

Grand Junction Rural Fire Protection District

Minutes of the Regular Board Meeting

JUNE 8, 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 Steve Grant at 6:30 p.m.

II. ROLL CALL - Board Members

Steve Grant, President; Vicki Felmlee, Vice President; Bob McCormick, Treasurer; Steve Gsell, Board Member. Absent, Tery Dixon, Board Member.

Others Present: Public; media; Bruce Mills, District Auditor; Larry Beckner, Attorney; Rick Beaty, Fire Chief and Rhonda Phillips, Scribe.

III. APPROVAL OF AGENDA

The numbers on the agenda are off by one number. There are two number 5's. Please change the second number 5 to a 6 and so on. Bob McCormick added an item to the agenda, under the number 7 and will be letter "e" called "Resolution". Vicki Felmlee moved that the amended agenda be approved. Steve Gsell seconded the motion. Roll Call. All Ayes. Motion Carried.

IV. PUBLIC COMMENTS

Dale Breckenridge asked if the agenda was posted to the web site. Bob McCormick reported that the agenda is not currently posted on the web site but was distributed to the media. Dale Breckenridge asked if a 10K report had been obtained on e.NVIZION. Steve Grant reported that he had retrieved five (5) boxes of records from e.NVIZION late last Friday and will be able to report further at the next meeting.

V. APPROVAL OF MINUTES

A. April 21, 2004: Steve Grant noted a date discrepancy on the May 21, 2004 minutes. The date reads April 21, 2004 and should read May 21, 2004. Steve Grant amended the minutes to reflect the proper date. Bob McCormick moved to approve the minutes as read. Steve Gsell seconded the motion. Roll Call. All Ayes. Motion carried.

B. Any other outstanding minutes approvals: Bob McCormick asked how to handle the approval of past meetings minutes. Larry Beckner responded that only members of the board at the time of the meeting should approve them. Steve Gsell has not had the opportunity to read the minutes; therefore, the approval of past meeting minutes will be tabled until the next meeting.

VI. TREASURERS REPORT

A. Financial Status of District: Bob McCormick asked Bruce Mills to present the financials. Financial booklets were given to board members. Mr. Mills presented the board and the public with a combined balance sheet for the general fund and addressed all figures on the balance sheet. Total liabilities, funds equity and other credits were \$2,781,586. Larry Beckner explained that Rob Dixon appeared to have made unauthorized loans totaling

over \$28,000 to Gateway-Unawep and Lands End fire departments for the purchase of trucks and ambulances. Based on a letter received from Gateway, they are to pay back the money with installment payments of \$2,334.37 beginning October 2003 and continuing in May and October 2004 and May 2005. They have made their first two payments. There is no record that board approved these loans. Bob McCormick explained that Rob Dixon had the authority to sign checks up to \$10,000 and made these loans by writing a few checks under that amount. It appears that proper procedure was not followed on this transaction. Larry Beckner will speak with Gateway-Unawep about the money that they received from the district and will try to figure out a way to recover the money. Gateway has made their first two scheduled payments. There are no fixed assets on the books and the liabilities are the same as last month. Bob McCormick reported that there were only 2 bills paid this month. Ray Leonard, public attendee, asked if past board members could be contacted to see if they knew about the loan transactions. Bruce Mills responded that he thought it would be best to go to the fire districts directly to figure it out. Sandy Lipton, public attendee, asked about records being looked into. Steve Grant explained that he has only had the documentation for a short time and has not had the opportunity to look through everything.

- B. 2002 and 2003 Audit Status: Bruce Mills asked if he would be provided with 2003 records tonight so that he can begin the audit and Steve Grant responded that he would provide the records after tonight's meeting. The County Treasurers Office will hold property tax funds until a 2002 audit of the books has been done. After the audit, the state auditor will then write a letter to the fire district and the district will have 90-days to respond. If the state auditor finds that the district has adequate funding, she will then allow the county to release the property tax funds. The audit of 2001 is in question and may have to be redone.
- C. Repayment of funds from e.NVIZION: A check in the amount of \$450,000 was received from e.NVIZION this morning and was deposited into Alpine Bank. It will take approximately 5 business days to know if the funds are good. After we know if the funds clear, the district will then pursue the additional funds that are owed by e.NVIZION. Bob McCormick asked if there is anything that we should do to put insurance companies on notice. Larry Beckner is not sure if coverage is available. Bob Cole doesn't think there is coverage for this type of activity.
- D. Property Tax Collections Held by Mesa County: As of the end of May there is a little over a million dollars in property tax for both districts. \$250,000 this month. The County may withhold the funds until the 2002 audit is completed and the 2001 audit is redone. All funds will be released when audits are cleared up. Depending on what documentation is found in the five- (5) boxes, Bruce Mills may or may not be able to conduct an audit.
- E. Future Financial Obligations: Bob reported that he received a bill from Bob Cole in the amount of \$24,000. This bill will be held until further notice. He has a bill from the National League of Colorado in the amount of \$3,129 that has not been paid. He also has a bill in the amount of \$80 from ClearTalk that has not been paid. It was determined to pay the ClearTalk bill and cancel the cell phone service. Vicki Felmlee asked Bob McCormick to check and see if ClearTalk charges a penalty to disconnect the service. Bob McCormick asked how much money the District owes the City ad where the original contracts were located. Fire Chief Beaty responded that it would be approximately 1.3 million. Steve Grant stated that the District should have enough funds to pay the City. Bruce Mills responded by explaining funds from Property Tax Revenue would cover all of the Districts obligation and have money left over for bills.

VII. ACTION ITEMS

- A. Secretarial Services: Vicki Felmlee shared her findings on locating a secretarial service. The objective was to hire a person to perform a laundry list of duties including attending meetings and typing minutes and other functions as necessary. She explained that she contacted three separate secretarial services and found that it would cost the district less money to hire an independent contractor. Vicki Felmlee and Bob McCormick conducted two interviews and hired independent contractor, Rhonda Phillips, to perform these duties. Ms. Phillips will be paid a salary of \$12.00 per hour, plus expenses, and will bill the district on a month basis. Bob McCormick made a motion to hire Ms. Phillips. Steve Gsell seconded the motion. Roll Call. All Ayes. Motion carried.
- B. Revision and Update of District By-Laws: Vicki Felmlee reported that she is looking for 5 - 7 volunteers to look at the district's current by-laws and revise them as necessary. The committee will research templates of several other district's by-laws and will make suggestions to the board about necessary changes. The by-laws will be reviewed by Larry Beckner to make sure that all statutes are met before any changes will be made. Bob McCormick moved to allow Vicki Felmlee to form a by-law committee. Vicki Felmlee seconded the motion. Roll Call. All Ayes. Motion carried.
- C. Web Site Update and Hosting: Vicki Felmlee reported that the domain name girfpd.org now belonged to the district instead of Rob Dixon. The site is in need of a new hosting company. Vicki Felmlee reported that she can obtain a hosting company for approximately \$6.99 per month. She also stated that the domain name is up for renewal in October. It will cost approximately \$15 to renew the domain name for one year. Vicki Felmlee will do research on hosting companies and present it to the board at the next meeting.
- D. Reimbursement of Out-of-Pocket Expenses: Vicki Felmlee moved to approve out-of-pocket expenses for board members upon presentation of receipts and with the approval of the board. Steve Gsell seconded. Roll Call. All Ayes. Motion carried. Steve Gsell mentioned that he spent \$100 on a fax machine. Steve Grant advised Steve Gsell that if he would like to be reimbursed for that expense to present it at the next meeting. The fax machine is in the possession of Tery Dixon.
- E. Resolution: A document named "resolution" was read aloud by Bob McCormick. It stated:
Resolution. 6-8-04. At the June 8, 2004, meeting of the Board of Directors of the Grand Junction Rural Fire Protection District, the following Resolution was adopted:
WHEREAS, as a general principal communications between the board and its general counsel regarding litigation and other confidential matters are subject to the attorney-client privilege and both the members of the board and the attorney are restricted from discussing such confidential matters with other individuals or parties; and
WHEREAS, the officer of the Mesa County District Attorney is inquiring into the affairs of the District and the Board desires to cooperate with the District Attorney in any investigation; and
WHEREAS, it may be advisable from time to time to have the District's general counsel meet with the District Attorney and provide information and assistance in such investigation.
NOW, THEREFORE, it is hereby RESOLVED that the District does hereby waive the attorney-client privilege to the extent that communications are made by the District's general counsel to the District Attorney's Office regarding any investigation of the District being conducted by such office.
Adopted by action of the Board on June 8, 2004.

Bob McCormick moved to approved the Resolution. Steve Gsell seconded. Roll Call. All Ayes. Motion carried.

VIII. DISCUSSION ITEMS

- A. Lawsuit with City and Grand Junction on Open Records: Larry Beckner reported that there is an open records issue about sub-tax collection for the Redlands. The City filed a lawsuit to force the records to show cause. The district did not provide the records in a timely manner. There is a hearing on June 27th.
- B. Lawsuit regarding Sub-District Tax Collection: Larry Beckner reported that the taxes assessed for 2002 were legitimately collected. The City says that they are not the defendants. There may not be a hearing, just a briefing then the issue will be resolved. The item will hopefully be dismissed.
- C. Status of Bob Cole, Richard Westfall, and Larry Beckner: Bob Cole will have no further action with the district in a couple of weeks. Larry Beckner is the district's new attorney.
- D. Status of District Records: Bob Cole will be delivering all of the district's records to Larry Beckner along with substitute of council documentation.
- E. Dedication of Fire District #5: Fire Chief Beaty provided the board with a Response/Services Overview. He stated that the station was up and operational. Several local residents have written letters or called him expressing thanks because the new fire station has saved them considerable money on their homeowners' insurance ratings. There will be a dedication ceremony on Saturday, June 12, from 10:00 a.m. to 1:00 p.m. A ribbon cutting ceremony will be held at that time. The public is invited to tour the station.

IX: OTHER ITEMS

Board of Directors meetings are held the 2nd and 4th Tuesday of each month at the Mesa Mall Community Room at 6:30 p.m.

X. ADJOURNMENT

Bob McCormick made a motion to adjourn the board of directors meeting. Vicki Felmlee seconded. Meeting adjourned at 8:30 p.m.

APPROVED AND ADOPTED THE _____ DAY OF _____, 2004.

Steve Grant, President