



**AGENDA OF THE
CRESCENT FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS**

**REGULAR MEETING
HELD
MONDAY, SEPTEMBER 14, 2026
AT 5:00 P.M.**

Submit comments via ccfire@crescentcity.org; or submit a written comment by filing it with the Administrative Specialist at 255 W Washington Blvd, Crescent City, California 95531 prior to 5:00 pm, September 14, 2026. If you require special accommodation, please contact Administrative Specialist, Vanessa Duncan at 464-2421.

1. OPEN SESSION

- 1.1** CALL TO ORDER
- 1.2** ROLL CALL
- 1.3** FLAG SALUTE

2. PUBLIC PARTICIPATION

Any member of the audience is invited to address the Board on any matter that is within the jurisdiction of the Crescent Fire Protection District. Comments of public interest or on matters appearing on the agenda are accepted. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action, which may include placement on a future agenda. All comments shall be directed toward the entire Board. After receiving recognition from the Chairman, please state your name and city or county residency for the record. Public comment is limited to three (3) minutes. The public is additionally allotted five minutes each in which to speak on any item on the agenda prior to any action taken by the Board.

3. CONSENT CALENDAR

- | | |
|------------|--|
| 3.1 | APPROVE MINUTES OF THE REGULAR MEETING OF AUGUST 10, 2026 AND SPECIAL MEETING OF AUGUST 31, 2026 |
| 3.2 | APPROVAL OF WARRANT CLAIMS FOR PERIOD COVERING AUGUST 2026 |

TAKE PUBLIC COMMENT ON CONSENT CALENDAR
CONSIDER AND ADOPT CONSENT CALENDAR

4. NEW BUSINESS

Take action as necessary and appropriate.

4.1 REVIEW AND ADOPT REVISED DISTRICT EMERGENCY RESPONSE STAFFING PROGRAM (DERSP) PERSONNEL AND ADMINISTRATION POLICY

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Review and adopt the revised District Emergency Response Staffing Program (DERSP) Personnel and Administration Policy, replacing the previously adopted DERSP Personnel Policy (Exhibit A to Resolution No. 26-001), with all other DERSP program documents previously adopted by the Board remaining in effect unless otherwise amended by the Board.

4.2 REVIEW AND APPROVE PAYROLL REVOLVING FUND AGREEMENT WITH CBH CPAS & ADVISORS, PC AND AUTHORIZE DESIGNATED DISTRICT REPRESENTATIVES

RECOMMENDATION

1. Receive staff report.
2. Technical questions from the Board.
3. Take public comment.
4. Further Board discussion.
5. Review and approve the Payroll Revolving Fund Agreement between the Crescent Fire Protection District and CBH CPAs & Advisors, PC.
6. Authorize the Board Chair to execute the Agreement on behalf of the District.
7. Authorize the DERSP Administrator to execute necessary administrative documents related to DERSP payroll and the Payroll Revolving Fund and to administratively adjust the reconciliation and reimbursement frequency between monthly and quarterly, consistent with the Agreement.
8. Authorize the Fire Chief to sign DERSP payroll checks and other necessary payroll-related documents.

5. OLD BUSINESS

Take action as necessary and appropriate.

NO OLD BUSINESS AT THIS TIME

6. CHIEFS REPORT

Take action as necessary and appropriate.

UPDATE ON CURRENT MATTERS AND THOSE IN PROGRESS

- 6.1 RESPONSES OCCURRED BETWEEN: 08-01-26 to 08-31-26
- 6.2 FIRE CHIEF RECRUITMENT UPDATE
- 6.3 DISTRICT VEHICLE STRIPING PROJECT
- 6.4 ELK VALLEY RANCHERIA – FIRE PROTECTION ASSESSMENT AND SERVICE AGREEMENT REVIEW

7. BOARD COMMENTS

THIS AGENDA ITEM ALLOWS BOARD MEMBERS THE OPPORTUNITY TO DISCUSS ITEMS OF GENERAL INTEREST, PROVIDE A REFERENCE OR OTHER RESOURCE TO STAFF, ASK FOR CLARIFICATION OR REQUEST STAFF TO REPORT TO THE BOARD ON A CERTAIN MATTER.

8. ADJOURNMENT

ADJOURN TO THE NEXT REGULARLY SCHEDULED MEETING ON MONDAY, OCTOBER 12, 2026 AT 5:00 PM

POSTED:

09/11/2026

/s/ Vanessa Duncan

Clerk of the Board/Administrative Specialist

Notice Regarding Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact the Administrative Specialist's office at (707)464-2421. Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA Title II] For TTYDD use for speech and hearing impaired, please dial 711. A full agenda packet may be reviewed at Crescent City Fire & Rescue, 255 W Washington Blvd, during business hours, 8:00 a.m. - 5:00 p.m., or on-line at cfpd.crescentcity.org



MINUTES OF THE CRESCENT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS

**REGULAR MEETING HELD
MONDAY, AUGUST 10, 2026
AT 5:00 P.M.**

1. OPEN SESSION

1.1 CALL TO ORDER

Chair Erler called the meeting to order at 5:00 PM.

1.2 ROLL CALL

Board members present:

- Chair Jim Erler
- Director Rick Kelley
- Director Jim Nelson arrived at 5:03 PM
- Director Dave Short

Board members absent:

- Vice Chair Jon Maxwell

Staff members present:

- Interim Fire Chief Bill Gillespie
- Administrative Specialist Vanessa Duncan
- Captain Dana Reno
- Captain Everett Buell

1.3 FLAG SALUTE

The Pledge of Allegiance was led by Director Short

2. PUBLIC PARTICIPATION

NO PUBLIC COMMENT AT THIS TIME.

3. CONSENT CALENDAR

3.1 APPROVE MINUTES OF THE REGULAR MEETING OF JULY 13, 2026

3.2 APPROVAL OF WARRANT CLAIMS FOR PERIOD COVERING JULY 2026

On a motion by Director Short, seconded by Director Kelley, motion carried 4/0/1 with Vice Chair Maxwell being absent; the Board of Directors approved the Consent Calendar.

4. NEW BUSINESS

Take action as necessary and appropriate.

4.1 AUTHORIZE INTERIM FIRE CHIEF BILL GILLESPIE AND ADMINISTRATIVE SPECIALIST VANESSA DUNCAN TO SERVE AS THE DISTRICT'S CAL-CARD PROGRAM ADMINISTRATORS

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Authorize Interim Fire Chief Bill Gillespie and Administrative Specialist Vanessa Duncan, in her capacity as Administrator of the District Emergency Response Staffing Program, to serve as the District's authorized CAL-Card Program Administrators with full authority to establish, administer, manage, and oversee the Crescent Fire Protection District's CAL-Card Program, including executing required program documents, administering accounts, issuing and managing CAL-Cards, establishing account controls, and performing all other actions necessary for the administration of the District's participation in the State of California CAL-Card Program.

On a motion by Director Kelley, seconded by Director Nelson, motion carried 4/0/1 with Vice Chair Maxwell being absent; the Board of Directors authorized Interim Fire Chief Bill Gillespie and Administrative Specialist Vanessa Duncan to serve as the District's authorized CAL-Card Program Administrators with authority to establish, administer, manage, and oversee the Crescent Fire Protection District's CAL-Card Program.

4.2 DISTRICT EMERGENCY RESPONSE STAFFING PROGRAM (DERSP) ADMINISTRATOR COMPENSATION METHODOLOGY

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Adopt Resolution No. 26-003 approving Exhibit A - District Emergency Response Staffing Program (DERSP) Administrator Compensation Methodology, and authorize staff to work collaboratively with the City of Crescent City to develop the required amendment to the City-District agreement and return the proposed amendment to the Board for future consideration.

On a motion by Director Short, seconded by Director Nelson, motion carried 4/0/1 with Vice Chair Maxwell being absent; the Board of Directors adopted Resolution No. 26-003 approving the District Emergency Response Staffing Program (DERSP) Administrator Compensation Methodology and authorized staff to work collaboratively with the City of Crescent City to develop the required amendment to the City-District agreement and return the proposed amendment to the Board for future consideration.

4.3 ESTABLISHMENT OF THE DISTRICT EMERGENCY RESPONSE STAFFING PROGRAM (DERSP) ADMINISTRATOR EXTRA-DUTY ASSIGNMENT AND APPOINTMENT OF ADMINISTRATOR

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Adopt Resolution No. 26-004 establishing the District Emergency Response Staffing Program (DERSP) Administrator extra-duty assignment and appointing Vanessa Duncan as Administrator, and authorize staff to work collaboratively with the City of Crescent City to develop the required amendment to the City-District agreement and return the proposed amendment to the Board for future consideration.

On a motion by Director Nelson, seconded by Director Short, motion carried 4/0/1 with Vice Chair Maxwell being absent; the Board of Directors adopted Resolution No. 26-004 establishing the District Emergency Response Staffing Program (DERSP) Administrator extra-duty assignment, appointing Vanessa Duncan as DERSP Administrator, and authorizing staff to work collaboratively with the City of Crescent City to develop the required amendment to the City-District agreement and return the proposed amendment to the Board for future consideration.

4.4 ADOPTION OF DISTRICT CREDIT CARD AND ASSIGNMENT EXPENSE POLICY

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Adopt the Crescent Fire Protection District Credit Card and Assignment Expense Policy and authorize the Fire Chief and DERSP Administrator to administer the District credit card program in accordance with the adopted policy.

On a motion by Director Short, seconded by Director Nelson, motion carried 4/0/1 with Vice Chair Maxwell being absent; the Board of Directors adopted the Crescent Fire Protection District Credit Card and Assignment Expense Policy and authorized

the Fire Chief and DERSP Administrator to administer the District credit card program in accordance with the adopted policy.

5. OLD BUSINESS

Take action as necessary and appropriate.

NO OLD BUSINESS AT THIS TIME

6. CHIEFS REPORT

Take action as necessary and appropriate.

UPDATE ON CURRENT MATTERS AND THOSE IN PROGRESS

6.1 RESPONSES OCCURRED BETWEEN: 07-01-26 to 07-31-26

Interim Fire Chief Gillespie reported on the responses for the month of July.

6.2 FIRE CHIEF RECRUITMENT UPDATE

Interim Fire Chief Gillespie provided an update on the Fire Chief recruitment process, reporting that a conditional offer had not yet been made and that one of the candidates was being asked to return for an in-person follow-up.

6.3 SPECIAL MEETING FOR BUDGET ADOPTION

Interim Fire Chief Gillespie advised the Board that a special meeting would be held on August 31, 2026 at 5:00 PM for consideration and adoption of the Fiscal Year 2026/2027 Final Budget.

6.4 DISTRICT VEHICLE STRIPING PROJECT

Interim Fire Chief Gillespie provided an update on the District vehicle striping project, reporting that Engine 5112 would not be striped due to the age and availability of the apparatus, resulting in an estimated savings of approximately \$6,000.

7. BOARD COMMENTS

The Board expressed interest in pursuing research and planning efforts related to potential kitchen and dorm room renovations.

8. ADJOURNMENT

There being no further business to come before the Board, Chair Erler adjourned the meeting at 6:13PM of the Crescent Fire Protection District Board of Directors to the next regularly scheduled meeting on September 14, 2026 at 5:00PM.

ATTEST:

Vanessa Duncan, Clerk of the Board
Crescent Fire Protection District



**MINUTES OF THE
CRESCENT FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS**

**SPECIAL MEETING HELD
AUGUST 31, 2026
AT 5:00 P.M.**

1. OPEN SESSION

1.1 CALL TO ORDER

Chair Erler called the meeting to order at 5:00 PM.

1.2 ROLL CALL

Board members present:

- Director Rick Kelley
- Director Jim Nelson
- Director Dave Short

Board members absent:

- Chair Jim Erler
- Vice Chair Jon Maxwell

Staff members present:

- Interim Fire Chief Bill Gillespie
- Administrative Specialist Vanessa Duncan

With Chair Erler and Vice Chair Maxwell absent, the Board selected Director Jim Nelson to serve as Chair Pro Tem for the meeting.

1.3 FLAG SALUTE

The Pledge of Allegiance was led by Director Kelley.

2. PUBLIC PARTICIPATION

No public comment at this time.

3. NEW BUSINESS

Take action as necessary and appropriate.

3.1 CONDUCT A PUBLIC HEARING FOR THE 2026-2027 FINAL FISCAL YEAR BUDGET

RECOMMENDATION

1. Open the Public Hearing
2. Take public comment
3. Close Public Hearing
4. Board Discussion

Chair Pro Tem Nelson opened the public hearing for the Fiscal Year 2026/27 Final Budget at 5:04M, with no participation from the public, Chair Pro Tem Nelson closed the public hearing at 5:05PM.

3.2 REVIEW AND ADOPT RESOLUTION NO. 26-005; A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CRESCENT FIRE PROTECTION DISTRICT ADOPTING THE FINAL 2026-2027 FISCAL YEAR BUDGET

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Review and waive full reading, read by title only and adopt Resolution No. 26-005; A Resolution of the Board of Directors of the Crescent Fire Protection District Adopting the Final 2026-2027 Fiscal Year Budget

On a motion by Director Kelley, seconded by Director Short, motion carried 3/0/2 with Chair Erler and Vice Chair Maxwell absent; the Board waived full reading, read Resolution No. 26-005 by title only, and adopted Resolution No. 26-005; A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CRESCENT FIRE PROTECTION DISTRICT ADOPTING THE FINAL 2026-2027 FISCAL YEAR BUDGET

PASSED AND ADOPTED by the Board of Directors of the
CRESCENT FIRE PROTECTION DISTRICT

This 31st day of August 2026, by the following polled vote:

YES: 3, Director Nelson, Director Short, Director Kelley

NOES: 0

ABSENT:2, Chair Erler, Vice Chair Maxwell

4. ADJOURNMENT

There being no further business to come before the Board, Chair Erler adjourned the meeting at 5:31PM of the Crescent Fire Protection District Board of Directors to the next regularly scheduled meeting on September 14, 2026 at 5:00PM.

ATTEST:

Vanessa Duncan, Clerk of the Board
Crescent Fire Protection District

CFPD CLAIMS LIST AUGUST FY26/27

CLAIM ID	CLAIM DATE	VENDOR	ACCOUNT	AMOUNT	INVOICE#	DESCRIPTION	GRAND TOTAL
532-3502	8/4/26	CANON FINANCIAL SERVICES	52600	\$ 164.76	43530890	CANON FINANCIAL SERVICES	\$ 164.76
532-3503	8/4/26	ROSS, MATTHEW DBA ROSS JANITORI.	52345	\$ 380.00	1205	JANITORIAL SERVICES - WASHINGTON STATION JULY '26	\$ 380.00
TOTAL							\$ 544.76
533-3504	8/18/26	DROWN, RIVERS DBA LAWN & ORDER	52340	\$ 200.00	5401	LAWN CARE - BERTSCH AND COOPER JULY '26	\$ 200.00
533-3505	8/20/26	CANON FINANCIAL SERVICES	52600	\$ 210.41	43703006	LEASE PAYMENT - COPIER	\$ 210.41
533-3506	8/20/26	RECOLOGY DEL NORTE	52325	\$ 209.84	07567290	TRASH FEE - WASHINGTON STATION JULY '26	\$ 209.84
533-3507	8/20/26	PACIFIC POWER & LIGHT CO.	53200	\$ 99.81	61913251-0014	POWER - HUMBOLDT	\$ 99.81
533-3508	8/20/26	CHARTER COMMUNICATIONS	52800	\$ 232.13	177067401080126	CABLE/INTERNET - WASHINGTON STATION	\$ 232.13
533-3509	8/20/26	CRESCENT CITY WATER	53200	\$ 725.17	006251-000	WATER - WASHINGTON	\$ 725.17
533-3509	8/20/26	CRESCENT CITY WATER	53200	\$ 62.15	005222-000	WATER - HUMBOLDT	\$ 62.15
533-3509	8/20/26	CRESCENT CITY WATER	53200	\$ 36.66	006251-001	WATER - COOPER	\$ 36.66
TOTAL							\$ 1,776.17

PO# 259070

CRESCENT FIRE PROTECTION DISTRICT STAFF REPORT

TO: BOARD OF DIRECTORS

FROM: BILL GILLESPIE, INTERIM FIRE CHIEF

DATE: SEPTEMBER 14, 2026

**SUBJECT: ADOPTION OF REVISED EMERGENCY RESPONSE STAFFING PROGRAM
PERSONNEL AND ADMINISTRATION POLICY**

RECOMMENDATION

Staff recommends that the Board of Directors:

1. Receive the staff report.
2. Receive technical questions from the Board.
3. Take public comment.
4. Conduct Board discussion.
5. Approve and adopt the revised District Emergency Response Staffing Program Personnel and Administration Policy, replacing the previously approved Emergency Response Staffing Program Personnel Policy (Exhibit A).
6. Confirm that the previously approved DERSP Classification Matrix, Compensation Schedule and Methodology, Master Employment Agreement Template, and Assignment Authorization Form remain in effect except as otherwise amended by the Board.
7. Authorize the Fire Chief or designee to make non-substantive administrative corrections and implement procedures and forms consistent with the adopted Policy and Resolution No. 26-001.

BACKGROUND

On June 8, 2026, the Crescent Fire Protection District Board of Directors considered the establishment of the District Emergency Response Staffing Program ("DERSP"). The Program was developed to provide a formal temporary intermittent employment structure for qualified personnel performing District-authorized emergency response assignments, including local emergency staffing, move-up coverage, prepositioning, strike-team assignments, State and National mutual aid deployments, Cal OES mobilizations, EMAC deployments, federal and all-hazard assignments, and related emergency response activities.

As part of establishing DERSP, the Board approved Resolution No. 26-001 and related Program documents, including the Emergency Response Staffing Program Personnel Policy, Classification Matrix, Compensation Schedule and Methodology, Master Employment Agreement Template, and Assignment Authorization Form. The Program became effective July 1, 2026.

Since implementation of DERSP, staff has gained practical experience administering employee onboarding, assignments, payroll, timekeeping, reimbursement documentation, prepositioning, mutual aid deployments, and related operational requirements. This experience has identified the need for additional written guidance and clarification regarding Program administration and employee expectations.

Staff initially developed these additional provisions as a Standard Operating Guideline. Following further review, staff determined that the provisions address substantive personnel, payroll, assignment, and operational expectations and are therefore more appropriately incorporated into a comprehensive Board-adopted DERSP policy.

DISCUSSION

The proposed DERSP Personnel and Administration Policy consolidates the existing Board-approved Personnel Policy with the additional administrative and operational requirements developed during implementation of the Program.

The revised Policy retains the fundamental structure previously approved by the Board, including temporary intermittent and at-will District employment; separation between District employment, City employment, and volunteer service; qualification requirements; authorized DERSP classifications and assignments; prohibition against overlapping volunteer compensation; workers' compensation and injury-reporting requirements; and authority of the Fire Chief or designee to administer the Program.

The proposed Policy also provides additional clarification and procedures regarding:

- Assignment authorization, acceptance, employee responsibilities, and communication requirements.
- Application of CICC/NWCG incident qualifications to DERSP assignments.
- Employee expectations during CAL FIRE station coverage and Cal OES preposition assignments.
- Timekeeping and reimbursement documentation requirements, including submission of required assignment documentation within two business days following demobilization, return to quarters, or assignment completion.
- Administration of portal-to-portal compensation when authorized and permitted under applicable reimbursement requirements.
- Treatment of DERSP assignment hours in relation to volunteer monthly minimum requirements.
- District and City property and equipment used during DERSP assignments.
- Conduct, safety, operational compliance, injury reporting, and workers' compensation procedures.
- Administrative authority and procedures for addressing conflicts between Program documents.

The revised Policy also clarifies the distinction between the District's monthly DERSP payroll processing cycle and its 28-day FLSA Section 7(k) work period.

DERSP payroll will generally be processed monthly on the first day of each month. Active assignments will not be divided solely for purposes of issuing a partial payment when an assignment continues across a monthly payroll processing date. Instead, the completed assignment will be processed through the next applicable monthly payroll cycle after the employee returns and required documentation has been submitted and verified.

This monthly payroll process does not modify the District's previously established FLSA Section 7(k) work period. The District will continue to maintain the recurring 28-day work period beginning July 1, 2026 at 0000 hours. For qualifying fire protection personnel, hours will continue to be attributed to the 28-day work period in which they were actually worked for purposes of determining applicable overtime. Resolution No. 26-001 specifically established this recurring 28-day work period.

RELATIONSHIP TO PREVIOUSLY ADOPTED DERSP DOCUMENTS

The proposed Policy is intended to replace the existing Emergency Response Staffing Program Personnel Policy (Exhibit A) approved as part of the original DERSP program documents.

The remaining Board-approved DERSP documents are not proposed for replacement through this action and will remain in effect except as otherwise amended by the Board:

Exhibit B – Classification Matrix
Exhibit C – Compensation Schedule and Methodology
Exhibit D – Master Employment Agreement Template
Exhibit E – Assignment Authorization Form

Resolution No. 26-001 will also remain in effect and continue to serve as the Board's underlying authority establishing DERSP.

FISCAL ANALYSIS

Adoption of the revised Policy does not, by itself, establish new compensation rates or create a new Program expenditure.

DERSP personnel compensation will continue to be administered in accordance with the Board-approved Compensation Schedule and Methodology, applicable reimbursement agreements, authorized assignments, payroll costs, and available District budget appropriations.

The revised Policy is intended to improve payroll administration, documentation, reimbursement compliance, operational accountability, and consistency in the administration of DERSP.

ATTACHMENTS

1. Proposed District Emergency Response Staffing Program Personnel and Administration Policy.
2. Resolution No. 26-001 Establishing the Emergency Response Staffing Program, for reference.

**CRESCENT FIRE PROTECTION DISTRICT
DISTRICT EMERGENCY RESPONSE STAFFING PROGRAM (DERSP)
PERSONNEL AND ADMINISTRATION POLICY
DRAFT - FOR BOARD CONSIDERATION**

Original Program Effective Date: July 1, 2026

Revised Policy Effective Date: Upon adoption by the Board of Directors

Authority: Resolution No. 26-001 and Board-adopted DERSP Program documents

Applies To: District Emergency Response Staffing Program personnel

Replaces Upon Adoption: Exhibit A - Emergency Response Staffing Program Personnel Policy

Supersedes Upon Adoption: DERSP SOG No. 001 - Payroll, Timekeeping, & Reimbursement Procedure and subsequent draft revisions

1. PURPOSE AND RELATIONSHIP TO ADOPTED PROGRAM DOCUMENTS

The purpose of the District Emergency Response Staffing Program ("Program" or "DERSP") is to provide temporary intermittent staffing support for District-authorized emergency response operations, including local emergency incidents within the District's jurisdiction, move-up coverage, prepositioning assignments, State and National mutual aid assignments, Cal OES mobilizations, EMAC deployments, all-hazard incidents, emergency operations support, and other authorized emergency response activities.

This Policy consolidates the personnel provisions previously contained in Exhibit A of the Board-approved DERSP Program documents with administrative requirements concerning assignments, employee expectations, payroll periods, timekeeping, reimbursement documentation, compensation processing, conduct, and safety.

This Policy implements Resolution No. 26-001 and is intended to be read together with the Board-approved Classification Matrix, Compensation Schedule and Methodology, Master Employment Agreement Template, Assignment Authorization Form, and any subsequent Board-approved amendments. Except as expressly amended by Board action, those documents remain in effect.

In the event of a conflict, applicable law and Resolution No. 26-001 shall control. The Board-approved Classification Matrix controls minimum Program classification requirements, and the Board-approved Compensation Schedule and Methodology controls compensation methodology. Administrative procedures, forms, and operational guidance issued by the Fire Chief or designee shall be consistent with these controlling documents.

Program assignments are not intended to provide City staffing unless separately authorized in writing by the District and the City.

2. DISTRICT-ONLY EMPLOYMENT STATUS

Personnel employed under DERSP are temporary intermittent, assignment-based, at-will, probationary employees of the Crescent Fire Protection District ("District"). Appointment to DERSP does not create permanent, regular, classified, or career employment status and does not guarantee assignments, deployments, callback rights, minimum hours, continued employment, or future appointment.

DERSP employees are not eligible for paid leave accruals, retirement benefits, health insurance benefits, or other employee benefits except as otherwise required by applicable law.

The District is not a contracting agency under the California Public Employees' Retirement System ("CalPERS"). DERSP employment is not CalPERS-covered employment and does not create City of Crescent City employment, City service credit, City seniority, City CalPERS service credit, or eligibility for City wages, benefits, leaves, or other employment rights.

Personnel remain probationary for the duration of DERSP employment unless the Board expressly provides otherwise in writing. Employment may be ended at any time, with or without cause or notice, subject to applicable law.

Nothing in DERSP creates a property interest, vested right, expectancy of continued employment, guaranteed assignment, guaranteed compensation, or entitlement to future appointment or deployment.

3. SEPARATE VOLUNTEER STATUS AND NO OVERLAPPING COMPENSATION

The District and City utilize shared volunteer personnel as part of their joint fire service operations. A person may separately serve as a volunteer and as a temporary intermittent District employee under DERSP; however, each assignment must be separately authorized, documented, timekept, and compensated in the capacity in which the person is serving.

Personnel shall not receive City or District volunteer call stipends, duty stipends, training stipends, station staffing stipends, or other volunteer compensation for the same hours or assignment period compensated under DERSP.

Time accrued while serving on a compensated DERSP assignment shall not count toward volunteer monthly minimum requirement standards.

Personnel responding solely in a volunteer capacity outside DERSP remain subject to applicable volunteer compensation policies and City-District agreements. Time accrued for volunteer responses within the District and State Responsibility Area (SRA) that converts to CAL FIRE coverage after two (2) hours under the current CAL FIRE Assistance by Hire agreement will count toward volunteer monthly minimum requirement standards.

Acceptance of appointment to DERSP, or acceptance or refusal of a DERSP assignment, does not by itself alter a person's separate volunteer status except as otherwise required for operational qualification, safety, discipline, or compliance with applicable law.

4. AUTHORIZED ASSIGNMENT SCOPE

DERSP assignments may include local emergency incidents, emergency staffing support, move-up coverage, prepositioning, strike-team or task-force assignments, mutual aid assignments, Cal OES mobilizations, EMAC deployments, federal assignments, State and National mutual aid incidents, all-hazard incidents, emergency operations support, and related emergency response activities authorized by the District.

All assignments performed under DERSP are District employment assignments and not City employment assignments. Nothing in this Policy prohibits volunteers, City employees, or other authorized personnel from participating in the same incident or operation under their respective volunteer, employment, or assignment status.

5. AUTHORIZED CLASSIFICATIONS AND QUALIFICATIONS

Authorized DERSP classifications are those established by Resolution No. 26-001, the Board-approved Classification Matrix, or subsequent Board-authorized action.

Personnel shall maintain all certifications, licenses, driver qualifications, training, medical clearances, fitness standards, Red Card requirements, CICC/NWCG qualifications, incident qualifications, and other requirements applicable to the assigned classification, resource typing, and assignment.

The minimum qualifications for Program classifications are established by the Board-approved Classification Matrix and may be supplemented by assignment-specific requirements. For overhead and engine assignments, required CICC/NWCG incident qualifications govern assignment eligibility and operational role regardless of a member's separate volunteer department rank.

Personnel shall immediately notify the District of any lapse, suspension, restriction, expiration, injury, medical limitation, driving-status change, or other circumstance affecting required qualifications or the ability to safely perform assigned duties. Personnel who do not maintain required qualifications may be removed from assignment eligibility.

6. HIRING AND ASSIGNMENT AUTHORITY

The Fire Chief, or designee, is authorized to recruit, appoint, deploy, supervise, discipline, remove from assignment, and terminate DERSP personnel subject to applicable law and Board-adopted policy. When administering DERSP, the Fire Chief and any City-provided administrative personnel act as authorized

agents or designees of the District for District purposes only and not as City employers or City appointing authorities.

Appointments and assignments shall occur only after completion of District-required onboarding, payroll documentation, qualification verification, and execution of the District's temporary intermittent employment agreement or other approved appointment document.

Assignments may only occur when authorized by the Fire Chief, Duty Chief, authorized Command Officer, or designated administrative personnel acting under Fire Chief authority. Chief Officers may self-dispatch to authorized emergency response assignments when permitted by District policy, provided the Fire Chief or designee is notified as soon as practical. All other personnel shall obtain authorization before assignment, mobilization, or deployment.

Personnel shall not assume that participation in an incident, staffing activity, or deployment automatically constitutes a compensated DERSP assignment.

7. ASSIGNMENT ACCEPTANCE AND EMPLOYEE EXPECTATIONS

DERSP employees are not guaranteed assignments and may generally decline an offered assignment unless already mobilized, deployed, or otherwise directed by the District after accepting the assignment.

Upon accepting an assignment, an employee is expected to report at the time and location directed; be prepared and qualified for the assigned position; possess required PPE, licenses, identification, qualification cards, and deployment documentation; follow the assigned chain of command; and remain available for the anticipated assignment duration unless released or otherwise authorized.

Once mobilized, personnel shall remain assigned until released, reassigned, demobilized, or otherwise authorized by the District or appropriate incident authority.

8. COMMUNICATION REQUIREMENTS

Employees shall maintain reliable communication with the District during DERSP assignments and promptly report significant changes in mobilization or reporting status, reassignment, apparatus or crew assignment, demobilization, expected return time, injury or illness, accidents, safety concerns, lost or damaged property, and payroll or documentation issues.

Employees shall maintain current telephone, email, mailing address, emergency contact, and other required personnel information with the District.

9. FLSA 28-DAY WORK PERIOD

For qualifying employees engaged in fire protection activities, the District has established a twenty-eight (28) consecutive day work period pursuant to Section 7(k) of the Fair Labor Standards Act. The declared work period began July 1, 2026 at 0000 hours and recurs continuously thereafter unless modified by Board action or written District policy.

For qualifying personnel subject to the Section 7(k) work period, overtime compensation applies to hours worked in excess of two hundred twelve (212) hours during the applicable twenty-eight (28) day work period, unless otherwise required by law. Classifications, assignments, or duties not qualifying under Section 7(k) shall be administered under applicable overtime requirements.

The twenty-eight (28) day FLSA work period is maintained solely for work-period and overtime administration and is separate from the District's monthly DERSP payroll processing cycle. Hours shall be attributed to the FLSA work period in which they were actually worked, regardless of the date on which the associated wages are processed for payment.

10. MONTHLY PAYROLL PROCESSING CYCLE

DERSP payroll shall be processed on a monthly cycle, with payroll processing scheduled for the first (1st) day of each month. The first of the month is the District's payroll processing date and is not a separate FLSA work-period boundary.

The payroll processing date represents the date the District begins processing completed DERSP assignments that are eligible for payment. It is not a guaranteed employee payment or check date. Actual payment may depend upon assignment completion and the receipt, review, verification, correction, and approval of required payroll and reimbursement documentation.

Payment will generally be issued on the District's next available payroll date after assignment completion, receipt of all required documentation, and verification of compensable hours, subject to applicable payroll processor deadlines.

11. ASSIGNMENTS CROSSING MONTHLY PAYROLL PROCESSING DATES

DERSP assignments will not be divided for purposes of issuing partial payment solely because a monthly payroll processing date occurs while an employee remains on an active assignment.

This is because final compensable time, demobilization information, assignment documentation, and reimbursement-supporting records generally cannot be fully verified until the assignment is complete and the employee has returned and submitted required documentation.

If an authorized assignment remains active on the first (1st) day of a month, the employee will not receive partial payment for the portion of the assignment completed before that processing date. The entire assignment will be processed after the employee has returned, submitted all required timekeeping and reimbursement documentation, and the assignment has been reviewed and verified by the District.

The completed assignment will be included in the next available monthly payroll processing cycle following the employee's return and submission of all required documentation.

Example: An employee departs on an assignment on August 20, 2026 and returns on September 8, 2026. Because the employee remains on the assignment on September 1, the assignment will not be partially processed on September 1. The entire August 20 through September 8 assignment will be processed with the next available monthly payroll cycle after the employee returns and all required documentation has been submitted and verified.

This payment-processing rule does not change the District's twenty-eight (28) day FLSA work period. Hours worked are attributed to the applicable FLSA work period in which they were actually worked for overtime purposes, even when payment for the completed assignment is processed during a later monthly payroll cycle.

This section is intended to establish the District's normal payroll processing procedure for completed DERSP assignments and shall be administered consistent with applicable wage-payment requirements.

12. TIMEKEEPING AND DOCUMENTATION

Personnel shall accurately document all compensable time worked in accordance with District procedures and applicable reimbursement requirements.

Timekeeping and supporting documentation may include F-42 Time Reports, FC-33 forms, OF-288 Emergency Firefighter Time Reports, Crew Time Reports (CTR), strike-team rosters, resource orders, assignment logs, District timesheets, electronic payroll records, travel documentation, receipts, demobilization records, equipment-use records, or other documentation approved or required by the District or reimbursement authority.

Submitted records shall accurately reflect applicable assignment start and end times, authorized travel, staging, operational assignment time, demobilization, apparatus or resource assignment, incident or order number, assigned classification, and other information required for payroll or reimbursement.

Required documentation shall be complete, accurate, legible, and submitted within two (2) business days following demobilization, return to quarters, or assignment completion unless otherwise directed by the District or reimbursement agency. Personnel should not wait until the monthly payroll processing date to submit completed assignment documentation.

Personnel shall not report hours not actually worked or otherwise compensable, claim overlapping DERSP and volunteer compensation, claim unauthorized personal or off-duty time, or knowingly submit incomplete or inaccurate records.

13. COMPENSATION AND PAYROLL ADMINISTRATION

Personnel shall be compensated in accordance with the Board-approved Compensation Schedule and Methodology, applicable law, reimbursement agreements, and District policy.

Authorized emergency response mobilizations and deployments may be compensated at a District-approved deployment rate as provided by the Board-approved Compensation Schedule and Methodology.

Compensation is limited to the approved assignment classification, authorized hours worked, applicable overtime, authorized deployment compensation, and applicable reimbursement provisions.

Compensation rates and methodologies may be administratively adjusted only to the extent authorized by Resolution No. 26-001 and the Board-approved Compensation Schedule and Methodology, including adjustments associated with reimbursement methodologies, assignment-specific rates, employer payroll costs, workers' compensation premiums, unemployment insurance rates, Medicare rates, and other legally required employer expenses.

Payroll processing will generally occur through the monthly DERSP payroll cycle after assignment completion and after required documentation has been submitted, reviewed, verified, and corrected when necessary. The District may delay processing pending verification of assignment records, correction of incomplete or inaccurate records, or resolution of administrative discrepancies.

Reimbursement review may affect claim submission or cost recovery, but shall not by itself delay payment of undisputed wages for authorized compensable work once the District has sufficient documentation to verify those wages.

The District is the employer of record for DERSP employment and shall issue or cause to be issued required wage and tax documents through the District's payroll process or authorized payroll processor.

14. PORTAL-TO-PORTAL COMPENSATION

Portal-to-portal compensation may apply only to authorized emergency response mobilizations when approved by the Fire Chief or designee and permitted under applicable reimbursement agreements, labor laws, District policy, and the Board-approved Compensation Schedule and Methodology.

When authorized, compensable periods may include authorized travel time, mobilization time, staging time, operational assignment periods, demobilization time, and return travel time.

The District reserves the right to determine compensable and non-compensable periods and reimbursement eligibility associated with individual assignments. Unauthorized off-duty activities, personal leave periods, or other non-reimbursable time are not compensable under DERSP unless otherwise required by law.

15. CONDUCT, SAFETY, AND OPERATIONAL COMPLIANCE

DERSP employees represent the Crescent Fire Protection District while performing assignments and shall comply with District policies and procedures; applicable assignment and reimbursement requirements; ICS and NIMS standards; safety regulations; PPE requirements; driver safety, vehicle operation, and equipment-use rules; confidentiality requirements; injury and exposure reporting requirements; and operational directives applicable to the assigned position.

Employees shall perform assigned duties safely, professionally, honestly, and in a manner consistent with the standards expected of Crescent Fire Protection District personnel.

16. CAL FIRE STATION COVERAGE AND PREPOSITION ASSIGNMENTS

When assigned to CAL FIRE station coverage or a preposition assignment at a station, the DERSP Engine Boss/Company Officer is responsible for supervision of the assigned DERSP crew.

Crews shall participate in daily cleaning and appropriate station, apparatus, and equipment checks and maintenance. When host-agency personnel are present, host-agency personnel lead station operations and DERSP personnel assist as directed. DERSP personnel shall conduct themselves as guests of the host agency and leave the station in as good or better condition than it was upon arrival.

While assigned to a CAL FIRE coverage assignment in the local area, DERSP employees and apparatus will respond to emergency incidents within Crescent Fire Protection District in accordance with the applicable CAL FIRE - Crescent City Fire & Rescue mutual aid agreement. Response of coverage personnel will be at the request of the Fire Chief, Duty Officer, or on-duty Career Captain through Del Norte County Dispatch or directly by radio. DERSP employees on CAL FIRE coverage will also respond to fires in State Responsibility Areas (SRA) surrounding Crescent Fire Protection District as applicable to the assignment.

DERSP employees on Cal OES preposition assignments stationed at Washington Station will respond to incidents within the jurisdiction at the request of the Fire Chief, Duty Officer, or on-duty Career Captain when the incident meets the intent of the preposition assignment, and for mutual aid as needed.

Nothing in this section authorizes DERSP assignments to provide City staffing or City employment unless separately authorized in writing by the District and City.

17. INJURY REPORTING AND WORKERS' COMPENSATION

Personnel shall immediately report any injury, occupational illness, exposure, apparatus or vehicle accident, property damage, near miss, or other safety-related incident occurring during a DERSP assignment.

Required injury, workers' compensation, accident, exposure, or safety documentation shall be completed as soon as practical and shall not be delayed until the end of an assignment or pay period.

Personnel acting within the course and scope of authorized District duties shall be covered by workers' compensation in accordance with applicable law and District coverage. Volunteer workers' compensation processes do not apply to hours or assignment periods compensated as District employment under DERSP except as otherwise required by law or written agreement.

18. DISTRICT AND CITY PROPERTY AND EQUIPMENT

Employees are responsible for District property, equipment, records, apparatus, PPE, identification, credit cards, or other resources issued or entrusted to them. District property shall be used only for authorized purposes and returned upon request, completion of assignment, or separation from DERSP employment.

Use of City facilities, equipment, apparatus, or PPE in connection with DERSP assignments must be authorized under applicable City-District agreements or by authorized command personnel acting within delegated authority.

Lost, stolen, damaged, or improperly functioning property or equipment shall be reported promptly.

19. FAILURE TO MEET PROGRAM REQUIREMENTS

Failure to comply with DERSP requirements may result in correction or rejection of payroll documentation, delay in payroll or reimbursement processing, removal from an assignment, temporary removal from assignment eligibility, disciplinary action, removal from DERSP, or termination of temporary intermittent District employment, subject to applicable law and District policy.

Intentional falsification, misrepresentation, or inaccurate reporting of timekeeping, payroll, reimbursement, qualification, or assignment records may result in disciplinary action, removal from the Program, reimbursement denial, and potential civil or criminal liability.

20. FIREFIGHTERS PROCEDURAL BILL OF RIGHTS; PROBATIONARY STATUS

Nothing in this Policy is intended to waive, limit, or expand any rights that may be required under the Firefighters Procedural Bill of Rights Act, Government Code section 3250 et seq., or other applicable law. To the extent the Act or another procedural requirement is determined to apply, the District shall administer investigations, interrogations, punitive action, and appeal rights in accordance with applicable law.

21. RECORD RETENTION

The District shall maintain or cause to be maintained assignment records, payroll documentation, reimbursement records, personnel records, workers' compensation records, and related administrative records in accordance with applicable law, District records-retention requirements, audit standards, CFAA requirements, Cal OES documentation requirements, and other applicable State or federal recordkeeping requirements.

22. ADMINISTRATION AND CONFLICTS

The Fire Chief or designee may issue operational procedures, forms, assignment authorizations, payroll procedures, qualification verification procedures, reimbursement tracking procedures, communication requirements, and other non-substantive administrative guidance necessary to administer DERSP consistent with Resolution No. 26-001, this Policy, and other Board-approved Program documents.

The Fire Chief or designee may make administrative updates necessary to maintain compliance with reimbursement procedures, labor requirements, payroll processes, and operational needs when those updates do not substantively amend a matter reserved to the Board.

In the event of a conflict between this Policy and an assignment form, administrative procedure, or employment agreement, this Policy and Resolution No. 26-001 control unless the Board expressly provides otherwise.

23. SEPARATION OR REMOVAL FROM PROGRAM

The District may separate an employee from DERSP, decline to offer future assignments, remove an employee from an assignment, or terminate DERSP employment at any time, with or without cause or notice, subject to applicable law.

Separation from DERSP employment does not by itself terminate any separate volunteer relationship unless the District or City separately determines that volunteer status should be modified or terminated under applicable volunteer policies, operational standards, agreements, or law.

24. EFFECTIVE DATE AND SUPERSESSION

The Emergency Response Staffing Program was established effective July 1, 2026 by Resolution No. 26-001. This revised Policy shall become effective upon adoption by the Board of Directors.

Upon adoption, this Policy replaces Exhibit A - Emergency Response Staffing Program Personnel Policy and supersedes DERSP SOG No. 001 - Payroll, Timekeeping, & Reimbursement Procedure and subsequent draft revisions addressing the same subject matter.

Except as expressly amended by Board action, the Board-approved Classification Matrix, Compensation Schedule and Methodology, Master Employment Agreement Template, and Assignment Authorization Form remain in effect.

CRESCENT FIRE PROTECTION DISTRICT STAFF REPORT

TO: BOARD OF DIRECTORS

FROM: BILL GILLESPIE, INTERIM FIRE CHIEF

DATE: SEPTEMBER 14, 2026

SUBJECT: PAYROLL REVOLVING FUND AGREEMENT WITH CBH CPAS & ADVISORS, PC

RECOMMENDATION

Staff recommends that the Board of Directors:

1. Receive staff report.
2. Technical questions from the Board.
3. Take public comment.
4. Further Board discussion.
5. Review and approve the Payroll Revolving Fund Agreement between the Crescent Fire Protection District and CBH CPAs & Advisors, PC, establishing a District-owned payroll revolving fund account for the payment of authorized District payroll wages and required federal and California payroll tax obligations.
6. Authorize the Board Chair to execute the Payroll Revolving Fund Agreement on behalf of the Crescent Fire Protection District.
7. Authorize the DERSP Administrator to execute administrative documents with CBH CPAs & Advisors, PC on behalf of the District that are necessary for the administration and processing of DERSP payroll and the Payroll Revolving Fund; and authorize the DERSP Administrator to administratively adjust the frequency of Fund reconciliation and reimbursement between quarterly and monthly based upon payroll volume, available Fund balance, administrative need, or other operational considerations, without further Board approval, provided the adjustment is consistent with the Board-approved Agreement and receives the concurrence of the Del Norte County Auditor-Controller's Office when required. This authority does not include authority to materially amend other terms of the Agreement or independently obligate the District to additional expenditures not otherwise authorized by the Board.
8. Authorize the Fire Chief to serve as an authorized signer for DERSP payroll checks and to execute payroll-related documents necessary to process authorized District payroll, payroll tax deposits, and related payroll obligations, subject to the District's existing check-signature, banking, internal-control, and fiscal requirements.

BACKGROUND

The Crescent Fire Protection District relies on the Del Norte County Auditor-Controller's Office to process disbursements on behalf of the District. With implementation of the District Emergency Response Staffing Program (DERSP), the District now has temporary intermittent employees

whose wages and associated federal and California payroll tax obligations must be processed within applicable payroll and tax deposit deadlines.

The County's existing disbursement process does not allow District payroll and associated payroll tax deposits to be processed within the timeframes necessary to meet these obligations. Staff has therefore worked with CBH CPAs & Advisors, PC (CBH) and the Del Norte County Auditor-Controller's Office to develop a payroll revolving fund process that will allow the District to timely meet its payroll obligations while maintaining appropriate financial controls, reconciliation, and County oversight.

The proposed Payroll Revolving Fund Agreement establishes the responsibilities of the District and CBH in administering the Fund and recognizes the County Auditor-Controller's role in reviewing reimbursement requests and replenishing eligible payroll expenditures. The County Auditor-Controller's Office is not an executing party to the Agreement.

DISCUSSION

Under the proposed Agreement, the District will establish and maintain a dedicated checking account at Coast Central Credit Union in the District's name and tax identification number. The account will be dedicated solely to authorized District payroll wages and the associated required federal and California payroll tax withholdings and deposits.

The Fund will initially have a \$100,000 Fund Ceiling. The County will transfer the initial funding to the District-owned account, allowing payroll and payroll tax obligations to be paid within required timeframes without waiting for the County's normal disbursement process.

The Agreement establishes a segregation of responsibilities among the District, CBH, and the County Auditor-Controller's Office. The District will own and maintain the Fund Account and retain the authority assigned to District officers under the Agreement. CBH will process District payroll, prepare payroll summary reports and reconciliation documentation, and retain supporting payroll registers and tax deposit confirmations. The County Auditor-Controller's Office will independently review reconciliation packages and eligible payroll expenditures before replenishment of the Fund.

ADMINISTRATIVE AND PAYROLL AUTHORITY

Implementation of the Payroll Revolving Fund Agreement will require ongoing administrative coordination with CBH, including execution of routine payroll, account, tax, and other administrative documents associated with DERSP payroll. Staff recommends that the Board authorize the DERSP Administrator to execute such administrative documents on behalf of the District when they are consistent with the Board-approved Agreement, DERSP policies, and approved District budget.

The DERSP Administrator's delegated authority includes determining the appropriate reconciliation and reimbursement frequency between quarterly and monthly based upon payroll volume, available Fund balance, administrative need, and other operational considerations. Such

an adjustment may be made without further Board approval, provided it remains consistent with the Agreement and receives concurrence from the Del Norte County Auditor-Controller's Office when required. This delegated authority does not include authority to materially amend other terms of the Board-approved Agreement or independently obligate the District to additional expenditures that have not otherwise been authorized by the Board.

Staff further recommends authorizing the Fire Chief to serve as an authorized signer for DERSP payroll checks and to execute payroll-related documents necessary to process authorized District payroll, payroll tax deposits, and related payroll obligations. This authority is intended to facilitate timely payroll administration and remains subject to the District's existing check-signature, banking, internal-control, and fiscal requirements.

RECONCILIATION AND REPLENISHMENT

The Agreement initially provides for quarterly reconciliation aligned with the District's federal and California payroll tax filing periods. Following each reconciliation period, CBH will prepare a payroll summary showing wages paid and payroll taxes remitted from the Fund Account. The District will submit the reconciliation package and reimbursement request to the County Auditor-Controller's Office for review.

Upon approval of eligible payroll expenditures, the County will replenish the account to restore the approved \$100,000 Fund Ceiling. The Agreement also provides a process for addressing a low Fund balance and allows the reconciliation period to transition between quarterly and monthly as operational needs warrant. The DERSP Administrator will be authorized to determine the appropriate reconciliation and reimbursement frequency without further Board approval based upon payroll volume, available Fund balance, administrative need, and other operational considerations. Any adjustment requiring concurrence of the County Auditor-Controller's Office under the Agreement will be coordinated with and approved by the County prior to implementation.

RESTRICTED USE AND INTERNAL CONTROLS

The Fund Account is restricted to District payroll wages and required federal and California payroll tax obligations. It may not be used for health insurance, retirement or pension contributions, workers' compensation premiums, vendor payments, or other District operating expenses.

The proposed structure provides separation of duties by assigning payroll processing and reconciliation preparation to CBH, maintaining District control over the Fund Account as provided in the Agreement, and requiring independent County review before eligible expenditures are replenished. Bank statements or read-only account information will also be provided as necessary to support reconciliation and monitoring.

FISCAL ANALYSIS

Approval of the Agreement establishes a \$100,000 Fund Ceiling for the District's payroll revolving account. The initial \$100,000 establishes working cash within the dedicated payroll account and

is not an additional \$100,000 payroll expenditure. As authorized payroll wages and payroll tax obligations are paid from the account, eligible expenditures will be documented, reviewed by the County Auditor-Controller's Office, and reimbursed to restore the Fund to its approved ceiling.

Actual District payroll expenditures will continue to be determined by authorized employee wages, hours worked, applicable payroll taxes, and approved District budget appropriations. The Fund is restricted to authorized payroll wages and associated required federal and California payroll tax obligations and may not be used for other District expenditures.

ATTACHMENTS

1. Payroll Revolving Fund Agreement between Crescent Fire Protection District and CBH CPAs & Advisors, PC

PAYROLL REVOLVING FUND AGREEMENT

Crescent Fire Protection District

An Agreement Between Crescent Fire Protection District and CBH CPAs & Advisors, PC

Reviewed by the Del Norte County Auditor-Controller's Office

Effective Date: September 14, 2026, subject to execution by both parties

1. Purpose and Background

Crescent Fire Protection District (the “District”) relies on the Del Norte County Auditor-Controller's Office (the “County”) to process disbursements on the District's behalf. The County has determined that it cannot process District payroll and the associated federal and California payroll tax deposits within the time frames required to keep the District current with its payroll tax deposit obligations.

To solve this timing problem, the County approves the establishment of a revolving operating fund (the “Fund”), held in a bank account owned by the District, dedicated solely to the timely payment of District payroll wages and required payroll tax deposits. CBH CPAs & Advisors, PC (“CBH”) will process District payroll and reconcile Fund activity on a periodic basis, so that the County can review and approve actual expenditures before replenishing the Fund.

This Agreement is entered into by and between the District and CBH. The County Auditor-Controller's Office reviews and approves reimbursement requests under Section 6 and signs below to acknowledge that review, but is not a party executing this Agreement.

2. Definitions

- **Fund Account:** the checking account established under Section 3, held in the District's name at Coast Central Credit Union.
- **Fund Ceiling:** the target balance of the Fund Account, initially \$100,000, to which the account is replenished following each reconciliation.
- **Payroll Costs:** gross wages and required employer and employee federal and California payroll tax withholdings and deposits directly associated with District payroll, and nothing else. Payroll Costs expressly exclude health insurance, retirement or pension contributions, workers' compensation premiums, and any other employee benefit or District expense.
- **Reconciliation Period:** the calendar quarter, aligned with quarterly federal Form 941 and California payroll tax filings, unless administratively adjusted to a monthly period in accordance with Section 9.
- **Backup Documentation:** the payroll summary report(s) described in Section 6, showing wages and payroll taxes paid from the Fund Account during the Reconciliation Period.

3. Establishment of the Fund Account

- The District will open and own a checking account at Coast Central Credit Union, titled in the District's name and tax identification number, dedicated solely to the purposes of this Agreement (the “Fund Account”).

- Authorized signers on the Fund Account will be District officers only, consistent with the District's standard signing authority. CBH will hold no signature, ACH, transfer, or disbursement authority on the Fund Account under any circumstance.
- Upon execution of this Agreement, the County will transfer \$100,000 to the Fund Account, establishing the initial Fund Ceiling.
- As a public deposit, the Fund Account will be maintained at a depository authorized to accept public funds, collateralized as required by applicable law.

4. Permitted Use of Funds

The Fund Account may be used solely to pay Payroll Costs — that is, District payroll wages and the associated required federal and California payroll tax deposits. The Fund Account may not be used to pay health insurance, retirement or pension contributions, workers' compensation premiums, or any other employee benefit, vendor payment, or District expense of any kind.

5. Roles and Responsibilities

Crescent Fire Protection District	CBH CPAs & Advisors, PC	Del Norte County Auditor-Controller
Owns and maintains the Fund Account at Coast Central Credit Union. District officers hold sole signature, ACH, and disbursement authority on the Fund Account. Executes payroll wage payments and payroll tax deposits from the Fund Account as directed by CBH's payroll processing. Submits the quarterly reconciliation package and reimbursement request, prepared by CBH, to the County Auditor-Controller. Provides CBH and the County with bank statements and account access needed for reconciliation.	Processes District payroll (Responsible Partner: Matt Wakefield). Prepares the quarterly payroll summary report(s) showing wages and payroll taxes paid from the Fund Account, for the District to submit to the County. Retains detailed payroll registers and tax deposit confirmations as backup, available on request. Holds no signature, ACH, or disbursement authority on the Fund Account.	Approves this Policy and provides the initial \$100,000 deposit to establish the Fund Account. Reviews the District's quarterly reconciliation package (County Auditor-Controller or designee). Approves eligible Payroll Costs and reimburses the Fund Account to restore the \$100,000 Fund Ceiling. Retains authority to request additional detail or audit supporting records at any time.

6. Reconciliation and Reimbursement Process

Frequency: Reconciliation occurs quarterly, timed to coincide with the District's quarterly federal and California payroll tax filings, unless the DERSP Administrator administratively adjusts the Reconciliation

Period to monthly in accordance with Section 9. The frequency may be adjusted between quarterly and monthly as payroll volume, available Fund balance, administrative need, or other operational considerations warrant.

Process:

- Within 15 business days following the end of each Reconciliation Period, CBH compiles a payroll summary report showing total wages paid and total payroll taxes remitted (federal and California) from the Fund Account during the period, and provides it to the District as Backup Documentation.
- The District submits the reconciliation package and reimbursement request, including the Backup Documentation prepared by CBH, to the County Auditor-Controller's office.
- CBH retains the underlying payroll registers and payroll tax deposit confirmations and will make them available to the County or District upon request.
- The County Auditor-Controller (or designee) reviews the Backup Documentation and approves the eligible reimbursement amount within 10 business days of receipt.
- Upon approval, the County transfers funds to the Fund Account sufficient to restore the balance to the \$100,000 Fund Ceiling.

Low-Balance Protocol: If, before the end of a Reconciliation Period, the Fund Account balance falls below \$25,000 (25% of the Fund Ceiling), CBH will notify the District, which will promptly notify the County Auditor-Controller in writing, and the parties may agree to an interim reimbursement outside the normal cycle to avoid a shortfall. [Threshold and timing figures in this Section are placeholders for the County and District to confirm before execution.]

7. Internal Controls and Safeguards

- Segregation of duties: CBH processes payroll and prepares reconciliations but holds no signature or disbursement authority on the Fund Account; District officers hold sole signing authority; the County approves reimbursement independently of both.
- The District will provide CBH and the County with Fund Account bank statements (or read-only account access) on a monthly basis to support reconciliation and ongoing monitoring.
- CBH will retain payroll registers, tax deposit confirmations, and reconciliation workpapers for at least four years, consistent with standard IRS and California employment tax recordkeeping practice, and will make them available to the District, the County, or their auditors upon request.

8. Accounting Treatment

For financial reporting purposes, the County's initial \$100,000 transfer and subsequent reimbursements are expected to be recorded by the County as payroll-related expenditures on behalf of the District, and by the District as restricted cash held for payroll purposes together with a corresponding payroll expenditure and liability as wages and taxes are paid. Each party's independent auditors should confirm the appropriate fund and financial-statement classification (including any fiduciary-activity considerations) under governmental accounting standards applicable to their respective financial statements.

9. Amendment; Administrative Adjustment of Reconciliation Period

This Agreement may be amended at any time by written agreement of the District and CBH. Notwithstanding the foregoing, adjustment of the Reconciliation Period between quarterly and monthly reconciliation is an administrative adjustment and does not constitute an amendment to this Agreement or require further approval by the District Board of Directors. The DERSP Administrator is authorized to determine the appropriate Reconciliation Period based upon payroll volume, available Fund balance, administrative need, or other operational considerations and to implement the adjustment in coordination with CBH. Because a change in Reconciliation Period frequency affects the County Auditor-Controller's review and reimbursement obligations, any such adjustment requires the prior written concurrence of the County Auditor-Controller's Office before taking effect. This administrative authority does not authorize the DERSP Administrator to materially amend any other term of this Agreement or independently obligate the District to expenditures not otherwise authorized by the Board.

10. Termination

Either the District or CBH may terminate this Agreement upon 30 days' written notice to the other, with a copy of the notice provided to the County Auditor-Controller's Office. The County Auditor-Controller's Office may also discontinue its review and reimbursement of the Fund under this Agreement upon 30 days' written notice to the District and CBH, which will have the practical effect of ending the arrangement even though the County is not a party to this Agreement. Upon termination, CBH will prepare a final reconciliation covering the period since the last Reconciliation, and any Fund Account balance in excess of Payroll Costs already incurred but not yet paid will be returned to the County.

11. Effective Date

This Agreement is effective September 14, 2026, subject to execution by both the District and CBH, and remains in effect until amended or terminated under Section 9 or Section 10.

APPROVALS

IN WITNESS WHEREOF, the undersigned parties approve and execute this Payroll Revolving Fund Agreement as of the Effective Date.

Crescent Fire Protection District

By: James Erler, Board Chair

Date: _____

CBH CPAs & Advisors, PC

By: Matt Wakefield, CEO & Managing Partner

Date: _____

Reviewed By

The County Auditor-Controller's Office reviews and approves reimbursement requests under Section 6 of this Agreement. The County Auditor-Controller's Office is not a signing party to, and does not execute, this Agreement.

Del Norte County Auditor-Controller's Office

Reviewed by: County Auditor-Controller

Date: _____

Crescent City Fire & Rescue

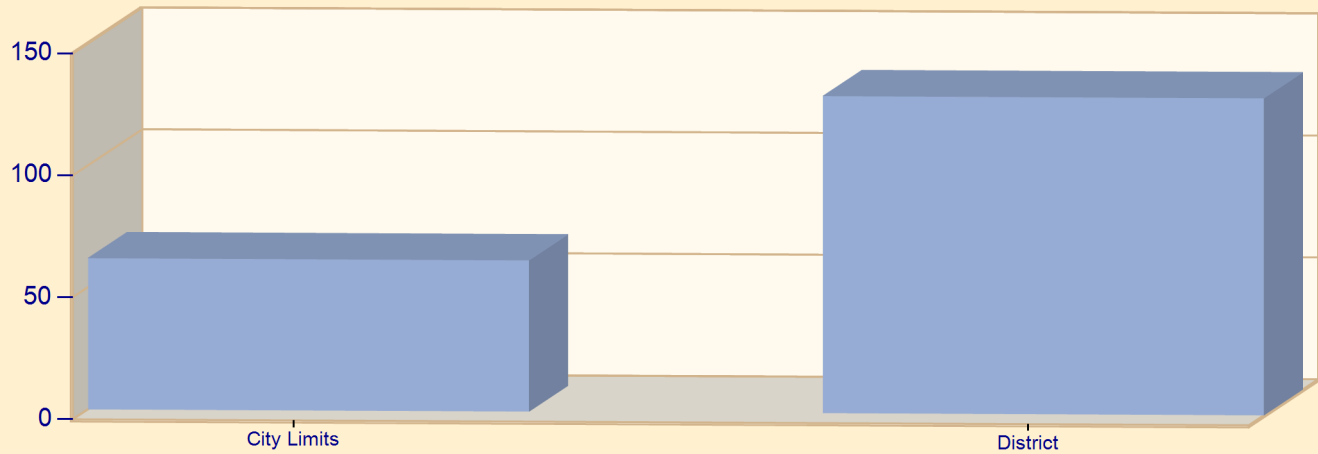
Crescent City, CA

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Incident Type Count per Zone for Date Range

Start Date: 08/01/2026 | End Date: 08/31/2026



ZONES	INCIDENT TYPE	COUNT
City Limits - City Limits		
	311 - Medical assist, assist EMS crew	27
	322 - Motor vehicle accident with injuries	1
	323 - Motor vehicle/pedestrian accident (MV Ped)	1
	324 - Motor vehicle accident with no injuries.	2
	561 - Unauthorized burning	14
	611 - Dispatched & cancelled en route	10
	622 - No incident found on arrival at dispatch address	3
	733 - Smoke detector activation due to malfunction	1
	740 - Unintentional transmission of alarm, other	1
	743 - Smoke detector activation, no fire - unintentional	1
	745 - Alarm system activation, no fire - unintentional	1
	Total Incidents for City Limits - City Limits:	62
District - District		
	100 - Fire, other	1
	111 - Building fire	1
	131 - Passenger vehicle fire	1
	140 - Natural vegetation fire, other	1
	141 - Forest, woods or wildland fire	1
	142 - Brush or brush-and-grass mixture fire	6
	151 - Outside rubbish, trash or waste fire	4

Zone information is defined on the Basic Info 3 screen of an incident.
Only REVIEWED incidents included.



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ZONES	INCIDENT TYPE	COUNT
	311 - Medical assist, assist EMS crew	54
	322 - Motor vehicle accident with injuries	1
	323 - Motor vehicle/pedestrian accident (MV Ped)	1
	324 - Motor vehicle accident with no injuries.	3
	412 - Gas leak (natural gas or LPG)	1
	440 - Electrical wiring/equipment problem, other	1
	511 - Lock-out	3
	551 - Assist police or other governmental agency	1
	561 - Unauthorized burning	26
	611 - Dispatched & cancelled en route	9
	622 - No incident found on arrival at dispatch address	8
	651 - Smoke scare, odor of smoke	2
	661 - EMS call, party transported by non-fire agency	1
	733 - Smoke detector activation due to malfunction	1
	735 - Alarm system sounded due to malfunction	1
	736 - CO detector activation due to malfunction	1
	743 - Smoke detector activation, no fire - unintentional	1
	<i>Total Incidents for District - District:</i>	<i>130</i>

<i>Total Count for all Zone:</i>	<i>192</i>
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Zone information is defined on the Basic Info 3 screen of an incident.
Only REVIEWED incidents included.

