

**CORTEZ FIRE PROTECTION DISTRICT  
REGULAR BOARD MEETING  
October 11, 2017**

**CALL TO ORDER and PLEDGE OF ALLEGIANCE**

President Orly Lucero called the meeting to order at 6:20 p.m. in the meeting room at Station #1. Roll call followed after the Pledge of Allegiance and the board members present were Rodney Branson, Buck Woodman, Kent Lindsay, Sherri Wright, and Orly Lucero. Administrative Assistant Wendy Mimiaga and Chief Jeff Vandevorde were also present.

**APPROVAL OF THE AGENDA**

Sherri Wright made a motion to approve the agenda for the October 11, 2017 Board of Directors meeting, Buck Woodman seconded. The agenda was approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

**APPROVAL OF MINUTES**

The minutes from the Fiscal Affairs Committee meeting held on September 6, 2017, and the regular Board of Directors meeting, held on September 13, 2017, were brought before the board for approval.

Sherri Wright made a motion to approve the minutes for the Fiscal Affairs Committee meeting held on September 6, 2017, and the regular Board of Directors meeting, held on September 13, 2017, Kent Lindsay seconded. The minutes for both of the meetings were approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

**BILLS AND ACCOUNTS**

The board reviewed the list of bills, accounts and the financials included in the Board packet.

Buck Woodman made a motion to accept the bills and financials including the supplemental list of bills, Sherri Wright seconded. The motion passed on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

**PUBLIC COMMENT**

There was no public comment.

## **CONSTRUCTION UPDATE**

Virgil Gray, Building Division Manager, for Weeminuche Construction Authority was present to update the Board. Mr. Gray stated that they are very excited about where they are in the project. The hydronic piping is all done and the concrete slabs should be done by Monday or Tuesday next week. The masons are also scheduled to start next week. The road crossing, across Washington St., for the water line is scheduled two (2) weeks out.

It is unsure if they will continue on exterior concrete. It will depend on the masonry. They might wait until spring to demo the curbs. Mr. Gray continued that they are in good shape to get the building closed in.

Mr. Lindsay asked if the hydronic would run water or a glycol mix. It will be a glycol.

Mr. Lindsay asked if there were any leaks. Mr. Gray assured there were no leaks. They are very careful as there are a lot of saw cuts. The pipe is down low enough to avoid the cuts in the slab. They also made sure there were no couplers or fittings under the concrete. With the piping used today, it is very safe so that the fittings will not blow out, and there are no fittings in the slab.

The Chief asked if they test the piping before the concrete slab is poured. Mr. Gray stated that with the continuous pipe, with no fittings, it is not necessary. If there was a problem you would see it. They will test it right away after it is covered up.

## **CORRESPONDENCE**

Included in the packet were inclusions from the Cortez Journal from September 12, 15, 19, October 3, 2017, and thank you notes from Montezuma County Fair Board and the Montezuma Land Conservancy.

Chief Vandevoorde updated the Board about the fire on Road 24.4. It was not called in until someone saw it driving by; it had been burning for a while and was already in the crawl space. There was a lot of heat and smoke damage. It was going pretty good by the time we arrived, and the firefighters did a good job knocking it down and getting in there.

## **REPORT FROM THE ADMINISTRATIVE ASSISTANT**

A report of the current financial accounts was included in the packet. The county treasurer's office distributed a total of \$42,264.59 to the district for the month of September, 2017. \$28,208.12 for the general mill levy, and \$13,984.47, for the additional mill levy.

The balance in the State Farm account, as of September 30, 2017, was \$784,959.72. Interest earned in September, 2017 was \$351.91. The interest rate remained at 0.45%.

\$200,000.00 was transferred to the general fund on September 26, 2017 for use as matching funds for the DOLA Energy Impact grant, for the construction payments.

The jumbo CD at 1<sup>st</sup> Southwest Bank of \$261,766.20, rolled over on February 14, 2017, at 1.25%, for three (3) years, earned \$277.48 on September 14, 2017, for an updated balance of \$263,625.90.

The \$250,000.00 CD deposited at the First National Bank of Cortez on February 14, 2014 for five (5) years with an interest rate of 0.98%, has a balance of \$258,071.96 as of June 6, 2017.

The \$300,000.00 CD deposited at the Community Banks of Colorado, now the Four Corners Community Bank, for five (5) years at 1.15% on April 13, 2015, has a balance of \$306,949.23 as of May 6, 2017.

The total amount in the CD's is \$828,647.09.

The total earned on the reserve funds for September, 2017 was \$629.39, and the total in the reserve accounts was \$1,613,606.81.

It was reported that we have not yet received the third payment request from WCA, and we are still waiting on the second and third payments from DOLA for our grant reimbursements. We did hear from DOLA regarding the second payment; it, just like the first payment, was returned to DOLA, and is being resent. We are now set up for direct deposit, in time for the third payment request, so the reimbursement payments should not take as long.

Ms. Mimiaga stated she attended the SDA conference in September and that was the reason for being absent at the September 13, 2017 regular Board meeting. The conference is very informative and offers many good classes every year, including all the legislative changes that affect special districts.

### **REPORT FROM THE ASST. CHIEF**

Asst. Chief Shawn Bittle was not present for the meeting; he included his report and a list of meetings, events and trainings he attended.

Chief Vandevorde stated that the Asst. Chief was attending the Colorado State Fire Chiefs conference. The Chief continued that Asst. Chief Bittle did a great job again with the Firefighter Academy. We had two firefighters graduate from the academy, Gabriel Rogers and Chris Ludington. Mr. Rogers has been offered, and has accepted, a full time position to replace Troy Rightmire. He will start November 13, 2017. Mr. Ludington is working as a part time firefighter.

The Chief reported that Asst. Chief Bittle took several recruits and firefighters to the burn tower on September 23, 2017 for live fire training.

Both the Chief and Asst. Chief met with the new EMS coordinator at Southwest Colorado Community College and discussed different classes and costs, noting that the cost of the classes is excessive compared to the classes offered by Southwest Memorial Hospital. They discussed several ways to try to keep the costs down.

### **REPORT FROM THE FIRE CHIEF**

Chief Vandevorde went over his report and list of meetings that were included in the packet. The Chief thanked everyone who participated in the MDA fill the boot fundraiser. The firefighters raised \$1,857.16 in one day. They collect donations outside of City Market and Wal-Mart. We no longer stand in the street to collect donations as it is too dangerous.

The Chief participated in the final walk through for both the new County Court building and Osprey headquarters. Both are now open and up and running. They are both very nice buildings.

The ladder truck is out of service for repairs. It is unsure how long it will be out of service. There are a lot of welds that need to be fixed, and if we also fix the water way it could cost up to \$30 thousand for repairs. The ladder truck is over twenty (20) years old and needs a lot of work. The Chief is planning on doing half out of this budget, what we need to do now to get the truck certified and back in service, and the rest, the waterway, out of next year's budget. The truck is at Pete's, an E-One dealer, and who we just purchased the new brush truck from, down in Albuquerque, NM.

There were 191 calls during the month of September, 150 EMS calls, 31 fire calls and 10 vehicle accidents. The total calls for the year is 1,595. This is about 150 calls over last year.

J.Fargo's will be hosting the third annual Tip-A-Firefighter on Saturday, October 28, 2017 from 4 – 9 p.m. In the past we have done this during the afternoon lunch, but they are trying it during dinner time in hopes of a larger crowd. The Chief asked the Board to come down for the fundraiser, and to tell their friends and family.

The Chief reported on the CPR PubEd program offered by the District. The program is overseen by Lt. Roger Beckermeyer, and we have certified 266 people in CPR and First Aid over the past year and a half. This is an additional 266 people in our community who could possibly save someone's life. We offer the class on the third Sunday of each month, and Lt. Beckermeyer also provides the class to other organizations, i.e. the Police Dept., Dispatch, the City of Cortez, the School District, etc. We do not charge for the class, the only cost is the cost for the card, currently \$5.

The Chief presented the Board with the winning plaque for the Battle of the Badges blood drive held last summer, between the fire department and the police department. United Blood Services told us this was one of the busiest blood drives they have ever had, and will add additional personnel for next year.

Also included with the Chiefs report was an article on volunteerism, and how it is going away. There is a huge shortage of volunteers across the country, and the average age of volunteer firefighters is over forty (40) years old. People do not have the time to give. Most of the calls are EMS. The Chief stated this was only one of many articles and encouraged the Board to read the article to see what we are up against.

### **NEW BUSINESS**

Four Corners Community Bank Resolution – We are anticipating at least one, possibly more, very large payments to WCA after the first of the year. The Energy Impact Grant is a reimbursable grant. We are experiencing anywhere from four (4) to eight (8) weeks turnaround to be reimbursed by DOLA after we make our payments. This resolution for the bank will allow us to take out short term loans to cover our payments until we receive the reimbursable grant payments. The short term loans fall within the limits of TABOR as long as the terms do not exceed the fiscal year. The attorney did review the resolution.

Mr. Lindsay asked if we will have enough operating funds for the first of the year due to the lack of treasurers funds coming in. It was explained that we have budgeted for that, we will carry over enough money to cover our expenses for the first couple of months until our property tax revenues start to come in March, and the match for the grant is separate.

Kent Lindsay made a motion to approve Resolution #3 Series 2017, Authorization to Borrow Money on Behalf of the Cortez Fire Protection District, Buck Woodman seconded. The resolution was approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

First Reading of the 2018 Budget – A copy of the proposed 2018 budget was presented to the Board for review. There was no additional discussion of the budget by the Board as they had gone over each line item of the proposed budget during the Fiscal Affairs Committee meeting on September 6, 2017. It was noted that the proposed 2018 budget is on file at the administration office, 31 W. Main St., Cortez, for public review. The Public Hearing is scheduled for November 8, 2017 at the regular Board of Directors meeting, and the notice of budget will be posted at all three posting places and the County Clerk's office, and published in the Cortez Journal, a copy of which was presented to the Board.

Sherri Wright made a motion to approve the first reading of the proposed 2018 budget, and the public notice, notice of 2018 budget, to be published in the Cortez Journal on Friday, November 3, 2017, Buck Woodman seconded. The motion was approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

### **OLD BUSINESS**

2016 Audit – Heidi Trainor, the auditor for the District, updated the Board on some changes that had to be made to the 2016 audit due to GSB 68. Ms. Trainor explained that after the Board approved the 2016 audit on July 12, 2017, there was a discussion with the actuary where he realized the pension liability has to be presented in the financial statement based on the type of fund. He, Frank Dobis, had to redo the actuary report, and then, with the new information, the financial statements had to be revised.

Ms. Trainor handed out the updated page from the 2016 audit, page 3, Statement of Net Position. This included the deferred outflows and deferred inflows related to the pension. These are amortized costs, service costs, realized or unrealized gains that they calculated that did not come through.

The pension liability, \$528,115 for 2016, is the unfunded portion of the pension. This is now required to be on the Districts financial statement due to the new GSB rules. The real issue is that, in accounting, assets always equal liabilities plus equity. If we increase liabilities, equity goes down. By complying with the new law, and putting the liability on the fire districts balance sheet, some districts are finding that their fund balance is now negative. Our unrestricted fund balance is now reduced to \$67,570.

The District needs to make sure the pension liability does not get any worse than it is, either by less payments being made, no increases in benefits, or increased contributions. We do not want the unrestricted fund balance to go negative.

Mr. Lindsay asked what was the percentage of funding for the pension. It was explained that the District contributes \$47,000 per year to the pension. This was the amount figured by the actuary to leverage the most money that could be contributed by the State, \$36,000. The State pays out \$4-5 million from the State budget to the volunteer firefighter pension funds.

Ms. Trainor further explained that when the error was discovered, she contacted the State Auditor, who said we were not the only ones with this same problem, to take our time and resubmit.

Buck Woodman made a motion to approve revised 2016 Basic Financial Statements and Auditor's Report and resubmit to the State Auditor, Sherri Wright seconded. The motion was approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

Annual pay increase for the Fire Chief – The annual review for the Fire Chief, Jeff Vandevoorde, was done at the regular Board meeting on September 13, 2017.

Buck Woodman made a motion to approve the 5% annual pay increase for the Fire Chief for 2018, Sherri Wright seconded. The motion was approved on the following vote:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

**EXECUTIVE SESSION**

There was no executive session.

**ADJOURNMENT**

Having no further business to come before the board, Kent Lindsay made a motion to adjourn the meeting, Buck Woodman seconded. The motion passed as follows:

Branson	Lindsay	Woodman	Wright	Lucero
Yes	yes	yes	yes	yes

The meeting adjourned at 7:00 p.m.

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Orly Lucero – President

Attest:

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Kent Lindsay – Secretary/Treasurer