



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE EVERGREEN FIRE PROTECTION DISTRICT
JULY 13, 2010**

The regular meeting of the Board of Directors of the Evergreen Fire Protection District was held on July 13, 2010 at the Administration/Training Building, 1802 Bergen Parkway, Evergreen, Colorado.

ATTENDANCE

DIRECTORS IN ATTENDANCE: David Christensen, Jeff deDisse, George Kling, Charles Simons.

EXCUSED DIRECTORS: Charles Dykeman

ALSO IN ATTENDANCE: Chief Garry DeJong, Linda Alexander, Robert Gottsman, Mike Weege, Frank Dearborn, Joshua Witte, Evan Soibelman, Dave Marshall, Sylvia Ross.

MEETING CALLED TO ORDER

President Kling called the meeting to order at 7:00 P.M.

TIME OF REMEMBRANCE AND REFLECTION The pledge of allegiance was recited and a moment of silence was observed.

APPROVAL OF AGENDA

The agenda was approved with a change to the order of presentations. The 2009 Audit will be presented before the May financial report.

PUBLIC COMMENT: Mr. Robert Gottsman addressed the board: Like all of you, I am a resident, taxpayer, voter and neighbor in Evergreen. In addition you are some of Evergreens politicians, voted to represent the rest of us. You and the staff are good people doing and trying to do good things. The Board meetings of April, May and June each had one major issue to me; Apr-training building; May- fire truck; and June – ballot initiatives 61, 62, and 101 for the November election. Over the last two years this country has gone through an economic and financial free fall. A lot of people were shocked: homes lost value, mortgages were more than the value of their homes, a large number of people lost their homes. Those with stock market investments lost a lot of value in their investment and retirement accounts. A number of people lost their jobs. We all watched the Federal government, under both administrations, bail out banks, insurance companies, manufactures and other businesses, not so much the people. People were and are scared and angry at what happened and what it is costing. As the ballot initiatives in our state indicate, some people want government spending to stop. As a taxing authority this would include Evergreen Fire Rescue. Charlie saw this in his coffee group regarding the training building. It is really deciding between needs and wants. Director Kling thanked Mr. Gottsman for his remarks.

Evan Soibelman addressed board regarding the MOU brought up at the June meeting which he was not able to attend. He knows there was a clause in the MOU stating that if the District board wanted to cancel the MOU that written notice must be given six months in advance. Evan asked if that has happened since in reading the minutes it sounds like the Chief should have been made aware of this document during the hiring process and was not. Chief DeJong replied that with the MOU the District board has not received all the information that they want

in order to entertain that. Evan replied that he is talking about the discussion found on page two, third paragraph. Chief DeJong replied that Eva is working on his performance evaluation document and that Director Christensen inquired about adding some performance matrixes which has nothing to do with the MOU directly but more of how this evaluation tool should be written so that everyone is comfortable with the format and contents. Director Kling added that he has no knowledge of any District board member that wants to cancel the MOU with the volunteer firefighters and the discussion was to bring that document into the Chiefs evaluation process.

APPROVAL OF MINUTES:

- June 8, 2010 Special Meeting Minutes: Approved as presented.
- June 8, 2010 Regular Meeting Minutes: Approved, with grammatical corrections.

PRESENTATIONS

2009 Audit Presentation: The Finance Director, Mr. Worthington, introduced John Cutler of Cutler & Associates to the board; he also gave some background information on the audit process regarding the difficulty of the conversion process to the new financial software system which resulted in the audit being delayed. He is aware that Director deDisse has some concerns about the inability to compare this year's audit numbers with the 2008 audit performed by Masini & Assoc. Director Kling then commented that the District bylaws state that the audit is to be completed in June so he would like next year's audit to be completed during that timeframe, he does however understand that the delay this year was due proceeding to the conversion. Also, the audit was supposed to be presented to the audit committee prior to it being presented in open forum to the rest of the board. Mr. Worthington agreed that next year's audit will be completed on time and that it will be presented to the audit committee as prescribed in the district's bylaws.

John Cutler then presented the 2009 audit to the board. The audit was a bit more difficult due to all the changes that occurred in 2009: Bank changes, payroll processor changes and financial software changes, these all contributed to the difficulty of performing this audit. Although there were these issues, he is confident in the resulting product. He has looked through the audit himself and so has Brent Worthington and his staff who prepared the document. The audit shows that in their opinion this is a clean audit with no budget overages and that the District is in great financial shape. The reason there are no number comparisons to last year is due to the fact that this is the first year his company performed the audit. By comparing this year numbers to last year's numbers he would then be taking on the responsibility of someone else's work. He then asked the board to ask questions regarding the process or on the audit itself. Director Kling confirmed that he would like to see that in the future. Mr. Worthington confirmed that the paperwork he completed on the audit, which is independent of the audit performed by Cutler, does show the comparisons. Director Christensen asked when the Board would have access to the financials in real-time. Brent responded that he is working on the licensing issues and that this is something the Board will be able to do in the future with our accounting software.

President Kling then asked the Board to address any questions and concerns to John Cutler in page number order. Director deDisse had a question on page 18: First paragraph should read The District not the City. Director Kling had a question on page 21: Under Funding Policy; this statement is incorrect as currently written. He would like this paragraph to reflect what the District funding policy actually is; not state the FPPA's standard policy. This will be corrected with the District's actual policy and numbers. On page 22, Director Kling asked about the Pension plans; the second plan should read Paid Staff Pension Plan not Paid Firefighters'

Pension plan; also in the last paragraph of that page, the phrase fully vesting needs to change to whatever portion is forfeited. Both these changes will be made. Director Simon then had a question on page 23; He would like Mr. Cutler to explain what the number under prior period adjustments means. A discussion ensued. Mr. Worthington explained that in 2006 this was an expense item that should have hit the general fund ledger instead it was booked as an asset therefore this had to be adjusted. This mistake was found in this year's audit. Further discussion ensued. Director Kling is glad that this was found but would like a statement clarifying why this adjustment was made. Page 24: Director Kling commented that the numbers on this page are significantly different than what he thought they would be based on the December report which he understands was not the final financials for the year; therefore he would like the closed financials for the prior year presented to the Board in March. Director Simons had a question on page 29: It looks like the volunteers pension trust fund is under funded by \$660,818. This is the gap that we are trying to close with the additional funds the District is investing; like the \$36,000 additional dollars invested in 2009. Further discussion ensued.

A motion was made by Director Simons to accept and approve the 2009 Audit with the corrections and changes to be incorporated as presented above and with the Audit Committee confirming the change; Director Christensen seconded the motion. The motion passed unanimously.

May 2010 Financial Report

Brent Worthington presented the May 2010 Financial Report.

General Fund	\$ 1,549,124.35
EMS Checking	\$ 110,623.65
Strategic Capital Fund	\$ 1,444,971.82
Capital Projects	\$ 199,080.93
Debt Service	\$ 28,262.01
Apparatus Replacement	\$ 1,335,916.58
Tabor Reserve	\$ 119,953.29
Charitable Donations	\$ 4,426.23
 Total	 \$4,792,358.86

General Fund Revenues are at 160% of budget, and 105% of last year. The Budget variance will even out over the remainder of the year.

General Fund Expenditures are at 74.6% of the budget, 88.5% of 2009 YTD.

EMS Revenues are at 105% of Budget, and 99.6% of 2009 YTD.

EMS Expenditures are at 73.2% of Budget, 76.3% of last year.

The variance in the EMS from last month as due to an incorrect number entered into the budget in SAGE; that has since been corrected.

Director Christensen made a motion to accept the May 2010 Financial Report as presented. Director deDisse seconded the motion, the motion passed unanimously.

CHIEFS REPORT

Administrative / HR

- Job posting for EMS Chief underway.
- Working on Chief's review and feedback process. Final Draft to be submitted for approval. Feedback form to follow. Will be working on web format for completion.
- Compensation analysis underway. Data compilation completed and suggestions being made. Need face to face meeting for final direction and objectives.

Apparatus Equipment and Facilities Maintenance

- A-22 develop oil leak initiating fire. Minimal damage was done, thanks to quick action by Paramedic Galt. Repairs have been made and vehicle is back in service.
- Bar code project has been initiated. Working on group classifications and categories.
- External maintenance on facilities taking place. Director Kling asked about the three stations that had exterior problems. Chief DeJong said the District received a settlement from the vendor.
- Evaluating apparatus and facilities for strategic planning and budgeting purposes.
- Awaiting bids for the installation of generator and transfer switch for the Administration/Training building.

Communications

- New dispatchers in training.
- Contract signed with Pericle Communications. End user meetings have taken place. Finalizing questionnaire for additional input.

Emergency Medical Services

- EMS Chief being posted. Using Supervisors for coverage.

EVFD

- 13 probes have completed their Hazardous Materials training, finishing testing process.
- Reviewing various recruitment and retention avenues.
- Great turnout for Picnic – Special Thanks to Marc Condojani.

Finance

- 2009 Audit complete, presentation given this evening.
- Mr. Worthington added that he has sent out the 2011 budget worksheets to all the division managers, so work on next year's budget has begun. A discussion ensued regarding the budget process.
- As discussed in the work session. We are also working on the potential impacts of Proposition 101, Amendment 60 and Amendment 61. Presentation will be given this evening, recommend passing resolution.

Fire Prevention

- Since receiving new extinguisher 110 residents have been trained.
- Slash collection weekend, July 17 & 18. Banners set-up for advertisement as well as a request for Jeff Co Road and Bridge to use their road signs.
- Fire District and Fire Danger signs being placed throughout the district.
- Next major event is the Pancake Breakfast / Safety Day on September 18th.

Fire Operations

- Training building update, working on specifications.
- Working on fine tuning basic firefighting skills.

IT

- PM, repair and maintenance underway.
- Working on new platform for email/exchange servers as well as the SQL server. See purchase request.
- Reviewing X-map software for Wildland fire resource. Old versions no longer working. Costs being covered by 911 Authority Board – to be installed in the next few weeks.
- Computers and software received for fire simulation training. Will be setting up the computer lab in the library/computer room. Training underway.

Training

- 2010 Probe academy underway. Progressing very nicely with 13 probes.
- IQS database updated. Back to old version. Higher participation of pack tests this year. Great turnout with personnel with Red Cards. CSFS doing a careful scrutiny of certificates and records. Records are in order. Working with Allen Gallamore for more details.
- Working on a small initial attack command resources.
- Foothills RETAC conference was successful.

Special Comments / Other

- Radio System update –
 - Working on identifying frequencies for VHF system ongoing.
 - City of Denver has sent a final draft of the IGA will have signatures completed and forwarded. Three to four weeks to process the invoice for the matching funds.
 - End user meetings complete.
 - Development underway in the early stages.
- Slash Weekend - July 17-18th.
- Annual Banquet – September 17th.
- Pancake Breakfast – September 18th.

BOARD MEETING TOPICS FOR REVIEW

Chief DeJong presented an updated version of the board meeting topic spreadsheet. Many of these items are discussed in the Chief's report. On this version the closed topics have been hidden, they are still on the spreadsheet; they are not printed but hidden on the spreadsheet. Director Kling would like a calendar of events for the board eg: audit due by bylaws, audit due for state filing. It was agreed that Sylvia Ross would work with our attorney Linda Alexander to come up with a calendar of events including dates that are written in the District's bylaws. It was also agreed that at the end of the Chief's report, the board would glance at the topics review list each month. This list will be attached to the minutes.

OLD BUSINESS

Resolution 2010-0006 regarding Prop 101, Amendments 60 & 61: Brent Worthington made a presentation to the board regarding the Potential Impact on the EFPD Budget of Prop 101 and Amendments 60 and 61:

Proposition 101:

- Intended to reduce, freeze, or eliminate certain taxes and fees:
 - Sales Taxes

- Specific Ownership taxes
- Telecommunication Taxes
- 911 fees
- Some tax reductions would be immediate, others would be phased in.
- Specific Ownership Tax would be virtually eliminated:

2010	350,000
2011	262,500
2012	175,000
2013	87,500
2014	0
- 911 fees would be frozen at 2009 levels.
- Inflation and system growth would continue.
- Essential life-saving service to the District residents would be compromised.

Amendment 60:

- All De-Brucing authorization would be eliminated, effective January 1, 2011.
- Property Tax Calculations, as mandated by TABOR, would be required retroactively.
- TABOR Calculations could require a reduction in the District's mill levy, effective January 1, 2011.
- Could result in an immediate (Budget Year 2011) reduction in Property Tax Revenue of 5% to 10%:
 - Current Property Tax Revenue = \$3.8 million
 - 5% reduction = \$190,000
 - 10% reduction = \$380,000
- District could request a new De-Brucing measure in November 2011.
 - Maximum term: 4 years
 - Would need to be brought back for ongoing voter approval
- District could request mill levy increase in November 2011
 - Such increase would have a maximum term of 10 years
- 2003 Mill Levy increase for Debt Service would not be affected.

Amendment 61:

- Requires voter approval on ALL debt.
 - Includes leasing as debt
 - Could be tightly defined to include Purchasing Cards, even Accounts Payable
- Imposes maximum 10 year term on bonded debt.
- Imposes a limit on borrowing set at 10% of assessed valuation.
- If the District needs to issue Bonds for future expansion, the term of the bonds would be limited to 10 years
 - Colorado govt agencies compete with the entire nation for investors
 - 10 year bonds are not as desirable to investors
 - Therefore, interest costs would be higher
- If the District decides to pursue a program of leasing Apparatus or other capital equipment, voter approval would be required.
- Possible effects on interagency transfer funding to the District:
 - Counties would also be constrained as to type of borrowing and 10 year term restriction.
 - State of Colorado would be unable to borrow under any circumstance.
 - Any Grants or other interagency transfers traditionally funded by debt financing would be restricted or eliminated.

Overall Financial Impact:

Best Case Scenario:

2011: SOA Tax Reduction	87,500
2012: SOA Tax Reduction	175,000
Property Tax Reduction	<u>190,000</u>
Total	315,000
2013: SOA Tax Reduction	262,500
2014: SOA Tax Reduction	350,000 (And Ongoing)

Worst Case Scenario:

2011: SOA Tax Reduction	87,500
2012: SOA Tax Reduction	175,000
Property Tax Reduction	<u>190,000</u>
Total	315,000
2013: SOA Tax Reduction	262,500
Property Tax Reduction	<u>190,000</u>
Total	452,500
2014: SOA Tax Reduction	350,000
Property Tax Reduction	<u>190,000</u>
Total	540,000 (And Ongoing)

After the presentation, a draft Resolution was presented to the Board opposing the passage of the three initiatives. This resolution is similar to what other districts have passed or are currently considering. Director Christensen, after reading the resolution, would like the resolution to have stronger language on how these initiatives will impact our services. After some discussion it was agreed that a second preamble would be added to the resolution to read: *the voters of the District have, by popular vote, approved and supported certain property tax measures and budget to fund expected levels of service for and to the residents of the District, which services have been professionally delivered and require current levels of funding to continue to meet the expectations of the District residents.* Also, the words “may be” in the third and fourth preamble would be changed to “shall”; and the words “fund” would be changed to “maintain” and the word upgraded would be removed. A motion was made by Director Christensen to adopt the resolution with the additional language and changes as stated above, Director Simons seconded the motion, the motion passed unanimously. The signed resolution can be found on our website under EFPD Board.

Schedule Compensation Committee Meeting: A meeting was scheduled for Thursday, July 14 at noon with the Chief, HR Manager and the Compensation Committee (Directors Kling & Simons).

Salary Survey/Compensation Analysis Update: Director Kling reiterated that the committee has not met yet regarding the results of the survey therefore there is nothing to report at this time. Part of the delay was that he specifically requested that data from our neighboring districts would be part of the results. A discussion ensued. Sylvia Ross asked when the information/recommendations would be provided to the employees. Director Simons replied that he cannot answer that at this time. Chief DeJong added that when all is finalized the results will be posted for all employees to view.

Training Building Update: Asst. Chief Marshall addressed the board with an update on the project. Currently, himself and Lt. Jay Griggs have been working on what the firefighters would desire in a training building and now they are in the process of moving to the design stage.

They are working with an engineer and a builder to get an architectural design to then present to builders to get an estimate. He then opened the floor for questions/discussion. Director Christensen opened the discussion by saying the board is looking at this project at an investigative stage at this point. Director Simons asked about funding for this project. Chief DeJong replied that there are some funds available for this project in the strategic capital fund but additional funds would need to be added to maintain the other projects slated for funding through the strategic capital fund. Asst. Chief Marshall asked the board for some clarification on what they are looking for; what kind of building they would support, a training building with burn or no burn capabilities; they use the current building about 40-45 times a year. Director Kling replied that he is in favor of a training building but with burn training still being conducted at other facilities in the Denver area, but he is still open to supporting a burn building. Asst. Chief Marshall replied that he understands that the cost for this project is high, but what price do you put on training our firefighters since our current facility does allow us to provide them with the best training? Further discussion ensued. Director Christensen would like to see some estimates on both as he agrees with Director Kling and he too is open to supporting a burn training building. Asst. Chief Marshall continued that what the committee is currently looking at is a 30 x 40 building, by the stairwell; it will have a total of three floors with access to the 2nd floor from the current pit area and the upper floor, the 3rd floor, from the upper parking lot. The bottom floor would be a basement type of room so only two floors are showing above ground. The committee would like to model it so that it is esthetically pleasing and matching to our current buildings. Director Simons thanked Asst. Chief Marshall for his presentation and would like to reserve his judgment on this topic until he sees something on paper and after the elections in November. Asst. Chief Marshall finished his presentation by inviting the board to ask him any questions and if they would like a tour of the current facility he would be happy to show it to them.

NEW BUSINESS

Schedule Strategic Planning Meeting: After some discussion on the budget process it was agreed that this was not needed.

Legal Update: The reason Director Kling added this item to the agenda is because there have been times that the board has not addressed some of the issues that are brought up in the legal updates. One of the current topics, concealed weapons, conflicts with our current policy. After some discussion it was decided that these policies should be brought up to compliance with these updates.

Master Planning Process: Director Kling wanted to start this discussion now as there have been several people who have brought up planning for the future including Director Christensen and Mr. Gottsman. We need to readdress the old master plan and see where we are and also address what hasn't been accomplished and if those projects are still valid. In order to move forward with a new master planning process, there will need to be committees established that will have multiple meetings. The Chief envisions each division would work with subcommittees to analyze of the old master plan and then address the future. Director Kling would like to see some preliminary work on the committees and for the Chief to bring back a timeline next month. The Chief will address this in his August Chief's Report.

Spending Authorization 2010-0004: New Exchange Server. A motion was made by Director deDisse to approve the authorization, Director Christensen seconded the motion. The motion passed unanimously.

BOARD MEMBER COMMENTS:

Director deDisse thanked Brent for all his hard work on the audit as well as the presentation on the proposed legislation.

Director Simons thanked the staff and Linda for their attendance at this long meeting.

Director Kling echoed Director Simons comments.

MEETING ADJOURNMENT:

A motion was made by Director Simons to adjourn the meeting; Director Christensen seconded the motion; the meeting was adjourned at 10:10 pm.

NEXT MEETING DATE

Tuesday, August 10, 2010 in Training Rooms A & B.

ACTION ITEMS

- Master Planning Process Timeline
- Add calendar to Board Meeting Topics

Respectively Submitted,
Sylvia Ross
Recording Secretary

July 2010

Active Topics Discussed:	Discussed:	Update	Recommendations
Feasibility Report on training/burn bldg.	Apr-09	Jul-10	4/9/2010 Volunteer committee headed by Wayne Shephard reviewing operational needs for training building. Updates will be forthcoming. Dave Marshall is not heading up this committee.
Fire/ District signs	Apr-09	Jun-10	6/8 Motion made to allow the Chief to make the final decision on the signs. 7/10: The signs have been received and are being placed in strategic locations throughout the District
Mandated HR Trainings (Harassment/Violence)	May-09	Aug-10	Will be presenting potential changes to Staff Handbook including HR training issues.
Station 2 Fire Alarm Repair	Nov-09		7/10: Will be receiving final quotes this month. Will have a recommendation for August. If it fits within previous discussed amounts we will move forward. If quotes stay above, we will bring issues back to the Board.
Merit/Compensation Review	Nov-09	Jul-10	7/10: A month behind, need a face to face meeting with Compensation Committee (GK, CS, GD, EW) for final direction to finalize recommendations.
Review of District Benefits Package	Dec-09	Jul-10	Same as above.
New Security Card System	Feb-10		Ongoing Evaluation
Resolution on Prop 101, Amendments 60, 61	Mar-10	Jun-10	7/10: Updated information to be presented this evening; Draft Resolution proposed.
Schedule another Strategic Planning Mtg	Mar-10	Jul-10	set up date to facilitate budget process.
Update the Strategic Capital worksheet	Mar-10		Please see example and give feedback
Schedule Work Session for Chief Rev.	Apr-10	Jun-10	HR forwarding an updated document, working on feedback form, verifying web based capabilities.
EMS / Communications Mgr Vacancy	Jun-10		Currently using Supervisors to help cover duties. Will be replacing the EMS Chiefs position. Chief will continue to oversee Communications during transition to see if replacement can cover both divisions and to also review other options for having adequate oversight. Position to be posted through the end of August to include sufficient time for various postings to be effective.