



Southern Marin Fire Protection District

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Mill Valley, California 94941

Phone: 415 388-8182 Fax: 415 388-8181

FINANCE COMMITTEE MEETING

Wednesday, June 20, 2018

07:30am

Headquarters - Station 9

AGENDA

Call to Order

Open Time for Public Expression (limited to 3 minutes per person)

The Board welcomes public comments on all agenda items.

Agenda Adjustments

Approval of Minutes:

- May 18, 2018
- June 6, 2018 Special Meeting Minutes

1. Finance Report
2. Financial Sustainability
3. Preliminary 2018/2019 Budget

Closed Session

1. CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Agency Designated Representative: Finance Committee

Employee Organization: Southern Marin Professional Firefighters Association, IAFF Local 1775

Adjourn

Finance Committee Meeting
Wednesday, May 16, 2018
Station 9 – 07:30 am
MINUTES

Call to Order: 07:30 am

In attendance: Directors Perazzo, Hilliard and Fleming, Fire Chief Tubbs, Deputy Fire Chief Peterson, Finance Manager Schiffmann, Administrative Assistant Stacey Hoggan Absent: Director St. John

Open Time for Public Expression: None – no public present.

Agenda Adjustments:

- Add “Discussion of Purchase of a Type 1 Engine” to agenda item 5

Approval of Minutes:

Motion to approve April minutes:

Motion Perazzo/Hilliard to Approve. Ayes – 2 / Noes – 0

Finance Report:

Finance Manager Schiffmann advised the Committee that the District is at 80% of 85%, which is expected at the end of our fiscal year. The fireboat purchase is underway and we have received reimbursement from FEMA. The 501c3 foundation is almost complete and there is about \$3000 that will go into the account when ready. The OPEB Trust was down a little. FM Schiffmann also let the committee know that she has been looking into the option of CALPERS. They now have an option for a pension trust but there is a minimum that they require for retirees that OPEB does not require at this point. She advised that she is still looking into what the returns would be. Battalion Chief Pasquale had looked into the utility rates and had determined that rates have gone up and that is why we saw an increase. This will be figured into the upcoming budget.

Director Hilliard asked about budget line 583-5V for miscellaneous one time payments. These funds were for the revenue study, social media and a retro payment for the Long Term Care program. Next year the social media costs will be budgeted.

Lew/Edwards and NHA Update:

Chief Tubbs advised the Committee that going forward this item will be on the Agenda as **Financial Sustainability Report**. He then spoke about understanding the long term fiscal sustainability trajectory and how it relates to our service levels. Our current service levels are unsustainable with the current revenue streams. NHA Advisors have calculated that if the District maintains the service levels that we are at and the revenues remain the same, there will be a deficit in funding in the next few years.

A recent community survey by Lew Edwards indicates support to maintain current service levels and for increased disaster preparedness services. Staff has been looking at various options and will recommend a small expansion in services to address this need. Increasing this service would require additional revenue.

Staff is currently sending out a community feedback survey to community leaders and scheduling community information meetings. The District will then reassess the options of decreasing services or asking voters to support a tax measure. The decision will need to be made by August 1st.

FLSA in Lieu of

Finance Manager Schiffmann spoke about the different options in moving forwards with the FLSA in Lieu talks. The District is waiting on recommendation from the lawyer in regards to what will be offered. The law firm that is analyzing the cost is looking at numbers based on what costs would be including damage and legal fees to both the District and the Association.

Preliminary Budget

Discussion of the Preliminary Budget has begun and Chief Tubbs recommended to have two Special Finance Committee meetings prior to the next regular meeting to be held in June. The next two special meetings will be held on Wednesday May 30, 7:30am at Station 9 and Wednesday June 6, 7:30am at Station 9. The Final draft of the preliminary budget is due at the June Finance Committee meeting held on the 20th.

Purchase of New Type 1 Engine

The District is scheduled to replace a Type 1 Engine in the next fiscal year. The vendor let us know that if we pay before the beginning of the new fiscal year that they would be able to provide a discount to the District. This will need a budget adjustment for the 2017/2018 budget. The District has sent a letter of intent to the vendor for this purchase. The cost savings to the District will be about \$15k.

CLOSED SESSION
08:18

BACK in SESSION
08:42

- Committee has been instructed to meet with Board Members to discuss results of Financial Stability Study.

Motion to Adjourn 08:43

M/s Hilliard Perazzo Ayes – 2 / Noes – 0

Special Finance Committee Meeting
Wednesday, June 6, 2018
Station 9 – 07:30 am
MINUTES

Call to Order: 07:32 am

In attendance: Directors Perazzo, and Hilliard, Fire Chief Tubbs, Deputy Fire Chief Peterson, Finance Manager Schiffmann (via phone), Administrative Assistant S. Hoggan

Absent: Director St. John

Open Time for Public Expression: None – no public present.

Agenda Adjustments:

- Add closed session for FLSA update pursuant to Government Code 54957.6
- Add Approval of minutes from May 30, 2018 meeting

M/s Perazzo/Hilliard

Ayes: 2

Noes: 0

PRELIMINARY BUDGET 2018/2019

Chief Tubbs spoke to the Committee about the concern in the last week's meeting regarding the difference in the revenue and budget. The revenue was increasing 1% but the budget increased at 2.9%.

Finance Manager Schiffmann explained that, because that the grant monies for the new boat have not yet been spent, the amount will roll over to this year's revenue. This will change the actual revenue to 4.1%. FM Schiffmann also provided a chart explaining the actual dollar amounts. *see chart attached to report

Chief Tubbs then clarified that the finalized preliminary budget document will reflect the revenue numbers at the 4.1% increase. He then asked FM Schiffmann if the revenue increase in any way affects the 2.9% increase. FM Schiffmann explained that the 2.9% is just the operating costs. The total budget will end up being a **-12%** between last year and this year.

Chief Tubbs let the Committee know that he will be finishing the Preliminary 2018/2019 Budget this week and will get it to the Board shortly thereafter so that they have time to review it prior to the June Board meeting.

Chief Tubbs clarified with the Committee that they were comfortable with submitting the Preliminary Budget to the Board. The Committee approved with the noted changes in the revenue numbers.

There were no further questions from the Committee.

-Motion to forward the Preliminary Budget to the Board with a favorable recommendation

M/s Perazzo/Hilliard

Ayes: 2

Noes: 0

Approval of Minutes May 30, 2018 Special Finance Committee Meeting

Minutes approved with some typo corrections

M/s Perazzo/Hilliard

Ayes: 2

Noes: 0

Committee entered closed session at 07:45 am

Back in session at 08:22am

-Direction provided by the Committee

Adjournment 08:15

M/s Perazzo/Hilliard

Ayes: 2

Noes: 0

Revenue Source	+ / (-) PY Budget		Background Notes
	Actual changes	Incidental	
Property Taxes	600,000		5% Property tax increase over 17/18
Grant Funds		(215,121)	Rolled over unspent boat funds; not useful for comparing PY
OT Reimbursements		200,000	Estimate; not useful for comparing PY
Plan Fees		100,000	Revenue offset by new prevention position; net zero effect on budget
	600,000	84,879	
Total Revenue Increase	684,879		