



North Davis Fire District
Administrative Control Board Meeting
381 North 3150 West
West Point City, UT 84015

April 18, 2019
6:00 PM

Meeting minutes from the North Davis Fire District Administrative Control Board Meeting held at 6:00 PM on April 18, 2019 at Station 41, 381 North 3150 West, West Point City, Utah 84015.

Board Members Present: Chairman Gary Petersen, Howard Madsen, Nike Peterson, Tim Roper, Jerry Chatterton, and Dave Nelson

Board Members Excused: Vice-Chairman Mark Shepherd, Scott Wiggill and Erik Craythorne

Staff Present: Fire Chief Mark Becraft, Deputy Fire Chief John Taylor, District Clerk Misty Rogers and Treasurer Nicole Nelson

Visitors: None

1. **Call to Order:** Chairman G. Petersen called the Administrative Control Board Meeting to order.

2. **Invocation or Inspirational Thoughts:** Provided by Board Member Nelson

3. **Pledge of Allegiance:** Repeated by All

4. **Citizen Comment:** None

5. **Consideration of Approval of Minutes from the March 21, 2019 Board Meeting**

Board Member Madsen motioned to approve the minutes from the March 21, 2019 Administrative Control Board Meeting. Board Member Chatterton seconded the motion. The motion passed unanimously.

Chairman G. Petersen happily stated that the annexation of Sunset City had been complete and that Board Members' Madsen and Wiggill were now voting-members of the Administrative Control Board. Chairman G. Petersen then stated that the motion to approve the minutes was Board Member Madsen's first motion as a voting member of the board.

Ms. Rogers stated that after reorganize of the District is complete, board members will be sworn in as the North Davis Fire District Board of Trustees.

6. **Consideration of Approval of the North Davis Fire District Bills for March 2019**

Chief Becraft stated that the end of Fiscal Year 2019 is quickly approaching. He then stated that property tax revenues are on target; however, the District must reimburse Davis County approximately \$113,000. Chief Becraft explained that that Davis County disbursed approximately \$113,000 in

property tax revenue to the District instead of holding it for Community Development Renewal Agency (CDRA) increment payments. Davis County will hold property tax distributions from the North Davis Fire District until the wrongly disbursed funds are paid back in full.

Chief Becraft stated that the North Davis Fire District is busy, call volumes and the amount of service being provided to the public continue to increase. He stated that ambulance revenue continues to be received; however, it is becoming more and more difficult to collect payments. Chief Becraft stated that because of ambulance collections are volatile, the projected revenues in Fiscal Year 2020 will remain the same or possible less than in Fiscal Year 2019.

Board Member N. Peterson asked Ms. Rogers to explain the "catch-up" payroll included in the expenditure report. Ms. Rogers stated that because of 12-day pay cycles, full-time firefighters of the North Davis Fire District receive 30 paychecks per year. This means that every quarter, full-time firefighters receive one "catch-up" paycheck in addition to regular payroll. Board Member N. Peterson then asked Ms. Rogers to explain a purchase made at Sam's Club for \$2,427. Ms. Rogers stated that in the past when meetings and trainings were held at Station 41, the District would borrow folding chairs from West Point City. Administration deemed it necessary to purchase folding chairs instead of continuing to borrow them from West Point City. Ms. Rogers stated that the purchase of chairs for the training room at Station 41 is included in the Fiscal Year 2019 Budget.

Board Member Chatterton stated that the expenditure report indicates payments were made for repairs to the 2015 engine. He then asked what type of repairs were made to the engine. Chief Taylor and Ms. Rogers stated that maintenance to Rescue Engine 41 included the actuator motor repair, door handle repair and a coolant repair. Chief Becraft stated the District strives to keep vehicles and equipment in good operating condition and that repairs are completed as soon as they are needed. He then stated that it can be difficult to project vehicle repairs and associated costs.

Board Member N. Peterson motioned approve the North Davis Fire District Bills for March 2019. Board Member Nelson seconded the motion. The motion passed unanimously.

7. Consideration of Approval of the North Davis Fire District Financial Report

Chief Becraft stated that due to unforeseen illnesses and other life events, employee wages within the Fiscal Year 2019 Budget may need to be amended.

Board Member Chatterton stated that a firefighter of the North Davis Fire District had recently been diagnosed with cancer. He then asked if administration could update the board on the status of the firefighter. Chief Taylor confirmed that several months ago, a firefighter of the District had been diagnosed with cancer. The firefighter has undergone necessary treatment and returned to work.

Chief Becraft stated nearly two years ago, the North Davis Fire District Administrative Control Board approved a cancer policy for all full-time employees of the District. The cancer policy provided by the District proved to be a blessing to the employee and his family during this difficult situation. Chief Becraft thanked the Administrative Control Board for caring about the employees of the District.

Board Member Roper motioned to approve the Financial Report for the North Davis Fire District. Board Member Madsen seconded the motion. The motion passed unanimously.

8. Discussion and Consideration of Appointment of North Davis Fire District Treasurer

(Discussed after the agenda items 9 and 10 but before item 11)

Chief Becraft stated that approximately one-month ago, he and Ms. Rogers had met with Ms. Nicole Nelson (employee of Child Richards CPAs) to discuss the North Davis Fire District and the treasurer position. He then stated that over the past few weeks, Ms. Nelson has worked with Ms. Rogers to draft the upcoming budget document in addition to providing the District with accountant and treasurer services. Chief Becraft stated that Ms. Nelson has been "a breath of fresh air" and will be an asset to the District. He introduced Ms. Nicole Nelson to the Administrative Control Board and then recommended that she be appointed as the Treasurer of the North Davis Fire District.

Ms. Nelson expressed her excitement to work with the North Davis Fire District. She then stated that she has worked in the field of accounting for nearly 20 years and has experience with governmental accounting and audits. Ms. Nelson stated that she hopes to bring new perspectives to the District.

Board Member Madsen motioned to appoint Ms. Nicole Nelson as the Treasurer of the North Davis Fire District. Board Member Nelson seconded the motion. The motion passed unanimously.

Board Member Chatterton expressed his support of Ms. Nelson. He then stated that perspectives and ideas could be a benefit to the North Davis Fire District.

(agenda item 11 discussed next)

9. **Discussion of and Consideration of Resolution #2019R-01, Adoption of The 2018 Edition of The International Fire Code (IFC), as Adopted and Amended by the State of Utah, Including Appendices B,C, and D, and The Current Editions of The National Fire Protection Association (NFPA) Standards, as The Official Fire Official Fire Code for The Jurisdictional Areas of the North Davis Fire District**
- Chief Taylor stated that approximately every three years, the State of Utah adopts the International Fire Code (IFC), however, the State of Utah does not adopt the Appendices. He then stated that because the North Davis Fire District does enforce the International Fire Code and the Appendices, the Administrative Control Board should formally adopt their usage. Chief Taylor informed the board that Resolution 2019R-01 also includes code enforced by the District but not adopted by the State of Utah. For example, the District will require that all buildings with a fire sprinkler suppression system to install a "Knox Box" on the outside of the building. This box will allow for the fire department to access the building during an emergency situation and turn off the fire sprinkler system to limit the damage to the property. Chief Taylor then recommended that the Administrative Control Board adopt Resolution No. 2019R-01 (effective, July 1, 2019). He then stated that after adoption, a copy of Resolution 2019R-01 will be sent to the office of the Utah State Fire Marshall for posting.

Chief Becraft stated that most city ordinances already coincide with that being proposed to the Administrative Control Board. He then stated that the District has and will continue to enforce gallons per-minute and cul-de-sac lengths. Chief Taylor stated that the three main Appendices used by the North Davis Fire District pertain to fire flow calculations and the amount water flow, hydrant placement and fire department access roads. Chief Becraft stated that that language included in Resolution 2019R-01 will permit the Fire Chief and Fire Marshall to work with a city if ordinances and code do not coincide to determine if an alternative solution is plausible.

Board Member Chatterton motioned to approve Resolution #2019R-01, Adoption of the 2018 Edition of the International Fire Code (IFC), as Adopted and Amended by the State of Utah, Including Appendices B,C, and D, and The Current Editions of The National Fire Protection Association (NFPA) Standards, as The Official Fire Official Fire Code for The Jurisdictional Areas of the North Davis Fire District. Board Member Roper seconded the motion. The motion passed unanimously.

Roll Call Vote:

Chairman G. Petersen - aye

Board Member N. Peterson – aye

Board Member Nelson – aye

Board Member Chatterton - aye

Board Member Madsen - aye

Board Member Roper - aye

10. Discussion of Consideration of Resolution # 2019R-02, Amending the North Davis Fire District Policies and Procedures Manual, Section 211, Hours of Work

Chief Taylor stated that the scheduling/time management software utilized by the District allows for digital timecard keeping. After much discussion and beta testing, administration has decided to transition from paper to digital timecards. Chief Taylor stated that the work schedule of each firefighter is placed into the time management software. If adjustments are needed to an employee's schedule, the employee and/or authorized personnel are permitted to adjust their hours within the software. At the end of each shift and at the end of each pay cycle, each employee has the responsibility to verify that their hours of work have been accurately logged in the time management software. At the end of each pay cycle, administration will access a digital timecard report for each employee and payroll will be processed according to the timecard report. Each employee has until Monday morning at 0800 on the week of payday to verify that the hours logged in the time management software are correct and to notify the Human Resources Director of any discrepancies. If no notification is made to the Human Resource Director, the time management report is deemed accurate and payroll will be completed as normal.

Chief Taylor informed the board that beginning on May 9, 2019 the start time of the part-time firefighter slot is 0700 and 1900 and full-time firefighters is 0700. Chief Taylor stated Resolution 2019R-02, amends section 211 of the North Davis Fire District Policy and Procedures Manual to reflect the new time keeping process.

Chief Becraft stated that the administration has reviewed and researched time keeping requirements. He then stated that several surrounding fire departments utilize a digital timecard process is similar to that being proposed. Chief Becraft stated that during his time as a firefighter with other agencies, his Battalion Chief or Captain had the responsibility to track and log his hours of work and that it was his responsibility to verify that his hours were being logged accurately.

Ms. Rogers stated that the proposed policy change clarifies the rights and responsibility of the employee. She then stated that if Resolution 2019R-02 is approved, each employee will be educated on the policy change.

Board Member N. Peterson motioned to approve Resolution No. 2019R-02, Amending the North Davis Fire District Policies and Procedures Manual, Section 211, Hours of Work. Board Member Chatterton seconded the motion. The motion passed unanimously.

Roll Call Vote:

Chairman G. Petersen - aye

Board Member N. Peterson – aye

Board Member Nelson – aye

Board Member Chatterton - aye

Board Member Madsen - aye

Board Member Roper - aye

11. Discussion of Consideration of Resolution No. 2019R-03, Amending the North Davis Fire District Policies and Procedures Manual, Section 501, Employee Benefits; 502, Vacations; 503, Sick Leave; 504, Sick Leave Retirement Benefit; 701 Attendance and Punctuality; and 702, Leaves of Absence

Chief Becraft stated the North Davis Fire District Policy and Procedures Manual is a fluid document and must be amended over time. While reviewing "exempt employees" within the policy it was discovered that vacation accrual rates needed revision, sick and vacation conversion calculations needed to be included, "old" language needed to be removed, and grammatical errors needed to be made. Chief Becraft stated proposed amendments to the North Davis Fire District Personnel Policy and Procedures Manual include but are not limited to the following:

- **Vacation Accrual Rates - Regular Full-Time Employees (not 24-hour shift firefighters)**
Vacation accrual rates for Regular Full-Time Employees will be reduced from 159.9 annually to 120 annually. Regular Full-Time Employees may continue to accumulate a maximum of 240 vacation hours, which may be carried forward to a new calendar year. Unused vacation hours in excess of 240 hours will be forfeited at the end of each
- **Employment Status Change**
24-Hour Shift Firefighters work nearly 2,900 hours and Regular Full-Time and Exempt Employee work 2,080 hours annually. Because 24-Hour Shift Firefighters work more hours annually than Regular Full-Time Employees, they accrue sick and vacation leave at a higher rate. This becomes problematic if a 24-Hour Shift Firefighter changes employment status to Regular Full-Time or Exempt Employee. In the event that a 24-hour Shift Firefighter changes employment status to a Regular Full-time or Exempt Employee, accrued sick and vacation leave will be converted (using a conversion calculation) to that of a Regular Full-Time. Vacation hours in excess of 240 will be paid out to the employee and vacation accrual rates will change to coincide with that Regular Full-Time or Exempt Employee.

Ms. Rogers stated that when the North Davis Fire District created, much of the District's Policy and Procedure Manual came from Clearfield City. Over the years the policies have been and will continue to be amended to fit the needs of the District. Ms. Rogers then stated that the current leave accrual policy states that Regular Full-Time Employees employed by the District for 10 or more years will accrue approximately 160 hours of vacation leave annually. Ms. Rogers stated that the ability for a Regular Full-Time Employee to accrue 160 hours of vacation is excessive and that it creates a significant liability for the District. She then stated that the policy amendments being proposed to the board also include language stating that if someone calls in sick, then sick leave must be used. If the employee has exhausted all sick leave, then vacation leave could be utilized.

Chairman G. Petersen thanked administration for the research and work put into the proposed amendments and changes to the North Davis Fire District Policy and Procedures Manual.

Board Member N. Peterson asked when the proposed policy would take effect if Resolution 2019R-03 were approved. Ms. Rogers stated Resolution 2019R-03 would become effective immediately upon passage.

Board Member Nelson motioned to approve 2019R-03, Amending the North Davis Fire District Policies and Procedures Manual as outlined. Board Member Chatterton seconded the motion. The motion passed unanimously.

Roll Call Vote:

Chairman G. Petersen - aye
Board Member N. Peterson – aye
Board Member Nelson – aye

Board Member Chatterton - aye
Board Member Madsen - aye
Board Member Roper - aye

12. Discussion of the Reorganization and Organizational Structure of the North Davis Fire District

(Discussed after the agenda items 13, 14, 15 and 16 but before item 17)

Chairman G. Petersen stated that a draft of the organizational structure of the North Davis Fire District had previously been sent out for board review. He expressed his appreciation to everyone who has provided feedback regarding the drafted document. Chairman G. Petersen stated that the current structure of the District utilizes a committee consisting of the Chairman, Vice-Chairman and Fire Chief. He stated that the committee rarely meets other than to review the upcoming budget which had been drafted by administration. However, the Chairman and Chief Becraft keep in frequent contact.

The draft of the Organizational Structure of the North Davis Fire District sent to the board for their review included an Executive Committee and a Nominating Committee. The Executive Committee would consist of the Chairman, First Vice-Chairman, and Second Vice-Chairman and the Fire Chief/CEO. The Nominating Committee would consist of three members, one member from each City within the District who serve on the Board of Trustees. The Nominating Committee would recommend candidates to fill the positions of Chairman, First Vice-Chairman and Second Vice-Chairman. The Nominating Committee would have the duty to provide a list of candidates for each available office to be filled by a quorum election. The Board of Trustees would elect a Second Vice-Chairman of the Board of Trustees. The person elected would then serve a term of two years as second Vice-Chairman, followed by a term of two years as first Vice-Chairman, followed by a term of two years as Chairman. Chairman G. Petersen stated that feedback received regarding the Second-Vice Chairman position had been negative and requested it be removed from the document.

Chairman G. Petersen then stated that a with a nine-member board, and Executive Committee of three board members would be acceptable and would not be considered a "quorum". He then stated that a rotating Chairman and Vice-Chairman position could continue to be utilized. For example, the Chairman position would rotate from one city to the next every two years. However, this could create issue, with the current makeup of the District it would take six years for the Chairman position to reach each City. The Vice-Chairman would then be elected by the Board of Trustees. Chairman G. Petersen stated that an Executive Committee is a benefit to everyone. The committee could be used as a "sounding board" for administration, to assist with budget review and could provide for more effective communication. Chairman G. Petersen stated that if the Chairman and Vice-Chairman were required to be from different cities, then an Executive Committee could consist of the Chairman, Vice-Chairman, member from the city not represented and the Fire Chief. This would provide each city equal representation when the Executive Committee were to meet.

Board Member Madsen stated that if the Chairman position were to rotate from city to city, the Mayor from each city should assign one member from his/her City Council to serve as the Chairman.

Chairman G. Petersen thanked Board Member Madsen for his comments and stated that he agreed, the Mayor of each City wants the best person possible to represent their City and Fire District. He then stated that regardless if the Mayor of the City were serving on the Board of Trustees, the Mayor could assign one member from his/her City Council to serve as Chairman.

Chairman G. Petersen stated that to be considered for the Chairman position, the individual must have already served on the board for at least two years. This will ensure that the Chairman have some experience. Chief Becraft stated experience to prepare for serving as the Chairman is important. Chairman G. Petersen agreed. He then stated that if the City with the Chairman position did not have an individual who had served on the Board of Trustees for at least two years, the Chairman position would rotate to the next city in line.

Board Member Madsen stated that requiring that an individual have served on the Board of Trustees for at least two years prior to being considered for the Chairman position would eliminate Sunset. He then stated that the current board members from Sunset have not served on the board for two years. Board Member Madsen stated that he understands the need for experience.

Board Member Roper stated that he disagrees with requiring that an individual have served on the board for two-years to be eligible for the Chairman position. He then stated that the two-year requirement creates a "good ole boys club" and it excludes and devalues other board members. Board Member Roper stated that many elected officials without the two-years of experience could be a great asset if they were to serve in Chairman position. He then stated that he would support a one-year eligibility requirement to be considered for the Chairman position.

Chairman G. Petersen thanked Board Member Roper for his input and recommendations. He then stated that he values the feedback that has been provided. Chairman G. Petersen then stated the intent of the two-year eligibility requirement is not to create a "good ole boys club." The intent of the two-year eligibility requirement is to allow for the board members to gain education before they are put into the Chairman position. Chairman G. Petersen then stated that the board is striving to create a system to create good leadership now and for in the future.

Board Member Roper stated that he has faith in a nine-member board to elect a Chairman and Vice-Chairman. He then stated that there is no need for the Chairman position to rotate from city to city.

Board Member Nelson stated that he agrees with Board Member Roper. He recommended regardless of who is elected Chairman and Vice-Chairman, one-member from each city serving on the board be selected to sit on the Executive Committee.

Board Member Madsen stated with the advice and consent of the city council; a Mayor has the right to assign council members to serve on a board. He then recommended that the Mayor from each city recommend one board member from his/her city to be considered for the Chairman position. The board could then elect the Chairman from recommendations from each Mayor.

Board Member N. Peterson stated that she strongly disagrees, a Mayor has the right to assign council members to serve on a board. However, a Mayor not serving on the board should not influence or have any involvement regarding how a board is to be governed. Board Member N. Peterson stated that the North Davis Fire District is septate entity and the board should govern itself. She then stated that it is important for boundaries to exist between the board and cities.

Board Member Madsen stated there are times when he must wear the "Mayor hat" however during a board meeting he is a board member of the North Davis Fire District. He stated that it is important to speak up when appropriate, however it is important to operate as a board.

Board Member Nelson stated that he supports the comments of both Board Member N. Peterson and Board Member Roper. He then expressed the importance of each board member making decisions that are in the best interest of all cities not only the city that they represent.

Board Member Roper apologized for the "good ole boys club" comment. He then expressed concern that eligibility requirements and such could lead someone to believe that a few members of the board were trying to take control.

Board Member Nelson stated that with a nine-member board, it would be nearly impossible for one city to control the happenings of the District.

Chairman G. Petersen stated that whomever is elected as Chairman would non-voting, except in the case of a tied-vote. He then agreed that the board of the North Davis Fire District be operated without boundaries.

Board Member Madsen stated that the Executive Committee should consist of one Board of Trustee from each City.

Chief Becraft stated that his direct supervisor is the Chairman of the board. He then stated that he relies on the communication with the Chairman.

Board Member N. Peterson stated that she understands the need for the Chairman and Vice-Chairman position. However, because of the size of the District she does not see the need for an Executive Committee. Board Member N. Peterson stated only having a Chairman and Vice-Chairman position creates equality in the board.

Chairman G. Peterson stated that he agrees with Board Member N. Peterson. He then stated that the reason that the Executive Committee is being discussed is because there are three cities which create the District. An Executive Committee consisting of one board member from each city would give each city the feeling of being equal.

Board Member Roper stated that a nine-member board should be able to fairly elect a Chairman and Vice-Chairman. He then stated that if information should be passed on, the Chairman has and should continue to notify the board.

Board Member N. Peterson and Board Member Nelson expressed their support of Board Member Madsen and Board Member Wiggill. Board Member Nelson stated that whoever is elected as Chairman will have to learn procedures and fire processes. He then stated that the board should not limit or exclude anyone from the Chairman position.

Board Member Chatterton asked what will happen if someone serving as Chairman or Vice-Chairman leaves or is not reappointed. Chairman G. Petersen stated in circumstances such as this, the Mayor from that city will appoint a member of their city council to fill the remaining term.

Chairman G. Petersen expressed his appreciation to each member of the board. He then summarized the outcome of the discussion of the Administrative Control Board. The intent of the board is to remove all boundaries. All board members who have served on the board for two years will be eligible to serve as the Chairman. The Board of Trustees will nominate and elect the Chairman and Vice-

Chairman. The Chairman will be a non-voting member, except in the case of a tie. And, the Chairman position will be limited to two consecutive years.

Board Member Madsen stated that the members of the board have been very welcoming and friendly. He then stated that giving Sunset City equal representation with a nine-member board (3 from each city) is important to him and the residents of Sunset.

Chief Becraft stated that reorganizing of the North Davis Fire District from a Special Service District to a Local District is nearly complete and the organizational structure of district will need to be finalized soon after.

Chairman G. Petersen stated that the draft of the Organizational Structure of the North Davis Fire District will be revised and sent to each board member for their review. He then stated that the Organizational Structure will be discussed again during the May board meeting.

13. Discussion of Establishing and Implementing a Program to Charge Mitigation Rates for the Deployment of Emergency and Non-Emergency Services Provided by the North Davis Fire District

Chief Becraft stated that State Statute allows for Districts to impose or increase a fee for services rendered. The fees assessed for mitigation charges would be sent directly to insurance carriers, not the individual. Chief Becraft then explained that mitigation charges include the imposing of a fee for items such as structure fires, vehicle fires, haz-mat cleanup, extrication, special rescues, etc.

Chief Becraft stated that a firefighter of the North Davis Fire District is also a firefighter for Garland City. This firefighter assisted Garland City with establishing and implementing and currently oversees their mitigation program. It has been reported that in two years of charging and billing insurance carrier's mitigation fees, Garland has received nearly \$30,000 in revenue. Chief Becraft stated that with the assistance of Fire Recovery USA, the North Davis Fire District too could establish and implement a program to charge mitigation rates for the deployment of emergency and non-emergency services. He then stated that the establishment and implementation of the proposed mitigation program could generate \$50,000 of much needed revenue for the District during Fiscal Year 2020. Chief Becraft stated that if the mitigation program is approved, Fire Recovery USA will be instructed to only bill the insurance carriers for mitigation costs. If the insurance carrier denies or does not pay for the claim, the individual will not be billed directly or held responsible.

Chief Taylor informed the board that the North Davis Fire District recently responded to an incident on I-15 involving semi-trailer leaking diesel fuel from the fuel cell. While using District resources and chemical to plug the hole in the fuel cell, the firefighter's turnout gear became saturated with diesel fuel. Because of the contamination, the turnout gear had to be sent to Salt Lake City to be professionally cleaned. If the turnout gear cannot be adequately cleaned and fully free from contamination, the turnout gear can not longer be used and is useless to the District. Chief Taylor then reminded the board that one-set of turnout gear costs the District approximately \$2,200. If mitigation charges could have been assessed to the insurance carrier, the cost of the cleaning and/or replacement of the turnout gear or could have possibly been collected.

Ms. Rogers stated that it is not the intent of the North Davis Fire District to bill the individual. The contract with Fire Recovery USA allows the District to stipulate that only insurance carriers receive a bill and that no one be sent to collections. Ms. Rogers then stated that because of the service area, many of the incidents in which the District responds to involve non-residents.

Chairman G. Petersen stated that many people traveling throughout the District are non-residents who do not pay property taxes to the North Davis Fire District. The District responds to incidents and provides services regardless if they are a resident of the District. He then stated that it may be appropriate to bill insurance carriers for allowable charges.

Chief Becraft stated that administration is "looking outside of the box" to find ways to subsidize costs without having to charge residents of the District more money. He then stated that each year, the North Davis Fire District "writes-off" nearly \$1 million dollars of ambulance billings and current collection amounts indicate a possible decline in revenue. Chief Becraft stated that Fire Recovery USA is a reputable company and the proposed mitigation charges are approved national rates.

Board Member Roper asked how Fire Recovery USA is paid for their service. Chief Becraft stated that Fire Recovery USA will receive 20% of the collection amount. He then informed the board that a few agencies within Utah are utilizing Fire Recovery USA services.

Chief Becraft stated that he and Ms. Rogers recently met with Board Member N. Peterson to discuss the mitigation program, property tax dollars and revenues. During that meeting, reasons as to why the program is needed were discussed. Chief Becraft again stated that it is not the intent of the North Davis Fire District to charge the residents of the District more money.

Board Member Madsen stated charging mitigation costs to insurance carriers is common practice that has occurred for numerous years.

Board Member Chatterton stated that if an insurance policy is written to include payment to the District for specific services then the District should collect the fee when possible. He then stated that the District is not seeking to make money off of the services being provided. The District is seeking ways to offset the cost and "break even" for services being rendered.

Chief Becraft stated that the mitigation program will require that firefighters gather information from those involved in an incident; however, the firefighter or any employee of the District will not determine who is at fault. The information gathered during an incident will be used to bill insurance carriers. The insurance carriers will have the responsibility to determine who is at fault.

Chairman G. Petersen stated during the Truth in Taxation hearing in August 2018, a resident requested that the North Davis Fire District search for alternative funding sources instead of continuing to raise taxes. He stated establishing and implementing mitigation program is an alternative funding source that the board should consider.

Ms. Rogers stated that over the past few years, ambulance revenues have been declining and that in the future, the District may not be able to rely on ambulance collections to offset the budget.

Board Member N. Peterson expressed her appreciation to Chief Becraft and Ms. Rogers for discussing mitigation costs prior to the meeting. She then stated that for the reasons discussed, she will support the establishment and implementation of a mitigation program if billings are sent exclusively insurance providers.

Chief Becraft stated that if the mitigation program is approved, the North Davis Fire District will enter into a contract with Fire Recovery USA. Included with the contract is a questionnaire with regards to who will be billed and if collection services are desired. Chief Becraft stated that the answers on the

questionnaire will clearly state that insurance carriers are the only persons to be billed, residents will not receive a bill and that accounts will not be sent to collections

Board Member G. Petersen clearly stated that the residents of the North Davis Fire District should never feel responsible to pay the mitigation charge. The mitigation program is not intended to be a burden to the residents of the District, the program is intended to help recover costs for services being provided by the District.

Chief Becraft stated that the District could choose to send an individual to collections for mitigation charges if the individual were involved in a felony crime at time of service.

Board Member Chatterton asked if the mitigation charges could be assessed to Freeport Center. Chief Becraft stated yes.

Board Member N. Peterson stated again, she will support the establishment and implementation of a mitigation program, if billings are sent exclusively insurance providers and employees of the District do not try to determine fault.

Board Member N. Peterson motioned to schedule a public hearing on May 16, 2019 at 6:00 pm for the consideration of establishing and implementing a program to charge mitigation rates for the deployment of emergency and non-emergency services provided by the North Davis Fire District. Board Member Nelson seconded the motion. The motion passed unanimously.

14. Discussion of Amending the North Davis Fire District Fee Schedule

Ms. Rogers stated minor changes to the North Davis Fire Schedule Fee Schedule include a defined fee for items such system testing, hood testing, food truck inspections and mitigation rates.

Chief Taylor stated that in the past, the District has assessed a \$50 fee for the inspection and testing hood system. He then explained that the installation of a hood system typically requires that the fire marshal perform four inspections. The \$50 fee currently being assessed does not capture the actual time and cost associated with the testing and inspection.

Chief Becraft stated that the amended fee schedule also includes language stating that the North Davis Fire District will automatically accept the annual ambulance rates set by State of Utah.

Board Member Madsen motioned to schedule a public hearing on May 16, 2019 at 6:00 pm for the consideration of amending the North Davis Fire District Fee Schedule. Board Member Chatterton seconded the motion. The motion passed unanimously.

15. Discussion of Fiscal Year 2020 Budget

Ms. Rogers stated that prior to ending the meeting, the Administrative Control Board should set the following Public Hearings:

- Adoption of the Fiscal Year 2020 Tentative Budget - May 16, 2019 at 6:00 PM
- Adoption of the Fiscal Year 2019 Amended Budget; - June 20, 2019 at 6:00 PM
- Adoption of the Property Tax Rate for Calendar Year 2019 – June 20, 2019 at 6:00 PM
- Adoption of the Fiscal Year 2020 Final Budget - June 20, 2019 at 6:00 PM

Board Member N. Peterson stated that the Fiscal Year 2020 Draft Budget emailed to the board and released for public review included the purchase of a truck for approximately \$71,000. A resident

contacted Board Member N. Peterson concerned with the cost of the truck as it seemed to be excessive. Board Member N. Peterson stated that during a recent meeting with Chief Becraft and Ms. Rogers it was explained that the \$71,000 listed in the budget included the purchase of more than just the truck. It also included the cost of the shell, radio, lights and siren package and misc. items. Board Member N. Petersen stated that since the meeting with Chief Becraft, the draft budget has been amended to show the purchase price of the truck (approximately \$57,000) and the items and costs (approximately \$14,000) associated with equipping the vehicle. Board Member N. Peterson thanked Ms. Rogers for amending the draft budget and providing greater transparency to both the both the board and the public.

Board Member Nelson stated that state pricing is a benefit, the North Davis Fire District is able to purchase needed vehicles with great savings.

Ms. Rogers stated that to provide greater transparency, a "Fleet Expenditure" page had been created and is included within the budget. The Fleet Expenditure page includes the balance of committed funds at the beginning of the fiscal year, budgeted transfers in from the general fund, projected revenue from the sale of assets and budgeted fleet expenditures that will be made throughout the fiscal year.

Board Member Roper asked when another Deputy Chief truck would be purchased if the truck listed in the budget document is approved for Fiscal Year 2020. Chief Becraft stated the truck listed in the Fiscal Year 2020 Budget is diesel, therefore another Deputy Chief truck would not be purchased for five years. After the fifth year, the truck would be rotated in the fleet of the North Davis Fire District.

Chief Becraft, Chief Taylor and Ms. Rogers presented a draft of the Fiscal Year 2020 Tentative Budget to the North Davis Fire District Administrative Control Board.

- Defibrillator Program – The cost of one defibrillator is approximately \$30,000. The Defibrillator Program would allow the District to finance the purchase of five new defibrillators over five years (interest free). If approved, the District would receive five new defibrillators in Fiscal Year 2020. A liability for the Defibrillator Program would then be created and the District, would be required to pay \$30,000 each year for the next five years. Chief Becraft stated that the defibrillators being discussed can also be used by paramedics.

Chairman G. Petersen stated that if the Defibrillator Program is approved, a new liability and debt service expenditure would be created and should be noted as such in the Districts financial statements.

- Garage Door Replacement (Station 42) - The garage doors and associated wiring at Station 42 are old, unsafe, unreliable and are becoming difficult to repair. The doors are not a standard size, if a panel needs to be replaced then it must be special ordered. The cost of the garage door replacement includes commercial insulated doors and openers, much needed safety features and wiring upgrades.
- Debt Service - Typically, the District transfers money from the General Fund to pay for Debt Service. However, administration recommended that Impact Fees be used to pay for Debt Service in Fiscal Year 2020. Because Impact Fees are one-time money, the General Fund will likely be used to pay for Debt Service in Fiscal Year 2021. Chief Becraft stated that Impact Fee usage is limited and paying for Debt Service is one of the safest ways to spend the funds.

Chairman G. Petersen stated that it is important to realize that if Impact Fee money is used to pay for Debt Service in Fiscal Year 2020, it will free up money within the General Fund. However, because Impact Fee collections are volatile, the District should not rely on using them to pay for Debt Service every year. Chairman G. Petersen then stated that administration and the board must remember that a transfer in from the General Fund will likely be in needed again in Fiscal Year 2021 to pay for Debt Service.

- Revenues - Over the years, property tax collections for the North Davis Fire District have been extremely unpredictable. Some years the District receives significantly more property tax revenue than the prior year or even budgeted. Other years, Davis County requests that the District pay them back property tax money in which they disbursed to the District. Chief Becraft stated that trying to project and budget for property tax revenue is extremely difficult and frustrating. He then stated that Ms. Rogers pulled tax collection stats from the past several years. The history from the previous several years indicate that during the months of April through September, the District collects at least \$350,000 in property tax revenue. This is partially due to the collection of personal property tax and property tax. Chief Becraft stated that because of the history of property tax collections, administration and Ms. Nelson are comfortable with the budgeted property tax revenue in Fiscal Year 2020.

Ms. Rogers reminded the board that because Sunset City will not enter the tax rolls of the North Davis Fire District until January 2020. The Fiscal Year 2020 Budget includes six-months (July 2019 – December 2019) of contract revenue from Sunset City.

Board Member Madsen reminded Ms. Rogers that Sunset City will make one final payment to the North Davis Fire District for contract services in January 2020. Ms. Rogers thanked Board Member Madsen for the reminder.

Chief Becraft stated that the Fiscal Year 2020 Budget includes an appropriation of fund balance (approximately \$110,000) to offset the budget. The majority of property tax revenue for Sunset City will not be received by the District until end calendar year 2020 (Fiscal Year 2021). Chief Becraft stated that “Fee in Lieu” collection seems to decrease every year.

Ms. Rogers informed the board that revenue received for the fire protection in the unincorporated county is decreasing. The revenue for “Fire Protection Unincorporated County” service in Fiscal Year 2020 may need to decrease by half.

Chief Becraft stated that the service area of South Davis Metro includes unincorporated areas of the county. Because the service area of South Davis Metro includes the unincorporated area, the property owners in the unincorporated area are assessed the same tax rate as residents within the incorporated service area. Chief Becraft stated that while speaking with Davis County (Jeff Oyler), he learned that North Davis Fire District could potentially expand their service area and collect property tax revenue from unincorporated areas of the county being serviced by the District.

Chief Becraft stated that MIDA (Military Installation Development Agency) may request that the North Davis Fire District annex their area through Sunset City to the Davis County line and possibly the museum in Weber County.

- Wages, Overtime and Merit Pay – Overtime and part-time wages have been adjusted to

provide a more accurate view of what has actually been occurring. Merit increases and lumps sum bonuses have been estimated in the draft budget. If an employee is wage capped, they still have the potential to receive a one-time lump sum bonus. The lump sum bonus does not impact the contribution amount to an employee's retirement. Chief Becraft then stated that there are circumstances which cannot be budgeted for, if several employees decide to retire within the same budget year the board will be asked amend the budget. Chief Becraft stated that a wage study will be conducted for the Fiscal Year 2021 Budget.

Chairman G. Petersen agreed, if unforeseen circumstances occur the board will need to address the budget, etc. then.

Board Member Chatterton asked if funds are being set aside in the budget for payouts to qualifying employees? Chief Becraft stated no, the District currently uses reserves for payouts. Chairman G. Petersen stated the board may wish to discuss the possibility of allocating funds each year for employee payouts.

- Retirement – Utah Retirement rates will likely remain the same as in Fiscal Year 2019. However, retirement rates will likely increase in the coming years.
- Health Insurance – Projecting health and benefit participation and potential life events can be difficult. The insurance offered to the employees of the District are expensive; however, they provide a good benefit to the employees. The increase to the insurance premium for Fiscal Year 2020 is 5%. The District has and will continue to utilize PEHP for insurance. This year, PEHP has agreed to allow the District to allow employees to choose to enroll in a traditional health insurance plan or an HSA plan. The District will pay the same dollar amount towards the premium of each plan.
- Workers Compensation and Liability Insurance – The District is currently waiting for quotes for Workers Compensation and Liability Insurance. Administration is hopeful that rates will be lower than in Fiscal Year 2019.
- Travel and Training - Captain Lloyd is furthering his education and has submitted for Tuition Reimbursement.
- Vehicle Maintenance – Costs associated with vehicle maintenance are volatile, the Fiscal Year 2020 includes an increase for the cost of fuel.
- Computer Maintenance and Supply – Budget items include computer replacements and interface software that will integrate scheduling information into reporting software.
- Special Department Allowance – Increased budget for an Open House for the 15th Anniversary of the North Davis Fire District. Board Member Roper, Board Member Chatterton, and Board Member Nelson stated that they would assist with planning and coordinating the Open House.
- Grant Expenses – Currently, \$0 has been nothing budgeted for grant expenses in Fiscal Year

2020. However, the District has applied for a grant for the purchase of turnout gear. If the grant is awarded to the District, the board will be asked to amend the budget and account for 10% of the cost of the turnout gear purchase.

- Collection Contract – Expenditures for collection contracts have increased.
- Misc. Services – The health and wellness physicals listed in the budget are being offered to employees of the District in Fiscal Year 2019, therefore they have been removed from the Fiscal Year 2020 Budget.
- Professional Services - Includes fees for services for accounting, auditing, bonding, drug testing and plat creating and printing.
- Paramedic Payments – Increased significantly from Fiscal Year 2019 to Fiscal Year 2020. A committee of Fire Chiefs have met with the Sheriffs office to discuss a contract which will benefit everyone involved. For example, if the District does not collect the full amount for a paramedic transport then the District should not pay the full paramedic fee.
- Debt Service (Bond for Station 41) – Zions Bank has approached administration with information about refinancing Station 41's bond.

Chairman G. Petersen stated if Zion's Bank can propose a plan that will save the District a significant amount of money without extending the bond, the board may want to discuss the possibility of refinancing the bond.

- Impact Expenditures (new to the budget document) – The Impact Fee Expenditure page includes the beginning fund balance of both residential and commercial Impact Fees, projected revenues, and expenditures that will be made throughout the fiscal year.

Chairman G. Petersen expressed the need for a report to be created detailing when Impact Fees were collected, what they were for (commercial or residential), and when they must be expended. He then stated that the District should consider holding Impact Fee revenue as long as possible as this could give the District more options. Chairman G. Petersen stated that in his opinion, Impact Fees should only be used for Debt Service if they are going to expires. He then stated that is important for the board and administration to realize that if Impact Fee money is used to pay for Debt Service in Fiscal Year 2020 the Fiscal Year 2021 Budget will likely need to use the General Fund to pay for Debt Service.

Board Member Chatterton stated that is acceptable to hold onto Impact Fees for a while, however the District does not want to wait too long and then have to pay them back. He then agreed with Chairman G. Petersen; the board needs an Impact Fee report to assist them when making budget decisions.

Board Member Chatterton motioned to schedule the following Public Hearings:

- May 16, 2019 at 6:00 PM - Consideration of the Fiscal Year 2020 Tentative Budget
- June 20, 2019 at 6:00 PM – Consideration of the Fiscal Year 2019 Amended Budget; Property Tax Rate for Calendar Year 2019; and Fiscal Year 2020 Final Budget

Board Member Roper seconded the motion. The motion passed unanimously.

16. Fire Chiefs Report

17. Other:

Chairman G. Petersen expressed his appreciation to the North Davis Fire District Administrative Control Board.

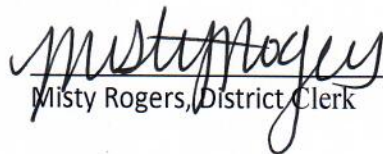
18. Motion to Adjourn

Board Member Madsen motioned to adjourn. Board Member Nelson seconded the motion. The motion passed unanimously.

Passed and adopted the 16 day of May, 2019



Gary Petersen, Chairman



Misty Rogers, District Clerk

