

PENN VALLEY FIRE PROTECTION DISTRICT  
**PENN VALLEY, CALIFORNIA**  
BOARD OF DIRECTORS  
SPECIAL BOARD MEETING  
September 18, 2007

A special meeting of the Board of Directors of the Penn Valley Fire Protection District was called to order by Chairman Grundel at 7:00 P.M. at Station 43. The Pledge of Allegiance was recited. Roll call was taken.

PRESENT

Directors: Larry Bailey, Bill Neville, Bob Webster; Kurt Grundel and Randy Casto

Absent: None

Others: Chief Vander Plaats, Legal Counsel Jim Curtis and public

Secretary-Clerk: Debbie Hughes

PUBLIC COMMENTS

None

CITIZEN'S REVIEW COMMITTEE

As recommended by the CRC, an Ad-Hoc Committee should be formed immediately to determine ways to generate money. Some of their findings will require the District to act in a timely manner, especially if a ballot measure is recommended. A plan will have to be prepared to implement the recommendations. Directors L. Bailey and B. Webster volunteered to be on this committee.

CERTIFICATES OF DEPOSIT

Chief Vander Plaats reported that each board member, B. Faletti and he received a certified letter from E. Christina Dabis, Treasurer of Nevada County, demanding that the certificates of deposit at Citizens Bank be immediately deposited with the Nevada County Treasurer. Legal Counsel J. Curtis feels that Health and Safety Code 13854 allows the District to deposit surplus funds independently of the County Treasury. However, C. Dabis feels strongly as sole authority that legally all District funds must be deposited with the Nevada County Treasurer. Chief Vander Plaats said that the District could withdraw all funds from Nevada County and function independently, but he doesn't advise it, since we have "dry period" funding. Even though J. Curtis believes the District has the right to invest surplus funds wherever they want, he wouldn't recommend fighting the issue as that could result in litigation, which is very costly and not in the public's best interest. There was more discussion as to when the CD monies would be withdrawn from Citizens Bank. If the funds were withdrawn immediately, there would probably be penalties. Possibly the CDs could be put in the name of the Nevada County Treasurer, and left to mature. After more discussion, R. Casto motioned to follow the instructions of the demand letter and cash in the Certificates of Deposit and tender the funds to the Nevada County Treasurer. B. Neville seconded.

Motion carried by the following roll call vote: AYES: K. Grundel, B. Neville, R. Casto; NOES: L. Bailey, B. Webster. The board concurred to have J. Curtis and Chief Vander Plaats compose a response letter to C. Dabis stating the District would be withdrawing the funds deposited in Certificates of Deposit and depositing them with Nevada County. They also further discussed putting something in the letter regarding the inappropriate way this was handled by the Nevada County Treasurer. The board expressed an interest in getting an Attorney General's opinion on this since both Legal Counsels interpretation of the Health and Safety Code varies.

ADJOURNMENT The board adjourned at 8:25 pm.

Respectfully submitted,

Debbie Hughes  
Secretary to the Board

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