



# SOUTHERN MARIN FIRE PROTECTION DISTRICT

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**Southern Marin Fire Protection District  
Finance Committee Meeting  
Wednesday, May 20, 2020 – 07:30 am – Headquarters**  
Director Cathryn Hilliard – Chair, Director Tom Perazzo  
**Alternate:** Director Peter Fleming

## MINUTES

**1. Call to Order:** 07:32 a.m.

**In Attendance:** President Hilliard (by Zoom Meeting), Director Perazzo, Fire Chief Tubbs, Deputy Fire Chief Peterson, Finance Manager Schiffmann (by Zoom Meeting), Clerk of the Board Mariya Weinberg.

**Absent:** Director Fleming

**2. Open Time for Public Expression:** No public present.

**3. Agenda Adjustments:**  
None, per Chief Tubbs,

**4. Approval of Minutes:**  
➤ April 15th, 2020 Finance Committee Minutes– Approved.  
M/s Perazzo/ Hilliard  
Ayes- 2 / Noes- 0

**5. FINANCE REPORT:**

Finance Manager Schiffmann reported that the budget year is at 85% for the year; total expenses are at 78%, so we are about 7% under budget for the current fiscal year. April Property Tax distribution came in as expected, total revenues in June are expected to be \$475K higher than budgeted. Report contains background on property tax change history since 2007. County projects a 4% increase in secured property tax revenue for the next fiscal year. ERAF that came in April, and generally can't be projected, came in at 146% over budget, which is about \$300K over budget. PARS trust went down \$369K, but the following month it went up, statement was sent.

Chief Tubbs asked if Ms. Schiffmann had any information relating to CA Governor deferring December property tax disbursement. Ms. Schiffmann said that due to us falling under Teeter plan, we do not expect to be affected, even with regard to April installment, as we receive the tax revenue, even if it's not collected, Ms. Schiffmann will double check with Dana Proctor with the

County. Chief Peterson added that the legislative Task Force on this issue will be coming this Friday.

Ms. Schiffmann answered a question for President Hilliard whether if it was still prudent to be using “moderate investment strategy”, as opposed to conservative one. Ms. Schiffmann stated that if we move away from moderate strategy now, it would have a further negative effect.

Ms. Schiffmann went on to present the SMFD Budget Report FY 2020, with items that were expected to be over budget highlighted in green. Items in red were also addressed. Particularly, we are under budget in overtime reimbursements. Overall, about \$470k over budget is projected by end of year. Continuing, the red line items are not new since the last report.

President Hilliard asked for explanation on 504-V, W/C Payroll Audit Adjustment (217% over). Ms. Schiffmann clarified that the annual Worker’s Comp estimates from our company are estimates only. This year we were underbilled. Chief Peterson and Ms. Schiffmann discussed the impact of a recent MOU, which is not until next year. Bottom line, W/C company simply had a low estimate for 2019. Ms. Schiffmann contacted the W/C company with additional payroll info, to ask to provide a more realistic estimate for next year

President Hilliard asked about status of Station 4 irrigation issue resolution, relating to Item 518-C, MMWD. Ms. Schiffmann stated that weekly water meter readings are down 75% since the irrigation was turned off. MMWD bill is bi-monthly, so update on expenditure is pending. We are working to get a contractor out, but the COVID-19 situation caused delays.

Director Perazzo asked about Item 523-Z, Disaster Preparedness item. Chief Tubbs and Chief Peterson confirmed that 3 new generators are portable “backup to backup” for the fire stations.

President Hilliard asked about Item Page 583-5W, Miscellaneous Admin Building costs. Chief Tubbs confirmed that all expenses in this area have been closed out, with money being set aside already for anything forthcoming, so confirming that nothing new is expected.

President Hilliard asked about the Blue Cross and Teamster’s Local Union item on page 17. Ms. Schiffmann confirmed that some of our staff are on Blue Cross and reimburse District for difference in cost, if any. Generally Blue Cross is no longer more expensive than Kaiser, since rates changed.

President Hillard asked about Granicus. Chief Tubbs explained that this purchase is for a new more effective website platform, in addition to it already helping manage our meeting packets. President Hillard also asked about the item on Page 21, labeled “Fish”, for \$77.96. Ms. Schiffmann clarified it’s a name of a restaurant, for a staff training lunch.

President Hillard asked if she was correctly reading that the PARS Trust Earnings in April increased by \$268K (Page 25). Ms. Schiffmann confirmed.

No action required on the Budget.

## 6. ACTION ITEMS

### 6.a Annual Board Compensation / Marin County Civil Grand Jury

Approve Recommendations.

Chief Tubbs explained the Grand Jury Report issued April 28<sup>th</sup>, 2020, concerning the public employee compensation information, and the links used to provide this info on public agency websites. Must PublicPay instead of “Transparent California”. More info is to be reported about compensation for the Board Members, see MMWD site as an example. Ms. Schiffmann has built a table concerning the Board Compensation – see report. Also included are two draft policies for Finance Committee support, so we can add these to the District policies, and change links on SMFD website for employee and Board Member pay, and post compensation table.

President Hilliard suggested about the compensation chart, to put an \* next to Director St. John’s name, to clarify that he forgoes his annual compensation, but he does attend meetings. Also, suggestions on how to handle someone in place for less than a year. With regard to policy 1216.3 – Authorization and Approval of Compensation, requesting a clarification if this is a form that Board members fill out, and what is the required date of submission. Chief Tubbs stated that this was left open for Board discussion. Ms. Schiffmann said that Clerk of the Board has been submitting attendance to Finance. Will also need track of outside meetings, Board members to email Ms. Schiffmann. Director Perazzo, President Hilliard and Chief Tubbs discussed making sure that the form lists all meetings. Chief Tubbs proposed that the attendance information is included in Finance report every month. President Hilliard and President Perazzo recommended annual publication, as required per Grand Jury.

**Motion:** To forward Policy to the Board with the direction to approve.

M/S: Perazzo/Hilliard

Ayes: 2 /Noes: 0

### 6.b Draft 2020/2021 Preliminary Budget

Receive Report and Provide Direction to Staff

Ms. Schiffman provided an overview, noting that Measure C creates a challenge in determining budget change, as compared to last year. Ms. Schiffmann highlighted 4.4% change from last year in Total Operating & Equipment Budget, which is the general budget without Measures C or U. This general budget contains operating and equipment costs, which don’t change much year to year. Fire Chief’s goal is to keep the overage under 5%. Our total budget is now 6.4% over, but that includes reserves, which are actually dealt with separately.

Ms. Schiffmann stated that for Measure U, we are keeping budget at \$1 Mil. Measure C has 2 new inspectors, plus LRAD and a vehicle. Chief Tubbs stated that the Governing Board, which is meeting tomorrow, made a proposal on Measure C budget. The Operations Committee is

evaluating member agencies proposals. Chief Peterson expects that the Operations Committee will recommend that that 1<sup>st</sup> year budget should be half of the \$19.3k, so there's a reserve. Final number to be determined by July 1, so by October 1 final budget, Measure C line will be adjusted to what was approved.

President Hilliard mentioned that she is attending the Measure C Governing Board meeting and inquired about additional agenda materials, decision making process on agency proposals, Operations Committee top officer selection. Chief Tubbs clarified that more meeting materials should be forthcoming, that the Operation Committee only vets the proposals, but the Board approves, and also described the recruitment process for the Operations Committee top officer.

Ms. Schiffmann went on to page 45, Operating Budget Analysis, showing reasons for changes, for example MOU starting in July, 28 Liberty Ship Way PG&E, individual training accounts, which are not used as much as expected, & Specialized Services decrease since Communications Officer is now a salary. Ms. Schiffmann stated that the Total Operating Budget is up 4% from last year.

Director Perazzo inquired about item 527 (Rent). Ms. Schiffmann clarified that includes an increase that will only affect May and June.

President Hilliard asked if we have enough money set aside to respond to COVID-19 protection requirements. Ms. Schiffmann believes we do, and also reminded that these would be reimbursed to us. Chief Tubbs reminded that SMEMPS covers items like PPE & general supplies.

Per Ms. Schiffmann, Capital Budget Analysis for the draft preliminary 2020/2021 budget includes 28 Liberty Ship way EOC. The draft budget removed the Granicus Web project as the Fire Chief was able to fund from this year's budget. Getting air Compressor on Station 4. There's a request for 2 more drones in the proposed preliminary 2020/2021 budget but is currently under discussion, per Chief Tubbs and Chief Peterson.

President Hilliard inquired about the \$250,126 CalFire Grant line, and Ms. Schiffmann clarified that it's a cost for a program Fire Marshall Hilliard is spearheading, and is parts of a 3 year approximately \$770k total budget. SMFD will get reimbursed for all of this, except \$10k a year.

Ms. Schiffmann proceeded to the Measure U budget, which has a goal of \$1M that is dedicated to wildfire risk reduction. Last year we had a high up-front setup costs, but not this year. So, more is left for increased vegetation management work. Chief Tubbs mentioned that next Board Meeting we will have a resolution to take action to define the scope and process of how Citizen's Oversight Committee of Measure U will operate. There was discussion among those present about this committee's function, which was originally not clearly defined. The adopted Ordinance required the Board to adopt a resolution detailing the scope of the Measure U Oversight committee, but this has not yet been done. Chief Peterson has been working with District Counsel to ensure we fully meet the Ordinance requirements. The Measure U Oversight

Committee's expectations and efforts are not currently aligned with the Ordinance. Assuming the Resolution passes, Board and Committee will meet 3<sup>rd</sup> week of June so Committee function can be clarified. There was also further discussion was about opportunities for Committee to provide input to Measure U projects.

Continuing with Measure U budget, overtime is less this year, and there are no new employee costs. There is an increase in the mailing cost, which was underestimated in the previous budget, and vegetation management line purposely increased. Buying AEDs for 2 new vehicles.

Per Ms. Schiffmann Measure C Budget, has no prior year comparison. There are substantial set up costs, especially with 2 new inspectors. The report has line-by-line details. Ms. Schiffmann confirmed for President Hilliard that inspector starting salaries were \$78,500, with Chief Hilliard to providing additional info.

Ms. Schiffmann remarked that IT Staff position was not in the budget. If it were, it would push us over 5% budget increase that Chief Tubbs has set as a maximum for the preliminary 2020/2021 budget. Chief Tubbs confirmed that funding for the IT person is not in the budget. However, approaching October 1, once we see how our economy is doing, the Board may then decide if to hire.

Ms. Schiffmann clarified for President Hilliard about nature of HOPTR, which is Home Owner Property Tax Redemption through the State of CA program. Ms. Schiffmann also clarified for President Hilliard about "Other General Revenues", which is an item showing reimbursement from City of Mill Valley for sharing the Battalion Chief.

President Hilliard inquired whether we can consider that the Finance Committee now reviewed this Preliminary Budget twice, and so it is ready to be presented in front of the Board of Directors? Per Chief Tubbs, the Finance Committee needs to review the Preliminary Budget one more time, and then the Preliminary Budget will be in the June Board of Directors packet to approve.

## **7. REPORTS AND INFORMATION**

### **7.a Rent for 28 Liberty Ship Way - Update from Property Managers - Receive Report**

28 Liberty Ship Way property management notified us that there is a moratorium on rent increases currently, until April 2021.

**Adjourn Open Session at 8:42 AM.**

## **8. CLOSED SESSION**

CONFERENCE WITH LABOR NEGOTIATOR Government Code Section §54957.6  
Representative Employee: Battalion Chief Employee Organization: Southern Marin Chief Officers Association and the Southern Marin Firefighters Association

Entered into Closed Session at 8:43 AM

Came out of Closed Session 9:08 am.

Action Taken: Direction given to Staff.

**Open Session:** Back in Open Session at 9:08 AM. Nothing to announce, no action taken.

**ADJOURNMENT:** Adjourned at 9:09 AM.