



HIGHLANDS FIRE DISTRICT  
FIRE BOARD OF DIRECTORS  
REGULAR MEETING MINUTES • 07/20/21

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A regular meeting of the Fire Board of Directors was held on **Tuesday, July 20, 2021 at 5:00 PM** at Fire Station 23, Administration Board Room, 3350 Old Munds Hwy, Flagstaff, AZ.

**1. Call to Order**

The meeting was called to order at 5:00 PM.

**2. Roll Call**

Board members present were Chairperson Kloeber, Director Hanecak, Director Smith, and Director Fredrickson. Director Bippus was absent.

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

Staff present were Captain Howell, Captain C. Pond, Engineer Gutierrez, Firefighter Ahrendt, and Firefighter Blair.

Chairperson Kloeber welcomed Jay Smith and Kristi Fredrickson to the Board, and he encouraged them to ask questions.

**3. 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, vision, and selected Board responsibilities were recited. Chairperson Kloeber referred to guidelines for executive session and requirement to adhere to Open Meeting Laws.

**4. Welcome.** Chairperson Kloeber welcomed everyone.

**5. Call to the Public.** Chairperson Kloeber dispensed with the call to the public

**6. Approval of Minutes.**

- A. JUNE 15, 2021 REGULAR MEETING. The Board reviewed the minutes from the June 15, 2021 Regular meeting. **A MOTION was made by Director Hanecak and was seconded by Chairperson Kloeber to approve the minutes as presented;** the motion was unanimously **APPROVED**.
- B. JUNE 15, 2021 EXECUTIVE SESSION. The June 15, 2021 Executive Session minutes were **TABLED**.
- C. JUNE 23, 2021 SPECIAL MEETING. The Board reviewed the minutes from the June 23, 2021 Special meeting. **A MOTION was made by Clerk Hanecak and was seconded by Chairperson Kloeber to approve the minutes as presented;** the motion was unanimously **APPROVED**
- D. JUNE 23, 2021 EXECUTIVE SESSION. The June 23, 2021 Executive Session minutes were **TABLED**.

**7. Finance**

- A. WARRANTS – The Board reviewed the warrants and credit card purchases paid in June. **A MOTION was made by Director Smith and was seconded by Director Fredrickson to accept the**

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warrants as presented. Direct Hanecak asked for details regarding the woodchipper purchase; Chief Foreman will get more information. After questions the motion was unanimously **APPROVED**.

- B. FINANCIAL REPORT – Mrs. Wilson explained the various reports. 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.

## 8. Summary Reports & Correspondence

- A. IAFF LOCAL CHAPTER 1505 SUMMARY REPORT – Local 1505 had nothing to report.
- B. BATTALION FIRE CHIEF’S SUMMARY REPORT – Chief True welcomed new members to the board. Chief True explained his report objectives to the Board, and he presented the Battalion Chief’s report including Individual Activity, Incidents, and Training. There were 74 calls for service in July.
- C. DEPUTY CHIEF’S SUMMARY REPORT – Chairperson Kloeber informed the Board that Deputy Chief Miller has temporarily taken the Deputy Chief position until Chief Foreman retires, subsequently he will assume the Fire Chief position.

Chief Miller presented the Deputy Fire Chief Activity Report. He provided information regarding the Rafael Fire, PFAC Treasurer position, Coconino Chief’s Consortium, etc. He also noted items to be discussed later.

- D. FIRE CHIEF’S SUMMARY REPORT – Chief Foreman presented his Fire Chief Report. He informed the Board that this may be his last official report to the Board; Chief Miller will continue moving forward. He noted new legislation: the tax cap increases to 3.50 over the two years, and tax revenue from the sale of cannabis. He told the board that he is taking time off mid-August for his 35th Wedding Anniversary.

Chief Miller invited the Board to attend the retirement gathering and Flag Ceremony in honor of Engineer Dobbe on July 30<sup>th</sup> and 31<sup>st</sup>.

- E. FIRE BOARD CHAIRPERSON’S SUMMARY REPORT – Chairperson Kloeber noted that Board members have mandatory training to complete within one year, and Ms. Jones can help coordinate that.

*Note: In-person training is expected to be held at the AFDA Conference on January 20-21, 2022.*

- F. CORRESPONDENCE – The Board reviewed thank you letters from Dr. Croft and a District resident.

## 9. Topics of Discussion and Possible Legal Action

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- A. ELECT FIRE BOARD CLERK. Chairperson Kloeber nominated Director Hanecak to serve as Board Clerk. **A MOTION was made by Director Smith and was seconded by Director Fredrickson to elect Director Hanecak to serve as Board Clerk;** the motion was unanimously **APPROVED**.
- B. APPOINT FIRE BOARD REPRESENTATION TO PSPRS LOCAL BOARD. Ms. Jones explained the responsibility of the PSPRS Local Board. After discussion, Chairperson Kloeber appointed Director Fredrickson to serve as the Fire Board's designee and Chair of the PSPRS Local Board.
- C. UPDATE REGARDING REFINANCING OF PSPRS UNFUNDED LIABILITY. Chairperson Kloeber informed the Board that they have worked to refinance the PSPRS unfunded liability since last April. Had they not pursued to refinance, the unfunded liability would have continued to grow and would have eventually overwhelmed the District's budget. As soon as legislation was passed that allowed the transaction, the District moved to refinance through Stifel Public Finance. In simple terms, the District refinanced the unfunded liability with a 25 year term and Station 23 with a 10 year term, which has significantly reduced the interest rates as well as released apparatus held for collateral by Wells Fargo. Chief Foreman explained that PSPRS has made changes to benefits and administration that should keep the system solvent going forward. The District has also set-up a contingency reserve fund to keep the PSPRS funded ratio at 100%. Chairperson Kloeber thanked Chief Foreman and Mrs. Wilson for their great work on this project.
- D. CONSIDERATION TO APPROVE RESOLUTION TO ADOPT THE PSPRS PENSION FUNDING POLICY AND ACCEPT THE DISTRICT'S SHARE OF ASSETS AND LIABILITY UNDER THE PSPRS ACTUARIAL VALUATION REPORT PURSUANT TO A.R.S. § 38-863.01. Chief Miller presented Fiscal Policy #133 FY 2022 PSPRS Pension Funding Policy, which need to be revisited each year per statute. **A MOTION was made by Clerk Hanecak and was seconded by Director Fredrickson to approve the resolution as presented;** the motion was unanimously **APPROVED**.
- E. CONSIDERATION TO APPROVE RESOLUTION AUTHORIZING THE ENGAGEMENT OF THE COCONINO COUNTY ATTORNEY AS THE DISTRICT'S LEGAL REPRESENTATION FOR FY 2022. Chairperson Kloeber informed the Board that the Coconino County Attorney's Office generally represents the District, and this is a reoccurring resolution each year. After discussion, **a MOTION was made by Director Smith and was seconded by Clerk Hanecak to approve the resolution authorizing the engagement of the Coconino County Attorney as the District's legal representative for FY 2022;** the motion was unanimously **APPROVED**.
- F. CONSIDERATION TO APPROVE RESOLUTION TO TRANSFER \$288,000 FROM THE GENERAL FUND TO THE CAPITAL FUND. Chief Miller informed the Board that transfer of money for the General Fund to the Capital Fund is formally passed by resolution. He explained that \$188,000 was allocated for lease purchase payments, which was paid off, and \$100,000 was identified by the Budget Committee to rebuilding the Capital Fund. Chairperson Kloeber informed the Board that the Capital Fund has enabled the District to payoff Station 25 early and provided for the construction the Administration Building. **A MOTION was made by Director Hanecak and was seconded by Director Smith to approve Resolution 2021-07-20 (9)(E) as presented;** the motion was unanimously **APPROVED**.
- G. REVIEW FIRE BOARD TASK CALENDAR. The Board reviewed the Board Task Calendar.

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10. **Board Member comments.** There were no additional comments.
11. **Adjournment.** A MOTION was made by Director Fredrickson and was seconded Director Smith to adjourn; the motion was unanimously **APPROVED**. The meeting adjourned at 6:32 PM.

Respectfully submitted,

Jayne Jones  
Administrative Specialist