

**NORTH CENTRAL FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
THURSDAY, JUNE 21, 2018
5:30 P.M.
MINUTES**

1. CALL TO ORDER

District Board Chair Mr. Ken Abrahamian called the meeting to order at 5:30 p.m.

Roll Call

Board Members Present: Mrs. Cheryl Belluomini, Mr. Keith Koligian, Mr. Ken Abrahamian, and Mr. Rusty Nonini. Mr. Rusty Souza was absent.

Also present were Fire Chief Kerri Donis, Deputy Chief Ted Semonious, Mr. Ken Price, Mr. Tim Henry and Mr. Joe Barcelos.

2. INVOCATION AND FLAG SALUTE

The invocation was led by Mr. Barcelos and the flag salute was led by Mr. Koligian.

3. PUBLIC COMMENTS

There were no comments

4. CONSENT TO AGENDA

5. APPROVAL OF MINUTES

A. Minutes of the Regular Board Meeting of May 24, 2018.

There were no questions or comments.

Motion: To approve the minutes of the Regular Board Meeting of May 24, 2018, as submitted.

Moved by: Mr. Koligian, second by Mrs. Belluomini.

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Koligian:	Mr. Nonini:	Mr. Souza:	Vote:
Aye	Aye	Aye	Aye	Absent	4/0

6. PRESENTATIONS – CORRESPONDENCE – REPORT/FIRE CHIEF

A. Fire Chief General Update

1. May Incident Report – Information only

Chief Donis called the District Board's attention to the May incident report and reported to date the District calls are just a little under 2,000 which is about a 1.9 percent decrease from last year. She mentioned in the summer months the calls generally increase. There were no questions.

2. General Updates – Information only

Chief Donis reported the City budget process is going on right now. Final motions and adoptions will be held next Thursday. The Department is conducting background checks for firefighters; we are looking to fill some positions and starting an academy in September. The Department is still in the recruitment and review process for filling the Deputy Chief position.

3. New Construction Activity

Chief Donis reported the District has some commercial activity occurring but also quite a bit of solar panel construction happening in the City of Kerman and other areas in the District.

7. BUSINESS MANAGER REPORT

A. New BC Pickup Update

Mr. Barcelos reported he received a phone call from Mr. Ken Patillo, the Fleet Sales Manager from Swanson-Fahrney Ford. A few months ago, the District ordered a new 2018 Battalion Chief pickup by awarding the bid to Swanson-Fahrney Ford. Mr. Patillo called to inform the District, Ford moved our order into the 2019 models and the only reason given was that our order was placed just a few days before the ordering deadline for 2018 models. Mr. Patillo assured the District the bid amount accepted will not change but instead of the District getting a 2018 model we will get a 2019 model which will not be completed till the end of August.

B. RDA Oversight Board Election Results

Mr. Barcelos reported on the results of the election the District participated in for a special district representative on the RDA Oversight Board for Fresno County. Frank Fowler with the Fresno Metropolitan Flood Control District was elected as the representative and Rene Gonzalez with the Sanger/Del Rey Cemetery District was elected as the alternate.

8. PUBLIC HEARING FOR WEED ABATEMENT AND LIST OF ABATEMENT NOTICES

A. Public Hearing

Mr. Abrahamian opened the floor for the public hearing for public comments on the 2018 weed abatement season at 5:36 p.m.

There was no one from the public at the meeting for the weed abatement public hearing.

Mr. Abrahamian closed the floor for the public hearing for public comments on the 2018 weed abatement season at 5:37 p.m.

B. Review list of properties sent a “Notice to Destroy Weeds.” – Information Only

Mr. Barcelos reported last month there was 139 properties mailed a “Notice to Destroy Weeds.” These properties were re-inspected after last month’s public hearing and staff discovered 30 properties not abated so they were assigned to the District’s abatement Contractor.

This month 42 more notices were mailed out to property owners that have not abated their weeds. After tonight’s public hearing, staff will re-inspect these properties and again assign the ones not abated to the District’s Contractor.

Mr. Barcelos mentioned the property on McKinley owned by the gentleman that asked for an extension of 2 weeks at last month’s meeting was re-inspected and found to be cleared of all weeds.

9. DISTRICT FIRE SUPPRESSION AND EMERGENCY MEDICAL SERVICES “Fixed Compensation Term” ENDING JUNE 30, 2019, SERVICE AGREEMENT WITH THE CITY OF FRESNO

A. Action item – Consider and approve one of the options presented at the workshop at the District’s Special Board Meeting held on June 20, 2018, and direct staff to begin implementation of selected option.

Mr. Abrahamian explained yesterday the District Board held a special board meeting where a workshop was conducted to review options. Tonight the District Board is considering the options presented last night in order to choose one of the options and direct staff to implement the selected option.

Mr. Abrahamian asked if there was anyone in the public that had questions or comments but there were no comments at this time.

Mr. Abrahamian asked the District Board Members if they had any comments about the presentation made yesterday by Mr. Tim Henry. Mr. Koligian stated the presentation yesterday was very informational and he looked at all the information given to the District Board and after evaluating each option, the only option I see the District can sustain and still be a viable fire district is option three. Option one and two are just not sustainable. If the Board chose option one or two, three or four years from now our reserves would be depleted just trying to stay afloat and the District would not be able to stand up a department if we needed to at that time. My chose would be option three with the hope we can have a mutual aid agreement with the City on areas mutually beneficial to both parties.

Mr. Nonini asked Chief Donis what will happen to the personnel in the District stations if the District chooses option three, will the City be able to absorb all the personnel. Would it be possible to work out a modified transition where personnel are transferred back to the City over time? Chief Donis replied, I think we have been cautious about how many the Department is hiring or whether we should hire new personnel at all. In this next recruit class, the Department wants to give ourselves enough capacity to absorb as many people as we can into the relief pool and then to place the balance into the field to improve are minimum daily staffing. I don’t see any council member supporting the idea of laying off firefighters. There is a concept of some type of a public safety tax measure going out to vote in the November elections. If the measure is approved by voters the City would be in a much better position to absorb these firefighters.

Mr. Nonini asked if absorbing these firefighters will be a burden and Chief Donis replied it will be challenging without a new revenue stream for the City to add to the minimum daily staffing. The Department has a constant staffing policy that calls for relief pool ranges of six captains, six engineers and nine firefighters. What that means is you can have people ready to go when someone calls in sick or is on vacation to fill in those gaps instead of hiring overtime to fill those vacancies. Right now the Department’s relief pool numbers are at zero, that gives us twenty-one (21) vacancies to fill, there is thirty-six (36) people we need to absorb, so there is a delta we need to figure out where the remaining personnel are going to go. Preferably we would like them to be in the field to improve the City’s staffing as we know the City staffing levels are at the same level as it was in 1985 with 77 people on duty each day. The Department needs to improve the staffing, but in order to do this, the Department will need a funding stream in order for that to happen. That’s why in this year’s budget there isn’t any funding Citywide for one more police officer or firefighter to be added because there is just not enough revenue to make that happen on an ongoing basis.

Mrs. Belluomini asked Chief Donis about the City's contract with Fig Garden Fire District. Does the City receive monthly payments from Fig Garden? Chief Donis replied Fig Garden makes semi-annual payments to the City. Mrs. Belluomini asked how much area does the Fig Garden District cover. Chief Donis replied the majority of Fig Garden's calls are not in their district but in the City of Fresno. Mrs. Belluomini asked if Fig Garden District responds to calls in the District's Bullard area. Chief Donis replied yes, if they are the closest unit they help to cover the calls in the Bullard area. Mrs. Belluomini asked Chief Donis if she knows how much the annual payment to the City is. Chief Donis replied she isn't sure but if she had to guess she would say around \$2 million, but Fig Garden went forward with an assessment that was approved by voters in the District by eighty-three (83) percent. This assessment was passed about a year and a half ago. It was a measure that said if the residents of the District want to maintain the fire station in their District, it will cost x amount of dollars for your parcel and the average parcel cost was \$740. The desire to maintain their fire station and their fire engine company within their two square mile radius was important to them. Mrs. Belluomini asked how long did it take for Fig Garden to go through the process of having an assessment approved by the voters of the District. Chief Donis replied the process utilized a company that conducts similar assessments throughout the state and it took from start to finish about seven to nine months.

Mrs. Belluomini asked Mr. Price if North Central would be required to conduct the same process for the special tax we talked about in last night's workshop. Mr. Price replied it would be the same if you wanted to do something like the Fig Garden assessment. Mrs. Belluomini asked if the District could do a similar assessment for the Bullard area. If the District contracted with the City for the Bullard area how would that work, would the District go to a vote but only ask for the Bullard area residents to vote for that special tax. Mr. Price replied the District would have to establish some kind of zone of benefit within the Bullard area if that was your intent and it was necessary to raise additional funds for that particular area. The District could in theory contract separately with the City for that area if that is what you desire to do and if you felt it could be done in a manner that is sustained by the district and no additional property taxes are necessary. Then it would be similar to what we talked about yesterday. The City and the District would have to approve it under Government Code Section 56134 which is an extension of services process.

Mr. Abrahamian asked Mr. Price if we pick one of the options, for example if we pick option three which has to do with re-staffing, do we have the latitude in the future if our consultant or fire chief wants to look at parts of the other options, do we have the flexibility to do that. Mr. Price answered if you look at what you would be doing under option three; the District is simply notifying the City of their intent not to re-negotiate. It is possible for the parties if they desire to put together a side service agreement. And then the other part of the action would be commencing the employment of a Fire Chief. That is really all option three is doing are those two specific items. If it is the intent of the District to restart its fire protection service it's a whole series of approvals and considerations over the course of at least a year you would be considering. So initially the first step would be to notify the City and the second would be to commence the process of hiring a Fire Chief. Mr. Abrahamian asked so as the District proceeds with an option, the door is still open if something does happen in the future where the District can still negotiate something with the City for a particular area. Mr. Price replied, as long as the City is willing to negotiate with the District.

Mr. Abrahamian mentioned I am also supporting option number three. I think we have a good relationship with the City of Fresno and I have been pleased with everything over the years. But the numbers being what they are, unless we have a new revenue source, I can't see the District being able to sustain the costs beyond a few years as it has been pointed out to us. But I would want the Board to at least have the possibility to change something along the way.

Mr. Abrahamian asked if there was anyone in the public that wishes to make a comment.

Dean Sanders, President of Fresno Firefighters Union addressed the District Board. I just want to make a comment, I briefly heard Mr. Nonini's concerns about whether or not the membership would fit back into the parameters of the City and how that would play out. I do agree with Chief Donis that the City Council does probably not have the will or the want to lay off firefighters. I don't know how in depth you are with the relief pool but I agree with Chief Donis' numbers, we are somewhere around even right now, and the high is twenty-one (21), and there are thirty-six (36) or thirty-nine (39) members if you include Battalion Chiefs serving in this District. I do have concerns about whether or not they all fit, they don't fit within the twenty-one (21) spots we have in the relief pool, so they don't fit within our current contract. This has been a concern of mine and the executive board of the union. It is a concern for me because we just hired a rookie class and I don't want to see anybody getting laid off. That being said, I don't know if the City Council has the motivation to open another company which would bring the numbers down within the range. I also don't know if the motivation is there in the body to raise up the numbers as we have been working on bringing those numbers down since 2009 or 2010. So it has taken eight years for the numbers to get within a reasonable range and I don't know if the body would be willing to go out of contract to raise those numbers up to thirty-six (36) or thirty-nine (39) to absorb them. So there are a lot of unknowns, so I just wanted to relay that before the Board makes any decisions. I am concerned about the bottom fifteen (15) to twenty (20) people depending how it pencils out. My concern is they don't fit and whether or not they keep a job. We meet with the councilmembers regularly and we know they don't want to lay anybody off. That being said they don't fit within our agreed contract so there is a lot to be determined at this point and with the City budget in flux the way it is, the outcome is unsure.

Mr. Nonini mentioned personally the way I look at this and this is just my opinion, if we can transition over a period of time maybe we can start with two stations ourselves as time goes on where you guys are able to be absorbed. I am leaning toward option three too but I don't want to leave anyone hanging.

Mr. Sanders mentioned he met with Chief Henry the other day and I understand your predicament as well, the revenues coming in and expenditures going out. I have a pretty good handle on this so I appreciate your position but I just wanted to express my concern before you made a decision. Mr. Koligian asked Mr. Sanders what is the average retirement attrition in a year in the Fire Department. Mr. Sanders replied it fluctuates greatly but guessed it is somewhere between three and ten each year.

Randy Reitz, a Battalion Chief with the City of Fresno addressed the District Board next. He mentioned he is a life-long resident of the District. Mr. Reitz stated he worked for the District as a PCF in 1987, got hired here full-time for nearly six years, then I moved onto another fire department and eventually to the City of Fresno. I

was just made aware today of the vote that is taking place and so my first question is: Have we provided for adequate public knowledge and comment. I just became aware of this and I don't know that the rest of the District citizens know about this. I am not questioning your process but I want to make sure those interested are aware of it and have some input. I am not aware of the three options; I am gathering the third option is that you pull away from the City's contract. I would hate to see that happen. I think the City of Fresno is providing a great service we as citizens didn't have in the past when I worked here. My concern is for the longevity of our protection in this area as much as working here but I will live in this District much longer than I will work for the City of Fresno. Is one of the three options cutting the truck company? Mr. Abrahamian replied this is not one of the options. Mr. Abrahamian asked Mr. Henry to come up and summarize the options.

Mr. Henry explained the process that started out with reviewing the current contract and the expenses and is it sustainable, is it something the District can afford. It was quickly found that it was not going to be sustainable without a new revenue source. So that is option one which includes getting an assessment approved by voters. Next if the District was to stand up their District again, we basically had to figure out what the District would be paying for salaries as well as a benefit package. Once this was determined, from there we costed it out for sustainability to do this for the entire District. If the District chose option 2, the District would maintain the current level of service. Because we identified that ninety (90) percent of the District is in rural areas as defined by NFPA. Nine (9) percent is in a suburban/urban area as defined by NFPA. So the concept is this transition was to ensure that we don't lower the level of service in the District from where it is today and cutting the truck company would reduce the amount of bodies here in the City of Kerman. Kerman has a population of 14,000 people and is two square miles which means it is a urban area and you should have fifteen (15) firefighters on scene in eight to ten minutes. So currently if we reduce the truck company to continue in a contract with the City it would be lowering the level of service. The direction given was can the District do this fiscally and not lower the level of service in the District. So removing the truck company was not an option brought to the Board. Option two is staffing the three stations as is with 3-0 staffing and then looking at the five square miles of islands in the Bullard area and the nineteen (19) square miles west of the 99 that the City stations are first into. We looked at what the revenue source in these two areas versus the revenue source it would take the District to pay to maintain the current level of service. There is some flexibility in option two to negotiate some type of coverage in those areas but sustainability is based on the City and where it's MOUs are and the longevity will still be based on the City. And this I believe is what Chairman Abrahamian is referring to if the District goes with option three. The District can still go back and see what if the City chose to negotiate the Bullard area out of the revenue, could the District afford it and would it be sustainable. So if the Board moves forward on option three, it does not mean option two is not still on the table. It will depend however on whether the City has a desire to negotiate for the Bullard area, what happens with the City's ballot measure in November and what percentage of the revenue can be affordably negotiated by the District.

Mr. Abrahamian mentioned he wanted to expand upon what lead up to this point in time. This past year the District was in a predicament after being approached by the City with numbers they were looking at to continue our service agreement with the City because it was costing the City more than what our contract allowed for. The District had less than nine months to come up with something. At the beginning of

the nine months, the District thought we would be able to negotiate a solution but it turned out we were not able to work out a long-term solution. The District was running short of time to come up with something and the District and City did come up with a temporary agreement or I'll say extension, a year and a half extension. During this extension, the District was to consider re-negotiation or some of these other options presented tonight and at the workshop last night. We did get numbers from the City which is part of the re-negotiation. The District hired Mr. Henry as a consultant to look over the numbers from the City to determine the sustainability of a long-term agreement with the City. It was determined the District cannot sustain this option but perhaps the District could raise taxes and then we could sustain this option. But what if the voters didn't approve a special tax and I know the City of Kerman is talking about a tax increase of their own. The City of Kerman's tax increase has nothing to do with the fire department but as these different agencies ask voters to approve a special tax it might make it more difficult for the District to get something similar approved by the voters. So the District is in a spot where we can't wait till the last minute and yet I think we want to move forward but to also keep our options open. I think option three would allow us to move forward and still look at something else in the future if it turns out that we can work something out with the City and they are agreeable to something that could benefit us both. So this is where I stand on this decision.

Mr. Abrahamian asked if there are any more questions or comments.

Mr. Reitz mentioned his concern is if you decide on option three, does it send us down a path of certainty where we are not going to be able to make a turn. What I gathered from what you said just a minute or two ago is that you still can consider changing your mind and direction, right. Mr. Koligian replied I'm sure you know how long it will take to gear up and get things started. The District can't wait till three months or six months before the end of the contract with the City. With option three, the District gets started, we hire a Fire Chief, we look at what the District can do and then talk to other agencies along the way.

Mr. Sanders wanted to add one more thing. He mentioned he doesn't know if the District or the City would be open to a longer transition period. If option three is chosen, my suggestion is to look at a longer transition I think for both the City and the District more than a year. I think it will be very difficult to stand up a department in a year and it will be hard for the City to absorb the extra bodies within a year. If the transition was a little longer it would give the City more time to absorb and give you more time to setup your department.

Mr. Abrahamian asked if there were any other comments from the public or District Board. Chief Donis asked to make one more comment. Chief Donis stated yesterday I stated this but I will say it again for the record today. I realize and appreciate the desire to have this savings, the District sees a savings in standing up your own department. But again, the workers comp, one or two injuries and they are going to happen, will increase your workers comp costs on an ongoing basis, the evidence is supported in what is occurring in the City right now. And God forbid you have a near miss or line of duty death, you are going to completely wash away the savings right now. So the City of Fresno has a bigger backstop then the District does and is something I think should have been in consideration as you make this decision."

There were no more questions or comments so Mr. Abrahamian called for a motion.
Motion: To approve option three and direct staff to begin implementation of the approved option.

Moved by: Mr. Koligian, second by Mrs. Belluomini.

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Koligian:	Mr. Nonini:	Mr. Souza:	Vote:
Aye	Aye	Aye	Aye	Absent	4/0

10. RESOLUTION NO. 18-03 ORDERING EVEN-YEAR BOARD OF DIRECTORS' ELECTION, CONSOLIDATION OF ELECTION, AND SPECIFICATIONS OF THE ELECTION ORDER.

A. Action item – Consider and adopt Resolution No. 18-03 ordering even-year Board of Directors' election, consolidation of election, and specifications of the election order.

Mr. Barcelos reported the Fresno County Elections Office is requesting all special districts adopt a resolution to order even-year Board of Directors' election, consolidation of election and specifications of the election order. The District was required to adopt a similar resolution two years ago and so I called the elections office and asked them if the District must adopt a resolution every time there is an election for our Board Member seats. They told me we are required to do this every other year when there is an election. Mr. Price mentioned every special district is required to do this every two years.

Mr. Abrahamian asked if there were any questions, seeing none, he called for a motion.

Motion: To adopt Resolution No. 18-03 ordering even-year Board of Directors' election, consolidation of election, and specifications of the election order

Moved by: Mr. Koligian, second by Mr. Nonini.

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Koligian:	Mr. Nonini:	Mr. Souza:	Vote:
Aye	Aye	Aye	Aye	Absent	4/0

11. AMENDMENT OF FIRE CODE ORDINANCE NO. 2016-01

A. Action item – Introduction and review of Fire Code Ordinance No. 2018-01.

Chief Semonious addressed the District Board and called their attention to the memo in their packets regarding the fire code amendments. He explained these amendments basically codify the policies the District is currently operating under. For instance, in the first code section listed, there is nothing in the code section that states an electrical fence must be plan reviewed by the fire department. What we are doing here is basically using the electrical code and stating we want to follow best practices in the electrical code and require people putting up electrified fences to submit a plan. By requiring a plan submittal, we can ensure it is a safe fence for the public and the district will have access through the fences to provide fire protection or medical aid services to individuals that might be within the perimeter of the fence. He asked if there were any questions on this first amendment.

The next section has multiple sections that pertain to photovoltaic solar systems. What the department is doing here is taking current policy and putting it back into the code. The State has the desire to speed up the permitting and plan review process

and allow 100 percent of a roof to be covered with solar panels. The department does not have an objection to covering one-hundred (100) percent of the roof except there are times when a firefighter has to get on to the roof to provide either ventilation or other firefighting tactics. So in these sections the department is requesting a thirty-six (36) inch pathway to the ridge and a thirty-six (36) inch pathway along the ridge in order to maintain safe firefighting operations. This doesn't seem like very much but it is enough so the firefighters have a safe path up and back and they know the pathway will be a dedicated path for them to operate on a roof. Not knowing where your pathway off the roof is once you get into a smoky condition is very dangerous for the firefighters. The department wants to ensure we've got clear pathways to and from the ridge of the roof. The next couple of sections address the setbacks which is the thirty-six (36) inch pathway. These sections are also amending the alternatives which the State is allowing but the amendment states there are no alternatives to the thirty-six (36) inch pathway. Part of the other section that had to do with solar panels is the labeling of the disconnecting equipment.

The next section refers to residential care facilities. Currently the requirement is they are fully sprinklered when they apply for a residential care facility. A residential care facility is a care facility that has six or more persons under care in a residential type setting. This provides a full sprinkler system in the house not just in each room but it is also in the attic. For whatever reason, the state has decided to change the requirement to sprinkler the entire structure and now they are requiring just the interior spaces be sprinklered. The consequences of that are if there is a fire in the attic, and it runs the entire attic, you lose the roof but everybody in the house is safe but they have been displaced. Now the District has six patients that need residential care. It's an economic impact to these people and it is a problem for other care facilities that don't have the space to move them in. The department feels providing a full level of protection for a care facility structure is a benefit to the residents paying to be cared for in those facilities.

The next section has to do with alarm inter-connection. Basically where there is an alarm system in a building and there is also a sprinkler system, the two need to be connected together and this is what this section requires. So there will be one signal, one notification and one address point to respond to.

And finally, the last section the building industry believes there is an error in the code section. This amendment clarifies only the language in the code section, nothing changes in the way it is administered, and we are just changing some language to get rid of the error that existed.

There were a few questions and some discussion from the District Board about the pathway required on the roof where solar panels are installed and some questions regarding the electrical fences. Chief Semonious explained the need for the pathway and that the electrical fences are referring to security fences that create a low electrical charge that sounds an alarm if someone touches your fence.

There were no more questions or discussion.

B. Schedule the Public Hearing to adopt Fire Code Ordinance No. 2018-01

Mr. Abrahamian asked Mr. Price what the next step is to move forward with adopting the amendments to the District's fire code ordinance. Mr. Price replied he has no

substantive concerns about the modifications, it would be nice if the statute had a provision that allowed for immaterial modifications to just be approved by the board without going through the normal process, but I don't see that in the code. So there is a process that we go through to amend the ordinance and notify the City and County and allowing for public comment.

Mr. Abrahamian called for a motion to schedule the public hearing. Mr. Barcelos mentioned that the next step in the process is to send the ordinance to the City of Kerman and the County of Fresno for them to review the ordinance for thirty (30) days and provide comments that will become part of the public hearing. Once the thirty day review period is over, the District must post a public notice announcing the public hearing date twice in the newspaper at least 15 days before the public hearing. This means we would not be able to schedule the public hearing for next month but can have the public hearing at the August 23rd regular board meeting.

Motion: To schedule the Public Hearing to adopt Fire Code Ordinance No. 2018-01 for August 23, 2018.

Moved by: Mr. Koligian, second by Mr. Nonini.

Mr. Abrahamian: Mrs. Belluomini: Mr. Koligian: Mr. Nonini: Mr. Souza: Vote:
Aye Aye Aye Aye Absent 4/0

12. PRELIMINARY BUDGET FOR THE 2018-2019 FISCAL YEAR

A. Action item – Consider and adopt the District's Preliminary Budget for the 2018-2019 Fiscal Year.

Mr. Barcelos called the District's Board attention to the memo in their packet outlining the highlights to the budget for the 2017-2018 fiscal year ending June 30, 2018, and the highlights for the budget for the upcoming 2018-2019 fiscal year. He suggested going through the memo and during the review the District Board can ask questions at any time during the review of the highlights.

Highlights for the 2017-2018 fiscal year budget:

- Property tax revenue is projected to increase by 4.55 percent from last fiscal year which is an increase of \$375,091
- Operating net revenue is projected to be \$1,097,519
- Operating expenses are projected to be under budget by \$90,185
- The following Capital Expenditures and Building Projects were completed:
 - Purchase of three new fire engines costing \$2,098,427
 - Purchase of a new staff vehicle costing \$20,224
 - Ordered a new Battalion Chief vehicle projected to cost \$90,000 but will not receive the new vehicle till next fiscal year so this expense will be moved to next fiscal year's budget.
 - Purchased new nozzles for all apparatus at a cost of \$17,632
 - Installed an A/C unit in the radio communications room at station 45 for \$3,800
 - Replaced kitchen, dining room and hallway vinyl flooring with polished concrete at station 21 for a cost of \$13,546
 - Painted exterior trim and fascia board at stations 21 and 23, refinished kitchen cabinets at station 23 at a cost for all work of \$8,650

- Tree trimming at station 23 and removal of tree at station 47 for \$4,550
- Miscellaneous projects to replace two water heaters at station 45 for \$3,595 and repair leak in main sprinkler line and move five sprinkler valves at station 21 for \$3,375
- Projected ending cash balances for all District funds for June 30, 2018 is \$9,196,974 which is a decrease of \$975,001 June 30, 2017.

Highlights for the 2018-2019 fiscal year budget:

- Property tax revenue is projected to increase by 3 percent which is an increase of \$261,096
- Operating expenses are projected to increase by \$814,100. Most of this increase is due to the amendment to the Service Agreement with the City of Fresno.
- Operating net revenue is projected to be \$500,094
- Proposed Capital Expenditures and Building Fund Projects are:
 - Purchase new Battalion Chief vehicle for a cost of \$90,000
 - Repair and reseal parking lot at station 21 for an estimate of \$15,000
 - Tree trimming at stations 21 and 22 for an estimated cost of \$4,000
- Staff has proposed the following transfers from cash carried forward from the 2017-2018 fiscal year:
 - Transfer \$500,000 to the District's Capital/Equipment Fund.
- Ending total cash balance for all the District funds for June 30, 2019, is projected to be \$9,641,392 which is an increase of \$444,418 from June 30, 2018.

There were no questions or comments so Mr. Abrahamian called for a motion.

Motion: To adopt the 2018-2019 Preliminary Budget as presented.

Moved by: Mr. Nonini, second by Mr. Koligian.

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Koligian:	Mr. Nonini:	Mr. Souza:	Vote:
Aye	Aye	Aye	Aye	Absent	4/0

13. PAYMENT TO THE CITY OF FRESNO

A. Action item – Consideration and approval of payment to the City of Fresno for District expenses paid by the Fire Department and other payment items.

Mr. Barcelos called the District Board's attention to the memo in their packet listing the items that make up the total payment due the City of Fresno. He explained the items on the list are items not listed in the service agreement and the costs of these items are not included in the monthly payment the District makes to the City for the Service Agreement. Most of these items are purchased by the Fire Department on behalf of the District such as repairs performed by the shop on District apparatus, station maintenance and supplies for District stations to name a few. Mr. Barcelos explained the post-detachment revenue received by the District on properties annexed to the City. Mr. Barcelos went through the list of items and asked the District Board if they had any questions.

There were no questions so Mr. Abrahamian called for a motion.

Motion: To approve the payment to the City of Fresno for District expenses paid by the Fire Department and the other items listed on the memo.

Moved by: Mr. Koligian, second by Mr. Nonini.

Mr. Abrahamian: Mrs. Belluomini: Mr. Koligian: Mr. Nonini: Mr. Souza: Vote:
Aye Aye Aye Aye Absent 4/0

14. OLD BUSINESS

A. Consideration and Approval of Disbursements List for May 2018

There were no questions or comments

Motion: To approve the May 2018 disbursements from the West America General account in the amount of \$2,091,193.13.

Moved by: Mr. Nonini, second by Mr. Koligian.

Mr. Abrahamian: Mrs. Belluomini: Mr. Koligian: Mr. Nonini: Mr. Souza: Vote:
Aye Aye Aye Aye Absent 4/0

B. Review and Acceptance of Monthly Financial Reports

- 1) Fresno County: Cash Balances – All Funds – No Comments
- 2) Budget Report: YTD Expenses Compared to Budget – No Comments
- 3) Revenue and Reimbursement Report – No Comments
- 4) P G & E Report – No Comments.

15. BOARD MEMBER COMMENTS/REPORTS

A. Report from Operations Ad Hoc Committee

There was nothing to report from the Operations Committee
There was no board member comments

16. ANNOUNCEMENTS

A. Next Regular Board Meeting: Thursday, July 26, 2018, at 5:30 p.m.


17. ADJOURNMENT

Motion: To adjourn the meeting at 6:44 p.m.

Moved by: Mr. Nonini, second by Mr. Koligian.

Mr. Abrahamian: Mrs. Belluomini: Mr. Koligian: Mr. Nonini: Mr. Souza: Vote:
Aye Aye Aye Aye Absent 4/0


Cheryl Belluomini, Board Secretary
North Central Fire Protection District


Date