



**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE EVERGREEN FIRE PROTECTION DISTRICT
MARCH 23, 2010**

A special meeting of the Board of Directors of the Evergreen Fire Protection District was held on March 23, 2010 at the Administration Building, 1802 Bergen Parkway, Evergreen, CO.

ATTENDANCE

DIRECTORS IN ATTENDANCE: Jeff DeDisse, Charles Dykeman, George Kling, George Goldbach, Charles Simons.

ALSO IN ATTENDANCE: Chief Garry DeJong, Nick Boukas, Dave Christensen, Brent Worthington, Mike Novick, Robert Gottsman, Sylvia Ross.

MEETING CALLED TO ORDER: The meeting was called to order at 4:00 P.M.

APPROVAL OF AGENDA: Approved as presented.

DISCUSSION ITEMS:

- **Project Manager review committee:** Director DeDisse and Director Kling along with Chief Garry DeJong are the members of this committee. If Director Kling is not available Director Simons will be the alternate. The RFPs will be reviewed by this committee in the next couple of weeks and a recommendation will be presented at the April board meeting.
- **Collection Rate Calculation:** Finance Director Brent Worthington would like clarification on how the board would like him to calculate the EMS collection rate as there are many ways this can be calculated. After some discussion the decision was to calculate the collection rate two times a year: July 31 and December 31. It will be calculated as we are currently calculating the rate: total amount billed, total amount collected, total amount written off for contractual allowances and other write offs (bankruptcies).
- **Carryover:** Finance Director Worthington presented to the board that there needs to be a resolution to amend the 2010 budget to reflect the delay in capital projects budgeted in 2009 that need to be carried over into the 2010 budget. These are not operational items – they are capital projects only. This does not have any effect on the bottom line or fund balances – it gives the district the authorization to keep spending money on those projects. The projects that will be impacted are:
 - New Radio System Interoperability
 - Merge to Narrowband
 - Voting System
 - Generator Project

The board agreed and this will be presented as a public hearing to amend the 2010 budget at the April board meeting. These projects will be tracked by finance and reported to the board in the monthly finance report.

- Spending Approval/Authorization:** Currently there is a \$5,000 spending limit. Any amount up to \$4,999 the Chief can approve; any amount of \$5,000 and over has to be presented to the board for approval either as a spending authorization (budgeted item) or appropriation (unbudgeted item). Chief DeJong requests this spending limit to be raised. A discussion ensued regarding how to keep the board informed of what is spent and what the current controls are in spending district money. Director Kling and DeDisse expressed that they would like to keep the current system of reporting these expenditures at the current limit to the board, but could change based on specific projects. A discussion ensued regarding normal operational expenditures; as there are some operational expenditures (e.g. workman's comp, fuel, utilities) that are over \$5K per month that under this current rule would have to come before the board for approval of payment. This is not an efficient way to run the district. After some discussion it was agreed that the spending limit will remain at \$5,000; that normal operating expenditures do not fall under this rule and that any item that is not budgeted will come before the board for approval through the appropriation process. The only time this rule will change is for special projects; these expenditures will be presented to the board and at that time the spending limit for that particular project could be raised. Mr. Worthington will update the policy to reflect this change and present it to the board in April.
- Banking Issues:** The district's check writing policy was presented to the board. Currently the process is that all checks are signed by Chief and then for the second signature a stamp is used (Director Goldbach's signature); so basically we have a one signature policy. There are some checks, for large amounts that Chief DeJong recommends has two real signatures. The board agreed. After some discussion it was agreed that any check up to \$10,000 can have one signature and that over \$10,000 should have two signatures. No more stamped signatures allowed; all checks will be signed with real signatures. This policy will be implemented in May when the new board member positions are elected. Once the board position elections are complete the bank will be notified of the three authorized signatures.

Mr. Worthington presented to the board another banking issue that needs resolution. Currently there are two board members who have complete access to our accounts; they have the authorization to withdraw district funds without any approval. There is significant exposure to the district funds. Mr. Worthington recommends that the designated board members who are authorized to sign checks can sign checks but nothing more; they will only have check signature authorization no withdrawals. Director Kling made a motion to resolve this issue with the bank as expeditiously as possible, Director DeDisse seconded the motion; the motion passed unanimously.

- Investment Policy:** Mr. Worthington presented to the board the need to have a formal investment policy for district funds. There are strict statutes we have to follow in terms of which funds can be invested. Currently we are investing all our money into two local government investment pools (CSAFE and COLOtrust) which provide the district with very little interest. Since the discussion at the January meeting to go forward with this process, Mr. Worthington has interviewed two firms who would invest these funds on behalf of the district. The next step in this process is for the board to agree to formally pursue this option and then create an investment policy. Once this step is complete then Mr. Worthington would recommend a firm and then present his recommendation to the board. Mr. Worthington would get bids from at least three firms. The amount of

money to be invested would be \$2.5 million; which there is a potential to receive a \$25,000 return on this investment. Mr. Worthington will put together a formal RFP and distribute it to only bonded and insured firms; he will also contact other districts to get an idea of who they use to invest their funds. Director Kling would like Mr. Worthington to have US Bank bid on this as they offered this to us in the past.

- **2009 Audit:** The audit should be completed in June. The final audit should be presented to the board at the July board meeting. Mr. Worthington would like direction from the board on how they would like the audit presented: bring the audit findings to the audit committee and then present the final audit to the board, or that the final audit is presented directly to the board by the auditor. After some discussion it was agreed to keep the process as it currently stands: The audit will be presented first to the audit committee which consists of the President and Treasurer of the District Board, the Chief and the Finance Director; once that process is completed the final audit will be presented to the complete board by the Principle and lead auditor at Cutler & Assoc. at the July district board meeting.

CHANGE IN ATTENDANCE: Director Goldbach left the meeting at 6:05 PM.

- **Strategic Capital and Apparatus Fund:** The strategic capital worksheet projects out five years of cash flow from this account; it is a tool to help with the future budget process. In addition to what is currently projected, the Chief is working on a more detailed facilities maintenance schedule and project those projects out for 10 years. He also would like some direction from the board as to what other anticipated projects the board would like to see on this type of schedule. Director Simons asked about the Training/Burn Bldg. It currently is projected for 2011-2012. The board has the final decision as to what projects the district decides to work on with the bond money. Director Kling asked where is our vision for the future; we have saved the district money through strict controls and wants to see EFR be the best operation it can be. He wants to see our finances back up our strategic vision; whether that's new engines, a tower truck or AEDs throughout the district. These are long term projects. Chief DeJong would like to have this accomplished by the next budget process then along with our ISO rating can take that information and compare it to our 2001 strategic plan and check off all the projects that have been completed. Once that is completed we can project out where we want to go in the future and be able to sustain these projects throughout the process with the current mil levy that is in place. Both the apparatus and strategic capital accounts are being funded at a healthy level at this point so there are funds available for future projects. Because there is legislation coming up that could potentially change how we do business; that needs to be taken into account in any future strategic planning sessions. If these propositions/amendments pass this November it could change the way we spend this money. Director Kling added that it is why the vision is more important than working on a strategic plan. These propositions/amendments reflect an anti-government anti-tax vision. In closing, the Chief would like to see another strategic planning meeting in August or September since that is when the district is finishing up the budget process. The board agreed as long as there are concrete parameters on what is needed for this district; not just a wish list. These projects need to be consistent with our mission and policies. Currently we are about at 90% completion of the 2001 Strategic Plan; there may be a few other outstanding projects but most are complete. In conclusion it was agreed that the district needs to be forward looking because there are so many variables that can impact our operations.

MEETING ADJORNMENT: The meeting adjourned at 6:42 PM.

ACTION ITEMS:

- Project Manager recommendation
- Spending Policy update – Brent Worthington
- RFP Process for Investing District Funds – Brent Worthington
- Strategic Capital worksheet update for next budget cycle.
- Future Legislation Guidance – Linda Alexander
- Schedule another Strategic Planning Meeting

Respectively Submitted,
Sylvia Ross
Recording Secretary