



BOARD OF DIRECTORS MEETING MINUTES *(Approved)*
Regular Meeting | Wednesday, April 13th, 2022

1. CALL TO ORDER

The meeting was called to order by Chair Ortiz at 4:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

All members were present.

4. APPROVAL OF MINUTES

- a. Regular meeting minutes of February 9, 2022
- b. Special meeting minutes of March 15, 2022

Board Member Cole motioned to approve the special meeting minutes of March 15, 2022, and regular meeting minutes of February 9, 2022. Vice Chair Chuang seconded the motion. Approved 4-0-0.

5. REPORT OUT FROM CLOSED SESSION

- a. Report out from closed session of March 15, 2022

General Counsel, Jean Savaree, reported that no action was taken in the closed session.

6. PUBLIC COMMENTS – NON-AGENDA

There were no public comments.

7. CONSENT CALENDAR

- a. Central County Fire Department Treasurer's Report for Q1 and Q2 Fiscal Year 2021-22
- b. Resolution finding that meetings of the Central County Fire Department Fire Board via Teleconference protect against the ongoing and imminent health and safety risks posed by COVID-19 and determining that all such meetings will continue to be by teleconference pursuant to California Government Code Section 54953(e)
- c. Resolution adopting salary increases and changes to benefits for the Unrepresented employees of the Central County Fire Department

Board Member Brownrigg motioned to approve the items 7a., 7b., and 7c. Vice Chair Chuang seconded the motion. Approved 4-0-0.

8. PUBLIC HEARING

- a. A Public Hearing to approve the Resolution to Adopt the Fiscal Year 2022-2023 Budget for the Central County Fire Department
 - i. Staff Report (includes PowerPoint)
 - ii. Open Public Hearing and receive comments
 - iii. Close Public Hearing
 - iv. Approve the Resolution to Adopt the Fiscal Year 2022-2023 Budget for the Central County Fire Department

Finance Director Jan Cooke provided an overview of the 2022-2023 budget:

The General Fund proposed budget is growing \$2.4 million (8.3%) driven by a \$2.2 million (7.7%) increase in expenditures and a \$0.2 million (0.5%) decrease in operating revenues as compared to the FY 2021-22 adopted budget. Of the 7.7% increase in expenditures, 2.3% is attributable to changes in the Training program. As of July 1, the Training program will be for CCFD/San Bruno personnel only, with San Mateo Consolidated no longer participating in the Joint Training Program with CCFD. The new training program is staffed with a CCFD Battalion Chief and a Fire Captain creating a new additional headcount of two. The expenses for the program and staffing will provide CCFD with the resources to deliver all of the mandated training requirements in-house.

The expenditures increase of \$2.2 million is primarily driven by 1) headcount additions for the Joint Training program, 2) contractual increases for cost of living and 3) CalPERS pension contributions. The operating revenue decrease of \$0.2 million is primarily due to a reduction in mechanics' shop revenue, ALS revenue, and reimbursement programs which are somewhat offset by strike team reimbursements. The chart below demonstrates the budget increases in relation to the overall 8.3% increase.

The FY 2022-23 proposed budget reflects a cost-of-living wage increase assumption of 3% for the firefighter group. A new MOU effective for 7/1/2022 is still under review at the time of this budget preparation. In addition, the proposed budget assumes that CCFD will make its annual UAL (Unfunded Accrued Liability) payment to CalPERS as a lump sum amount in July, rather than an even monthly amount. Prefunding achieves approximately in \$125k savings in interest payments. The monthly city contributions are adjusted to reflect a higher amount in July and lower even amounts for the remaining months in the fiscal year.

Detailed Analysis

Operating Revenues:

General Fund operating revenues are projected to decrease \$156k (-9.6%) as compared to the FY 21/22 adopted budget.

- Fire code permits are expected to decrease based on current trend. (-\$5k, -20% change)
- ALS JPA revenue is expected to decrease due to the rising cost of EMS labor. (-\$81k, -30%)
- Joint training revenue in FY 22/23 is the reimbursement revenue from City of San Bruno for the training program. The program in FY 21/22 was a joint program with San Mateo Consolidated and the compensation to CCFD was based on a formula. In FY 22/23, the program will be for CCFD and San Bruno only. (+\$6k, 5%)
- The mechanic shop revenues are expected to decrease with the shop only servicing apparatus for the City of San Bruno. (-\$19k, -50% change)

- All other revenues combined are projected to decrease primarily due to cessation of reimbursable programs and lower revenue from Insurance Fund due to lower disability repayments, offset by strike team reimbursement revenue. (-\$57k, -4.3% decrease)

Salaries and Benefits

The overall increase in salaries and benefits is \$2.0 million (7.4%) as compared to FY 21/22 adopted budget. This is primarily attributable to headcount additions, contractual salary and benefits MOU and pension costs.

- Salaries expenditures increase with contractual MOU increases and two headcount additions for the training program. (+\$800k, 6% increase).
- Overtime costs increase for coverage during vacation. (+\$74k, 4% increase).
- Retirement annual contributions as a percentage of payrolls are increasing 10% for the Safety Classic Plan (71.1% in FY 22/23 versus 67.1% in FY 21/22) and decreasing .3% for the Safety PEPR Plan (14.1% in FY 22/23 versus 14.4% in FY 21/22). (+663k, 11% increase).
- The workers' compensation contribution remains at \$1.9 million in FY 22/23 budget based on the new workers compensation actuarial valuation. (No change).
- All other benefits (Health, dental, other) increase primarily from FY 21/22 due to experience rate and healthcare cost increases. (\$181k, 6% increase).
- Other Post-Employment Benefit (OPEB) funding for FY 21/22 is estimated at \$1.4 pending the new actuarial valuation. (+\$19k, 1% increase)
- Leave payouts include payouts for vacation and sick leave programs and for retirements. (+\$275k, 140%)

Materials and Services Expenditures

- Materials and Services expenditures are budgeted to increase \$107k (+5%) primarily for increase in liability and property insurance and the training program safety and EMS expenses. These are somewhat offset by lower apparatus maintenance, WUI and contractual services costs.

Asset Replacements/Reserves

- A service charge of \$1,075,000 is budgeted in the FY 22/23 General Fund for equipment replacements. In addition, a \$100k service charge is budgeted for a transfer to the capital fund.

Fiscal Impact:

The proposed budget for FY 22/23 reflects a \$31.2 million contribution requirement from Burlingame, Hillsborough, and Millbrae. This is a \$2.4 million (8.3%) increase over the FY 21/22 adopted budget.

Vice Chair Chuang inquired about Millbrae and whether they are apprised to the budget process and expectations of the increase. Ms. Cooke affirmed that several meetings with all three cities had taken place over the last several months to outline the budget in detail.

Board Member Brownrigg stressed that in looking over the budget, CCFD is very efficient versus its peers in terms of financial performance and asked whether CCFD benchmarks its financial performance, costs/recovery for delivery of services, against other agencies on a per capita basis. Chief Barron stated that once the draft of the community risk assessment/standards of cover study from consultant A.P. Triton is received, we can take a look at the data collected and see how CCFD compares to other agencies.

Board Member Cole asked about the training program and if bringing it in-house will reduce budgetary costs. Chief Barron explained that in partnering with San Bruno Fire Department, CCFD will be recovering $\frac{1}{3}$ or approximately \$124,000 for the EMS Manager, administrative and various operating costs. A formal agreement between San Bruno Fire and CCFD will be written and reevaluated after a period of one year to assess and assure that costs are being covered and that things are equalized.

Chair Ortiz inquired about the \$124,000 coming from San Bruno Fire and whether it is included in the budget. Ms. Cooke confirmed that it is included. Chair Ortiz further inquired about the new positions outlined in the staff report and the corresponding increase of \$583,288 and requested a breakdown. Ms. Cooke explained that the \$583,288 is for the salaries of two positions, PERS costs and benefits and is partly offset by the \$124,000 from San Bruno Fire.

Vice Chair Chuang asked about the new positions in the training division and the process(es) involved in staffing those positions. Chief Barron stated that originally the Training Battalion Chief position was a shared position between CCFD, San Bruno and San Mateo Consolidated Fire. Since San Mateo is no longer part of the training division, CCFD created an in-house position for the Training Battalion Chief (no longer a shared position). CCFD will contribute one Training Captain and San Bruno Fire will contribute one Training Captain to work under the Training Battalion Chief to administer training. The EMS Manager will be shared a position with San Bruno Fire and will take care of Paramedic education, quality assurance and all EMS county requirements.

Vice Chair Chuang motioned to approve the resolution to adopt the 2022-2023 budget. Board Member Brownrigg seconded the motion. Approved 4-0-0.

- b. A Public Hearing to approve the Resolution to Adopt the Master Fee Schedule for Central County Fire Department
 - v. Staff Report
 - vi. Open Public Hearing and receive comments
 - vii. Close Public Hearing
 - viii. Approve the Resolution to Adopt the Master Fee Schedule for the Central County Fire Department

Chief Barron presented the Master Fee Schedule for the Central County Fire Department for the 2022-2023 budget and stated it is a policy that fees are increased every two years and that there are no changes in fees this fiscal year. Chief Barron further stated that after the community risk assessment/standards of cover study from our consultant A.P. Triton is received, any recommendations for adjustments as compared to other agencies will be considered.

Vice Chair Chuang commented about the Master Fee schedule and stated that the fees are based on staff hours spent on delivering services and covering costs and not revenue generation.

Vice Chair Chuang motioned to approve the resolution to adopt the Master Fee Schedule for 2022-2023. Board Member Cole seconded the motion. Approved 4-0-0.

9. STAFF REPORTS

Fire Chief's Update (*Oral Report*)

Chief Barron gave a brief update on the four priorities for CCFD:

- **WUI / Fire Prevention and Inspections**
 - Burlingame and Millbrae have complaint-based systems for vegetation issues. Fire Marshal Reed is working with both cities to see if they would like to make any changes
 - Town of Hillsborough ordinance mandates vegetation inspections in high hazard areas
 - In 2021, all 2,832 inspections were conducted
 - For 2022, the high hazard areas have been divided in to two zones, North and South
 - Each zone will be inspected every other year
- **Central County Fire Department Training Division**
 - In December, the Board was notified that San Mateo Consolidated Fire was not renewing its partnership in the Joint Training program. The Board approved the formation of an in-house training division for CCFD with a Training Battalion Chief, Training Captain and an EMS Manager
 - Captain Pat Murphy has accepted the Training Battalion Chief position. He will serve in the role for two years and then rotate back to the line as a Captain, and a junior Battalion Chief will be assigned to the Training Division
 - Negotiations with the Union to fill the Training Captain position are ongoing
 - There are two applicants for the EMS Manager position through CalOpps. HR Manager Kristin Armbruster is working with staff for scheduling interviews and looking at late May as a target start date
 - CCFD is working with legal counsel Jean Savaree on a formal agreement with San Bruno Fire for the Training Division
- **Standards of Cover Study**
 - A draft is expected from our consultant, A.P. Triton, in May.
- **Succession Planning**
 - Staffing is a moving target, and the goal is to be ahead of the curve. On the operations side, Paramedic numbers continue to be a priority. Recruit Kevin Rafferty is a Paramedic and is expected to graduate from the Academy in June. Lateral Firefighter/Paramedic Elliot Hopkins is scheduled to start April 25th. CCFD is looking at hiring three Lateral Firefighter/Paramedics in the next few months and an additional three to four Lateral Firefighter/Paramedics for the fall Academy due to promotions and retirements
 - There is a Paramedic shortage across the nation. CCFD Medic numbers are good. The minimum number of Medics per the CCFD Firefighter MOU is 27; with Kevin and Elliot coming on board it will bring the number to 32
 - Recruitments are open for Account Technician and WUI Inspector (part/time) positions

Board Member Cole inquired about the costs for the WUI inspection program and whether the fee(s) paid by residents cover those costs. Chief Barron explained that the fees were structured to cover the costs.

Vice Chair Chuang shared that there have been many positive comments from residents about the WUI program and the mandated inspections and thanked Fire Marshal Reed and the Fire Prevention Team for their approach.

Vice Chair Chuang stated that in meeting with the A.P. Triton representatives, she learned that other agencies are also part of the community risk assessment/standards of cover study. Ms. Chuang further inquired about whether the findings of the study would include the other agencies or be CCFD specific. Chief Barron stated that while the county information is the same, each agency will receive an independent, specific report.

10. NEW BUSINESS

a. Resolution to Adopt the Salary Schedule for the Central County Fire Department

HR Manager Kristin Armbruster summarized the addition(s) to the Salary Schedule:

- Addition of the EMS Manager position and salary range

Vice Chair Chuang motioned to approve the resolution to adopt the salary schedule for Central County Fire Department. Board Member Brownrigg seconded the motion. Approved 4-0-0.

b. Resolution approving the amendments to the Class Specification for Training Battalion Chief

Ms. Armbruster gave an overview of the amendment(s) to the Class Specification for Training Battalion Chief:

- Change to the job description, noting the two-year rotation of the Training Battalion Chief

Board Member Cole motioned to approve the resolution to approve the Class Specification for the Training Battalion Chief. Vice Chair Chuang seconded the motion. Approved 4-0-0.

c. Resolution authorizing the Chief Administrative Officer to execute procurement of Self-Contained Breathing Apparatus (SCBA)

Board Secretary Rubina Ellam summarized the request to execute the procurement of SCBA equipment and reminded the board that at the December 8, 2021 meeting, the Board received information regarding the proposed procurement of SCBA equipment. At that time, staff was exploring the possibility of a joint purchase with San Mateo Consolidated Fire Department (SMC) to purchase the additional equipment not included in the grant purchase.

After discussions with the vendor, CCFD staff was able to obtain the same price per unit as the public bid used for the grant purchase allowing CCFD to make the purchase without entering into a joint purchase agreement with SMC Fire. The vendor provided a quote for the current pricing and will honor this pricing if approved within 30 days. The quote received from the vendor indicates a total of \$492,138.72, which is a savings of approximately \$87,000.

Board Member Cole inquired about the total number of SCBAs to be purchased. Ms. Ellam stated that 31 units are from the grant and this resolution will allow for 42 additional units to be purchased before pricing increases in May and before equipment ages out in 2023.

Board Member Cole motioned to approve the resolution to authorize the Chief Administrative Officer to execute procurement of Self-Contained Breathing Apparatus (SCBA). Vice Chair Chuang seconded the motion. Approved 4-0-0.

11. BOARD OF DIRECTORS' COMMENTS

Chair Ortiz asked for comments. There were no additional comments from Board Members.

12. ADJOURN TO CLOSED SESSION

Meeting adjourned at 4:43 p.m. No closed session (canceled).