

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
*Special Meeting - Standing Committee Meeting*  
*Finance Committee*

Administrative Headquarters  
14011 City Center Drive  
Chino Hills, CA 91709

Monday, March 28, 2022  
4:00 p.m. Committee Meeting

**MINUTES**

TELECONFERENCE MEETING ANNOUNCEMENT

President Kreeger opened the meeting at 4:00 p.m. and stated that in accordance with AB361, the Chino Valley Fire District will hold the Special Committee meetings of the Board of Directors remotely. He explained the process for members of the public to participate in the meeting and provide public comment. President Kreeger also announced that the meeting would be recorded.

ROLL CALL

President Mike Kreeger  
Vice President John DeMonaco  
Fire Chief Dave Williams  
Deputy Chief Nathan Cooke  
Deputy Chief Carlos Skibar  
Deputy Chief Jeremy Ault  
Finance Director Steve Heide  
Clerk of the Board Sandra Heney  
Administrative Secretary Cisneros

FLAG SALUTE

President Mike Kreeger

INVOCATION

Chaplain Henry Aguilar

CHANGES TO THE AGENDA

President Kreeger asked Clerk of the Board Sandra Heney if there were any changes to the agenda.

Clerk of the Board Heney stated that there were no changes.

PUBLIC COMMUNICATIONS

None.

MINUTES

1. Minutes – February 28, 2022 Meeting

The Committee agreed to file the minutes, as presented.

OLD BUSINESS

None.

NEW BUSINESS

2. RESOLUTION NO. 2022-05 ALLOCATING SURPLUS FUNDS TO REDUCE PENSION LIABILITIES THROUGH BUDGET AMENDMENT NUMBER 5 FOR FISCAL YEAR 2021-2022

Purpose is for the Finance Committee to discuss options for allocation of funds received from the state COVID-19 Special District Relief Fund.

Accountant Dawn Burns stated that the 2021 California State Budget Act appropriated \$100 million one-time state General Funds to provide fiscal relief to independent special districts for revenue losses and or unanticipated costs incurred due to the COVID-19 public health emergency.

Accountant Dawn Burns stated that the California Department of Finance (DoF), in consultation with the California Special Districts Association (CSDA), developed a methodology to allocate these funds to independent special districts. Each qualifying district that applied received an allocation based on its proportionate share of the total unanticipated costs and revenue losses incurred by all districts during the following eligible periods:

1. Revenue Losses—Revenue losses, from all fund sources, incurred due to the COVID-19 public health emergency during the 2020-21 state fiscal year, compared to the revenue from all fund sources in the 2018-19 state fiscal year (July 1 through June 30—which serves as the base period to which the revenues will be compared).
2. Unanticipated Costs—Unanticipated costs incurred due to the COVID-19 public health emergency during the period starting March 4, 2020 and ending June 15, 2021. This aligns with similar federal fiscal reporting timeframes.

Accountant Dawn Burns stated that while the District was unable to apply for funding under the revenue losses eligibility test, we were able to seek reimbursement for significant unanticipated costs during the public health emergency, for the period from March of 2020 through mid-June of 2021.

Accountant Dawn Burns stated that the District received notification of the opening of the DoF online application period. She further stated that in mid-December, the District was notified that our application had been approved for an award of \$3,320,209, and in early January we received the funds.

Accountant Dawn Burns stated that while there are no restrictions on the use of the funds and since these reimbursements received are associated with expenditures in prior fiscal years, staff is seeking direction regarding the Board's desire to allocate these unbudgeted funds toward specific purposes. She further stated that at this time, staff is proposing that the total award be allocated equally among the following important purposes:

1. Emergency contingency fund replenishment – ambulance purchases
2. Station 68 construction project – contingency funding
3. Pension obligations – paydown of unfunded actuarial liabilities in current fiscal year

Accountant Dawn Burns stated that in August, the Board approved up to \$1,035,000 in unbudgeted funds from the emergency contingency fund for the purchase and equipping of four critically needed ambulances necessary for emergency patient transport.

Accountant Dawn Burns stated that in February, the District entered into an agreement with the City of Chino Hills for construction of Fire Station 68 in Chino Hills. She further stated that unprecedented inflation, continuing supply chain issues, and labor shortages contribute to significant uncertainty associated with the overall project budget. In addition to facility construction, the District will also need to acquire additional apparatus, as well as other equipment and supplies for the new station as part of the project. The project timeline is likely to be 18 to 24 months from project award. The project is anticipated to go out for bid in the next several months.

Accountant Dawn Burns stated that advanced pension payments result in significant long-term interest savings and ensure that pension liabilities are not deferred to future generations of taxpayers.

Accountant Dawn Burns stated that staff will also be presenting a recommendation to the Board regarding the allocation of funds from the FY21 budget surplus toward pension obligations, as per policy, in April.

It is recommended that the Finance Committee discuss the proposed allocation of COVID-19 Special District Relief Funds, and provide direction to staff.

President Kreeger asked Clerk of the Board Heney if there was Public comment.

There was no public comment.

President Kreeger asked for Committee comment.

Vice President DeMonaco asked

Accountant Dawn Burns about the 1/3 of the amount going to pension obligations.

Accountant Dawn Burns stated that any funds that go into the 115 Trust which is considered irrevocable but is able to serve as a contingency fund to take funds out of this

trust to use towards pension obligations. She further stated there are opportunities to redirect funds from the 115 Trust to relieve budget obligations associated with pension expense.

Vice President DeMonaco stated that he recommends to identify what amount goes into the 115 Trust and what amount goes to PERS so that the board is clear where the money is going.

Accountant Dawn Burns stated that staff recommends a 50/50 allocation to PERS and the 115 Trust.

President Kreeger stated that he agrees with Vice President DeMonaco on the 50/50 allocation. He further recommended to Accountant Dawn Burns to include it in the staff report for the full board.

The Finance Committee agreed to move this item to the Full Board for approval as a consent item.

3. RESOLUTION NO. 2022-06 APPROVING MID-YEAR BUDGET AMENDMENTS AS BUDGET NUMBER 6 FOR FISCAL YEAR 2021-22

Purpose is to review and discuss Resolution No. 2022-06, approving mid-year budget adjustments as Budget Amendment Number 6 for FY22.

Accountant Burns stated that the attached draft Resolution No. 2022-06 authorizes Budget Amendment Number 6, with a net favorable budget adjustment for FY22 of just under \$4 million, based on additional revenues of roughly \$7.8 million, compared to additional net expenditures of about \$3.8 million.

Accountant Burns stated that the most significant proposed budget adjustments are associated with the receipt of unanticipated funds received from the California COVID-19 Special District Relief Fund, as well as funds received and associated overtime coverage expenditures as a result of the initiation of the Assistance by Hire (ABH) agreement with American Medical Response for transport services, which was also not contemplated during the original budget development process. She further stated that higher than budgeted mutual aid revenue recoveries and coverage costs associated with out-of-area reimbursable incident responses are necessitating budget adjustment as well.

It is recommended that the Finance Committee discuss the proposed Resolution No. 2022-06 approving Budget Amendment Number 6 for FY22, and provide direction to staff.

President Kreeger asked Clerk of the Board Heney if there was Public comment.

There was no public comment.

President Kreeger asked for Committee comment.

Vice President DeMonaco asked about the amounts being paid to CalPERS and the 115 Trust.

Accountant Burns stated that the \$553,368 was half of the COVID Relief Funds and the other half went into the 115 Trust and will be reflected at year end when they do the fund balances. She further stated that the \$313 amount will not be reflected in mid-year budget adjustments but will reflect that separately.

Vice President DeMonaco asked where the other COVID Relief money is reflected.

Accountant Burns stated that that amount will be reflected at year end when they do the fund balances.

The Finance Committee agreed to move this item to the Full Board for approval as a consent item.

4. CLASS 3 FIREFIGHTING UNIT FOR STATION 63

Purpose is for the Finance Committee to review and discuss the proposed purchase of one (1) Class 3 Firefighting Unit for Fire Station 63 in cooperation with San Bernardino County.

Deputy Chief Carlos Skibar stated that Staff and the Apparatus/ Equipment Committee met in December to evaluate the need to increase firefighting capabilities at Chino Airport and the surrounding areas. As a result, the Fire District returned Foam 63 to San Bernardino County Airports due to its lack of sufficient firefighting capacities and capabilities. Foam 63 was a 1992 Chevy P/U flatbed with 150 lbs. of dry chemical and 50 gallons of Class B (flammable liquids) pre-mixed foam. The capacity of Foam 63 did not provide adequate firefighting capabilities for the safety of personnel and aircraft rescue.

Deputy Chief Skibar stated that the increasing demand for service in Fire Station 63's area also creates the need for the appropriate apparatus. After further research, Staff and the Apparatus Committee concluded that a Class 3 ARFF (Aircraft Rescue & Firefighting) unit will meet the needs of the airport and surrounding area. The Class 3 ARFF unit contains 750 gallons of water, 100 gallons of Class B Foam, and 500lbs of Dry Chemical. These increased capabilities provide a more effective firefighting tool for the safety of both personnel and potential aircraft fires and rescues. The Class 3 Unit would also benefit the District due to its versatility in response to incidents requiring large amounts of foam and dry chemical.

<b>Firefighting Unit</b>	<b>Water/Class B Foam</b>	<b>Dry Chemical</b>
<b>Foam 63</b>	0/50 Gal.	150lbs
<b>Class C ARFF</b>	750/100 Gal.	500lbs

Deputy Chief Skibar stated that the Class 3 Firefighting Unit would be fully outfitted with nozzles, hoses, SCBA's, Infra-red monitors, hand tools, hydraulic and power rescue tools. The build time may be approximately 10 months from time of commitment. The total cost for the Class 3 Firefighting Unit is **\$574,025.13**. The San Bernardino County Board of Supervisors has tentatively agreed to provide half of the funding required to purchase a Class 3 Firefighting unit. The District would be responsible for funding **\$287,012.56** from the Unassigned Fund Balance and cost-sharing responsibilities with the County of San Bernardino for the other half of **\$287,012.56**. The purchase of the Class 3 apparatus would be subject to final approval by the San Bernardino County Board of Supervisors.

It is recommended that the Finance Committee review and discuss the proposed cost-share purchase with San Bernardino County for one (1) Class 3 Firefighting Unit for Fire Station 63 and provide direction to staff.

President Kreeger asked Clerk of the Board Heney if there was Public comment.

There was no public comment.

President Kreeger asked for Committee comment.

Director DeMonaco first commented that the District does not receive any resources from the county for any of our firefighting units other than the purchase of this vehicle and while he is a proponent for the purchase of this vehicle, he wants to make sure the county understands that the District bears no ARF responsibilities as far as providing ARF to the airport, creating a classification for ARF, and for committing to our services. He was concerned about the District committing to obligations that will cost the District without having the resources to do so.

Fire Chief Dave Williams clarified that there will be no contractual extension of any specific emergency response requirement for the District's responsibilities with this unit. He further stated that this would apparatus would enhance the District's response capabilities, but District personnel would maintain the independent discretion and authority to utilize the piece of apparatus as they see fit.

President Kreeger asked if the vehicle can be used for other purposes within the District or would it be held at the airport at all times.

Deputy Chief Skibar confirmed that the vehicle would be capable of use anywhere in the District and there would be no requirement for the unit to be stationed at the airport.

Director DeMonaco stated that for consistency purposes throughout the District, he would like the vehicle to be red.

The Finance Committee agreed to move this item to the Full Board for approval as a new business item.

ADJOURNMENT

The meeting was adjourned at 4:22 p.m.