



WEST METRO FIRE-RESCUE

Notice of Board of Directors Work Session with Crystal and New Hope City Councils

A work session of the West Metro Fire-Rescue District Board of Directors and the City Councils of New Hope and Crystal will be held:

Date and Time: *Wednesday, August 13, 2014 at 6:30 PM*

Location: West Metro Fire Station 3
4251 Xylon Avenue North
New Hope, MN 55428

For additional information, contact the Board Secretary, Anne Norris at 763-531-1000.
Posted at: Crystal City Hall, West Metro Fire Stations, and New Hope City Hall.

Dated: 08/07/2014



WEST METRO FIRE-RESCUE DISTRICT
Work Session with Crystal and New Hope City Councils

August 13, 2014

Dinner 6:00PM - Meeting 6:30PM

Dinner

Swearing in Ceremony

A. Call to order

B. Open Forum

C. Agenda

1. Check in and Review of Joint Council Work Plan - Completed Tasks
2. Major Apparatus/District Fund Balance Policy
3. Emergency Management
4. Update on West Metro CERT

C. Other Matters and Announcements

1. Regular WMFRD Board Meeting October 8, 2014 at 6:30 PM.

D. Adjournment

MEMORANDUM

DATE: July 21, 2014

TO: West Metro Fire-Rescue District Board

FROM: Kirk McDonald, New Hope City Manager
Anne Norris, Crystal City Manager
Sarah Larson, Fire Chief

RE: Check in and review of priorities/completed tasks with Board and City Councils

During the joint city council work sessions in 2012 to discuss the future of West Metro Fire-Rescue District (WMFD), it was agreed the two city councils should meet with the WMFD Board at least annually to keep the lines of communication open between all parties. Accordingly, a joint City Council – WMFD Board work session was held on August 14, 2013. The WMFD Board has agreed to conduct another joint City Council-Board work session on Wednesday, August 13, 2014.

It is recommended that one of the items to be discussed include a “check in” between the city councils and the board to discuss how they think things are going with the fire district. It is also recommended the councils review the attached list of priorities and completed tasks, and provide feedback to the board.

Attachments – Updated priorities/completed tasks list

**WEST METRO FIRE – PRIORITIZED
ISSUES AND TASKS
JULY 2014**

On-Going Changes/Tasks	Timing
Regular (2x per month) management meetings of chief and city managers to consult, coordinate, and maintain working relationships	On-going
Chief attend senior staff meetings in each city	On-going
Conduct regular full-time employee department meetings	Weekly/bi-weekly
Continue regular Chief's reports with appropriate detail	Meeting packets
Chief Attend City Council work sessions to keep councils updated	Quarterly

Board Annual Review

Establish annual meeting of Board and both city councils	Annual – In 2014, scheduled for August 13
Review Employee handbook	Annual - October meeting
Review Joint Powers Agreement	Annual – October meeting
Chief Review/Evaluation	Annual – completed November 2013

Issues for Future Discussion

Personal Time Off (PTO)/vacation/sick leave	To be determined
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Completed Tasks	Timing
Implementation of new HR procedure – grievances	June 27, 2012
Continue process of full Board involved in budget development	On-going
Analysis of cancelled EMS calls and EMS response protocol	August 15, 2012
Employee handbook update	September 19, 2012
Update Mission Statement	September 19, 2012
Discuss Station staffing	Discussed at October 10 work session; implemented 1/1/13
Change accounting codes for greater transparency	Effective January 1, 2013
Discuss capital fund balance policy and review general fund balance policy	Reviewed at November 14 Board meeting, capital plan utilizing capital fund balance approved May 15, 2013
Review Staffing Comparisons – duty crews and standby crews (2012 use and staffing costs)	1/1/13 change in protocol for medical calls
Finalize Board Manual (for orientation of new Boardmembers)	January 9, 2013
Discuss recommendations from joint fire services study	August 2013 Board – Joint Council Work session
Discuss personnel costs (from shared services study) and how WMFD compares with neighboring departments	August 2013 Board – Joint Council Work Session and September 2013 Board meeting
Plan for Using Donations from Relief Association Special Fund	Fall 2013
Review proposed reorganization plan – cost implications, implementation, etc.	September, November 2013 Board meetings
Pension – eligibility, contributions - Review 2 years (2010-11) pay for pension by firefighter	November 2013 Board meeting



Memorandum

DATE: July 31, 2014

TO: West Metro Fire-Rescue District Board
Sarah Larson, WMFD Chief
Kirk McDonald, New Hope City Manager/WMFD Boardmember

FROM: Anne Norris, City Manager/WMFD Boardmember

SUBJECT: Continued Discussion of WMFD Funding Major Apparatus

At its April meeting, the West Metro Fire-Rescue District (WMFD) Board reviewed the current capital plan and capital funds.

Currently, WMFD has separate funds for general operations, pension, capital equipment, and major apparatus. The general operations fund is the District's annual operations budget. The Capital Equipment fund was established to fund equipment and 10 staff vehicles purchases. The Major Apparatus fund was established to fund the purchase/replacement of 4 engines, 1 aerial truck and 4 rescue vehicles.

The District has a fund balance policy (attached) which has been revised over the years. The current fund balance policy provides that the District will strive to maintain a general fund balance equal to 10% of the annual general fund budget. The fund balance policy has been revised to reduce the amount needed for the general fund balance as both cities are invoiced and pay their contributions on a monthly basis, so there is sufficient cash flow for most District expenses.

The Major Apparatus fund was established to fund future replacement of major vehicles (engines, aerial and rescues). However, during a work session of the District Board and both city councils some years ago, it was agreed both cities would fund their respective portions of the costs of replacement of major equipment rather than having the District save for these purchases.

Over the last 18 months, Chief Larson has worked on a stable capital equipment plan over the next 11 years so that the cities' contributions are predictable with modest, planned increases and equipment is replaced or purchased on a scheduled basis. Attached is the WMFD 2014 – 2025 Capital Plan.

In the last 12 months, 1 of the 4 rescue vehicles has been replaced with a smaller, less expensive vehicle, utilizing funds in the Major Apparatus Fund. The cost of this vehicle was approximately \$90,000. An additional 2 rescues will be purchased late in 2014 at

an estimated cost of \$190,000. After these purchases, there will be a balance of approximately \$100,000 in the District's major apparatus fund.

The WMFD Board requested both city councils review funding of major apparatus (whether each city will continue to plan for its share of the costs or whether the District should be saving for long-term major apparatus purchases.) The New Hope City Council discussed this at a recent work session and is supportive of merging the WMFD major apparatus fund with the capital fund to keep the cities' contributions lower and relying on each city to fund its share of the costs of major apparatus replacement (see memo from City Manager Kirk McDonald.) The Crystal City Council discussed this at several work sessions and agreed it would continue to utilize its Fire Equipment Revolving Fund (FERF) for major WMFD apparatus purchases. At the August 13 WMFD work session with both city councils, there will be a discussion about amending the Major Apparatus Fund fund balance policy.

Attached are the current WMFD Fund Balance Policy and the memo from Matt Mayer with Proposed Policy Revisions.

MEMORANDUM

DATE: July 21, 2014

TO: West Metro Fire-Rescue District Board
Anne Norris, Crystal City Manager
Sarah Larson, Fire Chief

FROM: Kirk McDonald, New Hope City Manager

RE: Fire District Fund Balance Policy

As reported at a West Metro Fire-Rescue District Board meeting earlier this year, after the purchase of two additional light rescue vehicles, there will be a balance of approximately \$100,000 in the major apparatus fund with no future long term plan. No major apparatus replacement is anticipated in the next eight to ten years. The board has been discussing whether to continue or close out that fund. If the fund was closed, the balance would be transferred to the capital equipment fund to offset the annual increases to the cities. The district's auditor recommends the funds would be better used for the general capital equipment fund. The board requested both cities discuss this proposed change in policy, and discuss how future major equipment purchases would be funded when needed in the future, whether each city should save for these costs on their own or whether the district should be saving for long term major apparatus purchases. Both city councils were requested to discuss this issue individually and discuss again at the August joint council/board work session.

The New Hope City Council discussed this matter at their June 16, 2014, work session and was supportive of merging the major apparatus fund with the capital fund to keep the city's contribution and general fund tax levy lower. The council also agreed the city had the ability to save and pay for future major fire capital equipments needs from our own budget. New Hope Council Members can discuss their viewpoints further at the joint council/board work session.

To: West Metro Administration

From: Matt Mayer, KDV

Re: Capital Fund Balance Policy

Current policy provides for the following components of Capital fund balance at the end of each fiscal year:

- Committed for Major Apparatus – Amount represents 70% of general fund excess fund balance transfers. This balance is to be utilized only to offset the City’s costs of periodic major apparatus purchases.
- Committed for Capital Equipment – Amount represents 30% of general fund excess fund balance transfers. This balance is to be utilized for all other capital needs of the District.
- Committed for Carryovers – Amount represents board-approved carryovers of unspent capital fund budget authorizations, including Turn Out Gear and SCBA roll-forwards.
- Assigned Fund Balance (Uncommitted) – Amount represents the residual fund balance which has accrued over the years from unspent or underspent budget authorizations.

Two Issues to Consider

1. As the District looks ahead to its capital needs over the course of the next 10 to 15 years, it may find the Committed for Major Apparatus set aside too restrictive. Currently the next opportunity to utilize this balance (which will have grown to nearly \$240,000 by the end of 2012) is 2015 with the planned purchase of rescue vehicles. I understand that an alternative to this purchase may be in the works; if so, the next scheduled major apparatus purchase is in 2025.

Without a re-definition of “major apparatus” or a revision to the fund balance policy, there is the potential that the District will be locking up nearly a quarter of a million dollars in available resources for more than a decade.

2. The member cities have demonstrated a desire that their combined general and capital annual contribution to the District is smoothed or level on a year-to-year basis. Because of the nature of capital needs, this can sometimes be a challenge. Allowing a portion of fund balance to be available as a way to smooth these annual contributions would be a valuable tool for administration to help in achieving the member cities’ objectives.

Recommendations

1. Revisit the 70% major apparatus allocation with the Board. If the board agrees that current major apparatus needs have made this set-aside too restrictive, an alternative would be that both this 70% and the current 30% set-aside be pooled into a “Committed for Future Capital” account that could be used at the board’s discretion for any specific future capital needs of the District.

WEST METRO FIRE-RESCUE DISTRICT
GENERAL FUND
FUND BALANCE POLICY

Purpose

The District shall maintain a general fund balance in order to bridge any cash flow needs and to meet obligations for unanticipated expenses such as insurance deductibles, uninsured losses, unexpected increases in supply/utility costs and other budget variables. The general fund budget provides for payroll and benefits for full and part-time employees, supplies, and adequate maintenance of buildings and equipment.

Policy

The District will strive to maintain a general fund balance equal to 10% of the annual general fund budget of the subsequent year.

Calculation of Reserve

1. The general fund balance is calculated based on the most recent audited fund balance of the general fund.
2. The goal for the general fund reserve shall be calculated as 10% of the subsequent general fund budget.
3. Annually the District Board will review the general fund balance reserve. Any amount by which the calculation in paragraph 1 exceeds the calculation in paragraph 2 will be distributed as follows: 70% to major fire apparatus and 30% to capital equipment and committed to future purchases. These amounts will be considered a committed portion of the Capital Fund balance under the provisions of GASB 54.
4. If the fund balance calculated in paragraph 1 falls below the threshold established in paragraph 2, the board will determine the appropriate action to replenish the fund at the next board meeting or specially called meeting.

Provisions of GASB 54

GASB 54 provides for classification of Fund Balance in the following categories:

Nonspendable - This category includes the following:

Amounts that are not expected to be converted to cash, such as prepaid items or inventory,

Restricted – This category includes amounts that have an externally imposed constraint for a specific purpose, by external parties or legislation

Constraints are legally enforceable

Examples include unspent grant proceeds and donor restricted contributions

Committed – This category includes amounts that have a self-imposed constraint for a specific purpose

Commitments require a Board resolution to make the constraint and a Board resolution to change or remove the constraint

Fund balance commitment resolutions must be adopted before the end of the year, but the exact amounts can be determined after year-end

Assigned – This category also includes amounts that have a self-imposed constraint for a specific purpose

The constraint demonstrates the Board's intent

The Board authorizes the Chief to assign fund balance that reflects the Board's intended use of those funds

Remaining positive amounts in governmental funds other than the general fund are considered assigned

Unassigned – This category includes amounts that are available for any purpose

Unassigned fund balance is reported only in the general fund and in other funds with negative fund balances

Order of Spending

When a fund has both restricted and unrestricted fund balance, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

When a fund has any combination of committed, assigned, and unassigned fund balance, it is the District's policy to use committed resources first, then assigned, and then unassigned resources as they are needed.

Approved by the Board of Directors November 2, 2000

Modified by the Board of Directors December 15, 2004 (reserve balance adjusted from 25% to 17% of annual budget)

Modified by the Board of Directors June 8, 2005 (reserve balance adjusted from 17% to 14% of annual budget)

Modified by the Board of Directors November 14, 2006 (distribution of excess to vehicle and capital funds)

Modified by the Board of Directors November 9, 2011 (GASB 54 terminology/clarification of use of excess)

Modified by the Board of Directors April 11, 2012 (reserve balance adjusted from 14% to 10% with distribution 70% to major fire apparatus and 30% to capital equipment. These amounts will be considered a committed portion of the Capital Fund balance under the provisions of GASB 54)

Memorandum

To: Board of Directors
From: Sarah Larson, Fire Chief
Date: August 4, 2014
Subject: Emergency Management



Joint EOC

On July 17, 2014 representatives from New Hope, Crystal, West Metro Fire and LOGIS met to discuss and brainstorm what it would take to create a joint EOC at West Metro Station 3. LOGIS is compiling a report from our meeting and will be sending it out soon with cost estimates.

Training

Assistant Chiefs Adam Wodtke and Joel Nelson will be attending Crude by Rail Emergency (CBR) Response training in Pueblo Colorado the week of August 16. This training will provide basic knowledge, skills, and abilities to respond to incidents involving Crude By Rail. The program covers: the history of crude oil, chemical and physical properties of the different crude oil transported, basic site and damage assessment, tank car design and construction. Additional subjects include: tactical product control methods including the application of firefighting foam agents, water and spill control procedures, planning for crude oil incidents, and the environmental impacts. The practical evolutions will include a demonstration of Crude Oil fires, boil overs, and foam applications as applied to Crude Oil incidents by rail and advanced firefighting techniques. The practical evolutions will culminate in a full-scale derailment exercise.

Assistant Chiefs Wodtke and Nelson in conjunction with the railway will provide an overview and emergency response plan at our next emergency management training.

Memorandum

To: Board of Directors
From: Sean Watson, Administrative Captain
Date: August 4, 2014
Subject: CERT Team Update



On June 26, 2014 the West Metro CERT team met and discussed the future of the team. The following plan was established:

- Captain Sean Watson (West Metro Fire) will take over as the CERT team coordinator. New Hope and Crystal Police will take a support role providing training and resources as needed
- Captain Watson will attend the CERT instructor (Train the Trainer) class in the near future
- Captain Watson will contact surrounding CERT team coordinators and discuss combining trainings and resources
- Captain Watson will look for opportunities to involve the CERT team in city events and Fire Department activities
- 2 West Metro CERT team trainings will be held this year (August and November)
- 4 West Metro CERT team trainings will be held in 2015 (1 per quarter)
- Monthly emails will be sent by Captain Watson to the CERT team. Emails will include- Upcoming training opportunities, CERT team events and City events

Captain Watson requested from each member

- Are you still interested in being an active West Metro CERT team member
- Ideas! What does the group want to help do? Please email Captain Watson with any ideas for the West Metro CERT team. Some ideas that have been brought up so far- Hydrant Shoveling, Smoke detector checks, assist with National Night Out
- Please respond back to this email to confirm everyone's correct email

Events-

West Metro Firefighter Recruitment BBQ

July 16th 2014 at 6:00pm

4251 Xylon Ave N (West Metro Station 3)

Info-

CERT members are invited to this informational BBQ. This is a chance to learn a little bit about your local fire department and what it takes to become a firefighter. For those CERT members that have not met Captain Watson this will be a great chance to meet the new CERT team coordinator. Please RSVP to Captain Watson.

National Night Out

August 5th 2014 6:00pm to 9:00pm

4251 Xylon Ave N (West Metro Station 3)

Info-

CERT team members will join West Metro firefighters as they visit several block parties. Bring your CERT Uniform and backpack. Be prepared to speak about the CERT team. Please RSVP to Captain Watson (Room for 6)

Upcoming trainings-

West Metro CERT Training (3rd quarter)

Firefighter rehab, SCBA bottle exchange

August 20th 2014 at 7:00pm

West Metro Station 3

West Metro CERT Training (4th quarter)

First Aid skills

November 19th 2014 at 7:00pm

West Metro Fire Station 3