

Minutes
Regular Session
FIRE BOARD MEETING
Thursday May 29th , 2014

(Agenda items may have been taken out of order at the discretion of the Chairman.)

I. CALL TO ORDER

Board Chair called the Fire Board Meeting to order on Thursday, May 29, 2014, at 6:04 p.m. at the Fire District Administration Office, 35050 S. Old Black Canyon Highway, Black Canyon City, Arizona.

II. ROLL CALL OF BOARD MEMBERS / AFFIRMATION OF QUORUM

Members Present: Board Chair Sharon McMahon, Board Clerk Jeri Coslett-Muirhead arrived at 6:05pm, Board Member Diana Kenson, Board Member Jack Artrip, and Board Member William Davis
Members Absent: None *Board Chair affirms quorum is present.*

Administrative Staff Present: Chief Birch and Elaine Caldwell.

III. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

Led by Diana Baker

IV. CALL TO THE PUBLIC

There was no response to the Call to the Public

V. MINUTES

A. Discussion & Possible Action – Regular Board Meeting – April 24th, 2014

Board Member B. Davis motions to approve the minutes of the April 24th Regular Board meeting,

D. Kenson seconds the motion. J. Coslett-Muirhead advised that on page two, line item 7, did not include Board Member B. Davis vote; correction made prior to this meeting.

Vote conducted. **MOTIONED CARRIED.**

AYES: McMahon, Coslett-Muirhead, Kenson, Artrip, Davis

NAYS: None

ABSTAIN: None

VI. FINANCIAL SUMMARY AND REPORTS

A. Monthly Financial Current Events Summary

E. Caldwell advises she has nothing new to report.

VII. CONSENT AGENDA

A. Approval of the April 2014 Monthly Financial Report:

The Board reviewed the April 2014 Monthly Financial Report; which is attached to the official Fire Board meeting packet.

B. Approval of the April 2014 Ambulance Bookkeeping and Insurance Billing Report

The Board reviewed the April 2014 Ambulance Bookkeeping and Insurance Billing Report; which is attached to the official Fire Board meeting packet. D. Kenson questions how Administration believes Action Ambulance is doing with the collections on ambulance billing after five months - with an ending A/R of \$95,000.00 – Comparing how we would have done within that same time period? E. Caldwell stated that they have billed over \$300,000.00 and are dealing with an issue between the new HCFA Forms and their computer software – she believes that they are doing a decent job.

J. Artrip motions to approve the Consent Agenda Items A and B. Jeri Coslett-Muirhead seconds the motion.

Public Comment: None

Vote conducted. **MOTIONED CARRIED.**

AYES: McMahan, Coslett-Muirhead, Kenson and Artrip, Davis

NAYS: None

ABSTAIN: None

VIII. CURRENT EVENTS SUMMARIES, REPORTS, AND/OR CORRESPONDENCE

(Current Event Summaries are regarding activities of the Fire District and the status and progress relating thereto.)

A. Fire Chief Report and Current Events Summary for May 2014

Chief Birch reviews the May 2014 Chiefs Report which is attached to the official Fire Board meeting packet.

Public Comment: *Public comment/input is welcomed after each agenda item of New and Unfinished Business; Individual comments are limited to three minutes per individual and must pertain to the specific agenda item.*

IX. New Business

A. Discussion & Possible Action re: Approval of engagement letter for “Accounting Professionals, LLC” for the annual audit of Fiscal Year 2013/2014. **D. Kenson motions to approve the engagement letter with “Accounting Professionals, LLC”;** **Jeri Coslett-Muirhead seconds the motion.** E. Caldwell stated that this is the same entity that we have used for the last few years. J. Artrip asks if we have looked into other entities. E. Caldwell advises that we are limited on agencies that are familiar with Fire District Statutes; we have gone out to bid on several occasions and have used other entities with the current company doing a good job. J. Artrip also asked why we have an accountant and an auditor and that both cost close to \$12,000.00 total. E. Caldwell advised that it is for Checks and Balances – the Auditor and Accountant are independent of each other. The Accountant sets up the financials and the Auditor verifies that administration is conducting business above board. It does cost but it protects not only the taxpayers, but administration and the Fire District Board, verifying to the best of their ability that this Fire District and revenue are not being mismanaged.

Vote conducted. **MOTIONED CARRIED.**

AYES: McMahan, Kenson, Artrip, Coslett-Muirhead, Davis

NAYS: None

ABSTAIN: None.

- B. Discussion & Possible Action re: Approval of engagement letter for “H & S Accounting, LLC” for the annual audit of Fiscal Year 2013/2014. **B. Davis motions to approve Agreement with “H & S Accounting”; J. Artrip seconds the motion.**

Vote conducted. **MOTIONED CARRIED.**

AYES: McMahan, Kenson, Artrip, Coslett-Muirhead, Davis

NAYS: None

ABSTAIN: None.

- C. Discussion & Possible Action re: Approve proposed Fiscal Year budget 2014/2015. **Jeri Coslett-Muirhead motions to approve the proposed Fiscal Year Budget for Fiscal Year 2014/2015; D. Kenson seconds the motion.** Chief Birch started off recommending that the Board does not approve the proposed budget based on information that we just received approximately one hour ago. The Chief handed out copies of an email that he received earlier in the week regarding how to use the Bond if the Board decides to – this was in response to discussions from previous Board Meetings – FYI only. Chief hands out information from Yavapai County regarding FDAT which he received yesterday. Up until this year’s legislative session/actions: For us, FDAT was always calculated at 20% of what the Fire District would receive from secured taxes. With the new laws the County is recommending that we project/budget only 15.7%. With the decrease it will affect the District with a \$19,000.00 decrease for this coming Fiscal Year, and the only place that the amount can come from is the Carryover. J. Coslett-Muirhead stated the reason that the Board decided against using the Bond was that they are waiting to see how Wildland revenue will affect the budget. J. Coslett-Muirhead stated that hopefully Wildland revenue will also help offset this. Chief stated that he had more “news” that he just received approximately one hour before this meeting regarding TransWestern Pipeline. For those of you who remember the Quest telecommunications law suit, which sued the Arizona Dept of Revenue (ADOR) stating they were taxed to high, and won; this is very similar. Basically, *Transwestern* pipeline took the Dept of Revenue to court citing they have been overtaxed since 2010 and the Arizona Courts agreed with *Transwestern* and now *Transwestern* wants their money back from the previous years. ADOR and all of the affected counties are trying to figure out how much money is owed by each taxing entity. Until we know the amount that this District is responsible for it will be difficult for you to make a final decision on the proposed budget for FY 2014/2015. Open discussion ensued regarding posting requirements, legal time frame for adoption, possibility for a need of a Special Board Meeting. Chief Birch stated that the law, (A.R.S. 48-805.02) requires that we post the approved budget for twenty days on our Website plus 3 public areas and that it must be adopted no later than August 1st. Chief also stated that the public can always come to the station for more information or contact any one of the Board Members. J. Artrip asked what would happen to the District if the impact was greater than what we can afford – will the Bond cover the difference. Chief Birch replied that until the amount is known – it is extremely hard to speculate. J. Coslett-Muirhead questioned the Chief regarding the possibility of a need to merge with another District, example Crown King, Mayer. S. McMahon stated that after reading the minutes from Mayer FD Board Meetings, it appears that they have more issues that we do – not just financial. Chief replied that if the District is in financial difficulty – then yes by law the District would need to look into the possibility of merging with another District. Chief Birch stated that other Districts, all around the state, are becoming creative – Montezuma Rim Rock FD and Camp Verde FD are sharing a Chief, also Chino Valley FD and Central Yavapai FD just signed a similar agreement.

Chief Birch stated that he did include with this packet is a "Key Point" sheet regarding the changes to the proposed budget - of course this was created before learning about Transwestern Pipeline.

Key Points:

- FDAT decreased by 4.3%
- Reorganization of Personnel – do not fill the two vacant full-time firefighter positions, use Part Time Firefighters, which will be a savings in healthcare, retirement, vacation, sick leave; increase number of Part-time Firefighters to 15; and eliminate food vouchers and pay-per-call making the "Volunteer" Firefighter Positions a true volunteer position and limiting the number of volunteer firefighter positions to 15 instead of 32.
- Keeping a minimal stipend for Firefighter A. Beren.
- Healthcare estimated increase of 25%
- Health Savings Account contribution reduced from \$50 to \$25 per pay period
- Increase in Administration Conferences so that the Board will be in compliance with the new laws mandating they attend annually 6 hrs of training – which the District must pay all associated costs.

Vote conducted. **Original Motion Failed**

AYES: None

NAYS: McMahan, Kenson, Artrip, Coslett-Muirhead, Davis

ABSTAIN: None

Line Item C tabled until final numbers are known.

Public Comment: None

- D. **Board Member J. Artrip motions to adjourn the meeting; Board Member Bill Davis seconds the motion to adjourn the meeting; Motion Carried unanimously.** The meeting adjourned at 7:22 P.M.

NEXT SCHEDULED BOARD MEETING

June 26th, 2014

Regular Board Meeting

Sharon McMahan, Board Chair

Date

The complete packet of information from the Board meetings or portions thereof is available from the Administrative Office upon completion of a Public Records Request.

The Fire District Administrative Office is accessible to the handicapped. In compliance with the Americans with Disabilities Act (ADA), those with special needs, such as large-type face print or other reasonable accommodations may request these through the Fire District of Black Canyon City Administrative Offices (623-374-5512) at least twenty-four hours before the meeting.

"Black Canyon Fire Department is an Equal opportunity employer and provider."

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Vote conducted. **Original Motion Failed**

AYES: None

NAYS: McMahon, Kenson, Artrip, Coslett-Muirhead, Davis

ABSTAIN: None

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Public Comment: None

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NEXT SCHEDULED BOARD MEETING

June 26th, 2014

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6-27-2014
Date

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