

**MINUTES OF THE REGULAR MEETING OF
BOARD OF DIRECTORS OF THE
MOUNTAIN VIEW FIRE PROTECTION DISTRICT
July 7, 2015**

I. OPENING OF REGULAR MEETING.

A. Call to Order

The regular meeting of the Board of Directors of the Mountain View Fire Protection District was held at the Administration Building, 3561 N. Stagecoach Road, Longmont, Colorado, on July 7, 2015, and was called to order by Joe Baker at 1800 hours.

The meeting was attended by the following Board members: Joe Baker, Catherine Henze, Scott Barcewski and Debbie Brodhead.

Jerrod Vanlandingham was absent and excused.

Quorum was established.

Staff members present were: Mark Lawley, Jessica Scheopner, Donna Mullison, Roger Rademacher, Keith Long, Union President Sean Flagg, District Attorney Rick Shearer, and Robert Feis.

D. Approval of Agenda

Director Scott Barcewski moved to approve the agenda. Director Catherine Henze seconded such motion, and it was thereafter unanimously approved.

II. CONSENT AGENDA

A. June 15, 2015 Regular Meeting Minutes

Director Catherine Henze moved to approve the June 15, 2015 regular meeting minutes. Director Scott Barcewski seconded such motion and it was thereafter unanimously approved.

III. PUBLIC/MEMBER PARTICIPATION

NONE

IV. ACTION ITEMS

A. 2014 Audit

Robert Feis, CPA, with Lemke & Feis reported the following:

He provided the Board with the financial statements, graphs and management letter. He started with a brief overview of the 2014 financial statements. He reviewed the auditor's report which includes responsibilities by both the Board and its auditors. This includes the auditor's opinion of the District's financial statements. The opinion of the firm is that the financial statements are in accordance with generally accepted government accounting principles for government agencies. There are no exceptions to the report. Information was given in a timely manner and no unusual items were found. The audit, according to Mr. Feis, is clean.

He then reviewed the net position of governmental funds, which does not include the pension fund. The net position shows a strong financial position. Total assets equaled just at \$30 million and total liabilities equaled a little over \$13 million; thus, ending the year with just over \$16 million in net assets. He continued to review the general fund and the comparison of revenue report. He specifically spoke to fees for services and the changes in them. He explained that this does not mean the District's ambulance activity went down. The trend throughout the medical field and other ambulance services is that the amount of discounts from insurance, Medicare and Medicaid mean less money collected on the dollar. He continued to review the remainder of the financial statements for the general fund and capital reserve funds. In his opinion there are no budgetary concerns for either fund.

He moved to give an overview of the pension fund. He explained that the total assets are approximately \$2.8 million as of December 31st, 2015. He asked for the Board to note carefully that this is fair market value as of December 31st, 2015. This is specifically for the pension fund only. The increase in the market value is \$42,000 for the year.

He stated he was not going to go over all the notes to the financial statements. He highlighted the note regarding GASB 67. This is new for this year and it mandates a change in pension reporting including unfunded liabilities. In his opinion, the pension fund has no budgetary concerns and the audit for the fund is clean.

He stated he was done reviewing the financial statements. He explained to the Board that these items, upon their approval, will be sent down to the State Auditors Board.

He then moved to review the report to Governing Board and Management report on the three year comparisons of assets, the general fund, revenues, expenses, etc. There are no major areas of concern and the District is in a strong net position. Consistently the District has budgeted accordingly and not exceeded expenditures over budget.

Director Catherine Henze asked why there is debt service in 2014 but not in 2013. Mr. Feis explained that this was for the General Fund. In previous years the debt service payment has been paid out of the Capital Reserve Fund. The debt service is for a lease purchase for Station 7 and Station 6. It will be paid off in 2018.

The last item he reviewed was the Management Report regarding internal controls. This explains audit process and internal controls. Due to the size of the District, there is a segregation of duties issue due to the limited number of personnel. If any irregularities come about, there are checks and balances in place to offset any deficiencies. The firm is happy with the controls, checks and balances in place.

Director Scott Barcewski moved to approve the 2014 Audit. Director Debbie Brodhead seconded such motion, and it was thereafter unanimously approved.

B. Board Censure of Director Henze

President Joe Baker made a motion to accept the apology as stated in the packet. Director Debbie Brodhead seconded such motion, and it was there after unanimously approved.

C. July SB 25 Resolution

Director Scott Barcewski stated the following:

After last month's meeting, he was disappointed in the way things ended. He feels that to be fair we should at least move to accept some portion of Senate Bill 13-25 that was presented by the Union then and in this month's packet.

Scott Barcewski made the motion to approve the final proposed resolution submitted by the Union, as written. Catherine Henze seconded this motion. A roll call vote was taken.

Director Debbie Brodhead voted no.
Director Scott Barcewski voted yes.
Director Catherine Henze voted yes.
President Joe Baker voted no.

The vote is a tie and the motion dies at the table per President Joe Baker.

President Joe Baker further stated professionally speaking we need to let democracy work. In his opinion, at the last meeting democracy was at work. There was a motion on the table; discussion, and a vote. This is the way it should work. More or less the organization has been working on this for seven months. There is a resolution that was passed and we, as Directors, need to give this a chance to work. He further explained that we have not given it an opportunity to work. The issues are numerous facing the District. He would like to see if a retreat can be coordinated to work together on the direction of the District. In the case of the resolution passed last month, he explained that it is imperative that we need to give it a chance. He asked Administration to look at a retreat prior to the budget hearings in October.

V. REGULARLY SCHEULED ITEMS

NONE

VI. REPORTS

Chief Lawley stated:

There are no reports included in the packet because of the timing of this month's meeting. Please anticipate having two months of reports in the August meeting packet along with one month of financials to approve.

VII. EXECUTIVE SESSION

None

VIII. BOARD MEMBER ITEMS

Director Scott Barcewski asked if we have an architect for the new station in Erie. Chief Lawley stated that the District has hired an architect and have a signed contract. At this time the architect is working on the drawings.

Director Scott Barcewski asked if we have a timeline to move forward. Chief Lawley explained we are still in the plat process with the Town of Erie. We are hopeful to have permission to move forward with construction later this year. Prior to that time, we are working on getting the drawings complete to put out for bid for costs. This will ensure we are ready to go once approval from the Town of Erie is given. We are hopeful to start construction this year. Signage regarding the property will be put up shortly. He further explained the referral process for this particular project and the time it takes to collect those referrals.

Director Catherine Henze asked what type of station it will be. Chief Lawley explained it will be a residential type construction and offered to provide the Board with the elevation drawings after the meeting.

Director Scott Barcewski asked with Amy Tallent leaving the organization and Chris Allard leaving earlier, what are the plans to replace personnel for Public Relations and Foundation. He asked if grant revenue decrease reflected in the audit is tied to this.

Finance Director Donna Mullison explained the grant issue. It was less than budgeted because a portion of the money was received in 2015 and the audit is only through the end of 2014. We did not recognize all the grant revenue budgeted in 2014 because of this.

Chief Lawley stated we did not intend to replace Chris Allard when she left. He intends to work with the Board on the Foundation direction in future meetings. He stated Emma Douglas has been hired full-time in the Community Outreach position. Amy Tallent has a six month contract with the District to continue with Public Relations. He will be making a decision in this year's budget process regarding Public Relations. His preference is to continue to work with Amy as a contract employee. He hopes to continue to discuss with the Board and staff the direction of the District at a possible retreat in the next couple of months, which would include this item.

Director Scott Barcewski asked for division heads to be present for reports at Board meetings. He feels it's a beneficial part of getting information. This is his preference and he asked for the opinion of the Board.

President Joe Baker stated that we could have the Division Heads come to make reports.

Director Scott Barcewski further asked about the Strategic Plan, specifically looking for clarification on several items, in his opinion, that have not been completed. He provided a list to the Board and Chief.

Chief Lawley stated the list can be addressed at the retreat with all current Strategic Plan and Work Plan items for 2015.

Director Scott Barcewski stated he agrees with President Joe Baker that the Board works for the best interests of the citizens. He asked specifically for an internal and external confidential survey. He defined the internal survey participants as the Fire Chief all the way down to any volunteers in the organization. He asked for the survey to include the opinion of how internal members feel about how the organization is moving. The same applies for the external survey. He felt with the wrap-up of the lawsuit, a survey would be beneficial to guide the organization into future planning. He asked if there were any thoughts or opinions on the matter. He is asking for this year to move forward into 2016.

Chief Lawley asked for patience and to wait for the presentation at the retreat including a study session. He feels this would answer a lot of the questions on how, where and when we will get there. After that the Board could then make a better decision on when and if a survey, for example, would be of the best interest to the District. He explained that a citizen survey was completed for the Accreditation process. He was unsure if the current Board has seen those results.

Director Scott Barcewski explained that he understood there is information needed before conducting a survey. He was not demanding this be done right away. He stated he felt this would be a great topic to discuss at a study session to help guide the Board's visioning process.

Chief Lawley asked the Board to allow staff to walk through the process with them. As result of the information that staff presents to the Board on where the District is now, and the direction given to the Chief which has been handed down to staff, the Board can then decide how to proceed forward.

President Joe Baker explained that a benefit of a retreat is getting an idea from the Directors where the District is going in the future. This would give the Board a better idea of how to conduct a

survey to accomplish those goals. The goal is to have a sound and sustainable District while prudently managing the effects of growth.

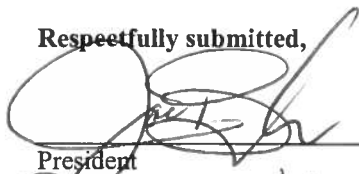
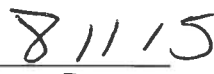
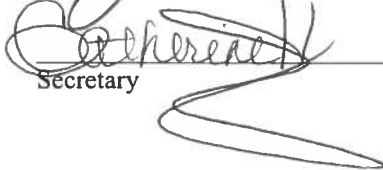
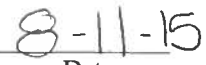
Finance Director Donna Mullison explained that the registration for the annual SDA conference is open. The conference will be held Sept 23-25th. She asked that Directors interested in attending should let her know; she will send email for clarification.

President Joe Baker thanked Amy Tallent for all her hard work and dedication to the organization.

IX. ADJOURNMENT

There being no further business to come before the meeting, Debbie Brodhead moved to adjourn. Catherine Henze seconded such motion and it was thereafter unanimously approved to adjourn the meeting at 6:53 PM.

Respectfully submitted,

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| President | Date |
|  |  |
| Secretary | Date |