



# HIGHLANDS FIRE DISTRICT

## BOARD OF DIRECTORS

REGULAR MEETING MINUTES · 04/21/20

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A regular meeting of the Fire Board of Directors was held on **Thursday, April 21, 2020 at 5:00 PM** in the Administration Board Room at 3350 Old Munds Highway, Flagstaff, Arizona. The meeting was accessible to Board members and public through video conferencing.

### 1. Call to Order

The meeting was called to order at 5:08 PM.

### 2. Roll Call

Board members present were Chairperson Kloeber, Clerk Favazzo, Director Hirsch, Director Bippus, and Director Reda.

Administrative personnel present were Chief Foreman, Battalion Chief True, Ms. Jones, and Mrs. Wilson.

### 3. Pledge of Allegiance, Invocation, Mission and Vision Statements, and Board Responsibilities

The Pledge of Allegiance was recited, a silent invocation was offered, and selected Board responsibilities were stated.

### 4. Welcome Visitors

There were no visitors present.

### 5. Call to the Public

Chairperson Kloeber dispensed with the call to the public.

### 6. Approval of Minutes

A. MARCH 18, 2020 REGULAR MEETING – The Board reviewed the minutes of the March 18 regular meeting. **A MOTION was made by Director Hirsch and seconded by Clerk Favazzo to accept the minutes as presented;** the motion was unanimously **APPROVED**.

### 7. Finance

A. WARRANTS – The Board reviewed the warrants and credit card purchases paid in March. **A MOTION was made by Director Hirsch and was seconded by Clerk Favazzo to approve the warrants and purchases as presented;** the motion was unanimously **APPROVED**.

B. FINANCIAL REPORT – The Board reviewed the District's General Fund, Capital Fund, and Bear Jaw Fund Financial Reports including the Profit/Loss Budget Overviews, Bank Reconciliation, County's Fund Balance Summary, and Cash Flow Projection. In regards to a question asked by Chairperson Kloeber about anticipated tax revenue, Chief Foreman informed the Board that the County is expecting an 8% delinquency rate, which would be a \$75,000 deficit for the District. It is likely that there could also be a reduction in FDAT.

## 8. Summary Reports & Correspondence

- A. IAFF LOCAL CHAPTER 1505 SUMMARY REPORT – Captain J. Pond reported that the Local Chapter has not participated in any event due to the COVID -19 crisis. In regards to their participation on the Planning Committee, they would like to extend their thanks to the Board and Chief Foreman for allowing Union representation, and a special thanks to Chief Foreman for his efforts to preserve benefits provided to Union workers.
- B. BATTALION FIRE CHIEF’S SUMMARY REPORT – Chief True presented the Battalion Chief’s report including Individual Activity, Incidents, and Training. He noted that much of their time has been spent preparing for COVID-19 response and safety. Chief True described significant incidents. There were 69 calls for service in March.
- C. FIRE CHIEF’S SUMMARY REPORT – Chief Foreman presented the Chief’s Report. In response to the Board’s question about the purchase of a motor last month; it is a replacement motor for the hose tester. He also noted that a lot of effort has been put towards the budget process, and COVID-19 preparation. In addition to the items on his report, the District has supported FRFD Security with COVID-19 response training and PPE.
- D. FIRE BOARD CHAIRPERSON’S SUMMARY REPORT – Chairperson Kloeber thanked Board members and personnel for all they have gone through in the last month; it has been helpful to enable virtual meetings.
- E. CORRESPONDENCE – The Board reviewed a thank you letter from the County Elections.

## 9. Topics of Discussion and Possible Legal Action

- A. CONSIDERATION TO APPROVE INTERGOVERNMENTAL AGREEMENT (IGA) WITH ARIZONA DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS (DEMA) TO PERFORM FOREST AND FUEL MITIGATION AND PRESCRIBED FIRE ON CAMP NAVAJO.

Chief Foreman presented the long awaited IGA between DEMA (Camp Navajo) and HFD (Bear Jaw) to help with fuels mitigation. After questions, A MOTION was made by Clerk Favazzo and was seconded by Director Hirsch to approve the IGA with DEMA to preform forest and fuels mitigation and prescribed fire on Camp Navajo; the motion was unanimously **APPROVED**.

- B. PRESENTATION OF FLAGSTAFF RANCH FIRE DISTRICT (FRFD) OPERATIONAL REPORT.

Chief Foreman provided the FRFD Operational Report for CY 2019. He noted that there were eight calls for service in Flagstaff Ranch, most were dispatched and cancelled on the scene. The response times averaged 16 minutes because most were not emergent responses. Flagstaff Fire Department and Guardian Medical took all emergent responses due the Automatic Aid Agreement. There was no fire loss, and most hydrant issues have been resolved.

C. DISCUSS POSSIBLE OPTIONS FOR WORKERS' COMPENSATION COVERAGE FOR FY 2021; CONSIDERATION TO MAKE AN ADMINISTRATIVE COMMITMENT TO JOIN ARIZONA FIRE DISTRICT WORKERS' COMPENSATION (WC) POOL.

Chief Foreman provided brief background of the workers' compensation insurance. In light of the potential presumptive cancer bill, 7710 Insurance got carried away with premium increases. The cancer bill has been put on hold; however, it will probably resume in the next legislative session. Considering 7710's attempt to increase rates 201%, then revise to 128%, and again revise to no rate increase; the concept of a fire district pool was revitalized. Chief Foreman believes it is a good idea to participate in the pool. Ashton Tiffany is organizing the pool, and the District has had very good experience with the company since they management of our health insurance. Chief Foreman posed a question to the Board, do we want to be in control of our destiny or subjected to the whims of a "for profit" insurance agency? He informed the Board that there are 25 fire district already committed to join the pool, and the pool is gaining a lot of momentum. Joining the pool may cost more than next fiscal year; however, the pool could lean into beneficial coverage and long term stabilization.

Chief Foreman recommended the District commit to enter the pool and consider paying the additional capitalization requirement upfront. Chairperson Kloeber informed the Board that he has attended meetings with Ashton Tiffany, and he believes "if we don't do this, we might look back and say we should have." Clerk Favazzo confirmed that the liability limit was revised to one million, and he expressed his support. Chief Foreman explained that in a worst case scenario, the cost could not exceed an additional assessment of the annual premium. Chairperson Kloeber pointed out that there is also the potential benefit of having lower health insurance premiums, because WC may have to assume the liability for presumptive cancer. Director Reda asked about capitalization; Chief Foreman replied that the pool will meet critical mass (more than \$4 million). After further discussion, a MOTION was made by Clerk Favazzo and was seconded by Director Reda to approve the administrative commitment to join the pool [allowing for] further discussion; the motion was unanimously **APPROVED**.

D. CONSIDERATION TO APPROVE FY 2021 PENSION FUNDING POLICY. Chief Foreman informed that approving a pension funding policy is a statutory requirement and must be posted on the website annually. A MOTION was made by Director Favazzo and was seconded Director Bippus to approve the Pension Funding Policy as presented; the motion was unanimously **APPROVED**.

E. PRESENTATION OF PROPOSED FY 2021 BUDGET. Ms. Wilson presented the FY 2021 Line Item Budget and explained the timeline for approval, which is scheduled to occur in June. Ms. Wilson informed the Board that due to the potential for an economic recession, they are presenting a very conservative budget. Ms. Wilson reviewed each PowerPoint slide explaining the proposed budget, and Chief Foreman explained many of budgetary cuts that were negotiated with the Union. Chief Foreman is concerned that the fallout of the pandemic may be significant, and deeper cuts might be necessary. Chairperson Kloeber pointed out that sustained wages would cause a deficit in coming years; Chief Foreman confirmed that spending some of the reserve funds would be necessary. Chief Foreman informed the Board that no action is needed this evening, and a budget work session could be called if it's wanted. Also, additional discussion will be possible at the May meeting. Chairperson Kloeber asked the Board to review the budget with a critical eye, and if there is cause, a budget work session can be arranged.

F. DISCUSS APPOINTING A CITIZEN MEMBER TO THE PSPRS LOCAL BOARD WITH TERM ENDING MARCH 30, 2024.

Chief Foreman informed the Board that it is their duty to appoint the citizen members to the PSPRS Local Board, and there is current a vacancy. Ms. Jones, who currently serves as Secretary, has offered to serve as a member of PSPRS Local Board if the Board is open to the idea. Chairperson Kloeber asked for Clerk Favazzo thoughts on the appointment to the Board. Clerk Favazzo is open to recruiting a citizen member or appointing Mr. Jones. Chairperson acknowledged that Ms. Jones has several years' experience serving as secretary of the Local Board. Chairperson Kloeber asked for the Board's input. Director Hirsch had no comment. Director Reda asked for clarification of the discussion. With agreement from all Board members, Chairperson Kloeber appointed Ms. Jones serve as citizen member of the PSPRS Local Board acknowledging that she will also serve as secretary to the Local Board.

G. CONSIDERATION TO MAKE AN APPOINTMENT TO THE BOARD WITH TERM ENDING NOVEMBER 30, 2020.

Chairperson Kloeber ratified the appointment of Mr. Gene Reda to the Board, which had been approved on April 20, 2020.

H. REVIEW FIRE BOARD TASK CALENDAR. The Board reviewed the Board Task Calendar.

**10. Board Member Comments.** There were no further comments.

**11. Adjournment**

A MOTION was made by Director Hirsch and was seconded Director Bippus to adjourn, the motion unanimously **APPROVED**. The meeting adjourned a 1:36 PM.

*In compliance with the American with Disabilities Act, if you need special assistance to participate in a meeting, please contact Jayme Jones at (928) 525-1717. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangement to assure accessibility to the meeting.*

Respectfully submitted,

Jayme Jones, Administrative Specialist