

**Park City Fire Service District  
Administrative Control Board – Work Session Meeting Minutes  
Fire District Administrative Office Building  
April 7, 2020**

Meeting was held electronically, via Zoom, at the anchor location of the Park City Fire Service District Administrative Office Building, 736 West Bitner Rd., Park City, Utah 84098

**Administrative Control Board work session called to order:** 5:30 p.m.

**Board Members Present:** Chair Jay Dyal, Vice Chair and Treasurer Michael Howard, Secretary Alex Butwinski, Board Member Tim Henney, and Board Member Christina Miller

**District Personnel Present:** Chief Paul Hewitt, DC Bob Zanetti, BC Pete Emery, BC Ashley Lewis, FM Mike Owens, CFO Del Barney, IT Officer Dave Dorsey, Human Resources Officer Patti Berry, and Admin. Asst. Debbie Colgan

**Additional Attendees:** Jon Haderle of Larson & Company

**I. Covid-19 Procedures and Standard Operating Guidelines Discussion**

Chief Hewitt began by stating PCFD has always expected the best and planned for the worst, and the administrative chiefs have done an excellent job getting out procedures and guidelines during this pandemic. He said the main messages to our employees are to not be a vector for the disease and to understand how to prevent it from spreading, and also to make sure they stay healthy. Applicable policies, procedures, and guidelines from PCFD as well as other organizations have been posted on CompanyWeb, which is the program employees use to share information, so our staff have the information they need in order for our organization to be successful during the pandemic.

The Covid situation was well underway when the earthquake struck, at which time our incident command system was implemented. Chief Hewitt said Chief Emery will talk more about the earthquake later in the meeting. The fire stations and administrative office buildings have been closed to public access, and the chiefs who continue to work in the administrative offices practice social distancing. There has been 1 firefighter who has tested positive for the virus, but a few others were tested with negative results and the rest of our staff have remained healthy. Tests are not readily available enough yet to be able to test our members on a regular basis. Chief Hewitt said the underlying message is our employees are being cautious on how they behave at work and off duty.

Chief Hewitt said he and Chief Emery, Vice Chair and Treasurer Howard, and CFO Barney had a budgetary discussion recently about possible long-term effects of Covid. He said his goal has

always been to have about a year's worth of payroll and fringe benefit costs in reserve, which we have. We have paid our debt down in the past few years and we were planning on buying our upper Deer Valley station with cash. This was part of the rationale we used to maintain our reserves where they are. We are implementing some money-saving strategies, such as not filling open positions because our call volume has dropped, and we will be looking at other ways we can save money. Basically, if we came to the point where we were only collecting 75% of taxes for a couple of years running, we would be able to operate normally.

Board Member Henney commented the District is primarily tied to property taxes and very little comes from sales tax, and so far, this has been a sales tax related event. Even if this event drags on into a year, the District is insulated from it to a large degree by property tax being its tax base. Chief Hewitt acknowledged this is a good point, and Vice Chair and Treasurer Howard replied the discussion was prompted after he evaluated a chief economist's forecast from Moody's Analytics predicting about 30% of current mortgages in the US will go delinquent. They can withhold payments for up to 6 months before it adversely affects their credit or they have to pay extra fees or interest. If this happens it will create cash flow problems for banks and they may not be able to remit full payments for property taxes, and this could affect the District if enough people elect not to pay this year. Secretary Butwinski pointed out the District would eventually recoup any property taxes that were not paid in the next year or two, and Vice Chair and Treasurer Howard agreed. Chief Hewitt added we can shift money from reserves to cover any temporary shortfalls in property tax revenues.

Chief Hewitt said the bottom line is we have reserves and will be able to function normally, and we will not be bringing a tax increase to the public any time soon. We will have to rebuild the upper Deer Valley station and will be looking at strategies to save money there, but with bonds being relatively cheap right now, we could pay some cash and bond for the rest of the new station if needed.

## **II. 2019 Audit Discussion**

CFO Barney introduced Jon Haderle of Larson & Company to talk about the 2019 audit. Jon commented the District's financial statements were issued before anything needed to be added regarding Covid-19 for 2019, but next year when they do the 2020 audit they will be looking to see if the District was affected.

In the audit's management letter, it states it is the management's responsibility to know and understand the accounting policies and rules, and how they apply to the audit. All of those accounting principles are described in Note 1 of the financial statements. There was a new GASB statement this year that was applicable to the District. GASB 88 requires the District's debt to be split between what is direct borrowings versus revenue bonds. Consequently, in the financial statements on page 27, the long-term obligations are summarized in a chart. It shows direct borrowings (funds borrowed directly from a bank or private party) versus revenue bonds.

The other requirement is the audit must disclose what the collateral is for the debt. Typically for revenue bonds the collateral is future revenues that the organization will generate, such as property taxes or services.

There are always estimates in the financial statements and over time those can change. Some of the key estimates for the District have been listed, such as the capital asset recognition, depreciation, and asset lives. The estimate of the net pension liability through URS is something the District really has no control over, so the auditors look over the estimates to make sure they are reasonable over time so there is comparable data year to year. Jon said Larson & Company did not have any difficulties performing the audit, and there were not any uncorrected misstatements or disagreements with management. There were no internal controls or state compliance findings for this year or the previous year.

Jon said the financial statements are the responsibility of the District, and the responsibility of the auditors is to audit the balances and the disclosures in the financial statements. He said their opinion is an unqualified opinion, meaning the financial statements are clean and there were not any issues they would have concerns over.

Regarding the audit report, Secretary Butwinski said revenue from property taxes and interest income increased, and expenditures and capital expenditures decreased. With this in mind, it seems we should have a bigger fund balance difference than what is indicated in the balance sheet. He said he is missing something in translating those things into the impact on the balance sheet. Vice Chair and Treasurer Howard said he would take a look at the report and get in touch with Secretary Butwinski later to discuss this. Jon Haderle commented the District's equity did jump up but \$2M of it is invested in capital assets. The fund balance went up by almost \$1.7M and the unrestricted funds only went up by about \$700K, but the rest is tied up in fixed assets such as a new engine and the land purchase. This is equity the District has that is not spendable.

Secretary Butwinski also commented the report states the ACB has final authority over the budget and asked for clarification on that. CFO Barney said the ACB is different than an advisory board and can be given the power to do anything except for bonding, incurring debt, or raising property taxes. He said a couple years ago the County Council removed the budget process from the ACB and the Council ultimately approves the budget. Secretary Butwinski said that does not appear to be what is stated in the report. Chief Hewitt commented even though the District goes before the County Council to get the budget approved, the Council has never changed anything and relies on the Board for review of the budget.

Secretary Butwinski said the report also states the District is exposed on its cash in the bank because there is \$750K in a bank account that is only insured for \$250K, and he wonders if we should diversify to other banks. CFO Barney explained it was high for a short period of time while money is transferred into the account to cover payroll expenses. After payroll expenses are paid out, that leaves about \$200K in the account. He said he transfers money over when it is time to do payroll or accounts payables and leaves about a \$150K buffer in it at all times.

### **III. Earthquake Procedures**

Secretary Butwinski commented the staff did a great job on the Covid-19 protocols and procedures. Chief Hewitt said immediately after the earthquake struck, he asked BC Emery to review earthquake protocols and called the on-duty BC to ask him to get earthquake procedures going. He said we were prepared and have always tried to have our earthquake procedure as concise and simple as possible, and this helped when the BCs and crews held a conference call to go over the procedure. They were able to review it quickly and get moving into operations under the standard operating guideline (SOG).

BC Emery said the first thing the crews did was move apparatus out of the stations in case there were issues with the structural integrity of the buildings. A quick check of utilities was performed and then the on-duty BC conducted a roll call. From there crews went out to high priority areas, such as the hospital, the ice rink, and UOP, which are areas where hazmat issues could be a problem. This process was repeated a few more times due to later aftershocks. Chair Dyal added the same process of removing apparatus from the stations was conducted several times by Salt Lake crews the day of the earthquake and during that week as strong aftershocks followed the original quake.

The quake hit the Salt Lake Valley harder than it did in our area and we were called that day for mutual aid for a hazmat scene in Magna. The situation here was under control and we were comfortable sending a hazmat team there to help mitigate the situation.

### **IV. Legislation Recap**

FM Owens said during this legislative session, the Joint Council of Fire Service Operators tracked just under 40 bills. A few of them had a direct impact on us, including two bills regarding the retirement system. In the end not a lot of changes happened with either one of them, although they did provide funding for the Tier II retirement system from the insurance premium tax. HR Berry later added the District is now allowed to pick up the employee's required contribution for the Tier II firefighters, and in order for us to do that we will need a resolution. We picked up the Tier I contribution a few years ago. She said she will prepare the resolution and have it ready for the next ACB meeting.

HB389, Emergency Medical Services Amendments, went through some changes. One of the issues considered was the assertion the Health Department was not doing a good job of managing the Bureau of EMS. This bill would have moved the Bureau of EMS over to the Department of Public Safety, but it did not happen. In the end, our county was included in the pool to be considered for grants available as a result of this bill, and this is due largely to the efforts of CFO Barney and Chief Lewis.

There were several bills that dealt with building departments. Builders across the state are complaining plan reviews are not being completed in a reasonable amount of time, and there was a bill that passed involving a future study to determine how long plan reviews take. FM Owens said if the District is involved in this study, it will reflect very well on us, as our plan review turnaround is much shorter than the average for the state.

There was a bill regarding burning that passed that reduced the authority of the Department of Air Quality to prevent burning. FM Owens said this a good thing because more people will be allowed to burn excess fuel. SB134 involved a property tax exemption for wildfire preparation and was defeated for the second year in a row, but FM Owens believes it will be back next year. Vice Chair and Treasurer Howard added many auditors fought that bill because of its implications and how it would be administered at the County level. He said work will need to be done on it as far as the County work goes in order to make it happen.

CFO Barney said there was a bill regarding a broader use of sick time that was defeated. Another bill, SB135, regarding fire mitigation was also defeated. He said the District was watching these two bills closely to make sure they were not passed, and they weren't.

## **V. Covid-19**

Getting back to Covid-19, Chief Hewitt said BCs Emery and Lewis have developed an Incident Action Plan (IAP). Incidents like these are long-lasting and called campaign events. Emergency center operation meetings are held every day with the County. BC Lewis said everyone had been watching Covid-19 since December, and the first part of March was when the District really started to gear up and prepare for the pandemic. Information has been continuously distributed to the crews, and the information we are disseminating has basically been patterned after our existing infectious control disease SOG. New information is added as updates become available regarding Covid-19. This really helped when we came into contact with our first Covid-19 patient on March 10, as the crews were prepared and knew what to do, and it has helped for every encounter since then.

Chief Lewis said there was so much information being updated daily on Company Web that the decision was made to create an IAP. Chief Emery said things change very quickly and the IAP allows us to update information continuously. We have a good relationship with Park City Hospital, there is a doctor and nurse there working with us and we are able to get firefighters with symptoms tested quickly. Chief Lewis added our medical control doctor at the University of Utah is another great resource for information. Crews are also able to access our EMS mobile application for information.

Chief Zanetti commented we were able to get new concrete at Fleet Services laid for about \$10K less than the contractor last year quoted. Contractors are definitely looking for work and we will be looking at ways to take advantage of this in the coming weeks. During the slowdown in call

volume we will be making necessary apparatus repairs. Chief Hewitt added we are ready as always to respond to incidents.

#### **V. Quality Assurance and Improvement (QAQI)**

Chief Emery said the District has been closely tracking how crews respond on a full arrest, with the goal being if you have a full arrest within the District and you can survive it, you will. He presented a graph showing data for 2018 and 2019 on full arrests and the outcome. For typical agencies across the nation, your chance of surviving a full arrest with a v-tach or v-fib rhythm can range from 5 to 30% depending on the agency responding. For the past two years in our District, you have over a 50% chance of surviving such an arrest, meaning our survival rate is better than many other agencies. Comparatively, in 2015 we were saving about 30% of v-tach or v-fib arrest patients in the District. Chief Emery said he believes the survival rate will get even higher as time goes on.

Chief Emery said he will continue to work on the QAQI program and present more information to the Board in future meetings.

**Work Session Concluded:** 6:28 p.m.

**Park City Fire Service District  
Administrative Control Board – Regular Meeting Minutes  
Fire District Administrative Office Building  
April 7, 2020**

Meeting was held electronically, via Zoom, at the anchor location of the Park City Fire Service District Administrative Office Building, 736 West Bitner Rd., Park City, Utah 84098

**Administrative Control Board regular meeting called to order:** 6:30 p.m.

**Board Members Present:** Chair Jay Dyal, Vice Chair and Treasurer Michael Howard, Secretary Alex Butwinski, Board Member Tim Henney, and Board Member Christina Miller

**District Personnel Present:** Chief Paul Hewitt, DC Bob Zanetti, BC Pete Emery, BC Ashley Lewis, FM Mike Owens, CFO Del Barney, IT Officer Dave Dorsey, Human Resources Officer Patti Berry, and Admin. Asst. Debbie Colgan

**I. Approval of March 3, 2020, Meeting Minutes**

Vice Chair and Treasurer Howard made a motion to approve the minutes of the March 3, 2020, Administrative Control Board meeting. The motion was seconded by Board Member Miller and passed unanimously, 3-0. Chair Dyal and Board Member Henney abstained from voting, as they were not present for the March 3, 2020, meeting.

**II. Public Input**

There was no public input.

**III. Board Member Reports and Business**

**A. Correspondence**

There was no discussion of the correspondence.

**B. Financial**

There were no questions about the financial reports.

**IV. Old Business**

There was not any old business.

## **V. New Business**

There was not any new business.

## **VI. Staff Reports and Input**

There were no comments on the staff reports.

## **VII. Discussion of Possible Future Agenda Items/Additional Comments**

Possible approval of the 2019 financial audit will be discussed at the next meeting. CFO Barney said Larson & Company has been performing our audits for the past five years, and he has asked for bids from three independent auditors for audit services. He has received two of them back, and if he does not receive the third back by the time of the next Board meeting, he will present the two he has received at the next meeting.

A reminder was given on open meetings training to be provided by LeGrand Bitter during the next work session.

## **VIII. Closed Executive Session**

There was no need for a closed session.

## **IX. Adjournment**

Secretary Butwinski made a motion to adjourn, it was seconded by Vice Chair and Treasurer Howard and passed unanimously, 5-0. The regular meeting of the Park City Fire District Administrative Control Board adjourned at 6:36 p.m.

The next regularly scheduled meeting of the Park City Fire District Administrative Control Board will be May 5, 2020, beginning at 6:30 p.m. in the PCFD Administrative Offices, 736 West Bitner Road, Park City, UT 84098.