

MINUTES OF SPECIAL MEETING OF
BOARD OF DIRECTORS
OF THE
SLEEPY HOLLOW FIRE PROTECTION DISTRICT

December 13, 2012

A duly noticed Special Meeting of the Board of Directors of the Sleepy Hollow Fire Protection District was convened at 12:00 p.m. on December 13, 2012 at 1317 Butterfield Road, San Anselmo, California. A quorum was achieved by the presence of each of the three Directors of the District, namely, Frank Berto, Thomas Finn, and Richard Shortall. Frank Berto, as President, presided as Chairman and called the meeting to order. Thomas Finn, as Secretary, recorded the proceedings.

Public Discussion

The Board welcomed Treasurer's Assistant Ceci Van Voorhees and Bank of Marin Vice Presidents William Sullivan and Linda Lippstreu to the Meeting.

There was no request from any member of the public to address the Board regarding items not on the Meeting agenda.

Bank of Marin Presentation

The Board and Ms. Van Voorhees were presented by the Bank of Marin representatives with a detailed proposal to act as the District's banking services provider. The Bank's representatives reviewed for the Board the Bank's service offerings and fees, including comprehensive retail checking account services and investment account services. In connection with the former, the Board expressed its frustration with the services currently and historically provided to the District by the County of Marin. In connection with the latter, the Board expressed its general aversion to risk with respect to the handling of its financial reserves but also its desire to obtain better yields on its substantial funds traditionally "parked" with the County.

Ms. Lippstreu addressed each of the District's concerns with respect to retail banking services. Mr. Sullivan addressed the District's concerns with respect to possible investment account services, including reviewing with the Board generally the Local Agency Investment Guidelines contained in the California Government Code to which the District is subject. Mr. Sullivan also described the District's ability to manage

investment account risk through the adoption of an Investment Policy Statement by which the Bank would be duty-bound.

All of the Board's questions posed to the Bank's representatives were answered satisfactorily and/or the Bank's representatives promised to obtain answers or further answers to all such questions.

Following a discussion in the presence of the guests, the Board unanimously agreed to explore establishing a banking relationship with Bank of Marin beginning in early 2013 and instructed Directors Shortall and Finn to serve as liaisons to the Bank for that purpose.

Since there was no further business to come before the Meeting, upon motion made and seconded, the Meeting was adjourned at 1:10 p.m.

Thomas J. Finn, Secretary