

**Minutes to the Regular meeting of the Board of Directors of the Sonoita-Elgin Fire District  
15 August 2011  
6 p.m.**

**Call to Order**

**Pledge of Allegiance**

**Roll Call** – all Board members are present

**Approval of Minutes....**

**20 June 2011** – motion by Ruppel, seconded by Pfitzenmaier; approved by Izzo, Ruppel, Tomlinson and Pfitzenmaier; Bianchi abstained. Motion carried.

**15 July 2011** – motion by Ruppel seconded by Pfitzenmaier, motion carried unanimously.

**New Business –**

**Chief's Report** – Chief DeWolf introduced Chris Anthis, our new Captain; then invited Captain O'Brien to the front to present him with a special award given by Arizona Fire School & United Fire, as a runner up for Firefighter of the Year. DeWolf reviewed the following with the Board; fundraising calendar, Out & About, Website visits, Run Report, Enhancement of our Wildland Program, and an update of the upgrade of the Septic System. This was followed by an explanation of the perc test process for the Board by BC Venos.

**Treasurer's Report** – Bianchi – I did the bank reconciliations this month and everything was okay with the exception of a couple minor corrections we needed to make and I inputted the approved budget into the computer and I believe that's uh what's on the financial statements that we received tonight and uh this is the first I've had an opportunity to look at these so I don't have really any comments to make on these particular statements. And I guess that's it.

**DeWolf** – This is the July Financials, it's only one month so it's pretty easy. You have it all in front of you, there's nothing really in it out of the unusual. (DeWolf reviewed a few individual items on the Financials for the benefit of the Board.) The only other thing I have on financials is this is the preliminary of the end of the year – this will stay this way until we get our audit done and the accountant does all of their magical stuff that they do during their audit. So, this will sit like this – we won't talk about this again until the auditor gets done with his work, then we'll bring it up again. Any questions on the financials?

**Bianchi** – One comment. I am looking at last year month by month – we're comparing a year's budget against in this case one month of revenue. If we were over-budget on anything now we really would be in serious trouble. So to try and put in into perspective as the year goes on I'm trying to see from last year if I can allocate the annual budget quarters and then month by month to come up with something a little more realistic. I'm still working on that.

**Izzo** – Jerry, one thing that might help, if there was a column, with a straight line average that showed us what it should be it would just help us to see where we are.

**Bianchi** – one twelfth you're saying?

**Ruppel** – the problem with annualizing the budget like that is that it is not going to be representative of how we spent money in the past.

**Bianchi** – It's not linear either, particularly with regard to revenue. Our revenue comes in in chunks approximately three times a year.

**Ruppel** – I think that looking at annualized amounts like that, whether you're looking at revenue or expenses, in this type of business probably isn't going to be all that informative.

**Izzo** – well there are certain things like payroll that, not that I would expect it to be, it's just a rough idea of where it might be, that's all. And we've seen those in the past, that column before.

**Ruppel** – there may be some limited use for it in things like payroll, but in a lot of our expenses, I don't think it's really going to tell you anything and in a lot of ways it will tell you some things that aren't true. You know you might be rocking along really good in terms of your expenditures for wildland supplies, hose and things like that, in April, and think "well shoot we over-budgeted for this" and then have a big fire in June and spend a ton of money on that then all of a sudden two months later you've spent your year's budget. I don't know that annualizing it means anything.

**Pfitzenmaier** – I believe Ron has a good point though, I'm not sure how to do it if most everything is non-linear, but a number – a point in time that shows where we are means very little from an ability to analyze whether that is good or bad if you don't know where you're supposed to be.

**Ruppel** – with regard to a few of the categories I think that's probably true, but there are a lot of those categories where it's absolutely meaningless.

**Pfitzenmaier** – Just can't do it.

**DeWolf** – One of the things that may help a little bit – on page three on line 102, vehicle maintenance – last month we \$2473 out of that. If you go back over the last couple of Julys, that's way out of whack. We had a turbo go out on a truck – that maintenance is going to be a little bit high, because of the fact that it went out. In the last couple of Julys we don't have high maintenance.

**Ruppel** – if we can identify a few specific categories where an annualized number will mean something, that's fine, I would oppose putting an annualized number next to every category because it's going to be misleading in a lot of instances.

**Bianchi** – Well, if nothing else, like in the instance here, of the equipment, it would highlight itself, and then an explanation can be offered to the Board as the Chief just did for why that occurred. So, it's not... let me play with the numbers a little and see what we can come up with if it's at all meaningful.

**Pfitzenmaier** – Just one last comment on that. I know there's another way to look at it or another way to get where we want to go on that is for our Treasurer and the Chief is to I think has been described is to highlight for us the areas which jump out at them as being peculiar or unusual for this time in the course of the year and highlight it to the Board as you work your way down through the lines of the budget. At each meeting just simply verbalize it – we're over where we were last year, here's why. We're over where we thought we'd be, here's why.

**Bianchi** – Let me play with the numbers.

**Izzo** – Let's move on. Item #6; Annual Audit, Mr. Bianchi – I'd like to ask some questions about the audit. I received something from the Chief tonight that I thought he wanted me to read tonight, he showed me this, it's several pages, so maybe some of the questions I've got will be answered when I read that. Uh, has the audit begun yet Chief?

**DeWolf** – No.

**Bianchi** – Do you know when it will?

**DeWolf** – We need to sign the document to seal the contract, then they'll give us a date. We do not know what that date will be.

**Bianchi** – Have they given you any indication of how long it would take once they start?

**DeWolf** – Anywhere from a week on up to a couple weeks.

**Bianchi** – Okay. This Assurance Professionals, they're the CPA's that are going to do the audit, is that correct? How was that firm selected?

**DeWolf** – Actually we switched, last year we switched; we used another company – we weren't pleased with their performance. What we did - through the Arizona Fire District Association find the accountants that are dealing with Fire Districts – that understand Fire District Accounting – then we interview them and chat with them and this is the one we come up with.

**Bianchi** – Okay, You selected the firm?

**DeWolf** – No. Myself and the treasurer did.

**Bianchi** – Okay. Now do you know that once the Auditors report is done, what reports we're going to get? Is that in that stuff you gave me?

**DeWolf** - That's in what you got.

**Bianchi** – Okay, I'll look through that. Uhm, I want to make some overall comments here, uhm, and I don't want in any way for these comments to be interpreted as a criticism of the Chief. The Chief does what's asked of him, and lots of times the Board asks him to do things that are not truly a responsibility of a Chief, such as this. At times I think we place too many responsibilities on the Chief. With this situation we have a conflict District Policy and accepted business practices. The District Policy, on page 26, if we were to look at that, under a heading of consultants, Duties of the Chief, it says, to recommend to the Board employment of consultant other than the firm performing the independent financial review or audit, which shall be selected by the Board without the recommendation of the Fire Chief. There's an obvious reason for this; the audit, for a large part is going to review the finances which the Chief keeps over the period of the year. As well as other things – I'm sure it won't be limited to financial numbers. So, to put the Chief in the position to select someone who's going to give him his report card lacks a certain amount of objectivity. In addition, in the business world, any corporation does not have the CEO and select the Auditor for obviously the same reason. The standards of business practice are for Boards of Directors to create Audit Committees. These Audit Committees will interview potential Auditors, make a recommendation to the Board, and the Board would subsequently select whoever they wanted to do the audits. The audit firm reports its findings only to Board, providing statements and notes, and perhaps that's in that thing I haven't read yet, it's opinion on the statements (whether they think they're accurate and fairly and other words that auditors use a lot) and also a management letter with findings and recommendations they think need to be implemented. Now based on that there's a couple of motions I would like to make. One of the motions we can deal with tonight. The second motion I want to make involves a change in the policy manual, and as everyone knows that's a two step phase; we make a motion, discuss it tonight and then I guess we sit on it for a month and then at the next meeting – at least twenty-eight days have to pass – then we can vote on whether or not we want to make that change. So the motions I want to make - the first one for tonight - specific to this current audit we have is move that the Board creates an Audit Committee comprised of the Treasurer and Larry Pfitzenmaier, if it's agreeable with Larry, that the CPA firm of Assurance Professionals be notified of the existence of the committee and that they are to work under the direction of the committee, that the auditors will make their final report only to the District Board, and that they appear at a regularly scheduled Board meeting after the Board has had an opportunity to review the reports, address the Board and answer any questions the Directors may have. That's my motion. Do you want to proceed to the next one or do we want to ...

**Izzo** – No, I think we need to take that one.

**Bianchi** – Okay, is there a second?

**Pfitzenmaier** – I'll second it.

**Izzo** – Discussion?

**Ruppel** – I guess I would just note that our previous Treasurer was the one that selected the accounting firm that we're using for the audit and the fact that the Chief was involved in that selection, I think – I understand what you're saying about the appearance of objectivity, but I think in a small fire department such as ours you can carry those things a little too far – there are a limited number of bodies to do the work and if the Treasurer and the Chief have a good working relationship – I don't know that anyone has ever accused either of them of any sort of impropriety in terms of our finances, so, anyway, just wanted to note that.

**Bianchi** – I think it's important that we do this, because during the budget cycle that we went through there we're a significant number of questions raised about our financial statements, the auditors, what it means that you have a modified cash statement, etcetera. Again, I reiterate that this is not of the Chief at all, if anywhere I would place some criticism on our Board. So, I think it's really important for good relations with the community, for objectivity, that we do what is considered good practice in the industry and I think if we checked with some other fire departments we'd find that to be the case also.

**Tomlinson** – Chief, what do the other fire departments do if you know.

**DeWolf** – Some do, most of them do - Chief does, as I've been - working with the Treasurer, find the auditing team and present it. As you can see in the contract I gave to Jerry, there is a Board member signature as well as mine. It's pretty standard throughout the fire districts that the Fire Chief is involved in the selection process.

**Pfitzenmaier** – I'm searching why this wouldn't be a reasonable thing to do, I'm not looking for anybody to answer, it just sounds logical, reasonable, if we err on the squeaky clean side there's... I find no fault in that. Uhm, the outcome should be the same if we've done it right in the past and we do it right in the future. It should not change the desired outcome, which is a third party arms length view. I would... and Chief to you... if there's a reason that escapes me as to why this wouldn't be a reasonable approach now's the time to talk about it before we vote on it.

**DeWolf** – I think its fine, I don't have any issues with it.

**Izzo** – if there's no more discussion let's move to the question; all those in favor? Motion carried unanimously.

**Izzo** – Abstain? (looking at Ruppel)

**Ruppel** – No, I said Aye.

**Izzo** – Jerry, you said you had something else. I don't know if we can actually have that on the agenda – you're talking about a policy change.

**Bianchi** – Well it's a policy change relative to the audit though.

**Ruppel** – In terms of it being an action item?

**Tomlinson** – I don't think we can even have discussion on it.

**Izzo** – I think if we're talking about a policy change we need to have it very specific like we did the other two. Exactly what the words are, what the change is you want to make, present that, so that the public would know if we're talking about policy. As far as just action about the audit I don't see a problem, it is considered here under discussion and possible action. If you want to bring it up, but I don't think it will be formally introduced until you bring it up as an action item.

**Bianchi** – Okay, well all I was attempting to do is clarify the issue of, there's a conflict in our policies between - where at one point it says that the Chief cannot pick the auditor or basically have anything to do with it and then under "Duties of the Chief" we say that he can do that. I wanted to clarify that we would have an audit committee and we would strike those other two paragraphs that involves the Chief.

**DeWolf** – May I make a suggestion? September/October we're going to be looking at our policies because there's some for our HR – Operations that we have to make changes on. If it's

alright with Jerry, if you want to get the wording on these changes can we just compile it all and make all our changes at the one time?

**Bianchi** – I wouldn't object to that, it's just that we need to clarify a contradiction in the policies that's all.

**DeWolf** – With that, what I would do is encourage the Board over the next few weeks is read through the Board Policies again, and if there are conflicts like that, highlight them and bring them up and we'll address them all at once. These were done in 2008...

**Ruppel** – I think we need, as a Board, we need to address policy matters, we need to address the entire policy manual, not pick away at it one item at a time, because that's just a prime opportunity for us to build into the policies conflicts; if they exist in there let's just identify them as part of an ongoing process and deal with it all at once.

**Izzo** – I agree with that when you're talking about a conflict, just to clean up wording and that sort of stuff. If we want to make a policy change, I think we need the latitude to do that as we discover them.

**Ruppel** – yeah if we're changing a policy, sure. But if we're just cleaning them up or making them fit our current business model then...

**Tomlinson** – Well we're technically changing a policy – we're cleaning it up but we're technically changing it.

**Ruppel** – You know if there's a conflict in there that's something that we ought to be able to do as a matter of course, you know, addressing them all at once. You know if there's something specific that we need to change to address a change in our business policy I could see where we'd need to address that individually. I just don't want what has happened in the past in this organization, for us to slowly pick away at the policies over a 12 or 15 month period making little changes here and end up with something that's completely incoherent at the end.

**Pfitzenmaier** – You're mentioning a timeframe in September, Chief?

**DeWolf** – I'd like to have ours done – if we could push it on to the September Board Meeting, we may have to push it on to October. We have a lot of changes in the Operations end of it that - of new statutes and laws that are coming out that we have to address. One is the legalization of marijuana for medical uses. (laughter) Sounds hilarious (more laughter) there's a Fire District in northern Arizona dealing with it right now. There's no policies on it, what it is is you've got a doctor's prescription to use marijuana, but then you can't drive fire apparatus if you're using marijuana. So, how do you deal with the conflict? It's being written right now throughout the state, to deal with this as a fire district.

**Pfitzenmaier** – Well my point is we're there now. So, nothing that we're going to want to do with Jerry's point here is going to be delayed for any significant period of time by folding it in to what you're doing, so let's just go your plan with the Macro review and all concerns will be addressed.

**Bianchi** – Is that at next month's meeting you're suggesting we present this then?

**DeWolf** – my goal is yes, to have them on the September 15<sup>th</sup>, which means we'll have them there – you'll all get the highlighted copies of the changes and then it won't be voted on until October.

**Ruppel** – So we'll get the wording on what it currently is, what the new wording is side by side.

**DeWolf** – Side by side, and you'll have 30 days to go through them.

**Izzo** – Okay, we'll move on, Item 2 Delegation of Authority to the Fire Chief; these are Board Policies, that I am recommending. I don't have any problem with what Chief is doing or Chief as our CEO, he's been doing a great job. My issue really stems from lack of responsibility the Board actually takes; we come and we have our meetings, and then we walk away and the Chief does everything. I want to

see more oversight in the way of support. And so this first item amends or changes the policy or Delegation of Authority to the Chief with an expenditure limit of \$10,000. So that any major purchases now... fortunately due to our budget situation we really don't have many major purchases that we're dealing with. Major purchases would need to be authorized by the Board anything in excess of \$10,000. So that's the first item that I'm recommending, and the two step process – we've really never done this before, it says introduction and discussion, but it seems to me that we're going to have a motion and a second, to even discuss it, in other words to get to the ability to approve the revision. Adoption revision or approval of the established policies shall be accomplished by a majority vote of the Board. A two-step action with steps separated by no less than 28 days is required. Introduction, discussion and deliberation shall constitute the first step; a vote on the proposed changes shall be required at a second meeting. And then it goes on to talk about emergencies. So, it just seems to me, it's not really clear, but it seems to me that I'm making a motion that if there's no second, there's no use discussing it. I just don't want to take our time.

**Ruppel** – Let me ask you a question before we get to that. Why would we not just roll this into what we just talked about – if this is something we want to do – make it part of that process as well.

**Izzo** – well I think it's very specific, this is a policy change, something new something different. We're not talking about cleaning up our policies with conflict. This is an issue, and Doug I think as you'll recall, this was an issue of contention – has been over the years. So, I'd like to deal with that separately ...

**Ruppel** – I don't know that it's fair to say it's been an issue of contention. This has been and if you want to discuss it that's fine I think there's plenty of room to discuss this. What were you going to say Ian?

**Tomlinson** – I think we're splitting hairs, if you're changing the policy manual, you're changing the policy manual. Regardless of whether you're cleaning up and ambiguity or you're changing something subtle, it's still a change to it, so all changes to the policy have to be treated the same.

**Pfitzenmaier** - I don't see why we can't roll it into the review that the Chief as ongoing...

**Ruppel** – That would be my preference.

Pfitzenmaier... it is a different thing than a clarification, but we have the same power as the vote here on the Board, and regardless of which category you might want to put them into, put them side by side and vote on the package.

Ruppel – Well, I guess my thought was... if a new law had been passed and we were operating based on a policy that was in direct conflict with some new law, then I could see where it would be needed to deal with a policy change separately. That's not the case here. We've done business in a particular case now for several years, and I think if we're going to change this, we might as well change it the way we're changing these other policies.

Bianchi – Ron is there a reason why you'd like to act on it tonight, as opposed to ... it will put us off another month is what it will do.

Izzo – Yes, as a Board member I have the right, like any Board member, to put an item on the agenda, and I've put it on the agenda. So, it's an item on the agenda. I attempted to deal with this during the budget process last month, and now I'm hearing discussion about pushing it off another month. So, let's move on with things, I have an item on the agenda and that is in the form of a motion, so, rather than any more discussion – is there a second? If not, it will die.

Bianchi – I will second the motion.

Izzo – Okay. Is there any discussion we have tonight, we can certainly discuss it next month or anytime, it's not really clear that we can only discuss it tonight. We're not going to take a vote tonight.

Ruppel – I think that – two things stand out to me, the first is that there are a lot of expenditures that we make on a monthly basis that would exceed \$10,000. And so you'd have the Chief coming to the Board for permission to spend money that we've already voted on a budget that has approved – that has given him authority to spend those funds. It seems redundant in that regard. And, you know if you want to change the amount that he has an emergency authorization to spend without Board approval, I think that's certainly up for discussion. But, I guess my concern about hamstringing his ability to spend funds that we've already approved as part of our ongoing budget is that in the past when we had situations when the chief did not have the ability to spend funds that were already approved in a budget without Board member involvement... what has happened is the departments not been able to operate smoothly because the Chief had to track down some Board member in order to get approval to spend money that we already approved him to spend.

Tomlinson – Ron, I think the wording could be cleaned up to exclude certain things that are always going to be over \$10,000 on a monthly basis.

Bianchi – can we get an example of what you're thinking Ron, that the Chief spends ...

**Izzo - Fuel**

**DeWolf – Fuel, payroll**

**Izzo – I'm not talking about payroll...**

**Tomlinson – As the policy is written it would be interpreted to include payroll, it says all non-emergency purchases**

Izzo – it says purchases

Tomlinson – I think we could clean up the language and put excluding payroll and fuel...

Izzo – Payroll is not a purchase lan.

Tomlinson – the way the policy is written, it would be interpreted to include payroll. It says all non-emergency purchases...

Izzo – it says purchases.

Tomlinson – I think we could clean up the language to exclude payroll, fuel...

Izzo – Payroll is not a purchase lan.

Tomlinson – I agree but it can be interpreted that way why not add language excluding it instead of leaving it up for someone else to interpret.

Izzo – Is fuel purchased in one lump...

**DeWolf – Fuel**

Izzo – ...it could be more than \$10,000?

**DeWolf – Yeah, with gas prices the way they are.**

Ruppel – You could have a lot of purchases, major repairs on vehicles, major purchases of tires.

Bianchi – Those purchases are not emergency purchases the way I see it... The fuel, you know how much fuel you have on hand, correct? You've got some sort of a gauge outside on your tank out there.

Ruppel – it does say all non-emergency purchases in excess of \$10,000. I'm not concerned about whether we're asking for the Chief to come to us in an emergency situation, but what this seems to be doing is hamstringing his ability to do things that we've already approved.

Bianchi – Well, the problem with that is we've approved a budget item by item, so we're hamstringing him by saying you can't exceed that budgeted item. If you've got extra funds in there you can't take them and move them someplace else. If you want to tie it right straight to the budget, you're going to more hamstring the Chief...

**Ruppel** – I will tell you in practice in the past, over the last decade, that has been what has happened – is that Board member have not been available twenty four hours a day seven days a week. The Chief on the other hand does have to commit the fire department to do things on those types of schedules. And I think that you know do we trust our Chief to abide by our budget that we passed, or...

**Bianchi** – It's not a question of trust and I don't want to see it put on that basis. It is a question of responsibility. Now Ron, you said something about we pass on responsibility, we don't do that. We pass on authority, the responsibility sits with us.

**Ruppel** – When you pass a budget you're empowering the Chief to follow that budget.

**Bianchi** – Item by item.

**Ruppel** – Sure, and that's all I'm saying. If he's spending money that's already been approved in the budget it's redundant to make come back to you in order to spend it.

**Bianchi** – Circumstances can change and I think... personally as a Board member, I like to know what's going on before the fact rather than after the fact.

**Ruppel** – In what regard? That's kind of a blanket statement; in what regard?

**Bianchi** – In regard to the Chief making a non-emergency expenditure of more than \$10,000 in excess of \$10,000.

**Ruppel** - If it's a budgeted item, you've already had your input on that – you've already said yes, you can spend this amount in the budget. So why do you... why does he need to come back to you a second time to actually do what we just told him he could do.

**Izzo** – The standard – this is not an unusual practice, public organizations have expenditure limits all the time. The reason to come back to the Board isn't to authorize an expenditure, you're absolutely correct, you've already authorized the expenditure. It is to review and approve the method in which the expenditure was made. It's as simple as that.

**Ruppel** – we have all of those – we have policies that dictate how he's to do that.

**Izzo** – let me interrupt you , let me finish. So case in point, the only thing I think we have that I know about coming up in this respect is the septic system. So, as a Board member I have a concern for our residents in our District that they would have an opportunity that they could bid on this project and if there's a complaint that I get later on I want to be able to say you know what, this is what we did. This and this and this was done, I'm not concerned with this thousand or thirteen hundred dollars on the leach thing, the design, I'm talking about major expenditure. So I can just say this is what was done – I made that decision and don't criticize Chief, we sat here as a Board, we looked this over and said yes, it was okay in this situation.

**Ruppel** – What I'm saying is that if in addition to the fact that you've already approved the funds in a budget – you're going to have to change that figure of \$10,000 to some figure that doesn't have the Chief running around on weekly basis or maybe on a daily basis to find a group of Board members so that he has to have approval from a group of Board members. What I'm telling you is what has happened over the time that I've been involved with the fire department. The reason that we gave the Chief the authority we gave him was because it became impossible for him to run the fire department when he had to spend his days searching for Board members.

**Izzo** – Ian did you have

**Tomlinson** – not right now. But I think a lot of these concerns could be eased by making it more than one sentence unfortunately and delineating out what you're trying to achieve Ron. I don't necessarily disagree with you on major projects like the septic tank, we should be involved in it and know what's going on, but at the same time I don't necessarily need a call from the Chief at 3 o'clock in the afternoon that he needs to get \$11,000 in fuel.

**Pfitzenmaier** – We've come at this from all angles. I am personally not concerned about our authorizing the Chief a second time to do something that he's been authorized before, but in

line with your thinking Ron, I do believe it's important for the Board to know and understand the ramifications of major expenditures, even though it may be a review of something we have approved in the past; that comes up over the course of twelve months which is a period of time after the approval has been granted, after the Board has been passed. We should on a monthly basis at least on major expenditures; why, how much, when it's going to be made, what alternatives were considered if it's a choice, if it's a choice - like picking contractors for a septic system. All of this to say I would simply like Chief review with us on a slide, expenditures – we can pick a number 12- \$10,000 we can pick a number – \$10,000 is fine, that he expects to incur, not asking for approval, saying this is coming up guys, you need to know and here's what we're doing. I don't think the work load, the view-graph work load is excessive to do that, I don't expect it to see we're paying \$10,000 again for salaries, that's not what I'm looking for , I simply want to know what's going on and why we're doing it. Not review again whether it's the right thing to do.

**Ruppel** - And I the Chief's report this evening is a prime example of what you're talking about; before the first dime has been expended on this septic system thing, he's given us a full and complete accounting of here's what we're doing and who's who we're doing it with, here's how we're going to precede.

**Pfitzenmaier** – Exactly.

**Ruppel** – I don't see that he's not already doing what this contemplates him doing aside from terms of limiting his access to the budget.

**Izzo** – Chief, are there other routine purchases, other than fuel. I not talking cumulative, I'm talking about a single purchase – that could be over \$10,000?

**DeWolf** – Payroll, PSPRS, and really, most of the big stuff, I generally bring it up the month before we're working on... a grant perhaps and we're going to expenditure that money – like the turnouts that we just bought for \$34,000, it was grant money that we talked to the board about – I told you what we were doing...

**Izzo** – that's not a routine kind of thing; but fuel, a single purchase of fuel could be over \$10,000?

**DeWolf** – Oh year.

**Ruppel** – Easily.

**Izzo** – I would be willing to reword that to exclude fuel. I don't see payroll as a purchase; I don't see how you can qualify payroll – it doesn't say expenditure...

**Tomlinson** – Well the other problem is, what is authorization? How many Board members have to vote on it? Can we do it by phone? Does it violate the open meeting law? There are a ton of issues with this policy change. It looks simple on its face, but there's a lot of technical issues with it. I'm not opposed to it necessarily Ron, I just think we need to really look at it and think about it and word it.

**Ruppel** – I would like to see what this would look like after this evening's discussion and roll it into next month's discussion. I think the discussion's been valuable this evening, but it's something that needs to be done while we're looking at our policies in general.

**Izzo** – Okay, is there any more discussion?

**Bianchi** – I just want to know procedurally, you're going to re-write the motion and so next month if we're all happy with what you re-write, we can vote on it?

**Izzo** – Correct, that's my intention.

**Bianchi** – Okay.

**Izzo** – I'm only going to exclude fuel. I think it's clear the way we authorize anything.

**Tomlinson** – By a vote?

Izzo – Well, the Board can only take action by a vote. We have to have a public we have to have an agenda...

Tomlinson – so run this out real quick. If there's a purchase over \$10,000 and it's in the middle of the month when we don't have a meeting. Do we have to call a meeting, get a quorum, put out public notice, to vote on it? That's the problem I'm having with it Ron.

Izzo – Okay. If it's an emergency purchase, there's a provision for that.

Tomlinson – I'm not talking about an emergency, I'm talking in general.

Izzo – Okay. For Example. If the septic system is more than \$10,000, we'd have to call a meeting. I don't know if that's something we'd have to have a special meeting on.

Ruppel – How are you going to accomplish the vote?

Izzo – We'd have to have a meeting – we'd have to have a regular meeting – a board meeting or a special meeting.

Ruppel – And that's exactly going to the point that we made earlier which is we can't have the Chief in a situation where he needs to expend funds that we've approved in our budget searching around the community or the state or the country for that matter for Board members and trying to come up with a time out of our five schedules that we can have a meeting – whether it's a regular meeting or a special meeting – to get a quorum on this particular topic, that hampers his ability to operate the fire department smoothly

Izzo – Okay, I want to close this out, as far as I know there's only one purchase this whole year that this is going to be affected by. We're not talking about a repetitive thing.

Izzo – Let's move on, we'll have more discussion about this next month; I just don't want to take up any more time. So the next item, another policy change, this has to do with the newsletter. This is a new section, a completely new section, it is a policy to inform district residents and disseminate information to the public regarding district operations and activities. The Chief shall be responsible to prepare a bi-monthly newsletter to be distributed to District residents by direct mail and other appropriate means. Two members of the Board shall assist the Chief with review format and content. Uh, is there a second?

Bianchi – I'll second it.

Izzo – Discussion?

Pfitzenmaier – We uh, late into the budget game we added some money into budget on line 142 for things like this, I think this falls in this category.

Ruppel – It does but it doesn't add as much as we would have needed to add to do it bi-monthly number one, and number two, again I hate to sound like a broken record here, I don't know why we wouldn't go back to doing this in the policy review we're talking about in September and number three I am not sure why it requires a specific Board approval to do our newsletter. I think that, you know, in the past the Chief and his staff have always put these out and have requested Board member comments and involvement routinely. Um, making it a matter of policy I think is great if we can allocate enough money to do it and we do not have enough money in there right now to do what is contemplated in this policy change.

Pfitzenmaier – Well I guess there's a question in there what's contemplated in the policy change. My vision is this I believe the most recent newsletter flyer that we received from the department was a one pager – two sides of one page. Am I right?

DeWolf – Yes.

Pfitzenmaier – Black and white. Right?

DeWolf – Yes.

Pfitzenmaier – I don't know how things work at the post office if you stuff a single page folded twice into every mail box how much that costs the provider but I can't - I hope it's not too much, I guess I don't know. (laughter)

Ruppel – I think the Chief, and Katie, actually have some numbers prepared into what it actually costs to do this.

Pfitzenmaier – I think we need to do something like this and I think the intent of Ron's motion here is to give it the impetus and the punch behind it that we get it done. And I think getting this done is important.

Ruppel – I think that's great, I'm just saying it's not in the budget. That's why I wanted him to share the number so that we're talking...

Pfitzenmaier – It's not in the budget unless it's in the budget.

**Ruppel** – Unless we decide we want to change...

**Pfitzenmaier** – Uh well, I don't know, we might have enough.

**Ruppel** – would you like to hear what the Chief's numbers are?

**Pfitzenmaier** – Yes.

**Izzo** – We have a line item there of \$4500.

**DeWolf** – Yes and actually \$331 has already been spent out of that line. That line is also for thank you cards that we send out, and in the past we've put out banners in the community, - how many runs we've done and um, the publishing of the budget, things like that. Just the mailing is \$129 for one [newsletter] to mail all our community members except for the out of towners the people...

**Pfitzenmaier** - \$129?

**DeWolf** – Yes...

**Pfitzenmaier** – Every time, that's six so, \$700.

**DeWolf** – That's just the mailing, that's not...

**Pfitzenmaier** – Okay, that's just the mailing, I understand.

**DeWolf** – then we have a \$190 per year for the permit, bulk mailing permit

**Pfitzenmaier** - \$850.

**DeWolf** – then you're looking at \$2433 for the printing of it. At Kinko's, for six mailings.

**Izzo** – How many mailings?

**DeWolf** – Six.

**Izzo** – No, how many box-holders?

**DeWolf** – 1300.

**Pfitzenmaier** – Really. Now let's think about this. I'll buy the cartridges...careful here, I'm going to get myself in trouble.

**Ruppel** – I was going to say, (laughter in background) I applaud your commitment.

**Pfitzenmaier** – It's hard – I'm having trouble with that \$2400 printing costs.

**Izzo** – what does it cost to run a copy in our copy machine guys?

**Tomlinson** – Larry, what we're trying to do is get the attention of the public to show them what we're doing. We're trying to decide, in a way, a marketing scheme. Yeah. So, perhaps Chief, and you would know this better than any of us, is bi-monthly too often? What if we did something quarterly? Put three or four pages together, color, the whole nine yards, made it something really good that people don't just look at it and throw in the garbage can as they walk out of the post office.

**DeWolf** – I would go quarterly not monthly, I mean in July we're talking about a lot of fires. I think quarterly would be a really good thing. And some of the other Board members have talked to me in the past couple of months on ideas they have one of them was that we have a fireside chat at the firehouse. You know, open it up on a Saturday afternoon when we have myself and a couple Board members and we talk about anything you want to talk about. We can talk about where we're going, so... I go back to Ian's and say come in here and do this. (laughter)

**Ruppel** – I like this...

**Tomlinson** – I don't (laughter)

**DeWolf** – Let's step back a minute and let's take 30 days and build a marketing plan for 2011/2012, and combine the bi-monthly newsletters so that they're coming out a week or two before we have a Saturday Firehouse Chat. So come up with a program that markets our department to our residents, talking about different subjects; one could be our fuels treatment crew, now's the time to mow and do everything before the sparks start igniting fires. As we get closer to fire season and into budgeting, we start saying we're going to have a fireside chat on Saturday and budget issues will be discussed. So if we plan this out quarterly, we can build a marketing plan that fits into our banners, our mailings and everything – would be my opinion.

**Izzo** – Ian, I really don't have a problem with quarterly, it's just I was seeing every opportunity to reach people. Yeah, I agree with you, so we put six of them out and four of them get dumped in the trash. I didn't look at ...er.. I didn't have in mind an attempt to do something multipage in color as a marketing scheme. I do want to do this as a way to inform our taxpayers of what we're doing. I felt like in the last budget process, a lot of those questions to me, part of my personal interpretation, people didn't understand what we do or the importance of what we do to them and to be able to say well look, we've been sending these newsletters out. I think some of the people will read them, and I also envision as was already mentioned here a one pager, black and white. I also envision an opportunity for local businesses to advertise – whether they will or not I don't know but that's an opportunity for them to advertise and get direct mailing to local businesses that could offset some of the expense – if we do get that.

**Tomlinson** – We'll have to make sure that's legal.

**Ruppel** – Yeah, I applaud the idea and I think that as long as it fits within our budget, that's great... its.. bi-monthly I think clearly, it won't fit into our budget.

**DeWolf** – if we offset some of our expenses – and we did that last year if you remember Ron. We advertised on our breakfasts, we made napkins ...

**Izzo** – Placemats.

**DeWolf** – Placemats, and basically it paid for the cost of the placemats. We didn't make any...the center was ours, we spoke about our water source, so, yeah, again it's developing a marketing scheme.

**Tomlinson** – if we're trying to inform the public, we have to give them something they'll read, 'cause otherwise we'll have the same questions every single time we go up to the budget. It's got to be something that grabs their attention that they're going to want to read. And I just think what we could take some time, in the next month or two months and make something without doing – I think a policy is well intended I just don't agree that we should pass it right now I think that we should think through it and structure something that will work long term, not just this year, but five years down the road.

**Bianchi** – Chief – let me save you a little bit of money. As member of the Chamber, you can piggyback on our permit at the post office.

**DeWolf** – I'm not sure...

**Tomlinson** – I'm not sure...

**Bianchi** – I'm sure you can, other businesses or members do it.

**DeWolf** – We're not the average business – we're a government entity, there is a difference. I'd love to do it to save \$190.

**Bianchi** – I'll tell you what I'll check at the post office with what-her-name, but I bet you can do it.

**Tomlinson** – Well, I don't think there's a problem with us doing it at the post office. We need to make sure we legal to do it as a fire district – to piggyback on other businesses.

**Bianchi** – We're a member of the chamber, the fire departments is a member of the Chamber. This is something that every member can use.

Tomlinson – That’s not the issue. It’s the fact that we’re a public entity.

Bianchi – What’s the issue?

Tomlinson – the issue is they just need to talk to their lawyer and make sure it legal.

Bianchi – Oh God. I don’t see that at all (laughing) as being an issue.

Tomlinson – We can just go into it blind and have someone tell us it’s illegal or have someone check and make sure it’s legal...

Ruppel – Ian is a lawyer I think we probably ought to listen to his advise on that.

Bianchi – Well he’s talking us to go see a lawyer - I would discount his lawyering here and respect him as a rancher.

Tomlinson – I don’t give a damn, you can go ahead and do it. I’m telling you the prudent step is to make a phone call, make sure it’s legal and do it. It’s ten minutes out of Chief’s time, they’ll charge him a tenth and it will be done.

Izzo – Okay, we’re going to move on, we’ve had a motion, we’ve had a second, I intend to bring it up at the next meeting in the exact form that it is. We can discuss it further and put it to a vote and then move on with other business.

Izzo - So we’re going to move on to item four, Chief’s Review. What this is... is we need to set a date for the Chief’s Review and we want to discuss today, the content or the way that we did it. We have two Board members that were not involved in the previous review. We’ll take them one at a time. Generally we’ve done it before the fiscal year, so, we’re late. And it was my decision to move that off during the budget process, not to do that while we were in the middle of the budget deliberations. Maybe we’d better move to content, we’ve got to make a decision whether we do it next month or not. So let’s talk about the content. Did you have something for us Chief?

DeWolf – Most Certainly – Always. This is a copy and I only made one copy. It’s a copy of the review that we have used for the past two years now. And I believe it was in your packets, a copy of this, how we go through it and of course, the accomplishments will be attached to that. What my recommendation is - is that by the 19<sup>th</sup> of August, I will have that emailed to all the Board members, then if you gentlemen would have them emailed to the Board Chair by September 9<sup>th</sup>, then the Board Chair can compile them into one. It’s a tally system, you give me numbers at the end you give me a score. What the Chair will do is tally all of those up present it to me which could be given to me on the 15<sup>th</sup> of September.

Izzo – What’s the date to you? You’re going to give it to us on the 19<sup>th</sup>, the Board members will give them to you by September 9<sup>th</sup>, and that will be on the email that I send out to all of you.

Then Ron, you would have it ready for the Board meeting on September 19<sup>th</sup>, to present to me.

Izzo – So you’re going to get one review with the total numbers, and a copy of everybody’s review with their comments.

DeWolf – Correct, just as we did last year.

Izzo – any discussion on this?

Bianchi – Will this be an open meeting?

DeWolf – Actually it can be done, several different ways. I can request to have it in executive session, but anything done in executive session you have to come out and vote on it at that point. Depending on what Ron comes up with will depend on whether it goes to executive session or we can do it all in public. That can be part your decision part of my decision, that’s why I’m having Ron tally everything up, because you can tally it up in executive session because you’ve made a decision then.

So it they’re all given to him and he tallies them up then it will be all out in the public.

Izzo – I know we can’t take action in executive session, but we can have discussion. I see some value – and I think we did this last time – in having you in executive session, and have each

Board member discuss with you their evaluation if they choose. If there's something they want to bring up, there's no action, the Review itself is the total numbers...

DeWolf – Yeah.

Izzo – so that occurs, and then we come into general session and the evaluations then are public record.

DeWolf – No.

Izzo – Okay. So what do we do in the general session?

DeWolf – Well, if you were going to give me a raise, or vote to discipline me, that all has to be decided in the general session.

Izzo – Okay.

DeWolf – If you had objectives for me to achieve, those would be delivered in the general session.

Izzo – As a Board. We would have to discuss and vote on that as a Board, together.

DeWolf – Correct.

Ruppel – We could discuss them in the executive session, but we'd have to vote on them in the general session.

Izzo – Okay. I don't think we need to put that as a motion. Is there any concerns with this schedule? With this format? Okay, that's what we'll do.

Audience Comments – None.

Board Member Comments – None.

Adjournment – Motion by Ruppel, seconded by Tomlinson, motion carried.

Minutes approved by unanimous vote on 19 August 2011.

\_\_\_Kathy L. Goodwin, Admin. \_\_\_

