

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular – Virtual Meeting via Teleconference

DATE: Wednesday, November 9, 2022

CALL TO ORDER: 6:30 p.m. by Chairman Naso who led the assembly in the Pledge of Allegiance.

ROLL CALL: Corbet-present; Evergettis-present; Gerbsman-present; Murray-present; Naso-present. Also in attendance were Chief Pomi, Battalion Chief Glenn, Deputy Fire Marshal Pasero, Accountant Hom, A-Shift, CPA David Alvey and Recording Secretary Wilson.

VOTE TO CONTINUE VIRTUAL MEETINGS AB 361 – Resolution 16-2022 authorizes public meetings to be held via teleconference. Chief Pomi suggested the Board approve Resolution 16-2022.

M/S Evergettis/Murray to approve **Resolution 16-2022**, a resolution of the Board of Directors of the Kentfield Fire Protection District proclaiming a local emergency, ratifying the proclamation of a State of Emergency by Executive Order N-08-21, dated June 11, 2021, and authorizing remote teleconference meetings of the legislative bodies of the Kentfield Fire Protection District for the period November 09, 2022 – December 09, 2022, pursuant to Brown Act provisions.

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Evergettis/Gerbsman to approve the minutes of October 12, 2022.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

ORAL COMMUNICATION: None

AGENDA ADJUSTMENTS: None

SPECIAL ANNOUNCEMENTS/PRESENTATIONS:

- a. ***Presentation of Independent Audit of Kentfield Fire District's Financial Statement for FY ended June 30, 2022 and Memorandum on Internal Controls and Required Communications*** – David Alvey introduced himself as a CPA and audit partner of Maze & Associates. Maze & Associates is an independent, external auditor who reviews the District's financials every year and reports to the Board. The first phase of the audit, the Interim, was completed in August of this year. During the Interim phase, the District's internal control environment is assessed. It is a time to determine that there are checks and balances in place with a segregation of duties. Payroll transactions and disbursements made throughout the prior fiscal year are reviewed, verifying all appropriate backup and confirming the District staff is following the Board approved purchasing policy. The Final review, which is the second phase of the audit, occurred in September. Maze & Associates focused on the actual verification of the balances, calculating data to verify that what is reported on the financial statements by District staff is accurate and true.

Maze & Associates complies with the Generally Accepted Auditing Standards in the United States and the Government Auditing Standards. Kentfield Fire District implemented the new Government Accounting Standards Board (GASB) pronouncement 87, which is in regards to leases. Under the old standards, there were different leases such as capital lease or operating lease. Mr. Alvey explained GASB 87 has now implemented that lease receivables and offsetting deferred inflow must be reported on the face of the financial statements. This is displayed by a new footnote, Note 4. The three lease receivables with the District are cell phone towers: T-Mobile, AT&T, and Crown Castle. GASB 87 is the only new standard that really had any financial effect on the on the report.

Kentfield Fire District received an unmodified opinion, which is the highest-level assurance that a CPA firm can give to an entity. Mr. Alvey congratulated the District, granting a clean audit opinion. He explained the Basic Financial Statements consist of Entity-wide Level (pages 9 to 10) and Fund Level (pages 11 to 14) statements. Entity-wide statements include both assets and liabilities, current and long-term. The Fund Level statement analyze the next twelve months to help manage cash, investments, accounts payable, and accounts receivable. The Entity-wide statement shows the District's assets amounted to \$19.1 million for FY 22, which is an increase of \$4.6 million over last year. Deferred outflows amounted to \$2.8 million, an increase of \$28k over last year. Liabilities was \$5.6 million, a decrease of \$4.1 million and Deferred inflows was \$7 million, an increase of \$5.9 million. The net position increased by \$2.8 million, with a total equity number of \$9.2 million.

Net position is the difference between assets, liabilities, deferred inflows and outflows. The three components of net position are: 1) Net Investment in Capital Assets 2) Restricted and 3) Unrestricted.

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This year's audit revealed the Net Investment in Capital Assets amounted to \$4.6 million or 50% of the net position. The Restricted amounted to \$532k which is only 6%. The Unrestricted portion was \$4.1 million or 44% of the net position; this category can be used for future District obligations. Analyzing the current audit year over the prior year, the total net position increased by \$2.8 million and a lot of that has to do with property tax increase increases for a total of \$415k, which was about 6% over the year from last year.

The General Fund is considered the near-term focus in the financial statements and the District ended the FY 22 with a balance of \$ \$11.1 million. At the fund level, \$532k was Restricted. The \$7 million in Assigned is what the District has allocated monies to; Note 6 of the financial statements reveals what those allocations are. The District has \$3.3 million in Unassigned funds. The total fund level balance was \$10.8 million, a \$1.7 million increase over last year. Mr. Alvey stated in terms of operations, the unrestricted fund balance could cover 20 months of the District's expenditures without receiving revenue. This is an increase from last year's audit, which was 18 months. Kentfield Fire District is moving in the right direction and in good financial health.

The Memorandum on Internal Control (MOIC) and Required Communications is the second document issued by Maze & Associates. In this document, control deficiency and other matters are communicated to the Board. Mr. Alvey reported there were no control deficiencies to note, no significant deficiencies, or material weaknesses detected. There were no issues with management accounting estimates in terms of depreciation, accounts payable, pension, and OPEB related assumptions. Maze & Associates had no difficulties in performing the audit and did not think they were being limited.

CPA David Alvey thanked Chief Pomi, Accountant Hom and Jena for all their help during the audit. He asked the Board if there were any questions. None were asked.

Director Murray thanked David Alvey for the presentation and clear explanations. Chief Pomi personally thanked CPA David and the entire Maze & Associations team for their outstanding work.

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. ***Independent Audit of District's Financial Statements for FY ended June 30, 2022*** – Chief Pomi asked if the Board had any questions regarding the Financial Statement. None were asked.

M/S Evergettis/Gerbsman to approve the Independent Audit of District's Financial Statements for FY ended June 30, 2022

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

- b. ***Memorandum on Internal Controls and Required Communications*** – Chairman Naso asked if there any questions regarding the MOIC. There were none.

M/S Evergettis/Gerbsman to approve the Memorandum on Internal Controls and Required Communications

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

- c. ***Open Public Hearing of Ordinance No. 2022-118*** – Chairman Naso opened a Public Hearing for the second and final reading of Ordinance No. 2022-118 at 6:56 p.m.

Chairman Naso read: **Ordinance No. 2022-118**

An ordinance of the Kentfield Fire Protection District, adopting and modifying the California Fire Code, and Appendix A of the International Wildland-Urban Interface Code, with amendments supported by local findings, prescribing regulations governing conditions hazardous to life and property from fire or explosion; providing for the issuance of permits for hazardous uses or operations; and defining the powers and duties of the Fire Prevention Division and Officers.

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OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made

Chairman Naso closed the Public Hearing at 6:57 p.m.

M/S Gerbsman/Corbet to approve Ordinance No. 2022-118

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

Chief Pomi thanked Deputy Fire Marshal Pasero for his outstanding work on the Fire Code Ordinance. Now that it has been approved, it will be submitted to the County Board of Supervisors for ratification.

- d. **Election of 2023 Board of Director Officers** – The Board manual states that officers shall serve a one-year term. Chief Pomi explained following the traditional approach, the officer slate for 2023 would be: Director Evergettis as the Board Chairman; Director Corbet as the Board Vice-Chairman; and Director Murray would serve as Board Secretary. Chief Pomi said any member can hold any position and requested nominations and votes for each of the positions.

M/S Murray/Gerbsman to nominate Director Evergettis as 2023 Chairman

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

M/S Murray/Gerbsman to nominate Director Corbet for 2023 Vice-Chairman.

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

M/S Gerbsman/Corbet to nominate Director Murray for Board Secretary

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye
Ayes: 5; Noes: 0
Motion passes

CHIEF'S REPORT:

- a. **Out of County Assignments** – November 15th will be the last day of the seasonal firefighter program. The seasonals will be transitioning into working with our defensible space and prevention programs. Also included in the Board packet, is Kentfield Fire's out of county assignments for this year's fire season. There were two big fire events: the McKinney and the Mosquito.
- b. **National Weather Service Winter 2022-2023 Outlook** – Brian Garcia the from the weather center gave a presentation the other day. He reported that we are still in a La Nina pattern which is potentially a drier pattern for our part of the state. A lot of the models are showing however that as we come out of this La Nina pattern, these are the years when in March or April the atmospheric rivers can surface through our area. The months of January and February may be dry, but March and early April could provide some very significant rain.
- c. **Captain and acting captain assessment** – Battalion Chief Glenn and Captain Garcia are putting together a captain and acting captain's assessment. We are providing an opportunity to run an assessment to identify our future leaders as part of our succession planning. This provides the opportunity for new members to serve in leadership roles. There are a few more candidates who have completed the necessary classes and certifications. Starting the beginning of December, they will go through an examination process and hopefully by January, we will be able to bring a candidate list to the Board for ratification.

DIRECTOR MATTERS: None

CORRESPONDENCE: Were reviewed.

DISTRICT OPERATIONS: October Incident Logs and Overtime Reports were reviewed.

Director Gerbsman left the meeting.

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APPROVAL OF WARRANTS:

M/S Murray/Evergettis to approve October warrant 805304605 to and including 805304631 for \$152,048.86

OPPORTUNITY FOR PUBLIC COMMENTS: There were no public comments made.

Roll Call Vote: Corbet-Aye; Evergettis-Aye; Gerbsman-Absent; Murray-Aye; Naso-Aye

Ayes: 4; Noes: 0; Absent: 1

Motion passes

NEXT MEETING: The next regular meeting will be held on December 14, 2022.

CLOSED SESSION: None

CONFERENCE WITH LEGAL COUNSEL- Initiation of litigation pursuant to Government Code §54956.9(d)(4).

CONFERENCE – to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee. Government Code § 54957 (b)(1).

ADDITIONAL ACTIONS: Director Naso asked for a moment of silence.

ADJOURNMENT: M/S Evergettis/Murray to adjourn this meeting at 7:15 p.m. All ayes.

Respectfully submitted,

Jena Wilson
Recording Secretary