

FOOTHILL FIRE PROTECTION DISTRICT
REGULAR MEETING MINUTES
April 8, 2009

Meeting called to order by Chairman, Gary West at 7:00 p.m.

1. Pledge of Allegiance

Director Glissman expressed a thank you to outgoing Secretary Linda West for her years of service to the District.

2. Roll Call

Directors Present: Ed Anderson, Ken Glissman, Jeff Palm, Ron Spradlin and Gary West

Directors Absent: None

Officers Present: Chief Mike Siligo and Secretary Linda West

Officers Absent: None

3. Public Comments

Gary Caldwell, Valley Springs, expressed his appreciation to outgoing Secretary Linda West for her service through times that were on occasion trying. Caldwell also inquired as to the status of the District receiving any federal economic stimulus funding; noting that Amador County was getting \$500,000 for transportation projects. Home Land Security is where any funding could be obtained from for the District. Fire Chief Siligo stated any related funds would be defined in the OES budget and not through the District. The Chairman stated no contact has been made with OES.

4. Approval of Minutes – March 11, 2009 regular meeting and [March 14, 2009 special meeting]

The Chairman noted there was an omission from the agenda for the approval of the March 14, 2009 special meeting and requests that it to be added to this agenda.

**Motion approved to add the March 14, 2009 special meeting to the agenda.
(Anderson/Palm)- Approved 4 – 0 Abstain 1 – Glissman**

Director Glissman asked that the minutes of the regular meeting of March 11, 2009 be corrected removing his motion second from page 2 regarding the Bill Transmittal for bookkeeping services as he was absent. The Secretary will review the dictation and correct the motion second.

Motion passed to approve the regular meeting minutes of March 11, 2009 as corrected [removing Director Glissman and inserting Director Anderson for the motion second as discussed.]

(Anderson/Palm – Approved 4 – 0 Abstain 1 – Glissman)

Motion passed to approve the special meeting minutes of March 14, 2009 as presented.

(Anderson/Palm – Approved 3 – 0 Abstain – 2 – Glissman/Spradlin)

5. Welcome New Fire District Clerk

Incoming Fire District Clerk Pamela Rogers was introduced and welcomed. Rogers was hired for the part-time position combining the functions of the secretary, bookkeeper and payroll clerk. She was unanimously selected from the many qualified candidates.

5.a. Authorize Central State Credit Union Signature Card Changes

Due to the hiring of a Fire District Clerk, the petty cash account authorized signers requires updating. Director Glissman was asked to be added to the signers along with FDC Rogers with Spradlin remaining on this account.

Motion approved to authorize the Central State Credit Union (petty cash account) signature card to reflect the signers of Directors Glissman and Spradlin and Fire District Clerk Rogers.

(Anderson/Palm – Approved 5 – 0)

This matter will be undertaken at the first convenient opportunity.

5.b. Authorize Purchase of Computer/Printer

The position of FDC will require the purchase of a new computer. The Chairman has provided information, with no endorsement, from Dell of typical computers and a proposal from CTI. CTI comes as a recommendation from the County at the price of \$1,174.33, including a monitor. The Chairman noted that CTI provides the County's IT equipment and that CTI would load the required County software/reports/forms that will make the FDC's position easier allowing for County compatibility. The Chairman deferred to Directors Glissman and Spradlin for their computer expertise in evaluating the information presented. It was noted that CTI provides a 2-year warranty and is local. Director Spradlin is familiar with the computers sold at Dell, Costco, Staples and Best Buy noting that while the equipment is similar their warranties are shorter and may be inconvenient for support. Chief Siligo noted that he currently has an all-in-one printer/scanner/fax machine that could be set up for the FDC's use and a simple printer be purchased for his use. After review, Director Glissman recommended the purchase through CTI based on their specs, processor, XP Pro operating system and the ability to purchase and be supported locally.

Gary Caldwell, Valley Springs, expressed his knowledge from recently investigating a computer purchase, but also expressed his concern about the Vista versus XP support. Director Glissman's stated that Microsoft has a very high probability of continued support of XP and very real possibility of enhanced XP as they "back off" from the Vista platform. Director Anderson expressed his comfort with the expertise of the other Board members and suggested a dollar amount be approved for its purchase.

Motion approved to purchase the County recommended computer from CTI in the amount of \$1,300.00 and an additional \$100.00 for a printer to serve the Fire Chief's needs.

(Glissman/Anderson – Approved 5 – 0)

Chairman West asked for an additional agenda item concerning a required resolution for the County concerning the payroll authorization for the Fire District Clerk. This would be the same resolution required when the District hired Jill Jenkins.

Motion approved to add County Resolution for payroll authorization to the agenda.

(Spradlin/Anderson) – Approved 5 – 0)

5.c. Resolution for Payroll Authorization for Pamela Rogers

Motion approved for County Resolution for Payroll Authorization to Pamela Rogers.

(Spradlin/Anderson) – Approved 5 – 0)

5. Finance Report

Bill Transmittal dated 04/08/09 in the amount of \$9,135.38 and Bill Transmittal dated 04/08/09 in the amount of \$969.50 for bookkeeping services and secretarial services and reimbursement were presented for review. (Attached) Copies of the Transmittals were available for public review. The following comments were made.

Page 1: \$675.00 to Jan Lopez Consulting. Chairman West stated he was surprised to receive this invoice on Tuesday, as he had spoken to her last month when the Board decided to table the ordinance until May. The Chairman is uncomfortable paying this invoice and read the invoice details noting that she had not been authorized to do any more work on this project. (The invoice included CSDA/attorney time, emails and research/coordination.) About a month ago the Chairman reiterated to Lopez that the District can't proceed with the ordinance until the District consults with an attorney and we were not proceeding with that. The matter would need to be put back on the agenda for Board approval. The District did not authorize her to proceed on our behalf. Director Spradlin suggested that a formal cease and desist letter be sent to Lopez Consulting.

Motion approved to send Jan Lopez Consulting a letter to cease any and all further work on behalf of the District's ordinance for developer fees. The current invoice in the amount of \$675.00 will not be paid pending further clarification of the charges. (Spradlin/Anderson) – Approved 5 – 0)

- Page 1: \$275.00 to Sam Berri Towing: Chief Siligo explained that an apparatus was stuck and had to be towed.
- Page 1: Seven (7) items to Scott's PPE Recon, Inc. Chief Siligo explained that some of the older turnouts were cleaned and brought up to standards.

Motion passed to approve for payment the Bill Transmittal dated 04/08/09 in the corrected amount of \$8,460.38 (minutes the \$675.00 invoice for Jan Lopez Consulting.) (Glissman/Palm – Approved 5 – 0)

Motion passed to approve for payment the Bill Transmittal dated 04/08/09 in the amount of \$165.00 as presented covering Karyn Larson's bookkeeping services and to Linda West in the amount of \$706.50 for secretarial services for Q1/2009, \$15.11 for postage and \$82.89 for office supplies. (Glissman/Anderson) – Approved 5 – 0

5a. Refund Exaction Fee to Developer

This refund of exaction fees was included on the Bill Transmittal, page 1, to Wallace Mini Storage in the amount of \$2,728.00

5b. Acceptance of Blomberg & Griffin Accountancy Corp. Audit Report 2007

The Chairman noted that at the March meeting this item was included under correspondence and copies were provided to the Directors. (Attached) It is on this agenda for discussion of any items. Director Anderson inquired as to page 6 the "Charge for Services" in the amount of \$45,590 for 2008. Chairman West stated that figure represents the exaction fees in 2008. While Director Anderson accepted the Chairman's answer, he requested that Bloomberg further clarify or identify for future audits. The Board acknowledged that they had read the audit and generally agreed with the overall findings. Bloomberg's tests disclosed no reportable or material weakness.

5.c. Budget Report

Director Anderson, as part of the Finance Committee, presented his annual budget analysis for fiscal year 2008-2009. A summary handout was provided. (Attached) Director Anderson's remarks included the following:

- The report clearly shows the District spending more than it receives in revenues.
- The reserve is diminished and it is risky for the District to continue the deficit spending.

- The approved budget of \$301,843.00 means that 25%, or \$75,461.00, is to be set aside in the reserve account as required by policy.
- The District receives its final disbursement from the tax rolls and the District will not receive any receive any tax revenue until December 2009.
- Our Policy 5090 states that a special reserve be maintained for catastrophic emergencies.

Director Anderson's concluded by requesting that the Board pay strict attention when voting on any new purchase or expense and how any new expenditures impacts the budget not only now but in the future. He reiterated his growing concern over the lack of revenues until that December date and the requirement of Policy 5090 for a 25% special reserve for catastrophic emergency planning. The 2008-09 budget (\$301,843.00) made an assumption that the District had all that money. The first installment received December 2008 was for \$176,000 and this month we should be getting about \$79,000. The District has expended as of 04/06/09 \$254,044.12. The cash in treasury comparison showed \$390,000 at April 2007 compared to \$203,828 at April 2009 or roughly \$200,000 decrease. With the continued down economy and building permits off substantially, the "spending habits of the District" need to be closely monitored. Director Anderson restated he didn't think the reserve account would have the \$75,000 required by our Policy if excessive spending continues. He further summarizes that if the District doesn't have the money, the District can't operate.

Director Anderson opened the discussion with the following comments noted:

- Scott Byous, Assistant Fire Chief, noted the budget of \$301,843.00 was our wish list noting that we could get the reserve 25% from the \$256,000 actual budget – substantially less than \$75,461. Byous further stated that the \$200K difference from two years ago is due, in part, as it didn't include the new programs (awards dinner, new equipment purchase and other expenditures) that were instituted with the hiring of Fire Chief Siligo and the paid staff personnel. In order to fulfill the District's Mission Statement (refer to agenda for complete wording), it specifically makes reference that the District is to maintain a high quality of fire safety to the residents its serve, which requires spending money. Byous acknowledged the revenues collected from the households served are very low. He further agrees with having a reserve for emergencies, but also contends that the District must spend money on equipment and personnel to service the District and providing that level of service is not free. Byous also noted that the District over its 7-year history has managed to save money, but it also needed to spend that money to provide the service.
- Director Anderson noted that he did not disagree with Byous' assessment of the revenue/expenditure relationship. He also acknowledged that the services the District provides come with associated costs. Director Anderson made it clear that he was not talking about the excellent job the firefighters do for the District, merely his job as a director is to try to secure the money to provide those services. The Board's job is to provide for that reserve and the District has already exceeded our reserve amount. This

will be of paramount importance when the Board considers its new budget in June for the next fiscal year (2009-2010).

- Dave Sant, Wallace, clarified that the fiscal year is July 1 through June 30 and the \$301,843.00 fiscal year budget 2008-2009 contained all District revenues.
- Gary Caldwell, Valley Springs, noted that the 2007-2008 budget was set at \$269,000, but expenses totaled \$377,000 requiring reserve dipping of approximately \$108,000. Chairman West stated that the 4/3/09 County balance shows \$254,000 in expenditures. The District has been meeting its financial obligations from the reserve fund.
- Chief Siligo stated that the District has \$201,000 to operate on until December 2009, deducting the 25% emergency funding.
- Director Anderson acknowledged that the tax deposit this month will allow the District to get back in the “black,” but must last for the next 9 months until the next deposit (December). This means that most likely the reserve fund will be used again.
- Dave Sant, Wallace, reiterated for clarity that the reserve allocation delineates a type of internal reserve that will be maintained and funded by 25% of the budget conforming to Policy 5090.20.
- The Chief noted that there is a percentage of the property tax roll allocation earmarked for the District. While the County collects 1% for fire districts, FFPD only gets a small portion of that 1% - .0024%. Murphys by comparison receives 3.27% through property taxes and a special assessment.
- There was a suggestion to approach our Board of Supervisors to try to get a bigger portion of this 1% of the fire tax allocation or from the County Fire budget. It was additionally suggested that discussions start with the Auditor’s Office and Supervisor Gary Tofanelli to seek additional funding.
- Chief Siligo also suggested seeking revenue from the water enhancement fund. Should OES receive stimulus money, it would seem feasible that the fire districts should be eligible for some of it.
- Gary Caldwell, Valley Springs, agreed with Director Anderson on his concern about expenditures already at \$75,000 more than revenues and last year was \$108,000 was taken from the reserve to balance the budget. He is very concerned that the District is going “into the hole” again and can’t continue the deficit spending. Continued reserve spending will result in no reserve – adjustments have to be made to the budget if revenue isn’t allowing you to make the numbers.
- Director Spradlin agreed with the outlook of overspending versus the budget to actual, but he pointed out the Chief wanted to get rid of the \$44,000 truck/lease payment by selling those trucks. An attempt was made to reduce some expenditure but wasn’t approved by the Board.
- Director Anderson stated, in referring to the District’s truck/lease payment, decided to not get rid of the two (2) fast attacks.

7. Correspondence

Letter sent to Valley Springs Public Utility District Board regarding Station #2 with the only response received by the Fire Chief was an email with no Board comment.

9. Fire Chief's Report

Fire Chief Mike Siligo distributed his report to the Directors. (Attached)

- Calls totaled 59 for March, 58% were medical, YTD – 133 calls.
- Personnel totals 24.
- E144 in reserve; all other equipment operational.
- Station #1 annual weed abatement and sprinkler system check are complete.
- No change at Station #2.
- The Chief had a discussion regarding a 3-story hotel variance request. It was learned that the project will be scaled back, but the developer may still go to the Board of Supervisors for a variance to the County's the maximum height requirement. The Chief sent a letter to the Building Department asking for immediate notification should a variance be sought.
- The Chief noted his vacation schedule from April 30 until May 9, 2009.
- The Chief made mention that the Auditor's Office, Linda Churches, might seek consideration from all 10 fire districts to provide for a central secretary. This centralization would make it easier on the Country for payroll and transmittal processing. The districts in attendance stated it would be up to each individual fire board and would probably not be considered viable. Copies of the proposal will be sent to the various fire districts.
- Cal-Fire will be staffing 3-4 engines opening on May 4 in Valley Springs.
- Interim Building Officer Jeff White will most likely become the department head. White continues to work with the County on the proposal of a developer fee program similar to our on-hold ordinance. Should the County adopt a developer fee program, the District would have no need to proceed with its ordinance.

Comments to the report follow:

- Regarding the possible height variance, Chairman West stated that the County should be counted upon to comply with its codes that are in place, but the District should plan on possibly protesting a variance. Chief Siligo noted that this was not brought up at the FDA meeting, but it will affect all districts.
- Director Spradlin inquired as to the surplus equipment policy. Chief Siligo stated his draft had been given to the Board and is now under County Counsel's review. Director Anderson stated another fire department will also be supplying a policy for our review.
- Director Anderson noted that Jeff White has not yet officially been appointed t head the Building Department.

9. Summer Fire Fighter Extra Hire

Chief Siligo noted that this item will be addressed at the budget meetings as it would be a new proposal for the next budget year. The May and June firefighters have already been approved for approximately 43 days (May 1 through June 30) at a cost of about \$2,064.00, not including overhead costs.

Laurie Schlatter, Burson, strongly suggested that including the extra hire in the budget as even with Cal-Fire the area needs them. The District wants to be able to guarantee that there will be someone to answer the call – it is very important.

Director Spradlin inquired about the Fitness Center last year and questioned our response. Chief Siligo stated the District responded to the head of the fire. The request for a second person from May to June is needed to cover from noon to 6 p.m. working alongside the Battalion Chief. There is a recognition problem for the Battalion Chief who responds with an engine.

Dave Sant, Wallace, felt that an additional firefighter funding would be a prudent expenditure against the reserve account, and it is responsible to expect that the District would make that commitment.

Director Anderson asked if perhaps it would be best to table this matter until the Board gets to the budget meetings. There are laws under the labor code that need review and Director Anderson stated he can't support any additional personnel, even if it is in the budget, for starting in May.

Chief Siligo inquired as to what labor codes would affect the Board's decision.

Chairman West mentioned the FSLA codes. (Attached) According to discussions with County Counsel, firefighters and volunteers definitions have changed. You can't take a volunteer, then pay him for a certain length of time, then have him/her back as a volunteer.

There was discussion as to other agencies, law enforcement included as reserve officers, which in essence do this – are a volunteer and then under certain circumstances are paid for the same duties. Director Spradlin has had direct knowledge of the FSLA laws and contends that it can be done. It was suggested that other fire districts be contacted for discussion, including Brian Chavez-Ochoa.

Chairman West's discussion with County Counsel confirmed that there is no way to get around this volunteer/paid hire dilemma. County Counsel says there are no exemption categories and should the District go ahead with the hire then revert that person back to volunteer the District could be open for major legal action.

Lynn Siligo, Valley Springs, inquired as to why this information wasn't included in the packet and the time for the extra hires is next month.

Chairman West stated that this information was included in the Directors' packets.

Motion approved to continue with the budgeted extra hire program until we can get a definitive explanation for exemption covering the period May 1 through June 30, 2009. (Spradlin/Glissman – 3 – 2 Approved: Spradlin/Glissman/Palm Nays: Anderson/West)

Chairman West, as suggested, will contact Brian Ochoa-Chavez regarding their Department's handling of the extra hire. Director Spradlin will be part of that meeting.

10. Director Comments

Director Palm advised the Board seek clarification of the codes for proper inclusion of the District's policies.

11. Adjournment

Meeting adjourned at approximately 9:20 p.m.

Approved by,

Submitted by,

Gary West
Chairman

Linda West
Secretary

Attachments

1. Dell computer ad sheet for computer pricing
2. Bill Transmittal dated 04/08/09
3. Bill Transmittal dated 04/08/09 for Karyn Larson
4. Bill Transmittal dated 04/08/09 for Linda West
5. Letter dated 03/03/09 from Calaveras County Community Development Agency re exaction fee refund to Wallace Mini Storage
6. Blomberg & Griffin Accountancy Corp. audit for Fiscal Year ending June 30, 2008 and Report on Internal control Over Financial Reporting
7. Audit Summary Report as of April 6, 2009 by Director Anderson/Finance Committee
8. Fire Chief's Reports dated 04/08/09 with addendums
9. FSLMA Report provided by Chairman West