

**CORTEZ FIRE PROTECTION DISTRICT
REGULAR BOARD MEETING
June 12, 2013**

CALL TO ORDER

President Bridgewater called the meeting to order at 6:37 p.m. in the meeting room at Station #1. Roll call followed and the board members present were Lori Johnson, Orly Lucero, Kent Lindsay, Keenan Ertel and Jim Bridgewater. Administrative Assistant Wendy Mimiaga and Asst. Chief Charles Balke and Chief Jeff Vandevoorde were present for the meeting.

APPROVAL OF MINUTES

The minutes from the regular meeting held May 8, 2013 were brought before the board for approval.

Orly Lucero made a motion to approve the minutes for the regular Board of Directors meeting held on May 8, 2013, Keenan Ertel seconded. The minutes for the meeting were approved on the following vote:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

BILLS AND ACCOUNTS

The board reviewed the list of bills and accounts and the financials included in the Board packet. Ms. Johnson inquired why the retirement payment for Asst. Chief Balke was not listed on the Bills and Accounts. Ms. Mimiaga explained that it is unclear why it did not show up on the list, but that it is included with the checks. The amount was \$263.97. Ms. Johnson also had a question about the profit and loss statement, and why under benefits (5103) there is a negative amount under 5103c – FPPA, -10,566.93, and a corresponding positive amount under 5103 – other. Ms. Mimiaga explained that while trying to break up the 5103 Benefits into subsections to better track each subcategory of the benefits, the FPPA (the firefighter pension) has two parts, the contribution from the individual firefighter and from the district. The negative number is the individual contribution that should not show up on the profit and loss, but more work needs to be done before making the changes to ensure the payroll side is not changed. The -\$10,566.93 should be added to the total of \$29,007.20 for a total paid out in benefits of \$39,574.13.

Lori Johnson made a motion to accept the bills and financials including the supplemental list of bills and the retirement benefit for Asst. Chief Balke that was omitted from the Bills and Accounts list, Orly Lucero seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

PUBLIC COMMENT

Larry, Carol Rhan's husband attended the meeting at her request. Ms. Rhan is interested in being a member of the citizens committee to help the District pass the Mil Levy.

Mr. Lindsay inquired if staff knew how SB 13-025 will affect the District. Asst. Chief Balke replied that the Colorado State Fire Chiefs Association has asked for some clarification about what will happen now, but the reply was that they will get back to them. The Board will be kept up to date as more information is known.

Ms. Johnson had a letter that was delivered to her earlier in the day from Charlie Rosenbaugh regarding the Dollar Store fire. Mr. Rosenbaugh had contacted Ms. Johnson regarding some issues he had. Ms. Johnson in turn requested he put it in writing and give them to the Board. Ms. Johnson has downloaded

the radio traffic from the fire at the request of Asst. Chief Balke, but has not had an opportunity to re-listen to it. Ms. Johnson did comment that when Chief Vandevoorde was requested to open the door by the interior, there was still heat and smoke in the building, he reported that over the air and ordered everyone out of the building. Chief Vandevoorde mentioned that the letter was second hand, and the author was not involved with the scene, nor its command, and would have no idea as to what or how it was being handled, no one was put in a dangerous situation. The Board did comment on the issue of Chief Vandevoorde not having the "proper attire."

CORRESPONDENCE

Included in the packet were inclusions from the Cortez Journal, and the letter from Charlie Rosenbaugh was added at the meeting.

REPORT FROM THE ADMINISTRATIVE ASSISTANT

A report of the current financial accounts was included in the packet. The county treasurers' office distributed a total of \$96,334.85 to the district for the month of May, 2013. \$70,193.82 for the general mill levy, and \$26,141.03 for the additional two (2) mill levy.

The business money market account at 1st Southwest Bank had a balance of \$128,757.99 as of May 31, 2013 with Interest earned in May, 2013 of \$44.07, and year to date \$393.19. The annual percentage yield decreased from 0.30% to 0.28%. The 24 month jumbo CD of \$252,500 at 0.90% earned \$188.82 on May 13, 2013. Total interest paid in 2013 is \$948.96 and total to date is \$2,848.76. The current balance is \$255,348.76.

\$124,000.00 was withdrawn from the 1st Southwest money market account on May 15, 2013 and deposited into the general fund to cover the Districts payment to KME for the new rescue pumper. We also received the \$51,000.00 from Mid America Fire Apparatus on May 19, 2013 for the trade-in of Engine-2. This covers the check for \$175,000.00 that was sent to KME on May 3, 2013.

The balance in the State Farm account, as of May 31, 2013, was \$986,505.01 with interest earned in May, 2013 of \$544.55. Interest earned year to date is \$2,735.41. The interest rate remained at 0.65%. The total in our reserve accounts is \$1,370,611.76.

The Lease purchase with Hutchinson, Shockey, Erley & Co. was closed on May 14, 2013. HSE wired KME \$316,000.00. The District sent a check to KME for \$175,000.00 for the total of \$491,100.00 for the new rescue pumper. It has been written into the agreement that we will pay the 2013 interest incurred, about \$5304.41, at the end of the year, and that upon the delivery of the truck, October or November, the payment of the grant, \$112,500.00 will go directly to pay down the principal.

At the last Board of Directors meeting, May 8, 2013, Ms. Johnson inquired why we pay the volunteers on a W-2 instead of a 1099. Upon looking into the discrepancy, Heidi Trainor, CPA, informed me that according to general employment law, no matter if you are a full or part time employee, you must be issued a W-2. 1099's are reserved for independent contractors, freelance or temporary employees. These individuals are also required to carry their own insurance, and would not be covered under the Districts workman's comp or liability insurance, and possibly the Colorado Government Immunity Act. We only have ten or less volunteers, individuals who are solely volunteers, so the amount in taxes covered by the District would be very small. Ms. Johnson believed that the W-2 is the best way to go, but she has heard that other volunteer departments are paying their volunteers on 1099's. Ms. Mimiaga explained that in the (distant) past a volunteer was a volunteer, and not paid a "steipend" or "clothing allowance." These individuals are technically volunteers, but are being paid to do a job, and if issued a 1099, they would be considered an independent contractor, which they are not. They are trained, outfitted and told what to do by the department, which would constitute an employee, not an independent contractor. Ms. Johnson also stated that this, being paid, would exclude them from the Good Samaritan Law. President Bridgewater suggested that we contact SDA for their legal opinion.

Unemployment ticked up to 7.6% from 7.5% in May with the economy adding only 175,000 jobs, but a bit better than April's job growth which was revised down to 149,000 jobs from 165,000. This was right in line with what was expected. Even with the slight strengthening of the economy, there is not enough momentum for the Fed to slow down their quantitative easing, so they will continue to purchase \$85 billion each month to help keep interest rates low.

REPORT FROM THE ASST. CHIEF

Asst. Chief Balke went over his report that was included in the packet along with a list of the trainings, meetings and events he attended. Asst. Chief Balke reported that the S130/S190 class for the academy was taught by the BLM. There were also several other trainings scheduled for the month, but were very poorly attended.

Asst. Chief Balke is working on the Montezuma County Fire Investigation Team, along with the Sheriff's Department and the Cortez Police Department, to improve all the agencies capabilities on doing fire investigations. The Asst. Chief has also been working with the Pinon Project on a mentoring program. It would be similar to the internship we do with the high school, but not as scholastic. More like the Big Brothers Big Sisters model, an outreach type mentoring program for the older children. The Pinon Project does more than just working with the little children.

We were awarded the Provider grant which will be used to purchase EMS equipment, and the VFA grant for \$9,500 for wildland equipment. The VFA grant requires a 50% match. It still has not been determined if they will open the AFG grant for this year, 2013. The Federal Government did state that they will be funding several grant programs at different financial levels. It has been announced that the SAFER program will be funded for 2014, so we will be reapplying.

The pump testing was done, and all of our trucks with pumps failed. All the E-One styles apparatus failed due to leaky valves. These are 1996 and 1998 trucks that have passed in the past, however this year they did not pass the dry vac. We are looking into having the valves rebuilt as part of developing a maintenance program for the apparatus. The Rosenbauer engine and tender need to have their pressure governors reset through a magnet system, which we will need to look into getting the system here. They will still pump, but did not meet the necessary levels for the test. This gives us a good idea of what maintenance has taken place in the past, and what still needs to be done. Ms. Johnson asked if we should look into having a maintenance person on staff. Asst. Chief Balke explained that we do have one person who is looking into getting the qualifications right now. Taz, Mike Ptaszynski, who has been employed as a mechanic by the District in the past, has been working with the full time firefighters on improving the overall maintenance program. A maintenance schedule has been developed and we have had the units sent in for oil changes and general maintenance, it is the ancillary things, i.e. rebuilding valves, that still need to be addressed. Chief Vandevoorde explained that he has approached Cortez Diesel about doing a maintenance program for the District, and talked with Shane Hale, the Cortez City Manager, about possibly using the cities maintenance facility, for general maintenance, i.e. scheduled oil changes. Asst. Chief Balke will give the firefighters NFPA 1911, the mandate on the maintenance requirements for fire apparatus.

The exchange students were here on May 29, 2013 again, and spent the night in the fire station this year. It was reported that this was a great time for them.

Also included in the report was a graph of the monthly calls and response times for May broken down by district. The weighted average response time for the month of May, taking into consideration all districts, was five minutes, fifty-two seconds.

Ms. Johnson asked if the Asst. Chief and the Chief have done the after action review on the Family Dollar Store fire. Asst. Chief Balke replied that it will be done at the members meeting, June 24, 2013. Ms. Johnson wanted the Chief's to give some positive lessons learned from the incident. Asst. Chief Balke did comment that based on talking to several individuals one on one, some of the comments were that we were able to be on scene quickly and make a knock down despite the circumstances of what was going on inside and the time frame the fire was reported, using effective tactics. No one was hurt or over exerted, and we had good turnout. Many of the Cadets were there, and got to use the skills they

have learned through the academy which was exciting for them. Overall, it went very well. It was contained to one suite, and one quarter section of that suite. Mr. Lucero inquired if there was a record with the City as to when their last inspection was conducted. Those records would be with the City of Cortez. Each business is supposed to be inspected yearly.

Mr. Ertel inquired when was the last time we went out for bid for our auditor and accounting service. Mr. Lindsay explained that he asked Mr. Ertel about this due to a recent experience with a fraud. Chief Vandevoorde has just checked on the amount that we pay Heidi Trainor for her services as our auditor, and it has not changed for the past three years. People like to change every couple of years, but Ms. Trainor is very competent and capable, and familiar with our District. Ms. Johnson asked if it would be good to have a fresh set of eyes to work on our audit. Mr. Lindsay asked if since she is also our CPA and we pay her to do other work for us besides the audit, should we keep an arms length transaction. Mr. Lindsay explained that he was told by a fraud auditor that you should change auditors every two years, or even every year. If not the company, then the person to make sure you get a fresh set of eyes. Ms. Mimiaga did report to the Board that Ethan, a newer accountant that is working for Ms. Trainor, is who she has been working with on the audit. The Board thought that was good.

Asst. Chief Balke presented the completed preliminary power point about the District, that will be presented to the public, to the Board. A few slides on the Mil Levy have also been included at the end of the presentation if anyone asks a question about it. He asked them to let him know if they would like any additions or deletions from the presentation. A list of talking points was also handed out. Larry Rahn, citizen, made a point at the end of the presentation that we should add the costs of the in-kind donations, i.e. ropes training, to the bottom line. We are asking the public for an increase to help cover the cost of training, therefore we should report the total it would cost us. We would have to pay for the training, or anything else that may have been donated to the District, had it not happened to be donated.

Ms. Johnson inquired about the Jack Click fund and where the money comes from. It was explained that it is funded through donations, and that seed money was put into it when Mr. Click passed away. It had been requested that individuals make a donation in lieu of flowers. The money is then used for scholarships for training. The firefighters have to apply for it, it is not just a give-away, they need to qualify for the scholarship.

REPORT FROM THE FIRE CHIEF

Chief Vandevoorde went over his report and list of meetings that was included in the packet. The Chief reported that the blood drive the District hosted on May 29, 2013 went well. About twenty members from the community donated, however not many members from the department or the Board participated. We will try to schedule another blood and food drive later in the year.

The Chief and Asst. Chief were invited to the dedication of the new visitor center at Mesa Verde National Park where Governor Hickenlooper signed two bills related to wildfire prevention and response.

There were 111 calls during the month of May, 86 EMS, 19 fire and 6 vehicle accidents. The total calls for the year, 2013, is 617.

The Chief and the Asst. Chief were invited to a ceremony at the High School where the District was presented the Outstanding Business Partner award. This was in part due to the work we do with Lori Mott's class. Ms. Mott and Asst. Chief Balke work very hard on her class. We are down at the high school once a week working with the students.

Chief Vandevoorde stated that the firefighters did a great job on the Dollar Store fire. They had a very quick response and did a good job on containing the fire to one area, especially due to the cause of the fire. Mr. Lindsay also provided good information at the scene.

The wage survey was previously handed out to each Board member. This provided good information as to where we stand as an organization based on wages, benefits, mil rates. This shows that we are at the lower end, and it will take a lot of work to keep people here. Volunteerism is not here, firefighters are

looking for career positions. All of our current cadets want to test to be reserve or career firefighters, they do not want to remain volunteers. It is going to be very challenging for the Board and the department.

We will be testing again for an eligibility list. We currently only have two people left on the current full time eligibility list, which is almost a year old. Justin Lindsay has resigned as a full time firefighter and gone back to being a reserve firefighter. Nick Martinez will be starting on June 16, 2013.

The Burn Ban was reinstated for Montezuma County on June 10, 2013.

OLD BUSINESS

There was no old business.

NEW BUSINESS

- A. Election** – A resolution was presented to the Board to appoint Wendy Mimiaga as the Designated Election Official for the November 5, 2013 election.

Keenan Ertel made a motion to accept Resolution No. 3, Series 2013, Election Resolution appointing a Designated Election Official and authorizing Designated Election Official to cancel election, Lori Johnson seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

A letter to be sent to the County Clerk notifying the intent of the Cortez Fire Protection District to participate in the November 5, 2013 election was presented to the Board for President Bridgewater's signature. This is not due to the Clerk until the end of July, 2013, however Ms. Mimiaga would like to get a head start working on the election. The Ballot Question is already being worked on to be presented to our attorney, Mr. McCabe.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT

Having no further business to come before the board, Keenan Ertel made a motion to adjourn the meeting, Orly Lucero seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

The meeting adjourned at 8:07 p.m.

Jim Bridgewater – President

Attest:

Kent Lindsay – Secretary/Treasurer