

**Steering Committee  
July 22, 2015  
CRFPD Headquarters**

**Steering Committee Attendees:** Joe Enzer, Michael Kennedy, Leslie Lamont, Mark Chain, Chuck Torinus, Hank van Berlo, Laura Van Dyne, Michael Hassig, Carl Smith, HP Hansen, Ray Sauvey, and Joanne Teeple.

**Absent:** Tom Flynn, Jason Sewell

**Others present:** Kat Bernat, Ron Leach, Jeff Wadley, Brandon Deter, Killian Deter, Lee Beck and John Stickney

**Minutes:**

Lamont called the meeting to order at 6:35pm; there were no comments regarding the minutes from the 7/15/2015 Steering Committee meeting and minutes were approved.

Lamont welcomed members of the public and started the meeting with a review of the ground rules stating that the Steering Committee is at a new level. Some of the ground rules covered were:

- Agree to disagree
- Watch your air time
- Include everyone in email discussions/ Lamont asked if anyone objected to Kat being included in the email conversations/ there were no objections

Lamont also stated she wanted to be more diligent about using the "Parking Lot" for topics that need to be revisited at a later time and gave a brief explanation of how public comments work, for example; comment and input for topics as well as comments and input for the Steering Committee.

Lamont outlined the agenda for tonight's meeting stating that 7a was in addition to what was on the 2<sup>nd</sup> half of the agenda last week that the Steering Committee was unable to get to due to time constraints. Lamont stated that this meeting is to finish the agenda that was started last week, hear feedback for the July 29<sup>th</sup> meeting with Almont and discuss how the Steering Committee would like that meeting to go.

Chain referred everyone to the packet of information that was emailed on Friday 7/17.

**Assumptions for Financial Scenarios** Steering Committee comments regarding the Revenue Expenditures and Chain's replies were:

- 25.5% increase in valuation was different from Almont

Chain stated that his number is different because he was being a little more reserved for the current revaluation cycle and had updated information from the counties on the projected percentage increase.

- 12% increase in valuation for budget years 2018/2019

Chain stated that we are ½ through next valuation /going up fast could be as much as this time, Chain reminded everyone that these are his assumptions based on data collected and trends

When reviewing the Revenue & Expenditures Summary spreadsheet, Chain stated that these are just estimates, this year is the largest projected deficit because of the increase in valuation, 2018 will be

lowest. The bottom of the spreadsheet shows projections of what an increase in revenue would be with an additional Mill Levy. Chain got these numbers by using 1.5 mills x gross property value (519,000) and does calculate an increase in 2018/2019.

Comments from the Steering Committee:

- Paints a rosier picture than what's going on
- No deferred maintenance and capital replacement
- Depict accurate budget that puts money aside for those expenditures is needed

Chain moved on to the Mill Levy background.

Comments from the Steering Committee re: **CRFPD Mill Levies 2011-2015**

- It was asked if Pitkin County could be added as a comparison to the Selected Garfield County Mill Levies for the budget year 2015 section. Chain stated he would do that.

Comments from the Steering Committee re: **Selected Mill Levy Information**

- What is Marble? Chain will provide
- What is Redstone compared to Pitkin County? Leach stated Redstone is not incorporated/ it is the same as Pitkin County. Smith said there is a water district assessment unique to Redstone
- Are your numbers same/ close to Almont's

Chain stated that Almont's financial person is very good, Chain was tasked to provide baseline scenarios where there were no enhanced revenues such as additional mill levies and the deficit spending was continued- what would happen? That is the difference between Chain's and Almont's scenarios. Both show increased Capital but Almont runs down the Reserve faster.

- We all see the trend lines, what are implications/where do they lead to?- There were 2 pages that were overlaid on page 74 of the Almont draft; one of the pages had text and a chart, and another was a full financial scenario.
- If no tax increase and the fund balance drops below acceptable level- what are the necessary cuts that would have to be made to personnel to have fund at an acceptable level?

Chain stated that it is best to look at the whole picture from above, don't get into the weeds, get your 1<sup>st</sup> impression, consider, make judgements and move on

- What is the acceptable number for the Reserve balance? If we have this number we can determine what cuts need to be made without a mill levy increase.

It was stated by another Steering Committee member that the Board of Directors would make that decision and the budget would be determined by voters-if it goes to vote

- What are revenues that can be pursued/generated on the +/- side to make it work?
- Is it possible to look at what affect the recession has had on the taxpayer from 2007-2015

A Steering Committee member stated that you might be able to find area median income from a County source that tracks trends, another Steering Committee member stated that this would be related to a ballot question, only one way to figure that out and that's to put it out there. Chain will try to find data.

Comments from the Steering Committee re: **Tax Impacts on Commercial Properties**

- Would like Pitkin County as well

Chain stated this section was for informational purposes only and wanted to illustrate that commercial property owners pay 4 x's more than residential.

Comments/Questions from the public:

- Don't compare the Carbondale Fire District to other entities, compare to other fire districts
- In the Assumptions for Financial Scenarios, where did the 25.5% increase in valuation come from?

Chain stated that this number came from individual counties- they get assessed value and tell municipalities what it is. This is a preliminary number from May and could change in August but not by much. It is combined with Garfield/Pitkin, Gunnison would not change the end game.

Comments and questions from the Steering Committee re: **Outline & Discuss key items from Almont Draft**

- Draft pinpointed amount of work certain staff did and lack of PIO and ambulance billing revenue/sending billing out would cost 5-8% according to Almont, could be higher 10% or more/ should weigh revenue against cost/ could free up a staff member to do PIO/HR or split positions/ ambulance revenue doesn't collect enough - fire department's relationship to the community and character of community plays a role
- Inspections and charging for other services like testing hydrants should be considered/ some subdivision pay for inspections-could prepare bids however, must be careful-companies that inspect also repair
- Was an exhaustive report but I need recommendations to be put into order of importance/ considering what changes could be made and what impact would it have on revenue/ marry all of needs and see where you are- tough picture to sort out, need fundamentals
- Direct everything we do in a positive light to the public/have seen marked change in the social media effort/ the good face on Facebook is drawing people to the website/ take that positive energy and find a way to educate people about the fire department's crisis-give real information
- Master Plan is 25% meat/75% potatoes- boiler plate common for all other departments they do reports for/ what is the role of the Steering Committee in regards to the Board of Directors/ to what scale do they want the Steering Committee to criticize, applaud, analysis the Master Plan/ the whole economic model they chose is wrong/Government accounting is supposed to at least break even/ can't adopt if revenues and spending don't match (Regarding scale of involvement- a bird's eye view role would be positive ambassadors to the fire department-supporting what you're doing) Smith commented that the Board functions as a group when making decisions on which direction to go/ Kennedy commented that they (the Board) don't want to micro manage-everyone could take a portion (of the Master Plan) and pick it apart/ there is a limit to being too in depth)
- Does the fire department belong in the ambulance/EMS service? It's a money loser although it is a great service for the community/ from business standpoint it's a lose-lose/ there are some ideas on how to address/ leave free standing ambulance service in Parking Lot- too big of an issue/If you form an ambulance district-people will see through that dropping mill levy down for fire department and increasing for an ambulance district

- At some point we're heading toward a mill levy increase
- The Master Plan says the department is not being managed poorly
- People don't understand that they own this fire department/sell the idea so people will participate more/details don't mean crap-gotta sell the department / this is a wealthy area with desirable features (Fire/EMS services) the need for emergency services is going to increase/need to be more informative to put burden on the public to understand the context of how this group works (fire department)
- What is the fire reduction section talking about? (Modern building techniques are very good at preventing structure fires) When talking about fire reduction the Master Plan is not pegging our area-(over growth forest/wildland fire)
- Present circumstances reveal how lucky the District was to build up reserves/ impressed with Master Plan- Almont was hired to give goals and aspirations and they gave 75 recommendations to go to the public with
- The SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) didn't address points enough/ for example: how do you retain talent? How do you develop a volunteer program – there are a lot of morale issues that revolve around staffing...either not enough shift people or not enough volunteers/ need to address cohesion with the fire department- don't let little things go unaddressed
- The Steering Committee should offer recommendations- the Master Plan is broad guide for the next 10 years/ Little financial things make enormous difference to the public in regards to the fire department being financially responsible/ Going to the voters is likely- it's up to Ron and the staff to match the revenues to the goals and objectives of the Master Plan
- Have to solve the basic problem: How do you determine what mill levy increase voters will accept- what is palatable to them? Need to make the Master Plan language understandable to the voter/ Preposterous to think that this can be done by November/ If another mill levy doesn't pass- will be devastating to the fire department/ last mill levy question had several issues i.e. no sunset/ should ask for as low a mill levy as we can live with and a short sunset
- Want to see 3 scenarios: no increase-reserves down to 0/ what's the minimum mill levy we can ask for to keep as is/ and a more aspirational mill levy increase option that covers Master Plan suggestions

Lamont addressed the Steering Committee stating that they had really good questions and they would be helpful in conversation with Almont next week/ Lamont wants to get a bullet point to the Steering Committee members to tweak if need be so Almont will have for the meeting on 7/29 at 6:30pm.

Public Comment:

- From an outside perspective one reason mill levy didn't pass- Board is perceived as a good old boys club and is not receptive of new members/ Staff is top heavy too many chiefs/ need more public relations work/ explain to public why the department is not top heavy
- Heard great comments tonight, boiler plate portion and prioritization very important/ didn't hear anything about a strategic plan/ provide less lengthy plan to public/ Hard for anyone to plan for 10 years ahead but the 2004 bond issue had very clear goals/ will be a little harder to sell because you're selling what you already got

Staff comments:

Ron Leach addressed the Steering Committee and the public with the following comments:

Of all of the numbers and budgets that were knocked around here tonight, there is one number I would like you to keep in mind: 384. From March 30<sup>th</sup> – July 22<sup>nd</sup> the members of the fire department have responded to 384 emergency 911 calls behind the scenes where the rubber meets the road we have kept this service going 24/7. Delivery of the service that you all are trying to support has been my focus and for the last three months the staff and volunteers have remained a cohesive unit to maintain service to this community. I'm extremely proud of the volunteers, staff and Board of Directors, it has not been easy, it takes a toll and they've kept focused and answered those calls.

The Steering Committee applauded at the end of Leach's comments.

Lamont gave an overview of upcoming dates:

7/29: Almont meeting

8/4: Master Plan Final

8/17: Board of Directors meeting

(May or may not have town meeting 8/6- not definite)

A Steering Committee member asked how the Master Plan will come together and how a potential November mill levy will come

All elements of what is being put together by Almont will be presented to the Board. Lamont's and Chain's work will be inserted into the proper areas of the Master Plan that Almont has put together.

#### **PARKING LOT:**

- What cuts are necessary in the department to prevent the department from falling below an acceptable fund balance?
- Of those necessary cuts what are considered significant and what are the impacts to the District
- Establish specific reserve fund balance
- What are the revenues that can be generated to make it work
- Is there a way to gauge how much personnel income has gone up 'vs' property valuation and the willingness on the voter to approve more taxes
- Should the Fire District be in the ambulance business
- What should the transition time be between the Master Plan process and mill levy question

Meeting Adjourned: 8:41pm

Lamont's compiled bullet points of Key Discussion Items from the Almont Draft Master Plan – that the Steering Committee wanted Almont to consider when considering revisions to the draft plan:

- What cuts are necessary in the Dept. to prevent the Dept. from falling below an acceptable fund balance?
- Of those necessary cuts what are considered significant and what are the impacts to the District?
- What are the revenues that can be generated to make it work?



- Out sourcing ambulance billing seems like a good idea but will need to weigh the cost against in-house and/or creating a PIO.
- Another good point was to consider charging for inspections and other services.
- The list of 75 recommendations should be put into an order of importance. Although the recommendations are organized by departments or sections.
- What is the bottom line? I want to see the trends of budget projections before I get into the more basic stuff of running the Dept.
- In my opinion the economic model used is wrong from a small business perspective (meaning a budget less than \$2 million). Government accounting requires a balanced budget; requires expenditures and revenues to break even. Almont didn't address this.
- How do we deliver the best blueprint to the Board of Directors?
- On the budget pages what are the red and green markings? What do they mean? (**NOTE:** Red means falling below an acceptable benchmark. Yellow hatching is important line item categories i.e. "mill levy" and "minimal reserve suggestion". Green marks are what Almont calls "decision units" i.e. "number of staff" and "estimated cost of employees or vehicles".)
- I would like a glossary of all the acronyms. This should be reader friendly.
- It would be helpful if there was an Executive Summary.
- On page 71 there is reference to progress in fire suppression in particular structural fires. However, in our area our greatest concern with fire is over growth forest and wildland fire – doesn't feel like this part of the Plan is related to us.
- On page 85 the text refers to a projected growth in ambulance calls but on the budget pages the number of ambulance calls is static – which affects that budget. I don't believe the calls will remain static; we have a growing population of older residents.
- The beginning of the report includes a lot of quotes and references from the SWOT analysis but the draft Plan does not offer solutions; i.e. morale issues, retaining talent.
- Should solutions be included in the Plan with recommendations to the Board or is the purpose of the Plan to identify problems and let management and the Board sort this out?
- Which future does the Dept want? And what will it take to get us to achieve the aspirations of the Plan, maintain service, or require cutting of services?
- We should know what the numbers are that would require the elimination of personnel.
- We need three budget scenarios: hell, purgatory, and heaven: no increase and reserves down to \$0; what is the minimum we can ask for to keep us static; and more aspirational mil levy that covers the Master Plan suggestions.