

HIGHLANDS FIRE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
November 17, 2015

The regular meeting of the Highlands Fire District Board of Directors was held on Tuesday, November 17, 2015 at Station 21, 2838 Kona Trail, Flagstaff, Arizona.

CALL TO ORDER. The meeting was called to order at 5:02 PM.

ROLL CALL. Chairperson Peter Kloeber, Clerk Jan Hirsch, Director Bill Murphy, and Director Brad Bippus were present. Director Robyn Martin was absent.

Present from administrative staff were Chief Dirch Foreman, Battalion Chief Todd Miller, Ms. Jayme Jones and Mrs. Robyn Wilson.

PLEDGE OF ALLEGIANCE, INVOCATION, MISSION AND VISION STATEMENTS, AND BOARD RESPONSIBILITIES. The Pledge of Allegiance was recited, a silent invocation was offered, and the District's Mission and Vision Statements were stated. The Board also recited selected Board responsibilities.

WELCOME VISITORS. Chairperson Kloeber welcomed visitors. John Philpot, Chairperson of Ponderosa Fire District, introduced himself to the Board. Chairperson Kloeber welcomed Mark Frost from Hinton Burdick CPAs.

CALL TO THE PUBLIC. Chairperson Kloeber allowed time for a call to the public; there were no comments.

APPROVAL OF THE MINUTES.

OCTOBER 1, 2015 WORK SESSION. The Board reviewed the minutes for the October 1, 2015 Work Session. A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to approve the minutes as presented; the motion was unanimously APPROVED.

OCTOBER 20, 2015 REGULAR MEETING. The Board reviewed the minutes of the October 20, 2015 Regular Meeting Minutes. The Board pointed out several typographical errors for correction. A MOTION was made by Clerk Hirsch and was seconded by Director Murphy to accept the minutes with corrections as discussed; the motion was unanimously APPROVED.

FINANCE.

APPROVAL OF WARRANTS. The Board reviewed the HFD & Bear Jaw warrants issued in October. Chairperson Kloeber asked about the Bank of America Purchasing Card statements. Ms. Wilson assured the Board the statements would be in next month's report. A MOTION was made by Clerk Hirsch and was seconded by Director Murphy to approve the HFD warrants as presented; the motion was unanimously APPROVED.

A MOTION was made by Clerk Hirsch and was seconded by Director Murphy to approve the Bear Jaw warrants as presented; the motion was unanimously APPROVED.

FINANCIAL REPORT. The Board reviewed the monthly HFD and Bear Jaw financial reports, including the Bank Reconciliation Reports, Profit/Loss Budget Overviews, County's Fund Balance Summary Reports, and Cash Flow Projection. Director Murphy noted that overtime was higher than usual. Ms. Wilson informed him that the higher overtime amount is due to having three pay periods in October. Chairperson Kloeber asked about \$60,000 for a vehicle purchase on the Bear Jaw Budget. Chief Foreman replied that it is a planned purchase that will not occur due to the purchase of the crew carriers last fiscal year.

COUNTY INTEREST EARNING REPORT. Chairperson Kloeber informed the Board that Ms. Wilson shared an email with the Board regarding the County Treasurer's explanation of why interest earning rates vary from month to month. In her email, Ms. Benatar explained that every month there is a different amount of interest coming in based on the number of bonds and associated earnings according to the interest income distribution schedule.

SUMMARY REPORTS & CORRESPONDENCE.

LOCAL CHAPTER 1505. Engineer Gross, Chapter Vice President, informed the Board that the Local 1505 E-Board Retreat was on November 9. The Holiday Awards Event will be on Dec 4th and Local 1505 will also have a Christmas Party on Dec 11th. Engineer Gross asked the Board if they were aware of any families that may be in need of Holiday Dinners.

BATTALION CHIEF'S REPORT. Chief Miller presented the Battalion Chief and Activity Report. He noted that HFD experienced their busiest month this year with 66 calls in October.

FIRE CHIEF'S REPORT. Chief Foreman presented the Fire Chief's Report. He noted that the District received about a \$17,000 dividend from Arizona Business Association (ABA). In addition, He announced that Firefighter Levi Gutierrez was honored as the Exchanged Club Firefighter of the Year.

FIRE BORAD CHAIRPERSON'S REPORT. Chairperson Kloeber said he has nothing to report, and he invited Chief Don Howard from Summit Fire District (SFD) to address the Board. Chief Howard informed the Board of his intention to retire on December 31, 2015. He discussed the beneficial relationship SFD has had with HFD for many years, and informed the Board of the JMA with FFD beginning on January 1, 2016. In addition he thanked the Board and District for providing leadership within the State on many levels, and he admires what HFD has accomplished. Chairperson Kloeber stated that the Board is honored to have Chief Howard visit, and they thanked him for coming.

CORRESPONDENCE. The Board reviewed a letter from Rick Evan of Whetstone Fire District Board of Directors thanking Ms. Jones for sharing the District's Fire Board Handbook.

TOPICS OF DISCUSSION AND POSSIBLE LEGAL ACTION.

- A. *RENEW OATH OF OFFICE AND CONFLICT OF INTEREST STATEMENTS.* The Board members recited the Oath of Office and signed Conflict of Interest Disclosure Statements.

- B. *CONSIDERATION TO APPROVE REVISED FY 2015 AUDIT.* Mark Frost reminded the Board that last month during the FY 2015 Audit presentation, there was a discussion regarding the District's obligation to meet the debt ratio loan covenant with Wells Fargo Bank. After further discussion and research, it was found that the non-cash pension expense may be added back in the formula to determine the debt ratio making it 1.6 instead of 1.02. In addition, the note regarding payout of sick leave accrual was also corrected. The associated changes in the audit are on pages 21 and 28. Mr. Frost requested that the initial audit document be collected and destroyed. After further discussion, a MOTION was made by and was Director Bippus and was seconded by Clerk Hirsch to approve the revised the FY 2015 Audit; the motion was unanimously APPROVED.
- C. *CONDUCT ANNUAL FIRE BOARD OFFICER ELECTION FOR POSITIONS OF CHAIRPERSON AND CLERK.* Chairperson Kloeber asked for nominations for the offices of Chairperson and Clerk. Clerk Hirsch nominated Pete Kloeber for Chairperson; Director Murphy seconded. Director Murphy nominated Jan Hirsch for Clerk; Brad Bippus seconded. Both Pete Kloeber and Jan Hirsch accepted the nominations.
- A MOTION was made by Clerk Hirsch and was seconded by Brad Bippus to reelect Pete Kloeber as Chairperson; the motion was unanimously APPROVED.
- A MOTION was made by Director Murphy and was seconded by Director Bippus to reelect Jan Hirsch as Clerk; the motion was unanimously APPROVED.
- D. *CONSIDERATION TO APPROVE REQUEST FOR DISPOSAL BY PUBLIC AUCTION FOR THE 1986 FORD/BECKER F-350 WITH SNOWPLOW ASSEMBLY AND 2006 CHEVROLET 3500 UTILITY TRUCK.* Chief Foreman reminded the Board of their decision to allow disposing of property by online public auction. Chief Foreman requested the Board approve the disposal of two vehicles. A MOTION was made by Clerk Hirsch and was seconded by Director Murphy to dispose of both the vehicles, the F-350 and Chevy 3500 as requested by the Chief; the motion was unanimously APPROVED.
- E. *CONSIDERATION TO APPROVE REVISION TO HR POLICY 10.09 PROBATIONARY PERIODS.* Chief Foreman informed the Board that the Labor Union has requested a change in policy to extend the probationary period to one year for new hires. After discussion, A MOTION was made Director Murphy and was seconded by Director Bippus to approve the revision to HR Policy 10.08 Probationary Periods to extend the probationary period to one year with an evaluation every three months during that year; the MOTION was unanimously APPROVED.
- F. *CONSIDERATION TO APPROVE REVISION TO DIRECTIVE 221 FEE SCHEDULE.* Ms. Jones explained that after the approval of the Fee Schedule new information came to light regarding charging fees for public information, and a revision to the policy is recommended. A MOTION was made by Director Bippus and was seconded by Director Murphy to approve the revision the fee schedule as presented; the motion was unanimously APPROVED.

- G. *CONSIDERATION TO APPROVE POLLING PLACE AGREEMENT WITH COCONINO COUNTY.* Ms. Jones presented the Polling Place Agreement from County Elections. Chairperson Kloeber asked about the insurance clause. Ms. Jones informed him that the clause posing issues in the past has been stricken from the agreement. **A MOTION was made by Director Murphy and was seconded by Director Bippus to approve the Polling Place Agreement as presented;** the motion was unanimously APPROVED.
- H. *DISCUSSION REGARDING FIRE BOARD'S INPUT FOR THE 2016 STRATEGIC PLAN; SPECIFICALLY, FOCUSED GOALS AND OBJECTIVES.* Chief Foreman asked the Board for input regarding the Focused Goals and Objective for the FY 2016 Strategic Plan. Input should be emailed to Ms. Jones to be included in a draft revision for the plan to be discussed at the next Strategic Planning Committee meeting. In addition, Chairperson Kloeber asked the Board to consider the goals assigned to the Fire Chief.
- I. *DISCUSSION REGARDING JOINT LEGISLATIVE STUDY COMMITTEE ON RURAL AREA FIRE DISTRICT FUNDING & TAXATION.* Chief Foreman presented a report from the Arizona Tax Research Association (ATRA) for the Board's review. Chief Foreman explained the purpose of the Legislative Study Committee. One legislative change being considered is to remove the \$3.25 tax rate cap to provide relief for increases in expenses for pensions, health care, operating cost, etc. Chief Foreman also noted that ATRA has identified HFD as high on the list of District's with non-voter approved debt. Chairperson Kloeber noted that there have been points of opposition identified that every Board member and Fire Chief should become familiar with. Chief Foreman encouraged Board members to visit SaveOurFireDistricts.org on the web and watch the infomercial. Engineer Gross commented that there is also good information provided on the PFFA website. Chairperson Kloeber commented that he commends this Board, prior Boards, and staff for good financial management as well as sacrifices that have been made during the economic crisis.
- J. *DISCUSSION REGARDING PONDEROSA FIRE DISTRICT'S (PFD) INTEREST IN A JOINT MANAGEMENT AGREEMENT (JMA) WITH HIGHLANDS FIRE DISTRICT.* Chief Foreman informed the Board that he was approached by the PFD Fire Chief to discuss potential opportunities for HFD to partner with PFD. Chief Foreman specified that the concept is in its infancy, but wanted the Board to know about the discussion that took place.
- John Philpot of PFD Board addressed the Board, and he informed the Board that the PFD Board has no knowledge of these discussions, which was only discovered when HFD posted their November Agenda. In addition, Mr. Philpot asked Chief Foreman when the conversations began; Chief Foreman answered a couple of weeks ago. Chief Foreman and Chairperson Kloeber told Mr. Philpot that they would like to attend a future Board meeting.
- K. *REVIEW COMMUNITY SURVEY RESULTS.* The Board reviewed the Community Survey Results. Chairperson Kloeber noted that 20% return for the year is very good. In regards to the Community Input Survey, Ms. Jones stated that there had been 236 responses and 53 written comments from respondents.

- L. *REVIEW THE FIRE BOARD TASK CALENDAR.* The Board reviewed the Board Task Calendar. Chairperson Kloeber asked members to come to the next meeting prepared for the Chief's Evaluation.

ADJOURNMENT. The meeting adjourned at 6:51 PM.

Respectfully submitted by,

Jayne Jones
Administrative Assistant III