

**Excelsior Fire District Board
EFD Governing Board Meeting
Wednesday, March 22, 2017**

**24100 Smithtown Road
Shorewood, Minnesota
6:00 P.M.**

MINUTES

1. CALL TO ORDER

Chair Erickson called the meeting to order at 6:04 P.M.

ROLL CALL

Present: Excelsior Fire District (EFD) Boardmembers: Chair Erickson; Boardmembers Fletcher, Jennings, Miller and Sundberg (arrived at 6:10 P.M.); and, EFD Chief Gerber

Also present: Deephaven Administrator/EFD Fiscal Agent Young; Excelsior City Manager Luger; Shorewood Administrator Lerud; and Tonka Bay Administrator Crawford; and, Excelsior Firefighter Relief Association (EFRA) President Duncan (departed at 6:25 P.M.)

Absent:

2. AGENDA APPROVAL

Chair Erickson stated there has been a request to discuss Item 9.A after Item 6.

There was Board consensus to do that.

3. APPROVAL OF MINUTES

A. January 18, 2017, EFD Board Meeting Minutes

Fletcher moved, Jennings seconded, approving the EFD Board Meeting Minutes of January 18, 2017, as presented. Motion passed 4/0

4. CONSENT AGENDA

A. Monthly Fire District Administrative Reports - February

- 1. Call Reports**
- 2. Firefighter Activity**
- 3. Firefighter Percentages**
- 4. Inspection Reports**

B. Operating Committee Report – February 15, 2017

C. Treasurer's Report

Jennings moved, Miller seconded, approving the motions contained on the consent agenda. Motion passed 4/0.

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5. REVIEW OF THE 2015 FIRE DISTRICT AUDIT – ABDO, EICK & MEYERS, LLP

Chief Gerber introduced Andrew Berg, with ABDO, EICK & MEYERS LLP. Mr. Berg was present this evening to provide a review of the findings from the Excelsior Fire District (EFD) 2016 Audit, which the firm conducted. The EFD Board will be asked to approve the audit. He noted that Mr. Berg has conducted the EFD's audit for a number of years. He also noted the Boardmembers had been provided with a copy of the Management Letter and the Annual Financial Statement. He stated Mr. Berg will then highlight the Excelsior Firefighters Relief Association (EFRA) 2016 Audit for information purposes only.

Mr. Berg stated ABDO, EICK & MEYERS issued an unmodified opinion (also known as a clean opinion) on the EFD's financial statements; it's the opinion the District is looking for. He reported there were two reportable internal control findings identified during the audit. They are mainly due to the small size of the Department. They are the same as the ones reported the last few years. The first is regarding the preparation of financial statements. Because the firm conducts the EFD's audit and prepares its financial statements this needs to be reported as an internal control finding. It is very common for small local governments. Because the District has a review process in place there are some controls. The second finding is related to segregation of duties over cash disbursements/receipts and payroll. Because of the limited size of the office staff, the District has limited segregation of duties. There are compensating controls in place; monitoring and approval by staff. Limited segregation of duties is relatively common for organizations the size of the District. He noted the reportable findings do not reflect poorly on the EFD. There was also a League of Minnesota Cities compliance finding regarding public purpose expenditures. For the 125th Anniversary celebration the EFD did purchase alcohol for the dinner. He does not consider that as an issue going forward.

Mr. Berg highlighted the financial findings documented in the 2016 Audit Management Letter. It includes a table summarizing the unassigned General Fund balance for 2012– 2016. The District has a policy to maintain a minimum unassigned fund balance of 20 – 30 percent of the planned expenditures without transfers. The 2016 year-end unassigned portion of the balance was \$317,986 (31.8 percent of the 2017 budgeted operating expenditures less transfers). It was \$284,392 (29.4 percent) at the end of 2015.

Mr. Berg stated 2016 revenues were \$161,019 higher than budgeted (\$1,686,275) and 2016 expenditures were \$114,005 higher than budgeted (\$967,117). The net variance was a positive \$47,014. Transfers out exceeded the budgeted amount of \$719,098 by \$5,000. That additional \$5,000 was for the 125th Anniversary Celebration. The 2016 year-end General Fund Balance was \$383,260.

Mr. Berg reviewed the year end fund balances for the four capital projects funds. The balance in the Fire Facilities Fund was \$237,274 (a \$93,188 increase when compared to 2015). It pays the lease payments on the fire facilities. That Fund is funded with transfers from the General Fund. There was \$3,345,000 in principal remaining on the capital leases for the fire facilities at 2016 year-end. Principal plus interest payments for the year were \$455,910. The balance in the Vehicle Replacement Fund at year end was \$142,004 (a \$1,746 decrease when compared to 2015). There was \$86,631 remaining on a lease purchase at year end. Principal plus interest payments for the year were \$87,337. Capital expenditures totaled \$86,099 in 2016. The Vehicle Replacement Fund is funded with transfers from the General Fund. The balances for the two non-major funds were: \$8,788 in the Fire Donations Fund Designated (a \$5,988 decrease when compared to 2015) and \$9,936 in the Fire Donations Fund Undesignated (a \$125 decrease when compared to 2015).

Boardmember Sundberg arrived at about 6:10 P.M.

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Mr. Berg explained that two years ago the EFD implemented Governmental Accounting Standards Board (GASB) 68 which is the accounting standard related to pensions. The EFD is involved in the EFRA pension and the Public Employee Retirement Association (PERA) plan. The Statement of Net Position found in Annual Financial Report now includes the liability and asset. The EFD's proportional share of PERA's liability was about \$723,000. The EFRA fund for pension had a net pension asset of about \$1,027,000.

Mr. Berg offered to entertain any questions the EFD Board may have.

Fletcher moved, Miller seconded, accepting the Excelsior Fire District Annual Financial Report for Year Ended December 31, 2016, as presented. Motion passed 5/0.

6. REVIEW OF THE 2016 EXCELSIOR FIREFIGHTERS RELIEF ASSOCIATION AUDIT – ABDO, EICK & MEYERS, LLP

Mr. Berg stated the Excelsior Firefighters Relief Association (EFRA) audit for 2016 is basically complete. He noted the Boardmembers had been provided with a copy of the Management Letter and the Annual Financial Statement.

He noted the Management Letter includes a graph showing the EFRA's investment rate of return (ROR) for 2012 – 2016. The average ROR for 2012 and 2013 was 11.3 percent and 17.7 percent respectively. For 2014 it was 5.3 percent and a negative 2.2 percent for 2015. For 2016 it was 6.7 percent. The EFRA's ROR compared favorably to the Peer Group averages.

Mr. Berg explained the Management Letter included a graph showing the EFRA's Funding Coverage Percentage (FCP) FCPs for 2012 – 2016 and those for the Peer Group average. The 2012 year-end percentage was 106.9 percent. It peaked at 2015 year-end at 125.7 percent. He noted that at the end of 2016 the FCP was 117.5 percent. The FCP is based on the State SC form. The actuarial showed the FCP to be 132 percent.

Chair Erickson asked what the reason is for the difference between the two FCPs. Mr. Berg explained the actuarial valuation uses less conservative assumptions than the SC form uses. They are calculated completely differently. The State FCP is calculated based on State Statute. The actuarial FCP is calculated based on state accounting standards.

Boardmember Miller asked if those departments in the Peer Group are similar in size to the EFD in terms of size. Mr. Berg stated some smaller organizations are in the Group. And, there are some the size of the EFD. Miller then asked if the policies are similar. Mr. Berg stated they all have to follow the same State Statutes, but some may have different investments policies and strategies.

Boardmember Fletcher stated the State SC forms accounts for firefighters who have less than 10 years of service.

Chief Gerber reiterated the EFRA Board takes action on this audit. He stated the FCP is what the EFRA Board will use to guide whether or not it will request an increase to the per-year-of-service pension benefit.

Discussion moved to Item 9.A on the agenda.

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7. MATTERS FROM THE FLOOR

This was discussed after Item 9.A.

There were no matters from the floor presented this evening.

8. REPORT AGENDA

A. Fire Chief / Fire District Report

- **Training**

Chief Gerber stated seven new recruits have completed Firefighter 1, Firefighter 2 and hazardous materials operational training. They completed their last test on March 18. Many of them have also completed the emergency medical response training.

He noted Battalion Chiefs McCarthy and Stern will attend the Fire Department Instructors Conference which will be held on April 24 – 28, 2017, in the City of Indianapolis, Indiana. Those individuals will share what they learned with the other firefighters.

- **Fire Prevention**

Chief Gerber stated Fire Inspector Murphy-Ringate is on schedule with inspections. There have been a lot of follow-up inspections. A few of them have been more difficult to finalize. The process continues to go well organizationally.

With regard to public education, Gerber noted this time of the year the planning begins for education the Department does with schools in the District and within the community. October and November are the busiest public education months. The Department will again set aside blocks of time that teachers can reserve with the Department for public education.

He went on to state the Department continues to move forward with the implementation of iPad technology to help with inspection delivery. When the Inspector is on site with the business owner it can be signed electronically, sent electronically and the information can flow into the EFD's database electronically. The Department is getting closer to having it fully implemented.

- **Fire Suppression / Response**

Chief Gerber stated that there have been 136 suppression / response calls year-to-date in 2017; there were 123 for the same period in 2016. Calls are the most variable part of this business.

- **Special Events**

Chief Gerber noted that because it has been so warm the Pond Hockey championship event on Lake Minnetonka was cancelled. The Department does not have firefighters at the event. The Nordic Ski event out to and back from Big Island scheduled for the end of January was also cancelled because of ice and weather conditions.

He stated approximately 900 runners participated in the Luck O' the Lake 5k Fun Run on March 18. About 1200 – 1600 runners had registered. For 2017 the Excelsior-South Lake Minnetonka Chamber of

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Commerce had a new sponsor, Ridgeview Medical Center, for the event. Ridgeview wanted to provide end of race coverages as part of its sponsorship. The EFD did not have any firefighters at the race. The Department had people involved with the inspections and up-front planning. In 2018 the Luck O' the race will fall on St. Patrick's Day.

He then stated the Lake Minnetonka Half Marathon is scheduled for May 7 and planning for that event is in progress. There will be Department personnel at the finish line and during a portion of the race along the race route. It starts in Wayzata and ends at the Excelsior Commons. That group is very well planned.

He explained there is a rotation in place for special events that firefighters bid on. If the EFD does not have to have firefighters at next year's event changes may have to be made to the bidding out of events.

Boardmember Miller asked if Ridgeview also provided medical services. Gerber confirmed that. Miller asked if the caliber of personnel Ridgeview provided were as qualified as firefighters. Gerber stated the Department had to verify that Ridgeview would have the necessary equipment and noted if a call was made to 911 firefighters would have responded.

- **Emergency Management**

Chief Gerber noted a South Lake public safety / emergency management meeting / training session was held on February 28, 2017, from 10:00 – Noon at Station 1. Representatives from the South Lake communities and their public works departments, the South Lake primary ambulance service providers (HCMC and Ridgeview Medical Center), CenterPoint Energy, Xcel Energy, the Excelsior – South Lake Chamber of Commerce, and the Minnetonka School District were invited. CenterPoint and Xcel did not have representatives there. There wasn't a table top exercise this year; there will be in 2018.

Boardmember Sundberg asked if it is typical for CenterPoint and Xcel to send representatives. Chief Gerber they have been there more than not been there. There were no representatives in attendance the last few years.

Chief Gerber stated that Hennepin County Emergency Management continues to be the lead emergency management organization within Hennepin County. It is continuing to update its records. Staff has spent some time with County Representatives over the last few weeks talking about updating maps. County representatives did an audit of the South Lake Emergency Operations Center (EOC). The County will have its EOC open for the 2018 Super Bowl; it may not have it staffed.

With regard to elected officials training, Gerber noted it is scheduled for March 29, 2017, from 6:30 P.M. to 9:00 P.M. The event will be held at West Hennepin Public Safety. The training will focus on emergency management operations and what the roles and responsibilities are of elected officials. Any elected official can attend; not just new ones. The Chiefs of Police are helping coordinate that.

- **Administrative**

With regard to staffing, Gerber noted the Department currently has 43 paid-on-call (POC) firefighters. The Officer Group remains stable. He and Administrative Specialist Fatturi are evaluating staffing data in 2017.

He reviewed the tenure of the firefighters in five-year increments as of February 2015.

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EFD Firefighters’ Years of Experience	No. of Firefighters	Percent of Total
Firefighters with less than 5 years	13	29%
Firefighters with 5 – 10 years	11	24%
Firefighters with 10 – 15 years	9	20%
Firefighters with 15 – 20 years	2	4%
Firefighters with 20 – 25 years	4	9%
Firefighters with 25 – 30 years	1	2%
Firefighters with 30 – 35 years	3	7%
Firefighters with 35 – 40 years	1	2%
Firefighters with 40 years or more	1	2%
Total Firefighters	45	100%

He reviewed the tenure of the firefighters in five-year increments as of March 2016.

EFD Firefighters’ Years of Experience	No. of Firefighters	Percent of Total
Firefighters with less than 5 years	12	28%
Firefighters with 5 – 10 years	10	23%
Firefighters with 10 – 15 years	9	21%
Firefighters with 15 – 20 years	2	5%
Firefighters with 20 – 25 years	4	9%
Firefighters with 25 – 30 years	0	0%
Firefighters with 30 – 35 years	3	7%
Firefighters with 35 – 40 years	2	5%
Firefighters with 40 years or more	1	2%
Total Firefighters	43	100%

He reviewed the tenure of the firefighters in five-year increments as of March 2017.

EFD Firefighters’ Years of Experience	No. of Firefighters	Percent of Total
Firefighters with less than 1 year	9	21%
Firefighters with less than 5 years	8	19%
Firefighters with 5 – 10 years	6	14%
Firefighters with 10 – 15 years	9	21%
Firefighters with 15 – 20 years	2	5%
Firefighters with 20 – 25 years	3	7%
Firefighters with 25 – 30 years	1	2%
Firefighters with 30 – 35 years	1	2%
Firefighters with 35 – 40 years	3	7%
Firefighters with 40 years or more	1	2%
Total Firefighters	43	100%

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He explained that from 2015 – 2017 the group of more tenured firefighters has remained relatively stable. Those with more than 20 years of service could retire at any time because they are fully vested in their pension. Most of the turnover has been in the less tenured group. Some of the firefighters with less than a year of service will come off of probation in June, others in August, and the rest in September.

In response to a question from Boardmember Fletcher, Chief Gerber stated for most of the more tenured firefighters the potential for an increase in the per-year-of-service (PYOS) pension benefit is not a factor when considering retirement. Boardmember Miller stated he thought the EFD guaranteeing any benefit increase is a good thing.

Boardmember Miller asked Chief Gerber if he has given thought to what the EFD would have to do if a number of senior tenured firefighters decided to leave. Gerber responded that is his top concern, but it does not keep him up at night. He noted that if five left he thought the Department could still carry out its mission because there would still be dedicated firefighters. But, that could change some of the tactics used when delivering service. Miller asked if there is a plan for the worst case scenario. Gerber stated there is not one written down on paper but it has been discussed. He believes there is a core group of firefighters that would continue to deliver service. The Department needs to continue to try and be in front of the staffing issue as much as possible. If there was a loss of a number of tenured firefighters then the District would have to discuss how to modify the service levels.

Boardmember Jennings asked if there is a difference between the two stations.

Chief Gerber explained the focus has been on the organization as a whole and noted that Station 2 will always be smaller than Station 1 in total numbers because of the size of the facility and what is being done at both stations. At certain times of the day when only Station 2 is being paged there is a difference in the number of calls the firefighters out of Station 2 go on and how many firefighters respond than there might be at Station 1. The most unpredictable thing for the Department is how many firefighters show up for a call. Firefighters show up because they care. The number of responders various; sometimes 3 or 4 do and other times 30 do; an average of 12 – 13 firefighters.

He then explained when the organization was the Excelsior Fire Department there were a lot of relatives and connections to business owners. Business owners would let firefighters respond to calls when working.

He went on to explain it is not inexpensive to run a paid-on-call (POC) fire service organization; but, Having a career department would be significantly more expensive than today. The State of Minnesota ranked 47th in the nation in spending per household on fire services, yet it ranked 21st in population. Public safety services is just one of the things the EFD member cities have to fund and it costs the cities the most money. He displayed a copy of a newspaper article published in January 2017 titled *Help Wanted at Volunteer Fire Departments*. The message was departments are not getting people to participate.

He stated that the previous day Chair Erickson and Administrator Lerud both shared with him an article in the League of Minnesota magazine that talked about duty crew models. The article referred to the EFD and some of the things it is doing.

He noted the EFD has 20 firefighters with 10 or more years of service, 9 firefighters with 20 or more years of service, 5 firefighters with 30 or more years of service and 1 firefighter with 40 or more years of service. All are eligible for retirement because they are at least partially vested in the retirement program.

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Gerber stated there are four components to the EFD's POC service delivery model. They are as follows.

- The POC firefighters
- The Duty Officer Program – That places a burden on the chiefs and captains. They get paid something to go on a call and they get paid something for being a Duty Officer for a day. Yet, time is often more valuable than the small amount of money they are paid for providing that service. It is continuing to be more difficult to have this because the Department is asking 8 of firefighters (its Captains and Chiefs) to be a Duty Officer.
- The Duty Shadow Program – It is a mentoring program for those firefighters who are not a chief or captain who may want to provide Duty Officer response services. They respond with a Duty Officer.
- Duty Crew Program – The 2017 budget includes funding for 10 hours of duty crew coverage per week. At full staffing of the crew there are 4 total firefighters, 2 at each station. The coverage hours are 5:30 – 7:30 A.M. on Tuesday and Wednesday and 6:00 P.M. – Midnight on Friday. The morning hours are when it is difficult for people to respond. Some Duty Crew shifts have had to be cancelled because there were not enough firefighters to fill the shifts.

He explained that effective January 1, 2017, there was a change to a participation points requirement from a call percentage/drill attendance requirement for a six-month trial basis. A firefighter has to earn 400 participation points every six months. That change had been discussed for close to a year before it was implemented. He has asked Assistant Chief George and Battalion Chief McCarthy to evaluate the new point system and to recommend changes they think should be made to it in May. He expressed confidence that the change was good. But, he is not sure all of the values are in the right spot.

There are three primary categories of response – medical, fire and special operations. The EFD's numbers are quite consistent from year to year. Across the country 80 percent of the calls for fire departments are EMS/ rescue related and 20 percent are fire. That is not the case for the EFD.

He played a video where TODAY national investigative correspondent Jeff Rossen conducted a dramatic demonstration about fires caused by space heaters. The video can be found at:

<http://www.today.com/home/spaceheaters-can-cause-deadly-fires-what-you-need-to-know-t107848>.

Jamie Novak, a fire investigator with the St. Paul Fire Department in Minnesota, participated in the demonstration. According to the National Fire Protection Association (NFPA) space heaters are a leading cause of house fires. Space heaters should be plugged directly into the wall; they draw a lot of current. Many extension cords cannot handle that amount of electricity. The space heater should be kept at least three feet from anything that can burn. Some space heaters do have an automatic shut off switch. Every family should come up with a fire escape plan.

Boardmember Fletcher asked if staffing will play into the 2018 budget discussions. Chief Gerber confirmed that and noted the Administrators/Manager have seen the budget once and staffing is the biggest portion of that issue.

Chief Gerber noted that he had shared the 2017 goals for the Department in January. The mission and vision will be discussed during the April work session.

He explained the EFD selected a new phone and data provider, Consolidated Communications. Things are in the process of being converted to the provider. Police and fire at Station 1 and Station 2 are all

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going to the new provider. The service will cost less than the current cost. Fiber optics will be brought into Station 1 which will allow a significant increase in data speed; that is important for the police. Chair Erickson asked if fiber will be brought into Station 2. Gerber noted that would be cost prohibitive at this time.

Chief Gerber noted the 2017 EFD firefighter recognition event will be held on April 8. It will be held at the American Legion in the City of Chanhassen. During the event retired firefighters Bruce Duncan and Kevin Stern will be recognized.

He stated the Department continues to send its gear out for evaluation, repair and cleaning annually.

He noted the Department now has all of its hose and ladders tested by an outside vendor. That will begin once the weather gets warmer and go on during May and June.

He commented that the time is approaching for road construction and building construction to start up again. That generally impacts service delivery and the Fire Inspector.

He explained he was able to get a quote from another vendor for making the concrete repairs at Station 1. That quote was significantly higher than the first one. Part of the recommendation from both vendors was to fix the water runoff and what is underneath the concrete before having the concrete repaired. That would be a shared expense with the South Lake Minnetonka Police Department (SLMPD).

Boardmember Fletcher stated there is not a simple solution to the problem. Chief Gerber stated the vendor who provided the last quote recommended having an architect look at the detail. Fletcher thought a specialist would be needed.

The public safety facility uninterrupted power supply (UPS) has been repaired and is up and operational. The contractor was able to clean up a few areas in the transfer switch. Some wiring was fused together. The manufacturer says the switch may have to be replaced and that could cost up to about \$13,000.

Sealcoating of the parking lots is scheduled to be done in 2017. That will be done in coordination with the City of Shorewood.

The large EFD sign outside of Station 1 is starting to fade. The SLMPD is going to change its sign at some point so that it reflects the SLMPD's new patch. It would make sense for the EFD to replace its sign at the same time. The EFD does not have any funds budgeted for a new sign.

Discussion moved to Item 9.B on the agenda.

- **Other**

9. Unfinished Business

A. Excelsior Firefighters Relief Association Report / Ratification of a Pension Increase

Chief Gerber noted the Funding Percentage Coverage (POC) numbers presented as part of the report on Excelsior Firefighters Relief Association (EFRA) 2016 Audit are the basis for the requesting a benefit

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increase. He then noted that the meeting packet contains a copy of Resolution NO. 14-003 that the EFD Board adopted in 2014 which established the policy guidelines for Pension Benefit increases.

EFRA President Duncan thanked Mr. Andy Berg and Ms. Mary Chamberlin, both with ABDO, EICK & MEYERS LLP, and EFRA Secretary Vicki Narveson and EFRA Treasurer Brian Kuhnly for their efforts to get the EFRA's 2016 Audit Report done so quickly.

Duncan explained that late in January 2017 the EFRA membership approved a per-year-of-service (PYOS) pension benefit increase of \$200 (or 3 percent) bringing the PYOS to \$7,250. It is up to the membership to set that benefit. The EFRA is asking the EFD Board to ratify that increase and that would essentially guarantee that amount to the membership. The meeting packet contains a copy of a memorandum from him summarizing the information supporting the request as well as more detailed information for those that would like to have it.

Duncan asked the EFD Board to ratify the benefit increase the EFRA membership passed.

Chair Erickson noted the guidelines specify that if the EFRA fund for pensions is at least 117 percent funded but less than 124 percent fund the recommended increase is 3 percent (which amounts to \$200). The 2016 EFRA Audit indicated the fund was more than 117 percent funded. The EFD Board must ratify the increase in order to guarantee the new PYOS.

Boardmember Miller noted that what is being asked for is consistent with the policy the EFD Board adopted in 2014.

Miller asked if it has been the EFD Board's policy in the past to refer to the resolution. Chief Gerber noted it was the same resolution that was used in 2016 with updated numbers. Miller asked if it would be beneficial to reference the resolution.

Fletcher moved, Miller seconded, Adopting RESOLUTION NO. 17-003, "A Resolution Ratifying a Guaranteed Per-Year-Of-Service Pension Benefit in the Amount of \$7,250 effective August 1, 2017, for the Excelsior Firefighters Relief Association." Motion passed 5/0.

President Duncan departed the meeting at 6:25 P.M.

Discussion returned to Item 7 on the agenda.

B. Letter of Agreement with the City of Montgomery for the Purchase of Aerial 11

This was discussed after Item 8 on the agenda.

Chief Gerber noted the meeting packet contained a copy of a Letter of Agreement with the City of Montgomery for the purchase of Aerial 11. During the January 18, 2017, EFD Board meeting he was given direction to finalize the sale of Aerial 11 to the highest bidder which he did.

Boardmember Jennings asked if Chief Gerber had a good relationship with the Montgomery City Administrator. Gerber confirmed that. Jennings stated the Agreement contained some loose language. He expressed concern that could create problems when the switch in ownership took place. Gerber explained the vagueness was primarily his idea because some of the specifics will not be known until the replacement truck arrives. Jennings clarified it is not a huge concern. Gerber stated based on

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discussions with Montgomery firefighters and that City Administrator (he used to be the City Administrator for Shorewood at one time) there is a proven trust level.

10. New Business

A. EFD 2016 Year in Review

Chief Gerber stated he had electronically distributed an Excelsior Fire District (EFD) 2016 Year in Review document dated March 2016 and he provided the EFD Board with a hardcopy of it. The document is located on the EFD's website www.excelsiorfire.org. The document provides an overview of 2016 activities and in certain situations comparisons were made to previous years.

Gerber explained the fire service activities include community risk reduction, response, investigations and emergency management / planning.

Gerber expressed his utmost thanks to the paid-on-call (POC) members of the Fire District for the dedicated and effective service they provide to the EFD day and night. They provide unselfish and dedicated prevention, training and response 24 hours a day. He also expressed his utmost thanks to Administrative Specialist Ana Fatturi for her dedicated and remarkable administrative efforts that are often "behind the scenes" and may go unnoticed by the customers of the Fire District. He emphasized that Ms. Fatturi played an important role in putting the Year in Review document together. He then expressed his sincere thanks to the members of the EFD Governing Board, the EFD Operating Committee, the member City Councils, and all the city staffs who have been supportive and assist the members of the EFD in their accomplishments. He expressed his thanks to the City of Deephaven and its staff (in particular Mary Courtney and Dana Young) for the coordination of the EFD's fiscal agent tasks and responsibilities. He expressed his thanks to Fire Inspector Kellie Murphy-Ringate for her prevention, public education, public relations, risk reduction, pre-planning, plan review and inspection efforts. He also expressed his thanks to former Part-Time Fire Inspector Shawn Johnson for his efforts with special event inspection, pre-planning and inspections technology improvements. He expressed his thanks to Battalion Chief of Training Kim Stern and Training Coordinator Craig Zaim. They coordinate the weekly training and other types of training for the firefighters.

Gerber stated the District continues to face increasing challenges today and into the future. Firefighter staffing, retention and recruitment of firefighters, response times, financial stability, all-hazard preparedness and increasing training requirements / responsibilities continue to be issues.

Gerber highlighted some of the details in Year in Review document. The highlights of the Review are as follows.

- The demographics the District serves has not changed much. [The District serves: a population of approximately 18,000; a geographic area approximately 14 square miles; approximately 6,218 households in the area (Deephaven – 1,417, Excelsior – 1,250, Greenwood – 303, Shorewood – 2,597, and Tonka Bay – 651); and, the area has 13 community parks and 12 schools.]
- Suppression calls (fires, fire alarms, gas leaks, gas line breaks, smoke and wire down/arching) – in 2016 there were 229 call responses and 242 in 2015.
- Rescue calls (medicals and crashes, ride a longs in an ambulance, situations that required technical rescue, assistance to police departments for lift assist for citizens, and mental health incidents) – there were 429 rescue calls in 2016 and 476 in 2015.

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- Special response calls (water and ice incidents, weather stand-by at the District stations and responses for incidents resulting from severe weather, missing persons, animal rescue, hazmat incidents, and mutual aid and auto aid) – there were 97 special call responses in 2016 and 92 in 2015. [Notable mutual aid responses in 2015 included fires in the Cities of Chanhassen, Eden Prairie, Edina, Hopkins, Long Lake, Loretto, Minnetonka, Mound, Plymouth, St. Bonifacius, Victoria, and Wayzata.]
- The total call comparison for 2012 to 2016 was: 755 in 2016; 810 in 2015; 769 in 2014; 677 in 2013; and, 639 in 2012.
- There were graphs for the number of calls by day of the week and time of the day for 2015 and 2016. In 2016 the call volume was a little steadier from day to day. The busiest times of the day in 2015 and 2016 were from 10:00 A.M. to 8:00 P.M.
- The breakdown of incidents by type for 2016 was 57 percent rescue, 30 percent suppression, and 13 percent special response; for 2015 it was 59 percent rescue, 30 percent suppression, and 11 percent special response.
- The breakdown of incidents by member city for 2016 it was 34 percent for Shorewood, 25 percent for Excelsior, 20 percent for Deephaven, 10 percent for Tonka Bay, 3 percent for Greenwood, and 8 percent for mutual aid. For 2015 was 32 percent for Shorewood, 27 percent for Excelsior, 23 percent for Deephaven, 7 percent for Tonka Bay, 5 percent for Greenwood, and 6 percent for mutual aid. The breakdown has been somewhat consistent from year to year. There were 48 mutual aid calls in 2015; there were 34 in 2014.
- The 2013 – 2016 average number of firefighters responding to a call was 12.06 in 2016, 12.16 in 2015, 13.08 in 2014, and 14.12 in 2013. There has been a steady decline over four years. There are fire calls when 30 firefighters respond and others when 6 respond.
- The 2013 – 2016 average to the scene response times (from the time the vehicle leaves a station to the first vehicle on the scene) in minutes were 6.58 in 2016, 6.67 in 2015, 6.72 in 2014, and 6.82 in 2013. The District's standard is 8 minutes. The response times were not the same for every location in the District; there were locations and times of the day when those response times were not achieved. To reach some areas in the District it takes more than 8 minutes to drive there. Those averages are not necessarily for a water truck; it may be for a command vehicle or medical vehicle.
- The 2013 – 2016 average turnout / in-service times (from the time the pager goes off to the time when the first truck goes into service) were 2.52 in 2016, 2.77 in 2015, 2.7 in 2014, and 2.62 in 2013. There are times a truck is out the door almost instantaneously and then other times it may take 6 – 7 minutes.
- In 2016 there were 8,331 firefighter compensated hours (hours for which firefighters were paid); there were 8,920 in 2015.
- In 2016 there were 57 firefighter fire prevention volunteer hours and 138 citizen hours; in 2015 there were 72 firefighter hours and 114 citizen hours. One of the main reasons for the significant drop in volunteer hours is the Department changed from volunteering for special events to a required rotation for certain events and paying firefighters for being at those events.
- In 2016 there were 700 firefighter special event volunteer hours and 1931.5 citizen hours; in 2015 there were 474 firefighter hours and 710 citizen hours. The increase in 2016 was in large part due to the 125th Anniversary celebration.
- During 2016 the EFD was involved with many, many community special events. Special events are a big part of the South Lake community. There were also numerous special events associated with the 125th Anniversary celebrations. Members of the organization donated a lot of their time to those events.

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- Training is a fundamental part of what makes the organization function well. The District needs firefighters that participate and are involved, it needs good response times, and it needs good core competently trained people. There was a long list of the types of training done during the year. Training helps build camaraderie, trust and support in what needs to be done on a day-to-day basis. Some of the training topics listed in the document are required by the State of Minnesota.
- Over the course of the year there was training on Thursday evenings on approximately 40 different drill topics.
- During 2016 there were 3738 firefighter training hours; there were 4162 hours in 2015. A big part of the decrease in hours was because of the disaster exercise done in August 2015.
- Community risk reduction / prevention is a core part of what the District does. The document includes a long list of activities associated with this area. Freddie the Fire Truck (a robotic truck) helps significantly when talking about fire prevention to children.
- In 2016 there were 8,388 public education / prevention contacts; there were 8,704 in 2015. In 2016 there were a total of 478 inspections: 324 were initial inspections and 154 were re-inspections. There are approximately 785 inspectable businesses in the EFD community. Some are inspected annually and others every 2 – 3 years. The inspections were done by Fire Inspector Murphy-Ringate. In 2016 there were 287 burn permits issued. The total dollar loss within the District for 2016 was \$336,450; there was a fire loss in Deephaven and one in Shorewood.
- A tremendous amount of time goes into plan review. Even though the EFD communities are built out there is still a lot of building that is going on in the communities.
- In 2016 the bay floors at both stations were resealed. Televisions were upgraded and replaced in certain rooms. At both stations there was overall facility maintenance done. The 2016 Year in Review document lists a number of facility maintenance things, both inside and outside, that get done on a regular basis with many of them being done by firefighters.
- Maintained and repaired the apparatus fleet for the District. [The apparatus included: three engines, one aerial truck, one tanker truck, three rescue trucks, two utility vehicles, one inspector vehicle, one duty vehicle, one chief vehicle, three boats, two all-terrain vehicles, and one hazmat trailer.] In 2016 the new Boat 11 was placed in service.
- Comparison data for apparatus usage was prepared for 2016 and 2015. The data represented the instances apparatus were used in emergency/non-emergency response calls and special events. The three most utilized vehicles in 2016 were the duty vehicle, Rescue 12 and Rescue 21/Chief's Vehicle were about tied (in order of most used). There was an increase in usage of Aerial 11 in 2016 because that is the truck being used as the duty crew truck at Station 1.
- Firefighters maintained, repaired, and conducted monthly checks of numerous pieces of EFD equipment. The firefighters do the maintenance on the smaller trucks. The document includes a long list of activities the firefighters performed. The EFD purchased some replacement turnout gear and helmets. It purchased two new cold water rescue suits with the help of a grant from the Lake Minnetonka Conservation District. And, it purchased a few 4-Gas monitors with the help of a CenterPoint Energy grant secured through Tonka Bay.
- There were numerous administrative tasks done during 2016. The document contains an approximate 2-page-long list of tasks. The Department again came in under budget

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- and that is a tribute to the entire organization. A significant amount of revenue was earned through the cost recovery program.
- He highlighted a number of promotions that occurred during in 2016 – Pat McCarthy to a new Battalion Chief position, Kim Stern to Battalion Chief of Training, Joe Perez to SCBA Coordinator, Doug Sweeny to Boat and Water Coordinator, and Scott Hawks to Hazmat/LSU Coordinator.
 - He noted that the day after the dance a group of firefighters and their families go on a motor cycle ride together.
 - The communications activities highlighted included the following. During 2016 the EFD secured 25 pagers and radios from Minnetonka Fire because they were no longer being used. Pagers are replaced on a regular basis. Administrative Specialist Ana Fatturi was acknowledged for her dedication to updating and encouraging the use of the District’s website and social media as a means of sharing information. Jim Douglas, a resident of the EFD community, was also acknowledged for his services as the Department’s photographer. Many of the photos in the Year in Review were taken by Mr. Douglas. Other communications activities were listed in the document.
 - EFD personnel participated in a Firefighters Pond Hockey Tournament coordinated by Charlie Blumhoefer, a New Germany Softball Tournament and regular Monday Night Football.
 - Continued to participate in the Lake Area Emergency Management Group. Participated with the South Lake Minnetonka Police Department and the Deephaven Police Department personnel in a coordinator role for the area emergency management program. Continued the assessment and completion of an effective Emergency Operations Center operation.
 - There were numerous Excelsior Firefighters Relief Association (EFRA) activities listed in the document. The EFRA purchased Class A uniforms for all firefighters for a cost of \$19,936 and a LUCAS CPR device for a cost of \$14,417 and donated them to the District. It also contributed \$6,388 to the 125th Anniversary celebration. On behalf of the District he expressed his gratitude to the EFRA.
 - The members of the Volunteer / Reserve Program were involved in a number of activities throughout the year. The key active members are Dave Cole, Brian Kuhnly, Skip Sweeney, and Bruce Duncan. The document includes a list of activities they performed including countless hours of “gopher work”. The work they perform is vital to the organization.
 - The EFD’s Auxiliary is comprised of spouses or significant others of the EFD current active firefighters. The document includes a list of activities it performs for the EFD.

Boardmember Sundberg thanked Chief Gerber for the excellent report. Chair Erickson concurred.

Boardmember Jennings asked if the Apparatus Usage Report reflects hours. Chief Gerber explained it reflects the number of times they go out the door. Each time a piece of apparatus goes out the door that is entered in the Firehouse System.

B. Cost Recovery Policy Update

Chief Gerber noted the meeting packet contained a copy of an updated Cost Recover Policy. The Updates were specific to wage changes and some apparatus additions. He explained the cost per hour for the Chief was increased from \$60 to \$75, for the Fire Marshal/Fire Inspector it was increased from \$40 to \$45, and for support staff it was increased from \$30 to \$35. The Hazmat / LSU Trailer was added for \$75 per hour and the ATV Mule/Gator was added for \$55 per hour.

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Boardmember Jennings asked how the Policy works. Chief Gerber explained that most of the time where this is used is for inspections, special events and hazardous materials calls. Hazardous materials calls would be for incidents out on the roadway or at a fixed facility. Primarily it is for gas line hits. Those are billed to offset the cost of the response. The Department does not bill for the initial inspection or the first follow-up inspection. There is an \$80 charge for special event inspections. If the inspection does not go well there may be additional charges.

Boardmember Fletcher stated the Policy states "*The EFD may bill*" so discretion can be used.

Chief Gerber to date there has only one issue with collecting on a bill and that ended up in court. A lien was filed against that home in Shorewood.

Fletcher moved, Miller seconded, approving the updated Cost Recovery Policy as presented.

Boardmember Jennings noted that crashes are listed in the Policy. He asked what a scenario would be for billing for a crash. Chief Gerber stated that probably it is significantly related to hazardous materials.

Chief Gerber noted that some communities bill for every crash. He does not think it would be worth the Department's time to do that.

Motion passed 5/0.

C. Fire Inspector Title Change

Chief Gerber noted the meeting packet contains a copy of a memorandum explaining the background and rationale for changing the fire inspector job title back to fire marshal. He explained that he and Fire Inspector Murphy-Ringate have been discussing the possibility of doing this for about the last year and one-half.

Chair Erickson stated it was his understanding that historically the position had the title of fire marshal and that was changed to fire inspector when the Department created three part-time fire inspector positions.

Chief Gerber explained that when the Excelsior Fire Department joint powers organization was formed in 2005 the job title of the current fire inspector was fire marshal. The Joint Powers Agreement (JPA) references fire marshal. The title of fire marshal had been used from the 1980s to 2005. In 2005 the full-time fire marshal left to take another job and the then fire chief chose to go forward with three part-time fire inspectors. When the decision was made to go back to having one full-time inspector he did not change the job title back to fire marshal. That would have been the right time to make that change. Over the years the expectations of that position have increased.

Sundberg moved, Jennings seconded, approving the title change of fire inspector to fire marshal based on the Fire Chief's recommendation. Motion passed 5/0.

D. 2018 Initial Budget Discussions

Chief Gerber explained that he and the firefighters and fire officers started discussing the draft 2018 Operating Budget, the preliminary EFD 2018 – 2038 Capital Improvement Program (CIP) and building

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maintenance/operations in December 2016. He and the member City Administrators/Manager discussed the first draft of the budget about a week ago. He is updating the documents based on their feedback. The budget documents will be discussed in detail during the Board's budget work session scheduled for April 18, 2017, at 7:30 P.M. The budget documents will be emailed to the Board in advance of the work session. He encouraged the Board to call him if they have questions.

11. OTHER BUSINESS

Chief Gerber stated there is a budget work session with the EFD member Cities scheduled for June 21 at 6:00 P.M. He has an opportunity do to something else that day that would require him to be out of town. He asked if the work session could be rescheduled to June 28 at the same time.

There was Board consensus to change the budget work session with the EFD member Cities to June 28 at 6:00 P.M.

12. NEXT MEETING

A. EFD Governing Board Work Session April 18, 2017, 7:30 P.M. STATION 1

Chair Erickson stated there is an EFD Board budget work session scheduled for April 18, 2017, at 7:30 P.M.

B. EFD Governing Board Meeting May 24, 2016, 6:00 P.M. Station 1

Chair Erickson stated the next EFD Governing Board Meeting is scheduled for 6:00 P.M. on May 24, 2017, at Station 1.

13. ADJOURNMENT

Fletcher moved, Sundberg seconded, Adjourning the EFD Governing Board Meeting of March 22, 2017, at 7:44 P.M. Motion passed 5/0.

**RESPECTULLY SUBMITTED,
Christine Freeman, Recorder**