District filed a notice of its inclusion resolution with the court on November 1st, a copy of which was provided during the public hearing, with a request for final adoption tonight.

Chair Albee invited public comment.

There was no public comment and Chair Albee closed the Public Hearing at 7:05 p.m.

Director Anderson motioned to approve the final adoption of Resolution No. 2024-07: Resolution and Order of Exclusion (Castle Cliff Estates) as presented. Director Roche seconded the motion. All were in favor and the motion carried.

2. Appointing a Special District Representative to the Centennial URA Board of Commissioners – Chief Dell'Orfano

stated that the City of Centennial created an urban renewal authority (URA) in 2005 and intends to create additional plan areas. This modification requires the appointment of a commissioner to the URA that represents special districts. Based on agreement from the other special districts, SMFR will be the representative. Staff requests the Board formally appoint a Board member to serve on the URA Board of Commissioners as the special district representative.

Director Sokol stated that he is willing to serve on the Centennial URA Board of Commissioners.

Director Shriver motioned to appoint Director Sokol as a commissioner representing the special districts on the Centennial Urban Renewal Authority Board of Commissioners. Director Leung seconded the motion. All were in favor and the motion carried.

3. Q3 2024 Financial Report – CFO Corbo presented the financial statement executive summary.

At Chair Albee's request, CFO Corbo stated that the updated revenue was forecasted at what we expected for the backfill, but it came in a little higher for this year than we originally anticipated, but we will not get that back fill in 2025 and is why we have a loss in revenue for 2025.

At Director Sokol's request, CFO Corbo stated that the ERP project went live in mid-September and not all of the other software agreements have expired, but they are no longer being used.

At Director Anderson's request, Chief Weller stated that Station 17's remodel should be completed just before Thanksgiving and Station 18's should be finished right before Christmas.

At Chair Albee's request, CFO Corbo stated that the Team needs to talk about the self-insured medical fund threshold to create a fund balance policy. CHRO Chapman stated that needs to be evaluated going into 2026.

At Chair Albee's request, CFO Corbo reported that Chandler Asset Management will be making a presentation at the February regular board meeting.

Director Sokol motioned to accept the Q3 2024 Financial Report as presented. Director Anderson seconded the motion. All were in favor and the motion carried.

4. Public Hearing: Resolution No. 2024-09: Resolution to Amend the 2024 Budget

Chair Albee opened the public hearing at 7:18 p.m.

CFO Corbo stated that as discussed at the October 7, 2024 board meeting, the additional expenses of \$200,000 for the fire chief selection process and \$150,000 for the revenue election consultant were not anticipated during the preparation and adoption of the 2024 budget. Additionally, these expenses are significant enough to potentially cause the general fund to exceed the funds appropriated in 2024. Staff is requesting approval of a budget amendment to account for the additional General Fund expenses.

Chair Albee invited public comment.

There was no public comment and Chair Albee closed the Public Hearing at 7:19 p.m.

Director Sokol motioned to approve Resolution No. 2024-09: Resolution to Amend 2024 Budget. Director Shriver seconded the motion. All were in favor and the motion carried.

PUBLIC HEARING

1. Public Hearing: 2025 Budget

- a. Ambulance & EMS Fees**
- b. Fire Marshal Office Permit Fees**

Chair Albee opened the public hearing at 7:20 p.m.

CFO Corbo provided an overview of the proposed 2025 budget, highlighting changes from previous versions presented to the Board. Changes include recommended fee rates for 2025 based on cost and staying at or below average in the market, as well as updates to account for components of the collective bargaining agreement within Salaries and Benefits.

At Director Sokol's request, Chief Weller reported that the architects are still putting together a quote for the JSF gym floor and HQ lower-level remodel. CFO Corbo added that if the numbers are not in before budget approval, they can do a budget amendment.

At Director Leung's request, CFO Corbo stated that the CBA increase, originally projected at around \$8M is now \$9.7M and is due to the longevity pay change from the benefit line to the salary line. The net impact of the move is \$176K.

At Director Sokol's request, CHRO Chapman stated that Staff is estimating, and the budget is based on 115 employees moving to a Kaiser plan. Director Sokol expressed concern if that many employees do not move to the less expensive plan with Kaiser. Chapman added that if only 15 employees move to a Kaiser plan, the financial impact could be up to \$324K.

CFO Corbo added that once the benefit plans are chosen, Staff will go back to the plan design for 2026.

CFO Corbo suggested providing the Board with a total breakout of the expenses of the CBA. Chief Baker interjected that during the negotiation of the CBA, it was known that longevity was going to be moving from a benefit to a salary expense. He is not sure if it was an oversight in the budgeting process. Chief Baker noted that transitioning in a new CFO mid-budget season is not ideal, but he could not be more pleased with CFO Corbo's integration.

At Director Leung's request, Chief Weller stated that Staff is still working to determine which land is actually available to us and the cost for Station 16.

At Director Sokol's request, Chief Richardson informed that when the new dive vehicles come in, one will be liquidated along with Rescue 34. The original quote was for \$600K for two, but only paid \$394K, saving almost 50% by purchasing them together.

At Director Sokol's request, CFO Corbo will make sure that a 2024 line will be added to the Long-Term Plan.

At Director Sokol's request, CHRO Chapman reported that the average Staff salary increase, under Korn Ferry, was 3.3%.

Director Sokol stated that as a member of the State Board of Equalization, he had the pleasure of meeting the State Property Tax Administrator and they had a long talk about abatements & explained how the abatement process actually works.

a. Ambulance & EMS Fees

Information regarding average ambulance transport fees and mileage was provided as well as the payer mix and billing collection rates. The recommendation for 2025 ambulance and EMS Service Fees, based on cost recovery and remaining slightly below average in the regional market, is \$1,800 and \$28 mileage. Staff proposed the formal adoption of the fees occur at the December 9, 2024 Board meeting along with the approval of the 2025 budget.

As a follow up to last week's meeting, Chief Curtis provided additional information regarding the philosophy of area agencies, who are also looking at regional and national standards as well as similar methodology as we used in 2020. SMFR's philosophy is to be just below the average to make sure we are not leading in this area. Other areas do also charge for mileage.

At Director Stahlman's request, CFO Corbo reported that Staff did an analysis and about \$30M is needed to cover the transport cost, so we are falling a little bit short and want to get ahead of the analysis for next year.

At Director Anderson's request, CFO Corbo stated that the collection rate depends on what the patient has for coverage or is not covered. She will check to see if Medicare and/or Medicaid rates will be going up. She will also

reach out to the comparable departments to see what their bad debt is, and if different, will model that for the next meeting so we have a sounding board to know if the \$5M is a good gut check.

At Chair Albee's request, CFO Corbo stated that they took the actual number of transports for 2024, keeping it flat, and adjusted the difference of the rate for 2025 and figuring the bad debt over the last three years into the calculation.

Director Leung stated that he wonders if there would be more bad debt with an almost \$500 increase in transport charges.

Chief Baker confirmed with the Board that they are okay with raising the rate but would like additional analysis. CFO Corbo will do additional calculations and present the new model at the next meeting.

b. Fire Marshal Office Permit Fees

A draft fee schedule for the Fire Marshal's Office Permit Fees was provided. The updated fees are anticipated to increase by 13.5% over previously implemented fees. Staff proposed the formal adoption of the fees occur at the December 9, 2024 Board meeting along with the approval of the 2025 budget.

At Director Shriver's request, Assistant Fire Marshal Conroy stated that legal counsel advised against rounding up or down to whole numbers but rather keeping the permit fee costs at the cost of doing the work, so not rounding up potentially more than its costs and not rounding down and losing money. Special events are charged at a flat fee that is considered reasonable. He will be bringing some examples for the Board at the December meeting. Director Anderson stated that since it has been five years since they have reviewed the special event fees, they may want to look to review it.

Chair Albee polled the Board, and they were all in agreement with implementation of the proposed fee schedule.

CFO Corbo reviewed the timeline and next steps in the process.

Chair Albee requested public comment.

There being no public comment Chair Albee closed the public hearing at 8:53 p.m.

DISCUSSION/POTENTIAL ACTION ITEMS

1. **Fire Chief Selection Process** – Chair Albee stated the virtual interviews were completed last week and this week they are going through and notifying the individuals that are going forward in the process. No final numbers yet but will try to give an update on the process at the next meeting.

INFORMATION ITEMS

1. **IGA Update** – Update on the following IGA changes:

1. Arapahoe County Hazard Mitigation Plan Participation letter of agreement to participate in the development of their plan, very similar to the standard of cover that we do. It is a plan that has to be updated every five years. This aligns us with the county and is potentially useful for us in mitigation planning.

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

- Chief Baker:
 - Quarterly Meet and Confer with the Local is tomorrow.
- Local President Mark Dzengelewski:
 - Very grateful for the opportunity be a part of the fire chief selection process. It was really great and very collaborative.

- Extended gratitude to H&W Officer Macklin for being a leader in wellness before it was a thing. The systems and programs supported over the years is changing lives.
- Chief Grosch:
 - Thank you to the Board and the Chiefs for their support during the USAR deployments assisting with recovery from the hurricanes.
- Director Shriver:
 - The Lone Tree URA met earlier today and approved their budget. They have now approved 9 of 10 agreements with other taxing entities.
- Director Sokol:
 - Thank you for forwarding the information about the two kids at the gym who heard that CPR was needed nearby and stepped in to help. EMS Battalion Chief Piche reported that EMS has already recognized them for their actions but would be happy to get a plaque ordered for presentation to them at a future board meeting.
- Thank you notes:
 - Letter from Castle Rock Fire & Rescue Fire Chief thanking SMFR for providing support during the loss of Firefighter/EMT Andrew J. Koldeway and his funeral service.
 - Letter from Jefferson County Sheriff thanking SMFR for assistance combating the Quarry Fire.
 - Letter from Orange County Fire Authority's Fire Chief thanking SMFR for assistance transporting Handcrew FF Andrew Brown from the airport to Craig Hospital.
 - Note from Pinecrest Community Church thanking the crew from Engine 47 for their efforts in supporting their Harvest Fest 2024.
 - Note received from Castle Pines resident thanking Station 36 for their professional response to a medical emergency at his home.
 - Thank you note from Primrose School of Parker to Receptionist Mary Lema for organizing their Engine Demo and the crew of Engine 46 for their amazing demonstration.

EXECUTIVE SESSION (UPON MOTION)

N/A

NEXT MEETING

Board Work Session to be held on November 18, 2024, 6:00 p.m. at 9195 East Mineral Avenue, Centennial, CO.

Regular Board of Directors' Meeting to be held on December 9, 2024, 6:00 p.m. at 9195 East Mineral Avenue, Centennial, CO.

ADJOURNMENT

Chair Albee adjourned the meeting at 9:05 p.m.

Attested by: 

Date: Dec 9, 2024