



# Superstition Fire & Medical District

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## Governing Board Work Session Meeting Minutes July 12, 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, JULY 12, 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 4:00 PM.

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### A. Call to Order

Chairman Cross called the meeting to order at 4:00 PM.

### 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: Interim Fire Chief Mike Farber, Acting Assistant Chief Richard Ochs, Acting Assistant Chief Richard Mooney, and Finance Director Roger Wood.

Legal Counsel Donna Aversa (telephonically) and Executive Assistant acting as Board Secretary Jasmin Jones were also present for the work session.

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Clerk Gehrt requested to move Item 4 before Item 3.

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## 1. Review, discussion, and possible action regarding updating the SFMD Governing Board By-Laws. (BOD #2017-07-01)

Clerk Gehrt led the Board through changes he suggested be made to SFMD Governing Board By-Laws.

Some of the key points discussed were:

- Administrative Policies being approved by the Board
  - Meet and Confer Resolution being placed in the By-Laws, as well as the Labor Management Policy reflecting the same thing as the Meet and Confer. VP John Walka requested that they keep the Meet and Confer Resolution as well as the policy.
  - Discussion on what the Board would like to be notified about (i.e. large events, out of District response, etc.) and how these communications should come directly from the fire chief.
  - The Board directed Legal Counsel Donna Aversa to draft language for the items to be added to the By-Laws and directed staff to add the Proposed Revised By-Laws to the next Board meeting agenda
  - The Board also requested staff add review and approval of Volume I SFMD Policies to the next Board meeting agenda.
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**2. Discussion, direction, and possible action regarding the desired outcome of the creation of a Five Year Forecast for planning purposes. (BOD #2017-07-02) – [Addendum A](#)**

Finance Director Roger Wood walked the Board through an example on how a 5-year forecast for the General (100) Fund can be utilized, he presented a scaled down version on what he could create as a planning tool. The overview of the process was presented and there was discussion regarding the desired format and areas of focus. Board comments were as follows:

**Director Moeller**

*“I have questions about it, I still would like to see an external forecast done for five years, that way we would have a definite, we’d have what they think and then what you are building. That way we can see where we are at, if we have two things to compare from and see where we are at. I trust your numbers, but it is always good to have a second set to look at and see how close we are to those. If we are spot on then, that is great. I think a forecast should include, are we missing something, are we looking too high at something, did we not forecast, is our forecast too high, are we missing something altogether. That will give us a playbook to go off of. Again, your numbers might be exactly what there’s are, but it also might turn out that we are missing a few things an.”*

**Chairman Cross**

*“I look at it as no one is going to know those numbers, better than Roger. No one is going to know the fire department or the Districts better than Roger, as far as averages and costs.”*

**Director House**

*“There is a group that we met with, that that is all they do, they do forecasting for fire Districts and so, they may know things that you don’t know. I would agree with Jason, that at least for one year to see, it would be an educational tool for you. If they come into something differently, different than yours then you will learn what they were looking at that you may have overlooked. You have only been with fire, what for four or five years? Some of these guys have been working on these Districts for 20 years. So, I think it’s important, I want to start fresh, I want to start a new, I want to make sure we are confident. I think that getting a second opinion would be a wonderful idea, not that expensive. I am just one of five, but I think we can vote on whether we would want to go forward with that, but still that way we can double check. If your numbers and their numbers match it was well worth it. I think the public wants to know independently too, so I think that is an important agency part of this we haven’t looked at part of it is the persona of the public right now is that we are a troubled agency and I want to be able to make sure we are doing a third party and make sure its independently as much as we can. We don’t want to drive our costs up by anything, but show the public that we are looking at this from all angles and we are trying to take it dead serious and we need to make sure they are accurate. It is nothing against you Roger, some of these guys have been doing it much longer than you have and maybe they know things that you don’t know, I don’t know. But, I would be interested in at least one year and trying doing that. If it is identical then money well spent and the public will have the confidence to say that they came up with the exact same number and it must be right and the District is on the right hand.”*

Roger stated he has no problem with having a second set of eyes on a forecast he creates and if they do find something that would be a lesson learned.

Ms. Aversa suggest to the Board that this item can be added to the next agenda about retaining an outside agency for a financial forecast.

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**4. Discussion, direction, and possible action regarding a JPA. (BOD #2017-07-04)**

Chairman Cross introduced this item to the Board stating that there hasn’t been anything provided to the Board regarding a JPA.

Clerk Gehrt stated that given the position that the District is currently in and the situation they have just been through, the Board owes it to their taxpayers to look into a JPA. He went on to say that this doesn't mean that he is behind a JPA at this time, however, with more investigation the Board could make an informed decision.

Clerk Gehrt suggested that the Board create a committee (per SFMD By-Laws) to conduct a feasibility study. He recommended the committee be composed of five (5) members each representing their specific area of responsibility and subject matter expertise.

Clerk Gehrt suggested Interim Fire Chief Mike Farber (admin/operations), Finance Director Roger Wood (finance), VP John Walka (labor), and two (2) Board members, to be selected by the Board, to serve on the committee. Clerk Gehrt suggested that two (2) outside resources with expertise on mergers, consolidations or JPAs could be of benefit and could be added as future committee members at the Board's discretion. He suggested putting a six (6) month deadline for the committee. He requested that part of the feasibility study should include the definitions of JPAs, mergers and consolidations, and how each would affect the SFMD.

The Board briefly spoke about the differences and pro's/con's of a Joint Purchasing Agreement, Joint Power Authority, Mergers, and Consolidations. Legal Counsel Donna Aversa stated currently the SFMD does have a Joint Purchasing Agreement informally to utilize any state bids, but the Board could possibly expand on that with a JPA.

Clerk Gehrt stated his vision for the Committee is to find out what is best for the future of the District by investigating all options. The committee should investigate mergers, consolidations, and Joint Power Authorities. He stated that senior staff positions could be eliminated with any of these options. With SFMD's current situation most of our Senior Staff is currently in acting roles. It is a perfect time because those employees could fall back to their old positions if we chose to pursue one of the options.

Clerk Gehrt explained that the individuals he suggested to serve on the committee would meet with other Districts/departments one-on-one with their counterparts (i.e. Chief with Chief, Labor with Labor, Finance with Finance and Board with Board) from the agencies they research.

Gehrt went on to say after their first committee meeting they should come back to the Board with a plan, a timeframe, and what agencies the committee plans to reach out to. He stated it is expected the committee give monthly progress reports at the regularly scheduled monthly Board meetings. He stated the study should be completed in six (6) months. With the deliverable containing a complete and thorough report including supporting documentation as to whether a consolidation, merger or a Joint Power Authority would benefit the SFMD and the Taxpayers/Community we serve. The committee is not expected to recommend who a Consolidation, Merger or Joint Power Authority would be with.

Director Strand stated if this committee is formed, he does not want to rush into anything. Six (6) months is a good timeframe for a feasibility study. Clerk Gehrt stated that it could be one (1) to two (2) years before anything could be done. Director Moeller stated that he believed JPAs, mergers, and consolidations would be an important part of a forecast.

Ms. Aversa reminded the Board a committee would be subject to open meetings laws. She also suggested the Board go into Executive Session for legal advice on agenda items three (3) and four (4) of the agenda at the bottom notes that states the Board has the authority to do so pursuant to ARS §38-431.03(A)(3) on agenda items.

**Motion** by Director Strand at 5.39 PM to go into executive session pursuant to ARS §38-431.03(A)(3) for legal advice regarding items 3 and 4 on the agenda. **Seconded** by Clerk Gehrt.

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

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**Regular Session was beck in session at 5:48 PM. Chairman Crossed reminded everyone that any items discussed in executive session including all items discussed in and up to regular session remains confidential.**

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**4. Item 4 Cont.**

**Motion** by Chairman Cross to form a committee to establish a feasibility study regarding JPAs, Mergers, and Consolidations, with the members being Jason Moeller, Todd House, Mike Farber, Roger Wood, and John Walka. **Seconded** by Director Strand.

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

Chairman Cross stated he would leave it up to the committee if they would like to add two (2) members at large as resources for the committee.

Chairman Cross appointed Director Todd House as the chairman for the committee per SFMD By-Laws.

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**3. Discussion, direction, and possible action regarding the fire chief hiring process. (BOD #2017-07-03)**

Chairman Cross stated he requested this item be added to the agenda, moving forward the Board should look at the hiring process the department has done in the past for recruiting a Fire Chief. Looking at qualifications, questions, and if the Board would go through a consultant to assist with the recruitment and hiring of a Fire Chief.

Director House suggested in the near future, the Fire Chief evaluation process and what degrees the Board feels important that a Fire Chief hold be evaluated.

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**5. Call to Public. (BOD #2017-07-n/a)**

N/A

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**6. Adjourn (BOD #2017-07-05)**

**Motion** by Director House at 5:58 PM to adjourn the meeting. **Seconded** by Director Strand.

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

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Governing Board Approval:



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Gene Gehrt, Board Clerk

*Jasmin Jones*

### Addendum A

<b>Superstition Fire &amp; Medical District 5-Year Forecast</b>		<b>Tentative Budget</b>					
	<b>FY17/18</b>	<b>FY18/19</b>	<b>FY19/20</b>	<b>FY20/21</b>	<b>FY21/22</b>	<b>FY22/23</b>	
<b>Beginning Cash Balance</b>	\$ 1,349,644	\$ 1,243,644	#REF!	#REF!	#REF!	#REF!	
<b>Total Revenue &amp; Other Sources</b>	\$ 14,539,555	\$ 14,755,070	#REF!	#REF!	#REF!	#REF!	
<b>Expenses</b>							
<b>Total Wages &amp; Benefits</b>	\$ 11,467,370						
<b>Operating Expenses</b>							
Vehicle Maintenance	\$ 244,301						
Facility Maintenance	\$ 230,824						
Equipment & Machinery	\$ 18,700						
Operating Parts & Supplies	\$ 712,325						
Professional Services	\$ 412,797						
Comm Services / Dispatch	\$ 125,900	2.5% \$ 129,048	2.5% \$ 132,274	2.5% \$ 135,581	2.5% \$ 138,971	2.5% \$ 142,445	
Training & Supplies	\$ 83,694						
<b>Total Operating Expenses</b>	\$ 1,828,541						
<b>Financial Reserve</b>	\$ 1,243,644						
<b>Total Expenses &amp; Reserve</b>	\$ 14,539,554	\$ -	\$ -	\$ -	\$ -	\$ -	
Balance	\$ 0	#REF!	#REF!	#REF!	#REF!	#REF!	
	\$ 100,000						
Estimate Variance??	0.69%						