

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
*Special Meeting/Budget Workshop of the Board of Directors*

**MINUTES**  
*January 31, 2011*

**ROLL CALL**

Board Members Present: Espinosa, Gray, DeMonaco, Evinger, and Marquez.

Board Members Absent: None.

**OPEN SESSION**

President Espinosa called the Open Session to order.

**FLAG SALUTE**

Director Evinger.

**PUBLIC COMMUNICATIONS**

None.

**OLD BUSINESS**

None.

**NEW BUSINESS**

1. **2010-2011 MID-YEAR BUDGET REVIEW.** Purpose is to review and discuss updated budget projections for the balance of the fiscal year, as well as for 2011-12.

Finance Manager Heide provided a PowerPoint presentation and reviewed the objectives for the 2010/2011 Mid-Year Budget Workshop. He stated that the objectives for the meeting were to review and discuss the proposed mid-year budget adjustments; review and discuss future year projections; provide for public input; and obtain direction from the Board in preparation for the mid-year budget presentation at the February Board Meeting.

Finance Manager Heide reported that based on updated projections, net increases in revenues of \$393,718 are proposed for the 2010/2011 Mid-Year Budget, which consists of projected additional revenues of \$820,205 and anticipated increases in expenditures of \$426,487. He also reported that these updated projections assume the addition of three fire personnel to the daily staffing, beginning May, 2011, in preparation for the Fire District's 7<sup>th</sup> fire station opening in fiscal year 2011/2012.

Finance Manager Heide reviewed proposed changes from the 2010/2011 Budget and future year projections in 2011/2012 and beyond including changes in property tax projections; dispatch reimbursement terms in 2011/2012; an increase in PERS rates; and Station 7 staffing.

Finance Manager Heide also reviewed three budget scenarios based on staffing comparisons for staffing Station 7, with three fire personnel or with four fire personnel. The scenarios presented for 2011/2012 forecasted a range of deficits from about \$660,000 to \$1.2 million. He also reviewed how the three budget scenarios impacted the Fire District's 10-Year Long-Range Financial Plan. Based on these projections, each of the scenarios reviewed showed various levels of deficit spending for seven of the next nine years of District operations.

Board discussion followed pertaining to staffing levels for the new Station 7. Board Members expressed a desire to continue to review the budget as the 2011/2012 Budget is developed, in hopes of finding the funding to staff the new station with four personnel instead of three.

Pete Roebuck, Chino Valley Professional Firefighters President, addressed the Board to express support for staffing the new Station 7 with four personnel.

After a lengthy discussion, there was a consensus by the Board of Directors to remove the salaries and benefits component for staffing Station 7 from the 2010/2011 Mid-Year Budget, and move the mid-year budget review process forward to the Finance Committee for further review prior to presenting to the full Board at the February Regular Board Meeting for approval consideration. The consensus also included addressing the salaries and benefits component for staffing Station 7 with the 2011/2012 budget process.

**RECOMMENDATION:** It is recommended that the Board of Directors review and discuss updated budget projections, and provide direction to staff.

### **BOARD COMMENTS**

Director Marquez expressed that he would like to see Station 7 open with four personnel and suggested further review of the budget.

Vice President Gray stated that this is the beginning of some difficult financial situations and expressed the importance of everyone continuing to work together in this process.

Director Evinger agreed with Director Marquez and Vice President Gray. She would also like to see Station 7 open with four personnel, but would also like to consider the long-term financial picture for the Fire District.

Director DeMonaco stated that the Fire District is making progress in working toward opening Station 7 with four personnel and would like to continue to work together to get there.

President Espinosa agreed with Director DeMonaco's comments.

**ADJOURNMENT**

President Espinosa adjourned the meeting at 11:00 a.m. to a Regular Board Meeting scheduled for Wednesday, February 9, 2011, at 6:00 p.m. The meeting will be held at the District Headquarters Office located at 14011 City Center Drive, Chino Hills, CA.

APPROVED AND ADOPTED THIS 9th DAY OF FEBRUARY 2011.

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Sandra Heney, Clerk of the Board

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James Espinosa, President