

REGULAR BOARD MEETING MINUTES

CHAIRMAN RICHARD KLIEWER

VICE-CHAIRMAN JOHN ANDERSON

DIRECTOR HOYT

DIRECTOR LIBBY

DIRECTOR MILLER

CHIEF RICK JOYCE

ASST. CHIEF JOHNATHAN DUNCAN

SECRETARY SARAH PATANIA

MONDAY, JANUARY 14, 2013

ITEM

1. Call to Order and Flag Salute. 10:01 a.m.

2. Roll Call. Directors Miller, Libby, Hoyt, Anderson, and Kliewer present. Chief Joyce absent. Assistant Chief Duncan present in lieu of Chief Joyce.

3. Approval of Minutes for the Regular Board Meeting of December 10, 2012. Director Libby motions to accept the minutes for the Regular Board Meeting of December 10, 2012 as written. Director Hoyt seconds the motion. Motion carries with 5-0 ayes.

4. Public Comment on Open/Closed Session Items: This is an opportunity for members of the public to address the Board on subjects within its jurisdiction, whether or not on the agenda for this meeting. The Board reserves the right to reasonably limit the length of individual comments and/or the total amount of time allotted to public comments. Speakers may request their comments be heard during Public Comment instead of the time when the item is to be acted upon by the Board. The Board may ask questions but may take no action on items addressed during the Public Comment period except to direct staff to prepare a report or to place the item on a future agenda. If you desire a written response, please provide the secretary with your mailing address.

5. Cash Report

Total interfund cash: \$35,597.09

6.Old Business and Board Directives from Previous Meetings

6a. Discussion and Possible Action on use of unused medical funds to purchase Life Insurance policies with the remaining fund geared towards 401K plans—with Guest Speaker Kevin Charter, Edward Jones Investments.—Director Libby

Director Libby turns the meeting over to guest speaker Kevin Charter from Edward Jones Investments.

Kevin Charter introduces himself, and provides a handout for the Board and employees to review with the breakdown of differences between and Simple IRA, and a SEP IRA.

Director Anderson asks about the administrative fees for these plans.

Kevin Charter states that for the Simple IRA that the fees are \$40 per year, which the employee would pay, and there is no third party administration. The SEP IRA is a bit more involved, based on what an employee chooses to put into the plan. He then goes on to detail the differences between both plans. The Simple IRA would come out of the paycheck, and would require FUTA and FICA only to be withdrawn. The Simple IRA could be matched up to 3% by the employer, and can go with you wherever you go. The SEP IRA has no payroll deductions from the employee and is

strictly paid by the employer. Kevin states that once a decision is made regarding the plan the Board is in favor of, that they would open a District account and meet individually with each person to set up their plan.

Director Miller refers to the handout and asks Mr. Charter about the statement that all part-time employees must be included in this plan. Does this also include volunteers?

Mr. Charter states that usually they are not included, but that he can look into it.

Director Libby states that there is a volunteer firefighter assistance program through the state titled CSFA (California State Firefighter's Association)

The Board asks that they explore the difference between a 2% and 3% contribution.

Secretary Patania does the calculations, and states that at this time, with the unused funds available of \$2000; they would be within the Budget if they did the 2% match.

Kevin Charter states that if they chose to go with the Simple IRA, they would have to agree to go up to 3% to participate in the plan, but could choose to contribute the percentage they have in funds available.

The Board discusses the benefits, and is in favor of the Simple IRA. They also discuss when they would allow employees to access this type of benefit, such as after the probationary period of six months of employment.

A short recess is called at 10:27 a.m. for Chairman Kliewer to accept a call from County Counsel.

The meeting resumes at 11:05 a.m.

Chairman Kliewer asks that the Board take some time to review the information, and that Director Libby report on this topic again next month after confirming employee salaries.

6b. Discussion and Possible Action on developing a Strike Team Policy.—Director Libby/Chief Joyce

Director Libby would like to table this item until next month, when he can have the input of Chief Joyce.

Chairman Kliewer asks that next month the agenda item include the two separate items of Strike Team Policy, and the Station Coverage policy.

Director Libby agrees.

6c. Discussion and Possible Action on Reviewing to-date progress on stale-dated warrants.—Director Kliewer

Director Kliewer introduces the topic and asks for the Secretary Patania to report on this item.

Secretary Patania states that she submitted all of the letters and information to Jennie Ebejer to review on the 20th of December, and she sent back an email stating that she had forwarded the information to Orlyn Torafson and that once he had reviewed it they would chat about it and get back to me. Secretary Patania stated that she had sent emails, and made phone calls that week to both of them, but had no response. She is not sure if this is because of the holidays that this has been slow in response, but feels that it has been on the table for some time, and would like to resolve this matter.

Director Kliewer states that they should wait another 30 days, and then approach them again.

Director Libby states that a letter should be drafted to include that if they do not respond within this time, that the Board is not satisfied with the response of the County Auditor's office, and to have the Board sign it.

Director Anderson states that once this is done, if there is no response that they will go over the County Auditor's jurisdiction for response.

6d. Discussion and Possible Action on reviewing the Policy and Procedures for testing hydrants for HOA's and Private Hydrant Systems.—Director Kliewer

Director Kliewer asks Assistant Chief Duncan if there are any updates on this at this time.

Assistant Chief Duncan states that with the below freezing temperatures, there have been no testing of hydrants.

Director Kliewer defers this topic until the next board meeting.

7. New Board Business and Possible Action

7a. Discussion and Possible Action on installing a Generac Panel for the Generator at Station #1.—Director Anderson

Director Anderson asks Assistant Chief Duncan if the current generator is of any use.

Assistant Chief Duncan states that that the generator's fuel tank is rusted and the switch is malfunctioning.

Director Anderson asks if anyone has come to check the current panel we have.

Assistant Chief Duncan states that when Baker was still here, someone did come out to look at the electrical panel, but is not sure if we have any documentation on it.

Director Libby states that the generator was originally purchased just for fireworks displays and is probably 30 to 40 years old. He suggests looking into a military or government auction.

Assistant Chief Duncan suggests looking to the GSA auctions website to look.

Chairman Kliewer is concerned that a generator to benefit the station would cost upwards of \$8000.

Director Miller suggests that we approach local businesses that are going out of business to see if they would consider donating a generator to the MSFPD. He also states that he will inspect the one at the Hammond Ranch station to see what they have.

Director Anderson states that they would be able to use this as a write off.

Chairman Kliewer asks Director Miller and Director Anderson if they would form an advisory committee to research this topic further, and report on it at the next board meeting.

Director Miller and Director Anderson agree.

7b. Discussion and Possible Action on payment for forensic portion of audit by Smith & Newell prior to Baker trial.—Director Kliewer/Secretary Patania

Director Kliewer hands this portion of the meeting over to the Secretary for comment.

Secretary Patania states that we have been receiving polite notices regarding the bill for the forensic portion of the audit conducted last year, and that the invoice dated July 13, 2012 is still outstanding in the amount of \$6,976. This amount was intended to come out of monies granted from the pending court case, but since that has been continually postponed, Secretary Patania is curious how the Board would like to handle this.

Director Libby, through the chair, advises that the Secretary submit the bill to the D.A's office, and confirm that they have it. After this, he advises the Secretary to draft a letter to the effect stating that this has been submitted to the D.A's office, and that it will come from the possible restitution from the trial. He also makes a motion to this affect, and Director Anderson seconds it.

Chairman Kliewer calls for a vote, and the motion carries 5-0 ayes.

Secretary Patania agrees, and will present a draft of the letter to Director Libby prior to sending it to Smith and Newell.

7c. Discussion and Possible Action regarding November 6, 2012 election results and payment for election fees to County Clerk's office.—Director Kliewer/Director Miller

Director Kliewer asks for Director Miller to speak on this topic.

Director Miller states that this issue has been resolved with County Counsel and the County Clerk's office, and that John Anderson will serve the term as outlined in the ballot. He also refers to a letter from the County Clerk's office stating that the election will stand, and there will be no additional election. (See Letter on File)

Director Libby confirms that there is a copy of this on file.

Secretary Patania states that the letter from the County Clerk is in a file titled "November 2012 election", and will also be in the binder with the January 14, 2013 minutes.

7d. Discussion and Possible Action on reviewing quotes from alternate CPA agencies to perform the MSFPD's FY 2012 audit.—Director Kliewer/Secretary Patania

Director Kliewer asks for Secretary Patania to report on this topic.

Secretary Patania provides a formal proposal to the Board from Clay Singleton, CPA of Haws, Theobald, and Auman, PC out of Susanville. This company was recommended by the Secretary of the Adin Cemetery District.

Director Anderson notes that the yearly audit would cost about \$5500 vs. the \$4500 we have been paying for yearly audits.

Secretary Patania states that this appears to be correct, and that she has also been speaking with a company out of Redding called Isom and Matsom, that have not put together a formal proposal as yet, because they wanted to review last year's audit to be able to give an appropriate estimate.

Secretary Patania states that at Director Anderson's request, she did ask that they provide a non-disclosure agreement before she released this information, which they were happy to provide. This estimate will be available by next month's Board meeting.

Director _____ asks if perhaps we could check with other fire districts as to whom they use for these services.

Secretary Patania states that she will check.

7e.—Discussion and Possible Action on MSFPD's Auto-Aid Agreement with Dunsmuir/Castella.—Chief Joyce

Assistant Chief Duncan presents this agreement to the Board, and states that the benefits of this agreement include the use of an engine with a ladder, as well as better response times, especially when snow is in the middle divide of I-5, since Dunsmuir has to come all the way to the Mott road exit, and back down to respond to a call north of the scales on I-5.

Chairman Kliewer thanks Assistant Chief Duncan and the absent Chief for the diligence in this matter, since we have not had an agreement with them previously.

Director Miller motions that we accept the auto-aid agreement, and Director Hoyt seconds the motion. It carries 5-0.

Chairman Kliewer and Secretary Patania sign the auto-aid agreement.

8. Next Regular Board Meeting Date: February 11, 2013 at 10:00A.M.

9. Chief's Report and MSFPD Information Report to the Board.

See attached report.

10. Closed Session item—Discussion and Possible Action on Secretary Performance review.—Board of Directors.

The Board recesses at 12 noon for closed session.

At 12:50 the Board reconvenes and states that the performance evaluation was positive.

11. Discussion and Possible Action on Accepting Donations.

No donations.

12. Fund Transfers.

From Retirement of Long Term Debt (742000) to Interest on Long Term Debt (744000)--\$1121

13. Payment of Bills.

Director Libby motions to pay the bills, and Director Hoyt seconds the motion. Motion carries with 5-0 ayes by the entire board.

14. Board Comments and Questions: At this time, members of the Board may ask questions of staff, request that reports be made at a later date, or ask to place an item on a subsequent agenda on any subject within the Committee's jurisdiction. In addition, the Board members may take this opportunity to make comments on any topic that is not on this agenda; however, no deliberation may be conducted and no decision may be made on such topics.

Secretary Patania provides an article from the Record Searchlight on Sunday, January 13, 2013 that discusses how Special Districts in Shasta County are struggling with budgeting.

Chairman Kliewer states that he would like to have an agenda item for the next meeting to discuss in detail our budget, and how our allotments have been declining over the past two years. He assigns himself and Director Anderson to have an advisory committee for the budget that will report at that time, and asks the Secretary to look at the deposit trend from 2009-2012. He also asks the Secretary to find out when there is a seminar put on by the County Clerk's office in February.

15. Adjournment. The Board adjourns at 1:21 p.m.