

VERSION 1.0



# BOARD OF DIRECTORS MEETING

APRIL 19, 2017

SUPERSTITION FIRE & MEDICAL DISTRICT BOARD

JEFF CROSS, BOARD CHAIRMAN  
GENE GEHRT, BOARD CLERK  
TODD HOUSE, BOARD DIRECTOR  
JASON MOELLER, BOARD DIRECTOR  
LARRY STRAND, BOARD DIRECTOR



# Superstition Fire & Medical District

## Board of Directors Meeting Agenda

April 19, 2017

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### Mission Statement

Preserve Life ~ Protect Property ~ Add Value to *OUR* Community

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#### **PURSUANT TO A.R.S. §38.431.02**

Notice is hereby given to the general public that the Superstition Fire & Medical District Governing Board will hold a meeting on **Wednesday, April 19, 2017**. The meeting will be held at the Superstition Fire & Medical District's Administrative Office, located at 565 N. Idaho Road, Apache Junction, Arizona. The meeting will be open to the public and will begin at 5:30 p.m. local time.

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call

The following agenda items are scheduled for discussion at the board meeting. The Governing Board may or may not decide to take action on any or all items. The order of the agenda items may or may not be taken in the order listed.

- 1. Review and approval of the March 2017 financial reports and bank reconciliations. (BOD #2017-04-01)**
- 2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2017-04-02)**
- 3. Call to the Public. (BOD #2017-04-n/a)**

A.R.S. §38-431.01(H) A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to all individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.
- 4. Consideration and possible approval of all consent agenda items listed below (BOD #2017-04-03):**
  - A. Board Meeting Minutes from March 15, 2017
  - B. Board Work Session Meeting Minutes from March 20, 2017
- 5. Discussion and update regarding the pilot program for data collection approved the March 15, 2017 BOD Meeting – BOD #2017-03-04. (BOD #2017-04-04)**
- 6. Discussion, presentation, and update regarding the preliminary FY 17/18 budget planning process. (BOD #2017-04-05)**
- 7. Discussion and presentation regarding the importance of the Blue Card Program. (BOD #2017-04-06)**
- 8. Discussion and possible action regarding out of district responses. (BOD #2017-04-07)**

**9. Discussion and possible action concerning snake removal calls. (BOD #2017-04-08)**

**10. Discussion and possible action to determine tax and temporary override fund rates for FY 17/18. (BOD #2017-04-09)**

**11. Discussion, update, and possible action regarding PSPRS. (BOD #2017-04-10)**

**12. Senior Leadership Team / Labor Reports. (BOD #2017-04-11)**

- Management Services
- Emergency Services
- Administrative Services
- Community & Financial Services
- Superstition Firefighters

**13. Announcements (BOD #2017-04-n/a)**

**14. Adjourn (BOD #2017-04-12)**

NOTICE: The governing board may go into executive session for the purpose of obtaining legal advice from the fire district's attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3).

One or more members of the governing board may attend the meeting telephonically.

Governing Board meeting agenda dated and posted (at least 24 hours before the scheduled meeting date and time):

Original Posted on April 14, 2017

At: 2130 Hours

By: Jasmin Jones

The Superstition Fire & Medical District (SFMD) Administrative Office Board Meeting Room is accessible to the handicapped. In compliance with the American with Disabilities Act (ADA), those with special needs, such as large-type face print or other reasonable accommodations may request those through the SFMD Administration Office (480-982-4440) at least twenty-four hours before the board meeting.

**Governing Board Meeting – April 19, 2017**

**Agenda Item: 1**

**BOD#: 2017-04-01**

**Agenda Item Title:**

Review and approval of the March 2017 financial reports and bank reconciliations.

**Submitted By:**

Fire Chief Paul Bourgeois

Finance Director Roger Wood

**Background/Discussion:**

The district's accounting department staff prepares the monthly financial reports. The district's annual budget, which is adopted by the board each June for the following fiscal year (July 1 – June 30), is formatted to mirror the monthly financial statements. The financial reports provide the board with a monthly recap of expenditures and revenues, along with year-to-date account balance information.

In compliance with A.R.S. §48-807(O), the following reports have been added to the monthly financial statements packet:

1. **Cash Flow – All Governmental Funds.**

The Cash Flow report consists of the combined cash balances of all District Funds. These balances include the General (100), Transport Services (150), Capital Projects (200), Bond Proceeds (300), Special Revenue (400), Debt Principal (500), and Debt Interest (600) Funds. The Cash Flow report is updated monthly with the actual revenues deposited into and actual expenditures disbursed from the district's cash accounts. It is important to note the revenues and expenditures are reported on a Cash Basis. This report is generated to demonstrate that the fire district maintains sufficient cash available to satisfy the projected expenditures budgeted over the course of the fiscal year.

2. **Fund Account Bank Reconciliations.**

The reconciliation of each of the district's Fund Cash Accounts (General (100), Transport Services (150), Capital Projects (200), Bond Proceeds (300), Special Revenue (400), Debt Principal (500), and Debt Interest (600) Funds) between the Pinal County Treasurer's monthly bank statement and the District's Fund balance sheet report is provided. To signify board approval of the monthly financial statements and bank reconciliations, the Board Chairman is requested to sign the attached Letter of Acceptance which will be kept on file at the district.

**Financial Impact(s)/Budget Line Item:**

N/A

**Enclosure(s):**

Letter of Acceptance of the Fire District's Financial Statements and Bank Reconciliations.

\*Financials provided under separate cover

**Recommended Motion:**

*"Motion to approve the March 2017 financial reports and bank reconciliations."*



**Go To Item 2**

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**Superstition Fire & Medical District**  
**Governing Board Acceptance of Fire District's**  
**Financial Statements and Bank Reconciliations**

Pursuant to A.R.S. §48-807, by the signature(s) below, the Governing Board of the Superstition Fire & Medical District attests to the review and approval of the following financial report(s) of the fire district for the month of **March 2017**:

1. Financial Statement
2. Bank Reconciliations
  - a. General (100) Fund
  - b. Transport Services (150) Fund
  - c. Capital Projects (200) Fund
  - d. Bond Proceeds (300) Fund
  - e. Special Projects (400) Fund
  - f. Debt Principle (500) Fund
  - g. Debt Interest (600) Fund

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Jeff Cross, Board Chairman

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Date



March 2017

**Governing Board Meeting – April 19, 2017**

**Agenda Item: 2**

**BOD#: 2017-04-02**

**Agenda Item Title:**

Recognition of employee performance, achievements, and special recognition for community members.

**Submitted By:**

Fire Chief Paul Bourgeois

Assistant Chief Brett Broman

**Background/Discussion:**

This is a recurring monthly item to provide the board with information concerning superior employee performance, achievements, and special recognition for community members.

**April Service Anniversaries:**

<b>24 Years of Service</b>
Fire Captain / Paramedic <b>Mark Gomez</b>
<b>18 Years of Service</b>
Fire Engineer / Paramedic <b>Mitch McCollough</b>
<b>13 Years of Service</b>
Fire & Life Safety Specialist <b>Tina Gerola</b>
Executive Assistant <b>Jasmin Jones</b>



**Go to Item 3**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 3**

**BOD#: 2017-04-n/a**

**Agenda Item Title:**

Call to the Public

**A.R.S. §38-431.01(H):**

*A public body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body.*

*At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda.*

*However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.*

**Background / Discussion:**

Call to the Public is provided so citizens may address the public body (Governing Board) with matters concerning the fire district. Arizona public meeting law provides that the public body may discuss, consider, or decide only matters listed on the agenda and other matters related thereto. Since the public body will generally not know what specific matters may be raised at call to the public, they will be unable to act until the matter is placed on a subsequent meeting agenda (at the board's discretion). The board may also direct staff to follow up on the issue with the citizen.

**Scheduled:**

None



**Go to Item 4**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 4**

**BOD#: 2017-04-03**

**Agenda Item Title:**

Consideration and possible approval of all consent agenda items as listed below:

- A. Board Meeting Minutes from March 15, 2017 – **Appendix A**
- B. Board Work Session Minutes from March 20, 2017 – **Appendix B**

**Background/Discussion:**

The consent agenda allows the Board of Directors (BOD) to consider contracts, purchases, and other routine administrative matters having authorized funding within the current fiscal year budget as a single decision. Items may be withdrawn from the consent agenda and discussed separately upon request by any member of the BOD or staff. Information for each consent agenda item and corresponding supporting document is within the packet.

**Recommended Motion:**

*“Motion to approve the consent agenda items for April 19, 2017.”*



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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 5**

**BOD#: 2017-04-04**

**Agenda Item Title:**

Discussion and update regarding the pilot program for data collection approved at the March 15, 2017 BOD Meeting – BOD #2017-03-04.

**Submitted By:**

Fire Chief Paul Bourgeois  
Greg Denton, EvincedMed

**Background/Discussion:**

This item comes before the BOD as an update for the pilot program that was approved at the March 15, 2017 BOD meeting (BOD #2017-03-04). Greg Denton with EvincedMed will briefly provide data and answer any questions regarding the program thus far.

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

N/A



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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 6**

**BOD#: 2017-04-05**

**Agenda Item Title:**

Discussion, presentation, and update regarding the preliminary FY 17/18 budget planning process.

**Submitted By:**

Fire Chief Paul Bourgeois

Finance Director Roger Wood

**Background/Discussion:**

A presentation of the status of preliminary budget preparation for Fiscal Year 2017/2018 budget will be provided, including discussion from budget managers on the status of their programs in light of budget cuts discussed at the March 20, 2017 BOD Work Session.

**Staff Recommendation:**

N/A

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

N/A



**Go to Item 7**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 7**

**BOD#: 2017-04-06**

**Agenda Item Title:**

Discussion and presentation regarding the importance of the Blue Card Program.

**Submitted By:**

Fire Chief Paul Bourgeois

Assistant Chief Jerome Schirmer

**Background/Discussion:**

This item comes before the BOD as a request from the March 20, 2017 BOD Work Session. Assistant Chief Jerome Schirmer will provide the board an explanation of the importance of the Blue Card Program. He will also discuss the benefits of continuing the program, not only for our members, but for our citizens.

**Staff Recommendation:**

Continuing the Blue Card Program for the safety of our firefighters and our community.

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

*“Motion to support the efforts of continuing the Blue Card Program, for the well-being and safety for the SFMD Members and our citizens alike.”*



**Go to Item 8**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 8**

**BOD#: 2017-04-07**

**Agenda Item Title:**

Discussion and possible action regarding out of district responses.

**Submitted By:**

Fire Chief Paul Bourgeois

**Background/Discussion:**

This item comes before the board as a follow up to the budgeting discussion at the March 20, 2017 BOD Work Session. The discussion will be centered around collecting data and looking at operational response alternatives.

**Financial Impact:**

TBD

**Enclosure(s):**

N/A

**Recommended Motion:**

*TBD*



**Go to Item 9**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 9**

**BOD#: 2017-04-08**

**Agenda Item Title:**

Discussion and possible action regarding snake removal calls.

**Submitted By:**

Fire Chief Paul Bourgeois

**Background/Discussion:**

This item comes before the board to discuss ceasing the response of snake removal calls. This discussion will include an aggressive public informational/educational campaign to provide our citizens with alternative resources.

**Financial Impact:**

TBD

**Enclosure(s):**

N/A

**Recommended Motion:**

*“Motion to cease the Snake Removal Program and to direct staff to begin an aggressive public informational/educational campaign to provide alternative resources for our citizens.”*



**Go to Item 10**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 10**

**BOD#: 2017-04-09**

**Agenda Item Title:**

Discussion and possible action to determine tax and temporary override fund rates for FY 17/18.

**Submitted By:**

Fire Chief Paul Bourgeois

Finance Director Roger Wood

**Background/Discussion:**

A high level presentation of the Preliminary Budget for Fiscal Year 2017/2018 budget will be provided for the General (100) M&O fund, Transport Services (150 Fund), and the Capital Replacement (200) Fund.

The board will be asked to set the tax rate and temporary override rate for Fiscal Year 2017/2018 for planning purposes.

**Financial Impact:**

TBD

**Enclosure(s):**

Presentation will be provided at the meeting.

**Recommended Motion:**

*“Motion to approve the tax rate of \$\_\_\_\_\_ for the General Fund, \$\_\_\_\_\_ special assessment related to the Temporary Tax Override Initiative, and \$0.22 special assessment related to the 2006 GADA Bond for development of the Tentative Budget for Fiscal Year 2017 / 2018.”*



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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 11**

**BOD#: 2017-04-10**

**Agenda Item Title:**

Discussion, update, and possible action regarding PSPRS.

**Submitted By:**

Fire Chief Paul Bourgeois

Finance Director Roger Wood

**Background/Discussion:**

This item comes before the BOD as a place holder for any updates or information regarding the PSPRS reform and changes from the legislature.

**Financial Impact:**

TBD

**Enclosure(s):**

N/A

**Recommended Motion:**

*TBD*



**Go to Item 12**

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**Governing Board Meeting – April 19, 2017**

**Agenda Item: 12**

**BOD#: 2017-04-11**

**Agenda Item Title:**

Senior Leadership Team & Labor Reports

- Management Services
- Emergency Services
- Administrative Services
- Community & Financial Services
- Superstition Firefighters

**Background / Discussion:**

This item is for the fire chief and his staff to share information with the board of items occurring within, or related to, the fire district. Any item shared is for information only. Upon request of the board, any item shared during this agenda item may be moved to the agenda for future meetings. Board discussion, other than clarifying questions, cannot occur and no action, position, or direction may occur until the specific item is placed on the agenda.

**Governing Board Meeting – April 19, 2017**

**Agenda Item: 13**

**BOD#: 2017-04-n/a**

**Agenda Item Title:**

Announcements

**Background / Discussion:**

The BOD and/or staff may share information at this time.

**Governing Board Meeting – April 19, 2017**

**Agenda Item: 14**

**BOD#: 2016-04-12**

**Agenda Item Title:**

Adjournment

**Recommended Motion:**

*“Motion to adjourn the board meeting.”*



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## Appendix A

### A. Board Meeting Minutes from March 15, 2017

**Submitted By:**

Fire Chief Paul Bourgeois  
Board Secretary Jasmin Jones

**Background / Discussion:**

The board meeting minutes of the previous meeting(s) are provided for the BOD to approve. If the BOD would like to discuss the minutes, they may be removed from the consent agenda. After approval, minutes are signed by the Clerk of the Board and kept as the official public record.

**Financial Impact/Budget Line Item:**

N/A

**Staff Recommendation:**

Staff recommends approval of March 15, 2017 board meeting minutes.

**Enclosure(s):**

March 15, 2017 Board Meeting Minutes



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# Superstition Fire & Medical District

Phone (480) 982-4440 ~ www.sfmd.az.gov

**Administration Office**  
565 North Idaho Road  
Apache Junction, AZ 85119  
Fax (480) 982-0183

**Regional Training Center**  
3700 East 16<sup>th</sup> Avenue  
Apache Junction, AZ 85119  
Fax (480) 982-3268

**Fleet & Facilities Services**  
1455 East 18<sup>th</sup> Avenue  
Apache Junction, AZ 85119  
Fax (480) 983-7443



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## Governing Board Meeting Minutes March 15, 2017

PURSUANT TO A.R.S. §38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT GOVERNING BOARD OF DIRECTORS HELD A MEETING ON WEDNESDAY, MARCH 15, 2017. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA.

THIS MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 5:30 P.M.

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### A. Call to Order

Clerk Gehrt called the meeting to order at 5:30 P.M.

### B. Pledge of Allegiance

Pledge of Allegiance was led by Director House.

### C. Roll Call

Chairman Jeff Cross (telephonically), Clerk Gene Gehrt, Director Jason Moeller, and Director Larry Strand as present. Director Todd House was absent.

Senior Leadership Team in attendance: Fire Chief Paul Bourgeois, Assistant Chief Jerome Schirmer, Assistant Chief Brett Broman, Assistant Chief Mike Farber, and Finance Director Roger Wood.

Executive Assistant acting as Board Secretary Jasmin Jones was also present for the meeting. Legal Counsel Donna Aversa was absent.

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## 1. Review and approval of the February 2017 financial reports and bank reconciliations. (BOD #2017-03-01)

**Motion** by Director Strand to approve the February 2017 financial reports and bank reconciliations. **Seconded** by Director Moeller.

**Vote** 4 ayes, 0 nays. **MOTION PASSED.** (Director Todd House was absent)

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## 2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2017-03-02)

Assistant Chief Brett Broman presented 5 Year Service Anniversary Awards to those who were present: Firefighter/Paramedic Mathew Dold (not present), Firefighter/Paramedic Daniel Elliott, Firefighter Wayne Emerson (not present), Firefighter/Paramedic Lance Frawley (not present), Firefighter/Paramedic Brian Garten (not present), Firefighter Bryan Heun, Firefighter/Paramedic Ryan Ledbetter, Firefighter/Paramedic Matthew Perez (not present), Firefighter/Paramedic Ryan Philips (not present), and Firefighter Adam Rodriguez (not present).

Chief Broman read the list of March service anniversaries: Fleet & Facilities Support Specialist Barb Duffel (11 Years).

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**3. Call to the Public. (BOD #2017-03-n/a)**

N/A

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**4. Consideration and possible approval of all consent agenda items listed below (BOD #2017-03-03):**

A. Board Meeting Minutes from February 15, 2017

**Motion** by Director Strand to approve consent agenda items for March 15, 2017. **Seconded** by Director Moeller.

**Vote** 4 ayes, 0 nays. **MOTION PASSED.** (Director Todd House was absent)

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**5. Discussion and possible approval of participating in a pilot program to gather patient medication history. (BOD #2017-03-04)**

Fire Chief Paul Bourgeois introduced this item to the Board of Directors.

Captain Dave Pohlmann presented the details of the program, stating the 30 day pilot program is set to test the concept of gathering patient medication history to assist first responders with the safety and well-being of our citizens. He went on to say that hospitals currently use this same type of system that provides pharmacy information on patients. If first responders had the same type of information, pre-hospital care would be more effective. Currently, crews have to manually enter patient medication information, which takes time that may be spent en-route to the hospital.

BOD made comments stating their support for the pilot program.

**Motion** by Director Moeller to approve the SFMD to participate in the 30-day pilot program, to test the concept of gathering patient medication history, to better assist first responders with the safety and well-being of our citizens. **Seconded** by Director Strand.

**Vote** 4 ayes, 0 nays. **MOTION PASSED.** (Director Todd House was absent)

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**6. Discussion, update, and possible action regarding the PSPRS defined contribution plan that becomes effective July 1, 2017. (BOD #2017-03-05)**

Finance Director Roger Wood briefed the BOD regarding the PSPRS defined contribution plan that becomes effective July 1, 2017. He went on to explain the background information:

- February 2016 SB1428 was passed by Arizona Legislature to overhaul PSPRS.
- Numerous changes to the system, however, the most notable is creating a new Tier 3 for public safety personnel hired on or after July 1, 2017.
- SB1428 contains new rules related to a DC Plan for Tier 2B employees; firefighters hired between January 2, 2012 and July 1, 2017 – SFMD has 26 Tier 2B employees.
  - Supplemental Retirement option for Tier 2B firefighters which is funded by both Employer and Employee payroll contributions
  - This is an “opt out” plan, firefighters are automatically enrolled unless they opt out during the period April – June, 2017
- Tier Information
  - Tier 1 – Hired on or before January 1, 1992
  - Tier 2A – Hired on or after January 2, 1992
  - Tier 2B – Hired between January 2, 2012 and July 1, 2017
  - Tier 3 – Hired after July 1, 2017
- SFMD Info
  - Tier 1 – 7 (5 members in DROP\_

- Tier 2A – 54
- Tier 2B – 26

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**7. Discussion, presentation, and possible action on Fiscal Year 2017/2018 budget development. (BOD #2017-03-06)**

Fire Chief Paul Bourgeois updated the BOD on the status of the 2017/2018 budget development process. Key points discussed were the following:

100 Fund

- Most significant challenge is PRPRS contribution rate has almost doubled the last 7 years, and the actual cost of PSPRS is up over \$1.3 million in FY17/18 compared to FY10/11.
- District's FY17/18 NAV is still only 76% of what it was in FY10/11
- The Ambulance Operation is subsidizing a portion of the 100 Fund
- Will continue to chase "alternative revenue"
- 17/18 includes evaluating a hiring freeze & cuts to non-emergent OT
- Staff was successful in reducing THIS YEAR by \$100,000

150 Fund

- Operation is sustaining itself AND offsetting significant costs in the 100 Fund
- Corrected major deficiencies with Intermedix
- Major operational change effective March 27<sup>th</sup>
- Ahead of original projections for transports
- We are on track with original revenue projections

200 Fund

- Reserves continue to dwindle
- Staff working diligently to reduce expenditures
- Several major purchases have been pushed back
- Desperately need Override funds to sustain capital reserves
- Currently project to end FY 16/17 with \$840,000+/- in the Capital Fund (generated by pre-override tax revenue)
- Labor/Management is recommending a transfer of pre-override monies from the 200 Fund to the 100 Fund to shore up any remaining deficit.
- Staff strongly recommends implementing the full \$0.25 tax to raise critical revenue for future capital needs

Grants

- AFG
  - Regional application with VICC (Includes Blue Card Annual Subscriptions)
    - \$100,000 Command Training
  - Additional Personnel Protective Equipment
    - \$283,575 Second Set Of Turnouts
- Under Consideration:
  - Gila River Indian Community Grant (GRIC) - Low Acuity (LA) Unit - \$360,000
  - Firehouse Subs - All-Terrain Vehicle, EMS Equipment (Video Laryngoscopes), CPR Monitoring Devices, UCAPIT - Paramedic Drug Restock and Tracking System, Facilities expansion, Covered Parking for apparatus

## Summary

- We've held numerous meetings to build consensus
- All cost-saving options are being considered
- Working to avoid cuts to wages, benefits or emergency service this year
- We need the NAV to "catch up"
- We need PSPRS costs to return to reasonable levels
- We need long-term solutions to fire district revenue

Chief Bourgeois fielded questions from the BOD regarding alternative ways to cut the budget, including billing for out of district responses, and the planning for a Board Work Session to go more in depth of the budget.

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## 8. Discussion and possible action regarding the topic of agency accreditation. (BOD #2017-03-07)

Fire Chief Paul Bourgeois introduced the item to the BOD. He summarized the feasibility of maintaining the departments' accreditation status. He went on to explain the costs associated with accreditation, both monetarily and administratively. He asked the BOD to consider not being an accredited agency under the district's financial challenges. Accreditation costs our department \$60k-\$80k every 5 years – which includes fees associated with CPSE and administrative costs.

Chief Bourgeois went on to explain that moving away from being an accredited agency does not mean we will not adopt the same standards and principles associated with accreditation. The high standards would still be adhered to for the safety and well-being of our members and our citizens

Chief Bourgeois answered questions from the BOD regarding the accreditation process.

**Motion** by Chairman Cross to direct staff to take the necessary steps to stop participating in the accreditation process. **Seconded** by Director Strand.

**Vote** 4 ayes, 0 nays. **MOTION PASSED.** (Director Todd House was absent)

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## 9. Senior Leadership Team Reports (BOD #2017-03-08)

### Management Services Report

- SFMD Leadership Conference has been canceled due to lack of interest from our own members
- MOU Update
- Completed Strategic Summits – SLT, All Chiefs, Middle Manager's, and Labor Management
- Firehouse educational committee update

### Emergency Services Report

- Training Update – Bryan Heun and Bill Tavares led Wildland training
- Operations Update
- Transportation Services Update
- LA-263 Pilot Program Update

### Administrative Services Report

- Transportation Services New Hire Orientation
- PIO Update
- EMS Awareness Day

### Community & Financial Services Report

- Transportation Billing Update
- CM FLSA Payout
- 2016 Worker's Compensation Audit Update
- Budget

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**10. Announcements (BOD #2017-03-n/a)**

Fire Chief Paul Bourgeois asked the BOD to schedule a Work Session to discuss the FY 2017/2018 Budget.

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**11. Adjourn (BOD #2017-03-09)**

**Motion** by Director Strand at 6:43 PM to adjourn the meeting. **Seconded** by Director Moeller.

**Vote** 4 ayes, 0 nays. **MOTION PASSED.** (Director Todd House was absent)

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**Governing Board Approval:**

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Gene Gehrt, Board Clerk

*Jasmin Jones*

## Appendix B

### B. Board Work Session Minutes from March 20, 2017

**Submitted By:**

Fire Chief Paul Bourgeois  
Board Secretary Jasmin Jones

**Background / Discussion:**

The board meeting minutes of the previous meeting(s) are provided for the BOD to approve. If the BOD would like to discuss the minutes, they may be removed from the consent agenda. After approval, minutes are signed by the Clerk of the Board and kept as the official public record.

**Financial Impact/Budget Line Item:**

N/A

**Staff Recommendation:**

Staff recommends approval of March 20, 2017 board work session minutes.

**Enclosure(s):**

March 20, 2017 Board Work Session Minutes



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# Superstition Fire & Medical District

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## Governing Board Work Session Minutes March 20, 2017

PURSUANT TO A.R.S. §38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT GOVERNING BOARD OF DIRECTORS HELD A MEETING ON WEDNESDAY, MARCH 20, 2017. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA.

THIS MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:30 P.M.

---

### A. Call to Order

Chairman Cross called the meeting to order at 4:30 P.M.

### B. Pledge of Allegiance

Pledge of Allegiance was led by Director House.

### C. Roll Call

Chairman Jeff Cross, Clerk Gene Gehrt, Director Todd House, Director Jason Moeller, and Director Larry Strand as present.

Senior Leadership Team in attendance: Fire Chief Paul Bourgeois, Assistant Chief Jerome Schirmer, Assistant Chief Brett Broman, Assistant Chief Mike Farber, and Finance Director Roger Wood.

Executive Assistant acting as Board Secretary Jasmin Jones was also present for the meeting. Legal Counsel Donna Aversa was absent.

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## 1. Review, presentation, update, and possible action regarding the FY 2017/2018 and FY 2018/2019 budgeting strategy and planning process, including direction from the BOD for planning purposes with the Labor Management Team and the BOD (BOD #2017-03-10)

Fire Chief Paul Bourgeois led the discussion with the BOD regarding the budget challenges for FY 2017/2018 and 2018/2019. Key items discussed were as follows:

### Fiscal Background

- 2006 Bond approved to build Station 265
- 2012
  - Opened and staffed 265
  - PSPSR costs were approx. \$979,000
  - District employees had not received wage increases in 6 – 7 years
- 2013
  - NAV hit historic lows (total loss of 44%)
  - Prop. 117 passed
- 2014 – 2017
  - Board approved major sworn/civilian market adjustments costing approx. \$1.3 Million
  - These wage adjustments also fuel higher pension costs
- 2015 – 2017
  - PSPRS costs have skyrocketed 58.9%



- Since 2012 –
  - New Station: \$1.3 million/year
  - PSPRS: \$1.1 million/year
  - Wage increases: \$1.3 million/year

Totals: \$3.7 million in new expenditures since 2012

**If Prop. 117 had lived up to its promises (5%/year) we would be \$2.9 million ahead of where we are today**

**What does this mean?**

- The opening of 265, coupled with market adjustments, the passing of Prop. 117 and skyrocketing PSPRS costs are the four most significant impacts to the fire district budget in recent years
- The District has continually managed to “do more with less” – but today there are fewer and fewer places to cut without getting into people and programs
- Future budget cuts may have a profound affect on District operations, pay and benefits and service delivery

**We Need to Be Aware of Who We Are.**

- Small but very busy rural/suburban fire district
- Part of the Phoenix Regional Auto-Aid System
- Operations/pay/benefits are largely benchmarked to the Phoenix market
- We are primarily an EMS system
- 91% of incidents are EMS, Good Intent or Service Calls
- We are an exceptional EMS organization!
- Large low-acuity medical call volume
- Few structure fires (14 significant fires in 2016)
- Local socio-economic challenges
- Demand for service exceeds revenue

**Cuts**

- Non-essential OT
- Conferences & Travel (AFDA, AFCA, per diem)
- Considering reorganizations and reassignment of work
- Public Education, Events & Community Outreach
- May have to start saying “No” (community events, EMS standby’s, service contracts, wildland, snake removals, etc.)

**Other Considerations**

- Mechanic vacancy
- Operations OT
- Managing cash
- Extending Capital Reserves

**Potential Cost Savings Ideas**

- Moving Admin offices to the RTC
- Changes to medical plan
- “Energy Saving” program
- Incentive Pay (Cell Phones/Educational)
- LA Units

**Moving Forward**

- Cash will be a delicate balance
- No capacity for overruns and offsets
- Pursue New Revenue

- Fee for service
- Subscriptions
- Treat & Refer
- Grants
- Advertising/Partnerships
- Consider transport rate increase
- Merger/Consolidation/JPA

**Summary**

- Several critical decisions and factors beyond our control are contributing to a serious budget shortfall
- Post Prop. 117 era is a new day and a “new normal” for FD’s
- PSPRS cost increases are unsustainable
- Our people do great work and deserve a market comparable wage and benefit package
- Budget challenge is not a one year fix
- We will likely be looking at similar budget scenarios the next several years
- Need the NAV to catch up (5-6 years of >4.5%)
- Need PSPRS to stabilize and return to reasonable levels

Chief Bourgeois and Superstition Firefighters Labor VP John Walka fielded questions from the board including legislative information, AFDA & AFCA information, necessity of PSPRS stabilization, cutting non-essential over-time, 40-hour Administration Captains reassignment, leave pool update, potential of moving the admin offices to the RTC, the importance of keeping our premier EMS department designation by keeping our training center open, out of district responses, the importance of billing for services to departments not in the auto-aid system, and capital replacement plan items.

Finance Director Roger Wood answered questions from the board regarding the financial reserve. He also answered questions regarding the GADA bond.

Chief Bourgeois answered questions from the board regarding overtime and operational impacts. He also asked for feedback from the board regarding balancing the budget with money from the 200 fund and what the board would like to cut. With direction, he stated more information would be brought to the April meeting to continue the discussion.

The BOD thanked staff for the clarity and the useful information.

**2. Call to the Public. (BOD #2017-03-n/a)**

N/A

**3. Adjourn (BOD #2017-03-11)**

**Motion** by Director House at 7:06 PM to adjourn the meeting. **Seconded** by Clerk Gehrt.

**Vote** 5 ayes, 0 nays. **MOTION PASSED.**

**Governing Board Approval:**

Gene Gehrt, Board Clerk

*Jasmin Jones*