

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

February 18, 2010

A Regular Meeting of the Board of Directors of the Sleepy Hollow Fire Protection District was convened at 7:30 p.m. on February 18, 2010 at 70 Crane Drive, 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 presided as Chairman and called the meeting to order. Thomas Finn, as Secretary, recorded the proceedings.

Open Time for Public Input

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

Approval of Minutes of Prior Meetings

The Minutes of the Board's October 18, 2009 Special Meeting and November 19, 2009 Regular Meeting were unanimously approved.

Financial Matters

Treasurer Shortall presented (i) a District Balance Sheet as of February 18, 2010, together with data for the period ending February 18, 2010 for comparison purposes, (ii) a District Profit and Loss Statement as of February 18, 2010, together with data for Fiscal Year 2009 for comparison purposes, and (iii) various warrants for the payment of normal District expenses. Treasurer Shortall also presented an update of the District's budget status as of February 18, 2010. Copies of these documents are attached hereto. The Board reviewed and unanimously approved the financial reports, warrants, and budget update presented.

In connection with the financial reports, Treasurer Shortall recommended that the District explore the possibility of re-joining the California Special Districts Association (CSDA) so as to obtain access to CSDA various resources, including financial management "best practices" recommendations and legislative updates relevant to the

District. Directors Berto and Finn concurred, and the Board unanimously approved Treasurer Shortall's recommendation. Director Finn, as Secretary, was requested to contact the CSDA to explore the matter and the potential and benefits costs involved.

In connection with such "best practices", Director Finn informed the Board that a letter addressed to the District's "Finance Director" had been received from Fechter & Company CPAs inquiring as to the possible opportunity to perform the District's annual audit. Treasurer Shortall recommended that the District explore undertaking a review of the District's annual audit process and agreed to investigate the possibility of changing the District's auditors pursuant to a possible "best practices" initiative.

Treasurer Shortall notified the Board that the District's annual invoice to San Domenico School will be sent shortly.

Ross Valley Fire Department (RVFD) and Related Matters

Director Finn reported on the status of negotiations for full District membership in the Ross Valley Fire Department (RVFD) Joint Powers Authority (JPA). Director Finn reported that recent meetings of the negotiating subcommittee were again successful in reducing the number of outstanding issues but that significant issues remain to be resolved before an Amended JPA Agreement can be concluded. He reviewed in detail the progress of the latest negotiations.

The Board instructed Director Finn to continue to work to resolve these issues and to report back to the Board as warranted.

Fire Pumps Program

Director Finn reported on the status of the District's Fire Pumps Program, including prospective deployment of five (5) additional portable fire pump units in the District's inventory.

Clubhouse Rental Agreement

Director Finn reviewed the District's need and possible options for use of the Sleepy Hollow Homes Association (SHHA) Clubhouse for future Board meetings. Director Shortall agreed that the availability of the Clubhouse for Board meetings as well as for possible Community Emergency Response Team (CERT) activities in which the District may be involved. Director Berto concurred, and discussion ensued regarding the District's possible rental of the Clubhouse for 6 to 8 meetings per year at a rental rate to be determined. The Board unanimously approved commencing discussions with the SHHA and Director Finn was requested to contact the SHHA to explore the matter.

Next Meeting

It was tentatively agreed that the next Regular Meeting of the Board shall be held on Thursday, May 20, 2010.

Since there was no further business to come before the meeting, upon motion made and seconded, the meeting was adjourned at 9:20 p.m.

Thomas J. Finn, Secretary