

NEWCASTLE FIRE PROTECTION DISTRICT

July 1, 2016, 6:00 P.M.

at 9211 Cypress Street, Newcastle, CA 95658, Newcastle, CA 95658

SPECIAL MEETING MINUTES

Board Present: Jim Jordan, Chairman

Eric Sprouse, Vice Chairman

Jonita Elder, Secretary

Rocky Robinson, Director

Robin Enos, Director

14. CALL MEETING TO ORDER:

- (A) Chairman called meeting to order at 6:00 pm.
- (B) All Board members present
- (C) Chief Higgins was also in attendance.
- (D) Pledge of Allegiance.

15. APPROVAL OF AGENDA:

- (A) Director Robinson made the motion to approve the Agenda; seconded by Vice Chairman Sprouse. All in favor. Motion carries with all board members present.

16. PUBLIC COMMENT:

- (A) In light of the notice of Penryn's cancellation for their services to the Newcastle Fire District, a recommendation was made to the board to appoint a citizen's committee to help look for a new fire chief.
 - Per Chairman Jordan, this will be part of the informational/non-action items.

17. INFORMATIONAL/NON-ACTION ITEMS:

- (A) Notice of Termination of Shared Operating Agreement with Penryn Fire Review notice from Penryn Fire Protection District providing Newcastle with contractual 60-day notice of termination of Agreement and discuss necessary actions that need to be taken prior to termination, including chief selection process and interim oversight of administrative and managerial duties.
 - June 22nd was the date of the notice.
 - Board comments: date received. Aug 22nd will be the termination date.
 - Director Robinson provided recommendation for this board...It would behoove us for many reasons to contact the Penryn board, council, and maybe Mr. Holmes to make sure we aren't doing anything outside the Brown Act. He'd like to see a special meeting to talk with Penryn's Board and Chief to discuss the issues which brought this to a head and see if we can come to agreement and move on with this agreement. After listening to some of the things he's heard, 1) We cannot even negotiate a labor contract without the Chief. There are many things we cannot do without a Chief. Moneywise it will be a hit to them, but the hit to us is going to be multiplied by 3 or 4. We are trying to negotiate for our employees, fire station build delays. It would behoove us to see if we can sit in private meeting to come to a better agreement to discuss the issues. Second idea is, if we cannot come to an agreement with

Penryn, believes we should have at least a 7-person panel consisting of at least 4 fire chiefs from the local area, someone from finance/accounting, maybe a county supervisor, and maybe one or two board members.

- Chairman Jordan agrees... Might not like what you ask for.... We are in a position that we created. We are putting ourselves in dire jeopardy with fulfilling our needs within the District. Everybody is worried about the district... under the understanding that mutual aid is not valid without a Chief of staff. We have had an excellent Chief on our staff. He is very good with the process. Well respected in the community, and with his fellow peers. Very competent. Has always done the right thing for this District and for Penryn. If we decide to go in a different direction, and not try and make amends with Penryn, and as Director Robinson said, we need to look at things very distinctly. Would have to develop something like South Placer's Schedule and some kind of 401K. Doubts we will be able to find a quality... skilled chief without doing something along those lines.
- Read a comment: From South Placer Fire District: Their Board's second major function is to select the fire Chief. Recruiting, retaining (which Newcastle has not done), evaluating, and compensating the fire chief is one of the most critical functions of the board. The Board's job is to make sure that the correct team is at the helm - not be at the helm themselves. Things we can learn from.
- Secretary Elder ask for clarification on 'make amends' to Penryn – explain further. Chairman Jordan thinks the way we have discussed Penryn, about Penryn, made comments. Council suggests we designate ad hoc committee, and it would have to be two or less board members in order to meet. - Christiane is Legal Counsel for the district.
- Resident: in the contract... may allow coverage. Everyone wants to keep Newcastle open. Closing it down is not reasonable.
- Director Enos: believes there are qualified people out there to take over and get the fire station done. Opportunity to make the board stronger and keep the station open.
- Secretary Elder: Mitch has been forced to do too much. Concerned about his working too many hours. He is a fine qualified Fire Chief for our District, but has noticed the record keeping things that need to be done, that perhaps he might not be able to do. Liaison for fire chiefs (traveling throughout California). We need someone who represents us well at this point in time.
- Resident: Two months ago this board was told that we were fine financially. The next month it totally turned around. ...then decision was made to terminating an Agreement... Resident wants to see ad hoc committee with citizens and members of the board to search for a talented individual that has Newcastle's best interest in mind.
- Resident: It was a group of citizens that brought around Proposition B and got it passed so we could have a fire department. Thinks an ad hoc committee to look for a fire chief, help get the fire station built. Once we get someone on board who can run the fire department and work with everyone to get the fire station built... in favor of ad hoc committee also.
- Bill Karl, President of the NCA – to Director Robinson - whatever happened with the agreement that you struck with Penryn? Penryn found good reason to terminate that Agreement. The point... it became a distraction. For two people, that agreement became a distraction became harmful to the community. Thinks it's a bad idea to wait or do things behind the scenes.
- Per Council, even though it's not an action item, Chairman Jordan can appoint two members of the board to oversee and explore issues, then bring it back to the board with their recommendation.
- Chairman Jordan, being advised of ad hoc committee can work towards bringing recommendations back to the board at the next meeting, or a special meeting.
- Secretary Elder volunteered to be part of the ad hoc committee, but it will put her behind a bit on labor negotiations.
- Per Council, it is not preferred, but it is possible to perform negotiations without a chief.
- Even though it's not an action item, the board can appoint board ad hoc committee of board members... minority of the board... explore options, meet, then bring recommendations back to the board for further action.
- Secretary Elder would like one more board member.
- Director Enos would like to be part of the ad hoc committee as well.
- Resident had a question on timing... do quickly. Per Chair, by the 20th meeting.

(B) Station Financial update, Jenine Windeshausen from Placer County Treasury

- One thing she'd like to clear up first...the County is not loaning the money. The County Treasury is. There is a distinct difference. The County is like a depositor. Schools are also depositors; fire districts are also depositors. The [Fire Station] loan is from the County Treasury, not from one of the depositors as has been indicated. Wanted to make it very clear... the County Treasurer makes those decisions independently. They are independently elected.
- Certain actions have been taken to date. This Board has approved the issuance of a Bond not to exceed \$2M for a fire station. Board of supervisors, action required under government code related to the treasurer's purchase of that debt/bond. That is...to approve a purchase of an investment in excess of five years. ...the purpose of that requirement is to ensure that a County treasurer does not overextend the amount in the treasury and therefore ..has insufficient liquidity to meet the withdrawal demands of the depositors. That is the purpose of that action. Not to opine on the merit, financial, or otherwise, of the debt being purchased.
- She read out loud the letter that was just given to the board. To board of NFPD regarding the financing of the fire station. [Letter to be made available to the public?]
- Per the Treasurer, some of the requirements must be met before funds are released:
 - A Chief must be in place. If an interim Chief is identified, a plan for selection and long-term placement and retention of a fire chief must be adopted by the District Board. A chief must be continuously retained by the district until such time the debt is paid in full. Selection and retention of a qualified individual or firm to handle administrative duties...experience in accounting, preferable with government accounting experience...until the debt is paid in full.
 - Development and approval by the board of a five-year financial sustainability plan. Including salary/benefits plan, etc.
 - Selection and retention of a qualified vendor by competitive process to provide annual levy preparation, ...etc.
 - Selection of a qualified project manager by competitive bid process for the construction of the fire station.
 - Selection of a qualified contractor or contractors through a competitive bid process...for project management and construction of the fire station.
 - Full construction schedule, deliverables, accounting, permits, inspections, milestones, expenditures, etc.
 - Monthly board reporting and posting of information.
- Board questions on the letter?
 - No questions
- Resident questions a prior signed document at the board meeting (two months ago) granting the Newcastle Fire Board as a go-ahead with fire station.
- Jenine recapped on various past actions and questions:
 - One of the documents – letter of representation – that says the Board is going to make certain representations to her.
 - At the time the Chair and the Secretary signed documents were pending the board's approval of investment, etc. In the interim, a number of things came to her attention. Under the circumstances, she could not subjugate her fiduciary responsibilities.
 - She expressed to the chair (via phone call), but she was in the process of doing the letter. She had concerns about the investment.
 - She recognizes the need for a fire station. She's willing to do all the documents, put this together.
- Resident recounts sequence of events that led to this.
- Per Jenine, Penryn and Newcastle both have issues. Newcastle has to focus on theirs separate from Penryn.
- The money is there for the fire station.
- Two years ago the process started. Documents were drafted and approved January 2015, but not executed. Permits were not yet in place - one of the conditions...before advancing funds.
- No money has been misappropriated. What she became aware of was Penryn's agenda regarding the decision of the fire chief that gave her pause. Without fire chief/administrative services, who would work with the contractor for the construction; contract/project/accounting, etc.

- Jenine also was aware that the Board was advised they could not take action on increase of Measure F. This is the board's prerogative. Since then a Grand Jury report has come out about the levy preparation and process and the redemption process. This is why she is advising a competitive bid process for selection of a firm that prepares levies.
- There are multiple factors over time that led to this. ...attended meeting two months ago...first began to get the impression that things were in disarray. Part of what sparked her further inquiry.
- Resident who works in building industry in private sector, things being requested, and requirements are not excessive or restrictive. Delegation of duties? Project Manager -whoever that may be -needs to be motivated, etc. A good project manager or team will help push the contractors and make this happen. Everything on that list makes sense.
- Jenine appreciates the positive and productive.
- Resident asked for clarification...No fire chief, no money from treasury.
- Per Jenine, yes, that's true.
- Resident made recommendations to start looking for fire chief now.

18. ACTION ITEMS:

- (A) Board Determination of Board Vacancy per Board Policy 2220.2, if Board vacancy is determined, Board may take action to fill vacancy pursuant to Government Code section 1780.
- Chairman Jordan read the policy 2220.1, which included verbiage such as ...members of the board shall attend all regular and special meetings unless there is good cause for absence. Members not present shall be designated in the minutes as absent. If a member arrives after a meeting commences, Recording Secretary shall record the time of arrival.
2220.2: A vacancy shall occur if any member ceases to discharge their duty of his or her office for a period of three consecutive months except as authorized by the board of directors. Director Enos has missed the April, May and June meetings.
 - Secretary Elder: Was there letter sent to Mr. Enos or is there a letter we should be looking at? Chairman sent him an email to say this is on the agenda.
 - There is nothing in the minutes that says he would not be attending the meetings.
 - Director Enos:
 1. On April 20th his email to the board notifying he would not be at the board meeting. Chairman responded...Thanks for letting me know.
 2. In June he emailed.... out of town on family function. Available by speaker phone. Didn't get acknowledgement, but it went to all board members.
 3. The policy talks about ...ceases to discharge the duty of his job, but he contacted members talking about items. During the time he was gone, he was available by email and phone call. Coincidentally all happened about the time the Newspaper article came out about his objecting to the consolidation.
 4. Who gave Mr. Jordan the authority to send out a letter of intent? Read the June 24th email from Mr. Jordan notifying him of this policy action item and his options to attend the meeting, offer resignation, etc.
 - Secretary Elder asked Chairman Jordan if he did any counseling. He did not. Did he have any assignments that were not completed? No.
 1. She talked about possible options to attend meetings remotely.
 2. Wants to work as team to get fire and safety protection and new fire station.
 - Per Council: what is before the board is whether or not there is a vacancy pursuant to the board policy. It's whether or not the board is authorizing or not authorizing the three consecutive missed meetings. That's the issue before the board. And if the Board does not authorize, then there is a vacancy determined pursuant to the policy.
 - Director Robinson: Board members need to be at board meetings.
 - Resident asks if the Board were to determine a vacancy... how would they go about filling the vacancy. Council explained the policy and options on possible outcomes. Election process, etc.
 - Per Chairman Jordan, Director Robin Enos will be added to ad hoc committee.
 - *Seeing no motion to enforce the Board Policy 2220.2. Meeting is ended.*

Meeting adjourned at 7:12 PM.

19. NEXT REGULAR MEETING: Wednesday, July 20, 2016. Location: 461 Main Street.

Respectfully Submitted,

Gayle Capik, Recording Secretary

NEWCASTLE FIRE PROTECTION DISTRICT

2016 / 2017 BUDGET FINAL

SUB: 360

DESCRIPTION	2015/2016	2015/2016	2015/2016	2016/2017
REVENUE:	BUDGET	CURRENT	%	BUDGET
6100 General Taxes	\$212,009.00	\$201,559.69	95.1%	\$218,360.00
6106 Railroad Unitary Property	\$240.00	\$230.78	96.2%	\$240.00
6107 Unitary Taxes	\$5,100.00	\$4,939.64	96.9%	\$5,100.00
6108 Property Tax Impounds	\$0.00	\$0.00	0.0%	\$0.00
6111 Unsecured Taxes	\$4,878.00	\$4,883.24	100.1%	\$4,880.00
6132 Redemption - General	\$0.00	-\$6.23	0.0%	\$0.00
6140 Prior Unsecured	\$77.00	\$75.23	97.7%	\$67.00
6171 Current Supplemental Taxes	\$4,674.00	\$5,220.62	111.7%	\$4,451.00
6196 Prior Supplement Prop. Taxes	\$15.00	\$8.73	58.2%	\$10.00
6950 Interest Income	\$3,000.00	\$6,117.36	203.9%	\$4,800.00
6957 R&T 5151 Interest Refunded	\$0.00	-\$20.29	0.0%	\$0.00
7205 Homeowners Property Tax	\$1,800.00	\$1,879.78	104.4%	\$1,800.00
7326 Federal - Other	\$0.00	\$0.00	0.0%	\$0.00
7455 State Match	\$0.00	\$0.00	0.0%	\$0.00
8105 Special Tax "Measure F"	\$144,500.00	Combined		\$144,385.00
8105 Special Tax "Measure B"	\$299,174.00	\$422,020.65	95.1%	\$305,870.00
8193 Other Svc's, Strike Team Deployments	\$21,300.00	\$55,500.73	260.6%	\$0.00
8215 Administrative Contract	\$0.00	\$0.00	0.0%	\$0.00
8746 Grants-Private Funds	\$0.00	\$0.00	0.0%	\$0.00
8764 Other Misc.	\$5,000.00	\$17,866.36	357.4%	\$2,500.00
TOTAL REVENUE:	\$701,767.00	\$720,276.29	102.6%	\$692,463.00
Transfer To: 2453, 552000, Assign. Conting.				
From: 2455 Unassigned Fund Balance	\$60,125.00			\$139,904.00
Estimate Fund Balance: 2455	\$175,915.00			\$299,660.00
TOTAL:	\$817,558.00			\$852,219.00
SALARY & WAGES:				
1002 Salaries and Wages	\$230,000.00	\$145,866.89	63.4%	\$300,270.00
1003 Extra Help (Pt. Time)	\$40,000.00	\$37,004.77	92.5%	\$40,000.00
1005 Overtime / Call Back	\$45,000.00	\$54,052.63	120.1%	\$53,000.00
1301 FICA 7.656%	\$26,000.00	\$19,350.77	74.4%	\$27,222.00
1310 Employee Grp. Ins.	\$25,000.00	\$18,734.57	74.9%	\$45,000.00
1315 Workers Comp. Ins.(.0675%)	\$32,000.00	\$20,961.00	65.5%	\$28,222.00
1565 Emp. Ben. (other Agency)	\$0.00	\$0.00	0.0%	\$0.00
TOTAL SALARIES & WAGES:	\$398,000.00	\$295,970.63	74.4%	\$493,714.00

NEWCASTLE FIRE PROTECTION DISTRICT

2016 / 2017 BUDGET FINAL

SUB: 360

DESCRIPTION	2015/2016	2015/2016	2015/2016	2016/2017
	BUDGET	CURRENT	%	BUDGET
OPERATIONS:				
2017 Uniforms	\$4,000.00	\$2,682.52	67.1%	\$4,000.00
2051 Communications, Tel	\$5,000.00	\$1,758.37	35.2%	\$5,000.00
2140 Insur. Liab. & Gen	\$8,500.00	\$7,315.00	86.1%	\$8,500.00
2290 Equipment - Vehicles	\$22,000.00	\$18,725.42	85.1%	\$32,000.00
2405 Building & Impr. / New Building	\$144,000.00	\$70,486.55	48.9%	\$110,000.00
2422 Medical Oxygen	\$720.00	\$357.02	49.6%	\$720.00
2439 Dues & Subscriptions	\$1,800.00	\$1,357.00	75.4%	\$1,800.00
2456 Misc. (Special Exp.)	\$3,000.00	\$1,141.10	38.0%	\$3,000.00
2508 County Coll. Charges	\$6,700.00	\$4,442.04	66.3%	\$6,700.00
2511 Printing Costs	\$200.00	\$0.00	0.0%	\$600.00
2517 SB 2557 Co. Cost	\$4,950.00	\$4,947.42	99.9%	\$5,300.00
2522 Supplies (Equip. Misc.)	\$11,000.00	\$8,529.19	77.5%	\$11,000.00
2523 Office Supplies	\$4,000.00	\$1,666.85	41.7%	\$4,000.00
2528 Services / Penryn Contract	\$105,000.00	\$98,528.37	93.8%	\$75,000.00
2555 Professional Services	\$45,000.00	\$15,603.03	34.7%	\$45,000.00
2556 Prof / Spec Services - County Payroll	\$0.00	\$0.00	0.0%	\$650.00
2770 Gasoline & Oil	\$12,000.00	\$6,081.03	50.7%	\$12,000.00
2772 Other Contract Svcs.	\$0.00	\$0.00	0.0%	\$0.00
2821 Small Equipment (Grant)	\$0.00	\$0.00	0.0%	\$0.00
2831 Precinct Elections	\$0.00	\$0.00	0.0%	\$6,000.00
2840 Special Exp. / Strike Team	\$20,000.00	\$8,095.23	40.5%	\$0.00
2844 Training	\$4,000.00	\$1,796.11	44.9%	\$4,000.00
2939 Admin. Board Exp. (Dir)	\$2,200.00	\$1,335.00	60.7%	\$2,200.00
2965 Utilities	\$10,000.00	\$7,747.49	77.5%	\$10,500.00
3547 LAFCO Dues	\$488.00	\$487.76	100.0%	\$535.00
3785 Local Matching Funds (Grants)	\$0.00	\$0.00	0.0%	\$0.00
4455 Fire Equipment	\$5,000.00	\$6,876.24	137.5%	\$10,000.00
TOTAL OPERATIONS:	\$419,558.00	\$269,958.74	64.3%	\$358,505.00
TOTAL EXPENSES:	\$817,558.00	\$565,929.37	69.2%	\$852,219.00
RESERVES:				
2453,514000: General Reserve	\$59,363.00	\$59,362.00		\$59,362.00
2453,552000: ASSIGN-Contingencies:	\$299,412.08	\$299,413.08		\$439,317.08
TOTAL:	\$358,775.08	\$358,775.08		\$498,679.08

NEWCASTLE FIRE PROTECTION DISTRICT

2016/ 2017 MITIGATION BUDGET FINAL

SUB:361

DESCRIPTION	2015/2016	2015/2016	2015/2016	2016/2017
	BUDGET	CURRENT	%	BUDGET
REVENUE:				
Fund Balance:	\$0.00			\$0.00
6950 Interest	\$1,600.00	\$2,098.92	131.2%	\$1,600.00
8263 Development Fees	\$15,000.00	\$28,185.98	187.9%	\$10,000.00
8764 Misc. Revenues	\$0.00	\$0.00	0.0%	\$0.00
TOTAL REVENUE:	\$16,600.00	\$30,284.90	187.9%	\$11,600.00
DESCRIPTION	2015/2016		2015/2016	2015/2016
	BUDGET		%	BUDGET
OPERATIONS:				
4455 Fire Equipment	\$39,100.00	\$37,036.66	94.7%	\$29,200.00
2453 Designated for FA Acquis	\$0.00	\$0.00	0.00%	\$0.00
TOTAL OPERATIONS:	\$39,100.00	\$37,036.66	0.0%	\$29,200.00
Transfer: From: 2453 546000, Assign Assets				
To: 2453: 552000 Assigned-Contingencies	\$10,078.00	\$0.00		\$1,852.00
Estimate Fund Balance:	\$32,578.00	\$0.00		\$15,748.00
TOTAL:	\$39,100.00	\$0.00		\$29,200.00
Reserves:				
Capital Assets	\$110,933.78	\$110,933.78		\$109,081.00
Contingencies	\$34,648.90	\$34,648.90		\$34,648.90
Total:	\$145,582.68	\$145,582.68		\$143,729.90



NEWCASTLE FIRE PROTECTION DISTRICT

PO Box 262, 9211 CYPRESS ST, NEWCASTLE, CA 95658

916-663-3323 FAX 916-663-3907

RESOLUTION #2016_6

BEFORE THE BOARD OF DIRECTORS OF THE NEWCASTLE FIRE PROTECTION DISTRICT COUNTY OF PLACER, STATE OF CALIFORNIA A RESOLUTION TO APPROVE THE BUDGET FOR FISCAL YEAR 2016 -2017

RESOLUTION #2016_6
Approving the Final Budget for 2016-2017

BE IT RESOLVED, by the Board of Directors of the Newcastle Fire Protection District, in a normal session, assembled on August 17, 2016 were presented with the Final Budget for approval and that the District Fire Chief is authorized and directed to file a copy of the Budget with the Placer County Auditor's Office.

WHEREAS, the Placer County Auditor Control Office is directed to transfer \$139,904.00 From: Sub Fund: 360, 2455, Unassigned Fund Balance and To: Assigned-Contingencies Sub Fund: 360, 2453, 552000.

WHEREAS, the Placer County Auditor Control Office is directed to transfer \$1,852.00 From: Sub Fund: 361, 2453, 546000 Assigned-Capital Assets To: Sub Fund: 361, 2455, Unassigned Fund Balance

The foregoing Resolution was passed and adopted by the Board of Directors of the Newcastle Fire Protection District at a normal meeting thereof, held on the __17__ day of August, 2016:

Director: _____ Aye: _____ No: _____ Abstain: _____ Absent: _____
Lawrence Bettencourt
Jonita Elder
Eric Sprouse
Neil Anderson
Robin Enos

Chairperson,

Second Board Member