

## Grand Junction Rural Fire Protection District

### Minutes of the Regular Board Meeting

December 14, 2004

#### I. CALL TO ORDER

The meeting was held in the Mesa Mall Community Room, 2424 US Hwy. 6 & 50 and was called to order by President Stephen Grant at 6:30 p.m.

#### II. ROLL CALL - Board Members

Steve Grant, President; Bob McCormick, Treasurer; Vicki Felmlee, Vice President; Deborah Davis, Tery Dixon.

Others Present: Public, media and Rhonda Phillips, Scribe.

#### III. APPROVAL OF AGENDA

Bob McCormick requested that an item be added to Action Items, letter A, titled Recording Secretary Salary. There were no further additions or corrections.

Bob McCormick made a motion to approve the agenda as amended. Tery Dixon seconded the motion. Roll Call. All Ayes. Motion carried.

#### IV. PUBLIC COMMENTS

Jack Campbell asked about the current New York litigation and what is happening with the district's financial future. President Steve Grant replied that he would address the pending litigation under the attorney's report and the district's financial status will be discussed later in the meeting.

#### V. ATTORNEY REPORT

Steve Grant reported that he recently spoke with Larry Beckner and Richard Westfall and found that the deposition scheduled with Rob Dixon has been postponed until December 22, 2004. Mr. Westfall is confident that the deposition will take place at that time. Steve Grant explained that the forbearance agreement is going to expire at the end of December. Mr. Westfall is working on getting an extension on the forbearance agreement. All scheduled payments due to the district have been received on time. Bob McCormick asked if the forbearance agreement does not move forward or renew, if the district can file a RICCO suit. Steve Grant answered that the district can file a RICCO suit at that time. Jack Campbell made a statement that he believed that it would be better to keep the monthly payments coming rather than filing a RICCO suit.

future Steve Grant reported that a meeting would be scheduled with the City to discuss the past and administration of the contract with the City. Hopefully the initial meeting can be scheduled between Christmas and New Years.

#### VI. ACTION ITEMS

- A. Recording Secretary Salary: Bob McCormick explained that Rhonda Phillips is willing to remain the recording secretary if she is paid the going rate for secretarial services. Bob McCormick did some research and found that the going rate is \$25.00 per hour. Deborah Davis made a motion to increase Rhonda's salary to \$25.00 per hour. Bob McCormick seconded the motion. Roll Call. All Ayes. Motion carried.

#### VII. DISCUSSION ITEMS

- A. Payment of Director Fees: Bob McCormick presented the board with a spreadsheet

showing board member meeting attendance for the year 2004. By current policy, each member is to receive \$50.00 per attended meeting. The current board opted out of receiving the directors' fee from June 8<sup>th</sup> through September 28<sup>th</sup>. Bob McCormick suggested paying the directors fees by having current and past board members attend the next meeting on December 28<sup>th</sup> and present their social security number. They will receive their check at that time. Bob McCormick will send a letter to past board members notifying them of the process to receive their director's fee.

Deborah Davis made a motion to pay all 2004 board members per the attendance sheet, with the requirement that the past board members be sent a letter stating that if they would like to be paid, they need to attend the meeting on December 28<sup>th</sup> and supply their social security number so that 1099's can be issued. Vicki Felmlee seconded the motion. Roll Call. All Ayes. Motion carried.

B. District Financial Projections:

Bob McCormick presented the board with two handouts detailing projections for the future of the district's financial status. In depth discussion was held regarding the fund balance. Bob McCormick explained that one handout detailed the best case and worst case scenario on the impact of non-recovery of funds on the district's budget. Best case scenario, recovering all funds, shows a 2004 end of year fund balance of \$417,386 and adopted 2005 end of year fund balance of \$105,246. Worst case scenario, not recovering funds, shows a 2004 end of year fund balance of a deficit of \$309,304 and adopted 2005 end of year fund balance of a deficit of \$621,444. The adopted 2005 budget numbers are as follows:

REVENUE

2004 estimated district taxes	833,121.00
2005 adopted district taxes	845,962.00

2004 estimated sub-district taxes	951,562.00
2005 adopted sub-district taxes	979,096.00

Other 2004	196,358.00
Other 2005	20,000.00

2004 Total Revenue	1,981,041.00
2005 Total Revenue	1,845,058.00

2004 Beginning of year Fund Balance	626,867.00
2005 Beginning of year Fund Balance	417,386.00

2004 Available Revenue	2,607,908.00
2005 Available Revenue	2,262,444.00

EXPENSES

2004 estimated administrative operations	200,465.00
2005 adopted administrative operations	81,450.00

2004 estimated fire fighting operations	1,883,012.00
2005 adopted fire fighting operations	1,976,641.00

2004 estimated tax collection	43,600.00
2005 adopted tax collection	35,250.00
2004 estimated total expenses	2,127,077.00
2005 adopted total expenses	2,093,341.00
2004 tabor reserve	63,445.00
2005 tabor reserve	63,857.00

Bob McCormick explained that the district's financial future is very grim if the money invested in New York is not recovered. The district is operating on cash flow at this time and should have the funds to pay the January and July payment obligation to the City.

- A. Bylaws: The Board continued reading the proposed bylaws and made comments and suggestions for improvement. Vicki will make all of the suggested bylaw changes and will present the board with a new copy of the proposed bylaws for approval in January.

VIII. OTHER ITEMS

There were no items to discuss.

IX. ADJOURN

Tery Dixon made a motion to adjourn the board of directors meeting. Bob McCormick seconded the motion. The meeting adjourned at 8:30 p.m.

APPROVED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.

\_\_\_\_\_  
Stephen P. Grant, President

Attest: \_\_\_\_\_  
Robert W. McCormick, Secretary