Members Present:
Chairman Jeff Swanty, Director of the Loveland Rural Fire Protection District ("Rural District")
Director Dave Legits, Rural District President
Director Steve Adams, Loveland City Manager

Members Absent:
Vice Chairman John Fogle, City of Loveland Council Member
Director Richard Ball, City of Loveland Council Member

Staff Present:
Mark Miller, Fire Chief
Dino Ross, Legal Counsel to the Authority
Andrea Wright, Human Resources Manager
Greg White, Secretary of Rural District
Michael Cerovski, Battalion Chief
Ned Sparks, Division Chief
Greg Ward, Division Chief
Cheryl Cabaruvias, Administrative Analyst/Recording Secretary

Visitors:
Jacki Marsh, Mayor, City of Loveland
Janet Bailey, Fire Rescue Advisory Commission ("FRAC")
Paul Pfeiffer, FRAC
Randy Mirowski, Front Range Fire Consortium Training Chief

Call to Order:
Chairman Swanty called the Loveland Fire Rescue Authority ("LFRA") Board meeting to order on the above date at 1:34 p.m.

Awards and Presentation:
Chief Miller stated that a badge pinning would be held at 3:30 for firefighter Linda Crane following the regular meeting. Chief Miller also introduced the Board to David Rhoades, who was recently hired as LFRA's new Fire Inspector for Community Safety.
Swearing In:
None

Public Comment:
Mayor Jackie Marsh mentioned the City's Habitat for Humanity program and encouraged all LFRA staff to apply for an affordable home.

Consent Agenda:

1. Consider a Motion to Approve the Minutes from the May 30, 2018 Loveland Fire Rescue Authority Regular Board Meeting.

2. Consider a Motion to Adopt Resolution R-89, to Allow Board Members to Enroll in CEBT Health Insurance

3. Consider a Motion to Adopt Resolution R-90, Regarding Health Insurance for Retirees

4. Consider a Motion to Approve the Colorado Special Districts Property and Liability Pool Repayment Agreement Regarding the Voluntary Cancer Award Program

Motion made by Director Legits to approve the consent agenda. Director Adams seconded; motion carried unanimously.

Attorney Dino Ross reviewed the LFRA Board Bylaws and IGA with the City of Loveland to determine if a minimum of two City representatives were needed for the Board to pass a motion. It was determined that two City representatives were not needed provided there were enough Board members present for a quorum.

Regular Agenda:

5. Consider a Motion to Approve Drafting a Policy Regarding the Distribution of Reserve Funds into Specific Accounts

Chief Miller discussed the importance of retaining a reserve fund balance. Chief Cerovski explained the need for having two specific reserve fund balance accounts, one for unanticipated purchasing needs and opportunities, and another for emergencies related to unplanned disasters in the LFRA community. Chief Cerovski explained that if the unassigned fund balance is not reserved in accounts specifically for emergency response and for contingency, then LFRA could be required to use all fund balance reserves before receiving federal disaster assistance. Having these accounts segregated will also aid LFRA in using fund balance reserves for unanticipated expenditures.

Additionally, it was discussed that the governing partners currently hold a fund balance reserve of 15% of their contribution amounts on behalf of LFRA. Secretary White questioned the need for fund balance reserves and whether this requirement is stated in the IGA.

Board discussion regarding the proposed fund balance reserve policy followed. Director Adams stated that the City's fund balance reserve policy is based on how many days of operation the fund balance reserve will cover, and does not include capital expenses in the
calculation. He would like to see these concepts in any LFRA policy. Chief Cerovski indicated that the current proposed calculation does not consider capital budget, and is intended to use existing budget savings rather than request additional budget from the governing partners. Director Adams suggested that Chief Miller consult Alan Krmarsik to see what would be a prudent amount to maintain in a reserve fund balance and how it should be built, maintained, and spent in order to best position LFRA for additional borrowing in the future.

Chief Miller asked whether the Board is in general agreement with the concept of a reserve fund balance policy and whether he should bring back a proposed policy in the form of an Administrative Regulation. It was the consensus of the Board that Chief Miller should prepare a proposed policy; however Director Adams would like to see clarification of the two reserves concept to ensure that capital budget is not included in the percentage calculation.

6. Presentation on the Gallagher Amendment and De-Gallagherization

Chief Miller informed the Board that there are several fire departments that have already, or are considering, presenting "de-Gallagherizing" ballot issues to their voters. Attorney Ross stated that "de-Gallagherizing" is a new concept in the fire service. In general, this process does not affect the Gallagher Amendment, but rather, requests that voters allow a taxing entity to adjust its mill levy in response to changes in the residential assessment rate, so that the District’s tax collections are not affected. In 2017, the residential property tax rate reduced from 7.96% to 7.2%. There is a possibility that the residential assessment rate may be reduced in 2019 to as low as 6.1%. Many local government agencies that rely on property taxes are very concerned.

As an authority, LFRA does not collect taxes and cannot de-Gallagherize. However, de-Gallagherizing would be an option for the City or District. Board discussion followed. Secretary White stated that the assessed valuation in the Rural District increased 21%, which helped to offset the short-term effects of the most recent Gallagher reduction. This issue will be discussed further by the Rural District Board; however, Secretary White does not believe that the Rural District is inclined to seek a de-Gallagherization at this time, though it is looking at possible other options including a traditional mill levy increase in the coming years.

7. Review Briefing Papers and Correspondence.
Chief Miller reported on:
   a. Letters
   b. May Operations Statistics
   c. May Community Safety Division Statistics
   d. May Human Resources & CORA Statistics
   e. May Budget Statistics

8. Other Business for Board Consideration

Attorney Ross noted that some Boards include language on their agendas noting that they are preliminary and subject to change by majority of the Board at the meeting, and have as a standing agenda item, “Additions/Deletions and Approval of Agenda”, which can give the Board some latitude in making changes to the agenda at the time of the meeting.

Chief Miller introduced the idea of hiring of one firefighter as an overhire. LFRA has been involved with Front Range Fire Consortium (FRFC) for 20 years. There has been a turnover of staff and there currently is an urgent need for a support training person. Chief Miller is proposing that LFRA’s current training Lieutenant Randy Stuart move to the FRFC training support position, with financial reimbursement from FRFC. Additionally, LFRA would hire a firefighter and provide promotions to fill Lieutenant Stuart’s position. This firefighter was
originally intended to be hired in June 2019 as part of the Station 7 new employees, so this will reduce the number of new firefighters hired in June 2019.

These promotions and position changes would offer growth opportunity for all staff involved in the process. Chief Miller asked the Board to approve the addition of one FTE provided there is no impact to the City or Rural District financial contributions. Chairman Swany asked where the additional cost would come from. Chief Miller indicated that the majority of funding would be provided by FRFC’s reimbursement of Lieutenant Stuart’s time and the balance would come from reserve fund balance. Chief Mirowski added that the benefit to LFRA for providing the support staff is two-fold: LFRA will have major input in the training that the new firefighters receive, and the training support staff will receive superior knowledge and skills.

Director Adams asked whether the Board can vote on an agenda item that has not been posted for public notice. Attorney Ross indicated that the Board can give a consensus on the item and then ratify it at the July meeting to make it official. This will allow Chief Miller to move forward with hiring the firefighter immediately. Consensus was given by Director Legits, Director Adams, and Chairman Swany.

Secretary White commented that the Mayor of Estes Park was very grateful for LFRA’s assistance in the Mary’s Lodge Fire.

Janet Bailey asked about the status of an improved alerting system. Chief Ward said that it is in process, dependent on technology. Chief Cerovski added that LFRA is awaiting the possibility of outside funding.

9. Chief’s Report

Chief Miller discussed the proposal for the hiring of a physical therapist. He will present data to the Board at the July meeting, at which time Rene Macias will be available for a presentation. Chief Miller will propose funding the physical therapist from reserve fund balance reserve.

Chief Miller reminded everyone about the July 4th breakfast, everyone is welcome.

There are seven message boards around Loveland reminding residents about illegal fireworks. The City of Fort Collins used message boards last year and saw a reduction in illegal fireworks. Education is a good way to reduce illegal fireworks. Chairman Swany indicated that the Police Department is also sharing the same message.

Chief Miller shared a summary of the budget subcommittee meeting. The Board will vote on the budget at the July Board meeting.

With no further business to come before the Board, Chairman Swany adjourned the regular meeting at 3:19 p.m.

The foregoing minutes, having been approved by the LFRA Board of Directors, constitute the official minutes of the meeting held on the date stated above.

Jeff Swany, Chairman

Steve Adams, Director

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