

VERSION 1.0



# BOARD OF DIRECTORS MEETING

JUNE 21, 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

June 21, 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, June 21, 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 May 2017 financial reports and bank reconciliations. (BOD #2017-06-11)**
- 2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2017-06-12)**
- 3. Call to the Public. (BOD #2017-06-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 #2017-06-13):**
  - A. Board Meeting Minutes from May 17, 2017
  - B. Special Board Meeting Minutes from May 26, 2017
  - C. Special Board Executive Session Meeting Minutes from May 26, 2017
  - D. Special Board Meeting Minutes from June 6, 2017
  - E. Special Board Executive Session Meeting Minutes from June 6, 2017
  - F. Medical Insurance Business Agreement (Blue Cross / Blue Shield)
  - G. Annual ImageTrend Software Fees Payment
- 5. Discussion and possible approval transferring funds for the June 30, 2017 Debt Service Payments. (BOD #2017-06-14)**
- 6. Discussion and possible approval of Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2017/2018 from the Pinal County Treasurer's Office. (BOD #2017-06-15)**

- 7. Discussion, consideration, and possible action regarding the development of the Fiscal Year 2017/2018 Revenue and Expenditure Budget an adoption of Resolution 2017-02. (BOD #2017-06-16)**
- 8. Discussion, review, and possible approval of the district's application for general rate increase to its ground transport rates. (BOD #2017-06-17)**
- 9. Review, discussion, and possible action regarding Chairmanship of the Fire Board under SFMD By-Laws Article III: Officer, Paragraph 7. (BOD #2017-06-18)**
- 10. Discussion, update, and possible action regarding PSPRS and the Hall payout. (BOD #2017-06-19)**
- 11. Update and possible direction for New Business Items, the board may want to add to future board agendas. (BOD #2017-06-20)**
- 12. Reports. (BOD #2017-06-21)**
- 13. Announcements (BOD #2017-06-n/a)**
- 14. Adjourn (BOD #2017-06-21)**

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 June 19, 2017

At: 1700 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 – June 21, 2017**

**Agenda Item: 1**

**BOD#: 2017-06-11**

**Agenda Item Title:**

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

**Submitted By:**

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 May 2017 financial reports and bank reconciliations."*



**Go To Item 2**

**Go to Agenda**

**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 **May 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



May 2017

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 2**

**BOD#: 2017-06-12**

**Agenda Item Title:**

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

**Submitted By:**

Acting Assistant Chief Richard Ochs

**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.

**June Service Awards**

<b>10 Years of Service</b>
Fire Engineer <b>Brandon Blessum</b>
Firefighter / Paramedic <b>Ryan Rodriguez</b>
Fire Captain / Paramedic <b>Geof Shively</b>

**June Service Anniversaries:**

<b>23 Years of Service</b>
Battalion Chief <b>Jeff Cranmer</b>
Fire Engineer <b>Mike Wolfe</b>
<b>16 Years of Service</b>
Firefighter <b>Ryan Elowe</b>
<b>11 Years of Service</b>
Fire Captain / Paramedic <b>Alex Dupuis</b>
Firefighter / Paramedic <b>Bill Tavares</b>



**Go to Item 3**

**Go to Agenda**

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 3**

**BOD#: 2017-06-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**

**Go to Agenda**

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 4**

**BOD#: 2017-06-13**

**Agenda Item Title:**

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

- A. Board Meeting Minutes from May 17, 2017 – **Appendix A**
- B. Special Board Meeting Minutes from May 26, 2017 – **Appendix B**
- C. Special Board Executive Session Meeting Minutes from May 26, 2017 – **Appendix C**
- D. Special Board Meeting Minutes from June 6, 2017 – **Appendix D**
- E. Special Board Executive Session Meeting Minutes from June 6, 2017 – **Appendix E**
- F. Medical Insurance Business Agreement (Blue Cross / Blue Shield – **Appendix F**
- G. Annual ImageTrend Software Fees Payment – **Appendix G**

**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 June 21, 2017.”*



**Go to Item 5**

**Go to Appendices**

**Go to Agenda**

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 5**

**BOD#: 2017-06-14**

**Agenda Item Title:**

Discussion and possible approval transferring funds for the June 30, 2017 Debt Service Payments.

**Submitted By:**

Finance Director Roger Wood

**Background/Discussion:**

The District has a Debt Service Principal payment of \$445,000.00 due on June 30, 2017 to trustee U.S. Bank

Fund Account:	Debt Retirement Principal 2006 – account #6-11642-1407
Budget line item:	500-60-70500-10 titled Debt Service Expenditure – Principal

The current Principal Fund cash balance as of May 31, 2017 is \$531,173.26

**Interest Payment**

The District has a Debt Service Interest payment of \$155,512.50 due on June 30, 2017 to trustee U.S. Bank

Fund Account:	Debt Retirement Principal 2006 – account #6-11642-1408
Budget line item:	600-60-70550-10 titled Debt Service Expenditure – Interest

The current Principal Fund cash balance as of May 31, 2017 is \$215,061.40.

**Financial Impact:**

\$445,000.00 / Line item 500-60-70500-10

\$155,512.50 / Line item 600-60-70550-10

**Enclosure(s):**

US Bank Notification – 2006 GADA Debt Service Payments Due

**Recommended Motion:**

*“Motion to authorize payment by executing letter of direction to Pinal County Treasurer’s Office to wire transfer funds for the GADA debt service payments on June 30<sup>th</sup> due to U.S. Bank on July 1, 2017.”*



**Go to Item 6**

**Go to Agenda**



All of us serving you®

Invoice Date: 6/5/2017  
Invoice Number: 527948

Apache Junction Fire District of Pinal County  
565 N. Idaho Rd.  
Apache Junction, Arizona 85219

Contact	Phone	Fax	Email
Roger Wood			roger.wood@sfmd.az.gov
Pat Beckwith			pat.beckwith@pinalcountyyaz.gov

Account Number: 784668441

Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006B (City of Show Low, City of Somerton, Town of Quartzsite, Apache Junction Fire District, Drexel Heights Fire District, Maricopa Fire District)

Invoice for Debt Service Payment on 8/1/2017

Cusip	Maturity Date	Accrual Start Date	Accrual End Date	No. of Days	Principal Balance	Interest Rate	Interest	Principal	Premium/Discount
391577LK7	8/1/2017	2/1/2017	7/31/2017	180	\$445,000.00	4.50%	\$10,012.50	\$445,000.00	
391577LL5	8/1/2018	2/1/2017	7/31/2017	180	\$465,000.00	5.00%	\$11,625.00		
391577LM3	8/1/2019	2/1/2017	7/31/2017	180	\$485,000.00	5.00%	\$12,125.00		
391577LN1	8/1/2020	2/1/2017	7/31/2017	180	\$510,000.00	5.00%	\$12,750.00		
391577LP6	8/1/2021	2/1/2017	7/31/2017	180	\$535,000.00	5.00%	\$13,375.00		
391577LQ4	8/1/2022	2/1/2017	7/31/2017	180	\$560,000.00	5.00%	\$14,000.00		
391577LR2	8/1/2023	2/1/2017	7/31/2017	180	\$590,000.00	5.00%	\$14,750.00		
391577LS0	8/1/2024	2/1/2017	7/31/2017	180	\$620,000.00	5.00%	\$15,500.00		
391577LV3	8/1/2027	2/1/2017	7/31/2017	180	\$2,055,000.00	5.00%	\$51,375.00		
					\$6,265,000.00		\$155,512.50	\$445,000.00	

Interest Due:	\$155,512.50
Principal Due:	+ \$445,000.00
Principal Deposit Due:	
Net Due:	\$600,512.50

**PAYMENT SUMMARY**

Total Interest Due: \$155,512.50  
Total Principal Due: + \$445,000.00

**TOTAL DUE 7/2/2017** \$600,512.50

Notes  
Please Confirm your Receipt of this invoice by phone or e-mail. Please confirm how and when funds will be sent.

WIRING INSTRUCTIONS	
US Bank must receive funds prior to 10:30 A.M. CST to ensure DTCC receives funds prior to their same day settlement deadline of 2:00 P.M. CST. Any payments received by DTCC after the 2:00 P.M. deadline will be allocated the next day.	
ABA:	091000022
BBK:	U.S. BANK NA
A/C:	170225065771
BNF:	U.S. Bank Trust N.A.
OBI:	784668471

CHECK INSTRUCTIONS
If paying by check, please include a copy of this invoice and remit payment 5 business days prior to payment date.
U.S. BANK St. Paul CM-9705 P.O. BOX 70870 St Paul, MN 55170

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 6**

**BOD#: 2017-06-15**

**Agenda Item Title:**

Discussion and possible approval of Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2017/2018 from the Pinal County Treasurer's Office.

**Submitted By:**

Finance Director Roger Wood

**Background/Discussion:**

This combined resolution is required annual by the Pinal County Treasurer's Office. The purpose of the resolution is for the District to provide direction as to who is authorized to approve the following types of transactions on behalf of the District:

1. Investment Resolution: Authorizes the Pinal County Treasurer's Office to invest on behalf of the District any/all excess funds in interest bearing securities as authorized by law.
2. Warrant Resolution: Identifies individuals who are authorized to provide warrant information including wires, voids, and/or stop payments to the Pinal County Treasurer on a daily basis.
3. Fund Transfer Resolution: Identifies individuals who are authorized to request the Pinal County Treasurer to process wire transfers, book transfers and/or EFT payments on behalf of the District.
4. Warrant Signature Resolution: Identifies (and provides specimen signatures) for those authorized to sign warrants on behalf of the District for the Fiscal Year 2017 – 2018.
5. List of Outside Bank Accounts: Identifies the outside bank accounts maintained by the District.

**Staff Recommendation:**

Approval of the resolution.

**Financial Impact:**

N/A

**Enclosure(s):**

Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2017-2018

**Recommended Motion:**

*"Motion to approve the Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2017-2018."*



**Go to Item 7**

**Go to Agenda**

**COMBINED R E S O L U T I O N AFFECTING  
COUNTY TREASURER TRANSACTIONS  
FOR FISCAL YEAR 2017-2018**

COMES NOW the Governing Board of the Superstition Fire & Medical District of Pinal County, Arizona, and hereby declares that on the 21<sup>st</sup> day of June, 2017, at a duly called and noticed public board meeting, upon motion duly made, seconded and carried with a vote of \_\_\_\_\_ “Ayes” and \_\_\_\_\_ “Nays” this Board approved one or more of the following Resolutions affecting financial transactions with or by the Pinal County Treasurer for Fiscal Year 2017-2018.

**An authorized initial in one or more boxes acknowledges the Governing Board’s approval of the one or more of the following resolutions:**

WHEREAS, this District periodically has funds on hand that are in excess of any anticipated authorized requirements; and,

WHEREAS, it appears to be in the best interest of the district to authorize the Pinal County Treasurer to invest and keep invested these funds in interest bearing securities as authorized by law; and

WHEREAS, from time to time it will in the best interest of the District, and thus necessary, to authorize the Pinal County Treasurer to sell these securities to provide available funds for current authorized District requirements; and

WHEREAS, Arizona state law permits the Governing Board of this District to request the consent of the Pinal County Board of Supervisors to invest and reinvest all district monies as authorized by law for the fiscal year.

BE IT RESOLVED by that subject to the consent of the Pinal County Board of Supervisors, the Pinal County Treasurer is authorized to purchase, hold, and sell such securities on behalf of this district.

\*\*\*\*\*

WHEREAS, this District issues or will issue warrants drawn on the servicing bank for the Pinal County Treasurer; and,

WHEREAS, it in the best interest of the District to authorize the herein named person,

Roger Wood  
Printed Name

\_\_\_\_\_  
Signature

Jennifer Burke  
Printed Name

\_\_\_\_\_  
Signature

Lori Hlavin  
Printed Name

\_\_\_\_\_  
Signature

an authorized representative of the District, to provide warrant information including wires, voids and/or stop payments, to the Pinal County Treasurer on a daily basis; and

WHEREAS, the Pinal County Treasurer will submit the warrant information to the servicing bank for valid District purposes and to prevent fraud and/or illegal use of district funds.

BE IT RESOLVED by the Governing Board that subject to the consent of the Pinal County Board of Supervisors, the District will provide the Pinal County Treasurer with warrant information as appropriate in the regular course of District business.

\*\*\*\*\*

WHEREAS, it appears to be in the best interest of the District to authorize

Roger Wood  
Printed Name

\_\_\_\_\_  
Signature

Jennifer Burke  
Printed Name

\_\_\_\_\_  
Signature

Lori Hlavin  
Printed Name

\_\_\_\_\_  
Signature

as an authorized representative of the district to request the Pinal County Treasurer to process wire transfers, book transfers, ACH and/or EFT payments on behalf of the District.

BE IT RESOLVED that the Governing Board hereby authorizes one or both of the foregoing persons to request that the Pinal County Treasurer process payments via Treasurer check, wire transfers, book transfers, ACH and/or EFT payments on behalf of the District on behalf of the district for the fiscal year, 2017-2018.

\*\*\*\*\*

**This resolution is required of those districts authorized by Arizona Statute to issue its own warrants.**

WHEREAS, it appears to be in the best interest of the district to authorize the below specified persons to sign warrants on behalf of the district for the fiscal year, 2017-2018;

BE IT RESOLVED that the Governing Board hereby authorizes the following persons to sign warrants on behalf of the district for the fiscal year, 2017-2018.

Jeff Cross \_\_\_\_\_  
Printed Name Signature

Gene Gehrt \_\_\_\_\_  
Printed Name Signature

Todd House \_\_\_\_\_  
Printed Name Signature

Jason Moeller \_\_\_\_\_  
Printed Name Signature

Larry Strand \_\_\_\_\_  
Printed Name Signature

WHEREAS, the Pinal County Treasurer’s Office shall be advised of any outside bank accounts maintained by the district we hereby give notice of the following account(s):

Wells Fargo \_\_\_\_\_ Phoenix, AZ \_\_\_\_\_ Payroll Clearing Account \_\_\_\_\_  
Bank Name Bank Location (city/st) Account Purpose

Wells Fargo \_\_\_\_\_ Phoenix, AZ \_\_\_\_\_ Electronic Deposit/ACH Payment Account \_\_\_\_\_  
Bank Name Bank Location (city/st) Account Purpose

Wells Fargo \_\_\_\_\_ Phoenix, AZ \_\_\_\_\_ Lockbox Payment Account \_\_\_\_\_  
Bank Name Bank Location (city/st) Account Purpose

**BY OUR SIGNATURES BELOW WE CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE RESOLUTION ADOPTED BY THE GOVERNING BOARD OF THE DISTRICT AND THAT THIS RESOLUTION HAS NOT BEEN AMENDED OR REVOKED BY THE BOARD.**

Dated: \_\_\_\_\_

Approval for Fiscal Year 2017-2018

Jeff Cross, Chairman  
Name and Title: (Typed/Printed)

\_\_\_\_\_  
(Signature)

Gene Gehrt, Clerk  
Name and Title: (Typed/Printed)

\_\_\_\_\_  
(Signature)

Todd House, Director  
Name and Title: (Typed/Printed)

\_\_\_\_\_  
(Signature)

Jason Moeller, Director  
Name and Title: (Typed/Printed)

\_\_\_\_\_  
(Signature)

Larry Strand, Director  
Name and Title: (Typed/Printed)

\_\_\_\_\_  
(Signature)

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 7**

**BOD#: 2017-06-16**

**Agenda Item Title:**

Discussion, consideration, and possible action regarding the development of the Fiscal Year 2017 / 2018 Revenue and Expenditure Budget and adoption of Resolution 2017-02.

**Submitted By:**

Finance Director Roger Wood

**Background/Discussion:**

A Tentative Fiscal Year 2017 / 2018 Revenue and Expenditure Budget is scheduled to be adopted at this board meeting in correlation with the opening of a 20-day public comment period. At the December 21, 2016 meeting, the board agreed to formally adopt the Fiscal Year 2017 / 2018 budget at the regularly scheduled board meeting on July 19, 2017.

During this meeting, the Board will be presented with a budget that may still be modified and adjusted as the Board decides. It is suggested that the Board adopt a tentative budget by adopting Resolution 2017-02 at this meeting after any adjustments, changes, or other modifications. This allows sufficient time for staff to post the budget as required by law and meet timelines necessary for allowing at least 20-day public review and comment period.

The budget the staff is presenting represents a tax rate of \$3.25 per hundred dollars of secondary valuation for District operations, a \$0.25 special assessment related to the temporary tax override initiative, and a \$0.22 special Bond assessment.

**Staff Recommendation:**

Approval of the FY 2017/2018 Tentative Budget

**Financial Impact:**

N/A

**Enclosure(s):**

Fiscal Year 2017/18 Tentative Revenue and Expenditure Budget – Under Separate Cover

Resolution 2017-02

**Recommended Motion:**

*“Motion to adopt Resolution 2017-02 adopting a tentative budget of \$\_\_\_\_\_ for the fiscal year beginning July 1, 2017 and ending June 30, 2018 and giving notice to the public of the tentative budget, as well as a time and place for a public meeting to hear comments prior to final adoption of the budget as required by law.”*



**Go to Item 8**

**Go to Agenda**

**RESOLUTION 2017-02**  
**Superstition Fire & Medical District Medical**  
**BUDGET HEARING**

**A RESOLUTION OF THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT, ADOPTING A TENTATIVE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND GIVING NOTICE OF THE TIME AND PLACE FOR HEARING TAXPAYERS COMMENTS PRIOR TO THE ADOPTION OF THE BUDGET.**

**WHEREAS**, in accordance with the provisions of Section 48-805, Arizona Revised Statutes, the Governing Board has on this twenty first day of June 2017, made tentative estimates of the amount required to meet the public expenses for the ensuing year, and the receipts from sources other than direct taxation by the Superstition Fire and Medical District; and

**WHEREAS**, in accordance with said section of the Arizona Revised Statutes, the Governing Board wishes to establish a date of public comments.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE AND MEDICAL DISTRICT AS FOLLOWS:**

That the estimates of revenues and expenditures provided for adoption now establish the adopted estimates of the proposed expenditures by the Superstition Fire & Medical District for the fiscal year beginning July 1, 2017 and ending June 30, 2018, and;

The Governing Board of Directors hereby authorizes the clerk of the Superstition Fire & Medical District to publish, in the manner prescribed by law, the adopted estimates. The Governing Board of Directors will meet for the purpose of holding a public hearing and taking public comment prior to adopting the annual budget for the 2017/2018 fiscal year for the Superstition Fire & Medical District, on July 19, 2017. The hearing and meeting will take place at 5:30 p.m. at the Administrative Office, located at 565 N. Idaho Rd., Apache Junction, Arizona.

PASSED AND ADOPTED THIS TWENTY FIRST DAY OF JUNE 2017, BY THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT.

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*Jeff Cross, Board Chairman*

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*Gene Gehrt, Board Clerk*

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*Jason Moeller, Board Director*

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*Larry Strand, Board Director*

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*Todd House, Board Director*

## **Governing Board Meeting – June 21, 2017**

**Agenda Item: 8**

**BOD#: 2017-06-17**

### **Agenda Item Title:**

Discussion, review, and possible approval of the district's application for a general rate increase to its ground transport rates.

### **Submitted By:**

Finance Director Roger Wood

Transportation Services Manager Billy Warren

### **Background/Discussion:**

A When SFMD launched its ambulance operation, it did not have true visibility to its payer mix. Our original rate request during the CoN application process was consciously conservative so that we did not overcharge our residents. Our philosophy from the beginning has been that if needed, we could request an increase at a later time when we had a better picture of our financials and payer mix.

The district has are much higher Medicare population than originally expected, and with Medicare being the lowest in terms of reimbursement, our current rates do not allow the District to manage its operations to a breakeven point.

Since launch, SFMD has diligently managed its ambulance operations through the following major strategies to keep its costs of operations down while achieving superior response times and patient services:

1. Manage labor costs.
  - a. SFMD utilizes a civilian EMS labor force to better control labor and benefit expenses.
  - b. SFMD implemented a Part-Time program which allows us to adjust to changing demand.
2. Ensure good unit hour utilization while maintaining good response time compliance.
  - a. Our ambulances remain extremely busy covering the District's large coverage area of over 62 square miles.
  - b. The District has maintained response times well above required our CON compliance standards.
  - c. The District utilizes a priority dispatch model to ensure the best use of resources.

A key aspect of the District's decision to request a general rate increase includes a comparison to other comparable CON holders, both with Pinal County as well as other fire districts of reasonably comparable operations and payer mix. In comparison to other Pinal County CON holders, the District is on the low end in regards to rates.

A neighboring Pinal CON holder, Southwest Ambulance of Casa Grande (CON #85) has an approved rate of \$1,366.15 per ALS transport which does not include medical supplies for which they charge separately and in addition to their base rate. This rate is much higher than SFMD's current ALS rate of \$1,066.46 which includes medical supplies. Similarly, Sun Lakes Fire District (CON #12) has a high Medicare patient population similar to SFMD's and their approved rate is \$1,412.41 per ALS transport which includes supplies.



**Go to Item 9**

**Go to Agenda**

Based on these reasons and supporting facts, SFMD is respectfully requesting the following proposed new transport rates:

**Proposed New Rates:**

\$1,375.00 ALS amount	\$	N/A	Standby / Waiting amount
\$1,275.00 BLS amount	\$	N/A	Subscription Service amount
\$ 20.00 Mileage amount			

Staff met with Aaron Sams, DHS Rate Analyst, on Tuesday June 13, and received positive feedback on our efforts to-date in preparing supporting documentation for the proposed general rate increase.

During the meeting, Mr. Sams and Staff discussed the following important items:

- A. The rate increase would only impact a small portion of the District’s transported residents since those on Medicare would not see any impact (Medicare pays a set amount regardless of the rate charged), and those without insurance may not pay even though the rate is higher.
- B. Along with the documentation we had prepared in draft form, he informed us that minutes to the Governing Board meeting where the Board approved the general rate increase application was required.

**Staff Recommendation:**

Staff recommends the Board approve the application for a general rate increase to the District’s ground transport rates.

**Financial Impact:**

TBD

**Enclosure(s):**

SFMD CoN #137 General Rate Increase Request

**Recommended Motion:**

*“Motion to approve the June 2017 General Rate Increase request for submission to the Department of Health Services.”*



**Go to Item 9**

**Go to Agenda**



## Superstition Fire & Medical District

565 North Idaho Road, Apache Junction, AZ 85119

Phone (480) 982-4440, Fax (480) 982-0183

www.sfmd.az.gov



June 13, 2017

Aaron Sams MBA  
Rates Analyst/CON & Rates  
Bureau of Emergency Medical Services  
Arizona Department of Health Services  
150 North 18<sup>th</sup> Avenue, Suite 540  
Phoenix, Arizona 85007-3248

**RE: SUPERSTITION FIRE & MEDICAL DISTRICT CON #137 GENERAL RATE INCREASE REQUEST**

Mr. Sams:

Superstition Fire & Medical District (“SFMD” or “District”) requests an adjustment in general public rates according to Arizona Revised Statute (“A.R.S.”) § 36-2234. SFMD has not applied for an adjustment in general public rates within 6 months.

SFMD is a not-for-profit organization, and established its ambulance operations to provide a higher level of care, not to make profit. Our intent is to manage our ambulance operations as close to breakeven as possible to sustain the organization’s overall financial health to ensure it can continue to provide superior fire suppression, medical treatment, and ground transport services to the District’s residents.

When SFMD launched its ambulance operation, it did not have true visibility to its payer mix. Our original rate request during the CON application process was consciously conservative so that we did not overcharge our residents. Our philosophy from the beginning has been that if needed, we could request an increase at a later time when we had a better picture of our financials and payer mix.

The District has are much higher Medicare population than originally expected, and with Medicare being the lowest in terms of reimbursement, our current rates do not allow the District to manage its operations to a breakeven point. (*See Schedule A – Payer Mix*).

**SFMD District CON #137 General Rate Increase Request**  
**Page 2**

Since launch, SFMD has diligently managed its ambulance operations through the following major strategies to keep its costs of operations down while achieving superior response times and patient services:

1. Manage labor costs.
  - a. SFMD utilizes a civilian EMS labor force to better control labor and benefit expenses.
  - b. SFMD implemented a Part-Time program which allows us to adjust to changing demand.
  
2. Ensure good unit hour utilization while maintaining good response time compliance.
  - a. Our ambulances remain extremely busy covering the District’s large coverage area of over 62 square miles. (*See Schedule A - Call Load*).
  - b. The District has maintained response times well above our required CON compliance standards (*See Schedule A - Current CON #137 Code 3 Compliance*).
  - c. The District utilizes a priority dispatch model to ensure the best use of resources (*See Schedule A – Priority Dispatch Efficiency*).

A key aspect of the District’s decision to request a general rate increase also included a comparison to other comparable CON holders, both with Pinal County as well as other fire districts of reasonably comparable operations and payer mix. In comparison to other Pinal County CON holders, the District is on the low end in regards to rates. A neighboring Pinal CON, Southwest Ambulance of Casa Grande (CON #85) has an approved rate of \$1,366.15 per ALS transport which does not include medical supplies for which the charge separately and in addition to their base rate. This rate is much higher than SFMD’s current ALS rate of \$1,066.46 which includes medical supplies. Similarly, Sun Lakes Fire District (CON #12) has a high Medicare patient population similar to SFMD’s and their approved rate is \$1,412.41 per ALS transport which includes supplies.

Based on these reasons and supporting facts, SFMD is respectfully requesting the following proposed new transport rates:

Proposed New Rates

\$1,375.00 ALS amount	\$ <u>  N/A  </u> Standby / Waiting amount
\$1,275.00 BLS amount	\$ <u>  N/A  </u> Subscription Service amount
\$ 20.00 Mileage amount	

**SFMD District CON #137 General Rate Increase Request**  
**Page 3**

Proposed Disposable Medical Supplies Charges:

SFMD's ambulance service will not charge for disposable medical supplies (the cost of supplies is included in proposed new rates).

SFMD attests that the information provided in this request is correct, and ask that the effective date for the proposed new rates be the date the Decision and Order is signed.

Sincerely,

Jeff Cross  
Governing Board Chair  
Superstition Fire & Medical District

Enclosures:

1. SFMD Rate Increase Request Analysis - Ambulance Revenue and Cost Reports (ARCR) format
2. SFMD Rate Increase Request Supporting Information Schedule A.



## SUPERSTITION FIRE & MEDICAL DISTRICT CON #137 GENERAL RATE INCREASE REQUEST

### Supporting Information - Schedule A

*Data below is from our first day of operation 1/4/16 through most current info available*

<i>Call Load</i>		
# of units	Ave. Transports per day	SFMD Sq Miles
3.5	14.5	62

<i>Current CON # 137 Code 3 Compliance</i>				
	Late	On-Time	Total Calls	% Compliance
08:59 or less - 90%	23	347	370	🟢 93.78%
14:59 or less - 95%	1	369	370	🟢 99.73%
19:59 or less - 100%	0	370	370	🟢 100.00%

<i>Priority Dispatch Efficiency</i>			
Calls	Transports	Cancels	% Transported
5061	4807	254	94.98%

<i>Payer Mix</i>	
Payer	%
<b>Medicare</b>	62.67%
Medicaid	18.83%
Commercial	10.25%
Private Pay	8.25%

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 9**

**BOD#: 2017-06-18**

**Agenda Item Title:**

Review, discussion, and possible action regarding Chairmanship of the Fire Board under SFMD Board By-Laws Article III: Officer, Paragraph 7.

**Submitted By:**

Board Director Larry Strand

**Background/Discussion:**

This item was requested to be added to the agenda by Board Director Larry Strand, with no additional information provided.

**Staff Recommendation:**

N/A

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

N/A



**Go to Item 10**

**Go to Agenda**

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 10**

**BOD#: 2017-06-19**

**Agenda Item Title:**

Discussion, update, and possible action regarding PSPRS and the Hall payout.

**Submitted By:**

Board Clerk Gene Gehrt

Finance Director Roger Wood

**Background/Discussion:**

This item was requested to be added to the agenda by Board Clerk Gene Gehrt, to present any new information regarding the Hall case and any payout that may occur.

**Staff Recommendation:**

N/A

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

N/A



[Go to Item 11](#)

[Go to Agenda](#)

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 11**

**BOD#: 2017-06-20**

**Agenda Item Title:**

Update and possible direction for New Business Items, the board may want to add to future board agendas.

**Submitted By:**

Board Clerk Gene Gehrt

**Background/Discussion:**

This item was requested to be added to the agenda by Board Clerk Gene Gehrt, for any New Business that needs to be added to future agendas.

**Staff Recommendation:**

N/A

**Financial Impact:**

N/A

**Enclosure(s):**

N/A

**Recommended Motion:**

N/A



**Go to Item 12**

**Go to Agenda**

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 12**

**BOD#: 2017-06-21**

**Agenda Item Title:**

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 – June 21, 2017**

**Agenda Item: 13**

**BOD#: 2017-06-n/a**

**Agenda Item Title:**

Announcements

**Background / Discussion:**

The BOD and staff may share and discuss items to be placed on future BOD agendas.

**Governing Board Meeting – June 21, 2017**

**Agenda Item: 14**

**BOD#: 2016-04-22**

**Agenda Item Title:**

Adjournment

**Recommended Motion:**

*“Motion to adjourn the board meeting.”*



**Go to Agenda**

## Appendix A

### A. Board Meeting Minutes from May 17, 2017

**Submitted By:**

Board Clerk Gene Gehrt

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 May 17, 2017 board meeting minutes.

**Enclosure(s):**

May 17, 2017 Board Meeting Minutes



[Go to Appendix B](#)

[Go to Agenda](#)



# 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 Work Session Minutes May 17, 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, MAY 17, 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

Chairman Cross called the meeting to order at 5:30 P.M.

### B. Pledge of Allegiance

Pledge of Allegiance was led by Chairman Cross.

### 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.

Legal Counsel Donna Aversa and Accounts Payable Clerk acting as Board Secretary Jennifer Burke were also present for the meeting.

---

## 1. Review and approval of April 2017 financial reports and bank reconciliations. (BOD #2017-05-04)

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

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

---

## 2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2017-05-05)

Assistant Chief Brett Broman presented 15 Year Service Anniversary Awards to Firefighter Paul Garcia, Fire Engineer Rob VandeKrol (not present), and Firefighter / Paramedic Stephan Wagner (not present).

Chief Broman also read the list of May Service Anniversaries, Finance Director Roger Wood with 4 years of service.

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## 3. Call to the Public. (BOD #2017-05-n/a)

**Robert Ross (address redacted)**

*"Well, I was looking at stuff, and it appears that we have 98 firefighters, is that correct, 90, let's make it 99 with my math. We got three assistant chiefs, that is one chief for 33 guys at middle management. One chief for 33 guys. Mesa, it's either 450 or 550, couldn't get the right numbers so I don't know, so let's make it 4, the*

got 3 administrative chiefs. So that is 130 guys per administrative chief. 130 per, that means that we have 99, they got 1 for 120 or 140. Why do we need 3 for 99, we got a budget deficit here, we are having problems, we don't want our taxes raised anymore. I mean that's it, just did this. We just did this, you guys are getting five million dollars, enough is enough, it is just not right. I'll be getting some fore facts about Tucson and Phoenix too and we are going to try to find out why we are so top heavy. We got 11 new trucks out there, probably 800, 900 thousand dollars worth of equipment sitting out there. And also there are 6 of them, 5 of them, that don't have any decals on them. I know we have decals because I checked into it. How come they don't have decals and they are driving around? If that was me I would say that is for personal use. Not accusing anybody, That is just my thought, so why don't we have decals on those new trucks? A lot of new ones do, a lot of them don't and there is no shortage of decals."

**Hugh McLaughlin (address redacted)**

"Yes, thank you all I am going to speak here. I was kinda hoping this meeting would go a bit differently, like discussing the budget. Okay, where we are with the shortfall, so that we can hopefully, fill in some of the blanks from the last meeting. We had a I call it a dog and pony show, no offense to your program that you have going, that PowerPoint you had last week, or two weeks ago. But, you know, I don't know where we are now. We still have a shortfall of 300 and some thousand dollars I assume, does that sound right?

Member of Audience Charlie Fox, "No."

Mr. McLaughlin, "No, we don't? Is it more?"

Mr. Fox, "No."

Mr. McLaughlin, "It's less?"

Mr. Fox, "Yes."

Mr. McLaughlin, "Does somebody on the board want to want to..."

Chairman Cross, "Unfortunately, during Call to Public the board is not allowed or administration is not allowed to discuss items, unless it is an agenda item we are not allowed to discuss it."

Mr. McLaughlin, "Oh, right and we didn't have an agenda, so I apologize for that. Obviously, there is a shortfall of some amount of money, which will be told to us later, somehow, some way. But, whatever I said before that one of the reasons that I am here is because when I dial 9-1-1 I want these gentlemen or woman to show up and put out a fire for me. Or to give me the CPR you know, that is why I am here and I am going to fight for that. I will fight because I don't want them laid off, you guys you are on your own. Been there, done that, that is all I have to say on that. I am sorry that I didn't have more information I mean I've got more. I am a little disappointed in this, Chairman thank you for letting me speak."

**Charlie Fox (address redacted)**

"These two men are some of my best friends, but I am going to take issue with them, I want to say what is going on right now reminds me of what was going on in 2012. When a lady named Barb Cobb and I ran for the board an won, because we were sick and tired of people trying to get rid of chiefs. And, the Union was trying to run the show, if you remember our motto on the bottom of our signs, citizen control not union control. And what I see going on here is pretty much the same thing that was going on in 2012, again with the boards backing. And that really does upset me, and as far as \$282k deficit, there have been some things happen, but one of the things that we have not been told is that there was an unexpected \$600k increase in pensions, it wasn't planned for. Now, I know we had to start out with 1.7 million dollars, but we are down to \$282k and if it wasn't for that pension increase, right now we would be sitting on a, about a little over \$300k in the black. So, those things need to be told and what I see going on here really concerns me. This district has gone from I guess you could say sort of a so so district, to the premier district in the state and one of the premier district in the nation. And if we start losing people like chief Bourgeois, we are going back into the door. Thank you."

**Al Sharp (address redacted)**

"I was going to talk about a budget item during the minutes, do you want me to do it now or do you want me to do it later? I will do it now, I am Al Sharp, my question was, when does the \$952k take effect and it should

*a lot of this budget stuff. And, how are we going to track that money that we spend on capital items that chief promises?*

*Audience Member Charlie Fox, "Mr. Chairman, you can't speak to that, can I?"*

*Chairman Cross, "No, but what I can do is make that an agenda item to explain where that money will go, when that will start, and how we are going to track that."*

*Mr. Sharp, "Thank you."*

*Mr. Fox, "And that was an override for capital improvements, not for anything else."*

**Franklin Ferguson (address redacted)**

*"The talking point I want to come out with, was covered. So, I would just like to make a statement if I could. I just want to thank all of these gentlemen and woman for the job that they do. They have been to my house several times, they took care of my mother-in-law and I just want to say, thanks."*

---

**4. Consideration and possible approval of all consent agenda items listed below: (BOD #2017-05-06)**

- A. Board Meeting Minutes from April 19, 2017
- B. Board Work Session Executive Minutes from May 1, 2017
- C. Board Work Session Meeting Minutes from May 1, 2017
- D. Town of Florence IGA Renewal
- E. Medical Insurance Provider Change (UHC – UFHCT)
- F. Principal Financial Group (Dental Insurance) Addendum
- G. Henry & Horne, LLP Engagement Letter

Chairman Cross requested to pull items A and D. Fire Chief Paul Bourgeois requested to pull item E.

**Motion** by Clerk Gehrt to approve consent agenda items B,C,F, and G . **Seconded** by Chairman Cross.

**Vote (Roll Call Vote)** House (aye), Strand (aye), Cross (aye), Moeller (aye), Gehrt (aye) – 5 ayes, 0 nays. **MOTION PASSED.**

Item Agenda 4A – Clerk Gehrt stated that he just wanted to bring up the fact that he instructed the secretary to include all of the items presented at the board meeting into the board minutes as addendums. Including things that may be on video, and things that have been handed out.

Item Agenda 4D – Chairman Cross clarified that the changes were made to the Florence IGA and if Florence accepted the changes. Fleet Supervisor Vaughn Croshaw stated this item has not been taken to Florence yet, he needed it to be approved by our board before it was presented to Florence.

Item Agenda 4E – Assistant Chief Brett Broman summarized the changes to the medical insurance this fiscal year. Director House inquired if Labor had been included in the conversation to change carriers. Chief Broman stated they had been involved in all of the conversations.

**Motion** by Clerk Gehrt to approve consent agenda items A,D, and E. **Seconded** by Chairman Cross.

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

---

**5. Discussion, presentation, and possible action regarding the SFMD Memorandum of Understanding. (BOD #2017-05-07)**

Chairman Cross stated he spoke to both labor and management regarding this item. There were some changes made to the document by the labor that was sent to management yesterday morning and then on to legal, which did not allow enough time to review the document with the changes labor made.

---

**6. Discussion regarding the development of the Fiscal Year 2017/2018 Revenue and Expenditure Budget. (BOD #2017-05-08) – See Addendum A**

Fire Chief Paul Bourgeois gave a brief summary, stating he wanted to bring a finished budget to the board. However, recent changes by the legislature regarding PSPRS, caused for the need of additional time to provide visibility as to what this change will mean to the SFMD.

Chief Bourgeois went on to say, there would be a balanced budget presented to the board next month, and that it is a balanced budget, and NO monies would need to be transferred from the Capital Reserve (200 fund) to assist with the deficit. Key points discussed were:

**FY 2017/2018 Tentative Budget Status**

- General (100) Fund
  - May 11<sup>th</sup> Jared Smout, PSPRS Administrator Communication:  
*“There is the potential to have the amortization period extended before June 30 to have your July 1, 2017 rate decreased. I have been discussing this with John Flynn and should have some more information available in the next week or so.”*
  - H2485 / Subsection B:
    - Governing Board of Employer adopt a Resolution requesting a longer amortization period (between the current 20 years and a maximum of 30 years), and specifying the beginning date of new period (July 1, 2017).
    - Employer submit written request for longer amortization period to PSPRS.
  - FY 2017/2018 Tentative Budget will be delivered in June once the true impact of H2485 is determined.
  - July 3<sup>rd</sup> is the absolute final date for the Tentative Budget adoption in order to provide the statutory 20 days review by the public before final adoption of FY 2017/2018 budget on July 31<sup>st</sup>.
  - Staff must deliver final adopted budget to Pinal and Maricopa Counties Clerk of the Board of Supervisors no later than August 1<sup>st</sup>.
  - Current Status \$276,520 out of balance
    - Reflects:
      - FY 17/18 ELBO + \$190,775
      - Tempe Trust Medical Coverage + \$42,136 in increased Benefit Dollars
        - Up \$12 per pay period (\$390 vs \$378)
      - Increased PSPRS Contribution \$582,182
      - Cost cutting in non-essential areas - \$241,988
- Transport (150) Fund
  - 4,334 ALS + 624 BLS = 4,958 Total Transports
  - 8.49 billable miles per transport
  - \$1,066.46 ALS, \$923.30 BLS, \$18.26 per mile
  - \$6,011,915 **GROSS** Revenue
  - \$2,622,801 **NET** Revenue (after all discounts and write-offs)
  - Three full time 24x7 ambulances, one part time 12x7 ambulance
  - Subsidy for General M&O (100) Fund
    - \$281,653 allocated costs
    - \$251,375 direct facilities, utilities, and operating costs
    - \$533,028 Total Subsidy
- Financial Reserve VS Capital Reserve
  - Financial Reserve - a portion of the General (100) Fund expense budget set aside “in reserve” with the intent of not spending. It is the money the District will have in the bank at the beginning of the next fiscal year. GASB and GAAP require a minimum amount of financial reserve so the District has money to pay its payroll and bills at the start of the next fiscal year.

- Capital Fund or “Reserve” - the 200 Fund. It is an entirely separate fund. It represents savings over the years from the 100 Fund for the purchase of capital items. There is no requirement for the District to maintain a Capital Fund.
- Capital (200) Fund
  - Beginning Case Balance (Projected) - \$884,806
  - Estimated Tax Revenue (\*\$0.25) \$951,970
  - Investment Income (Estimated) \$4,000
  - Planned Purchases \$723,408
  - Grant Matching (2<sup>nd</sup> set of Turnouts) \$28,358
  - Ending Cash Balance (Estimated) \$1,089,010
- Special Revenue (Donations / Grants – 400) Fund
  - Beginning Cash Balance (Projected) \$68,775
  - Fall Prevention Grant (5%) \$11,961 (Supplies Only)
  - VICC Training Grant (15%) \$95,634
  - AFG 2<sup>nd</sup> Set of Turnouts (10%) \$255,218
  - Donations \$16,600
- Bond Debt Principal (500) Fund
  - Estimated Tax Revenue \$492,602
  - Debt Principle Expense \$445,000
- Bond Debt Interest (600) Fund
  - Estimated Tax Revenue \$344,250
  - Debit Interest Expense \$311,025

Chairman Cross asked for questions and comments from the board.

Director House stated this budget seems like it is going to be balanced this year, however, he is having a difficult time wrapping his mind around the stability in future years. Finance Director Roger Wood, stated that when he did the forecast for FY 17/18, one of the topics that originally attributed to the large deficit was that Intermedix not performing as expected with the billing of ambulance calls. They are now performing at the rate as expected, the forecast deficit would be much less now. We will also be submitting a rate increase which will also assist with the deficit and assist forecasting for future years.

Clerk Gehrt asked Mr. Wood to elaborate on the rate increase, this was money before that was going to a private vendor and today it is being received by the SFMD. So the rate increase is not going to the public per say, it is a rate increase for the insurances providers. Mr. Wood stated that currently, the rate increase is not factored into the current budget because it is not a guarantee at this time. If we are successful, it will only add value to the budget.

**7. Discussion and update regarding any information pertaining to PSPRS or the PSPRS SFMD Board. (BOD #2017-05-09) – Addendum B**

Finance Director Roger Wood and Clerk Gehrt have been working together to understand the changes to the PSPRS. Mr. Wood summarized the following before showing short videos pertaining to the topic.

- Tier 1a – Attained 20 or more years of service prior to 1/1/2012. “Old” DROP, members do not make contributions to DROP.
- Tier 1b – Hired before 1/1/2012 and have attained 20 years of service, or 15 years of service and are at least 62 years old on or after 1/1/2012. “New” DROP, members continue to contribute to PSPRS during DROP.
- Tier 2 – Hired between 1/1/2012 and 7/1/2017. Must have 25 years of service and be at least 52.5 years old to be eligible for normal pension benefit. Eligible for new Defined Contribution Plan.

## 8. Senior Leadership Team & Labor Reports (BOD #2017-05-10) – Addendum C

### Management Services

- Fire Chief Paul Bourgeois stated that SLT received an updated version of the MOU yesterday when Labor sent it out to all employees. SLT has not had time to review those changes with Labor with such short notice. Chief Bourgeois stated that he anticipates between Labor and Management, they could *knock it out* in an hour. He went on to say he understands how important this item is and he would like to schedule a special board meeting to come together and adopt the MOU as soon as possible.

Director House requested to have a financial statement included with the MOU meeting in case there is any financial impact.

Emergency Services – N/A

Administrative Services – N/A

Community & Financial Services

- Brief update on the April 2017 Transport Revenue

Superstition Firefighters

- Firefighter John Walka stated he wanted to address some comments Mr. Charlie Fox made earlier in the meeting, *“Clarification on what the Union is standing for and what we are trying to do today. How we are here to oust the Chief, and that is actually a vicious rumor, I feel that is driven by one person’s agenda. Mr. Fox, who told you about this rumor?”*

*Mr. Fox stated, “It is NOT a rumor, I know the Chief, and I know how you will get rid of him.”*

*Mr. Walka, “Sir, with all due respect, you do not know what is going on. Do you understand...”*

Chairman Cross stopped Mr. Walka and reminded him to please direct the comments to the Board, not audience members.

*Mr. Walka continued, “What you need to understand is the majority of these cuts made here today were pushed in by Labor. A lot of these cuts had a lot of resistance and just our health insurance today we lose about \$145k to our benefits and that is something that we supported because we are trying to be a part of the solution.*

Mr. Walka went on to state that in regards to the MOU, it was sent out yesterday morning and sent to legal. He stated that if it will only take an hour to go through it together as a team, he questioned why he wasn’t made aware of it sooner.

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## 9. Announcements (BOD #2017-05-11)

Director Strand requested to have a copy of the Fire Chief’s contract in hard copy, not emailed to him. Chief Bourgeois stated he would be happy to get him a hard copy before tonight before Mr. Strand left.

---

## 10. Adjourn (BOD #2017-05-12)

**Motion** by Director House at 6:21 PM to adjourn the meeting. **Seconded** by Director Strand.

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

---

### Governing Board Approval:

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Gene Gehrt, Board Clerk

Jasmin Jones

**Addendum A**

**Item 6**  
**BOD #2017-05-08**

Discussion regarding the development of the Fiscal year 2017/2018 Revenue and Expenditure Budget.



**FY 2017 / 2018 Tentative Budget Status**

**General (100) Fund**

May 11 – Jared Smout, PSPRS Administrator communication

*"There is the potential to have the amortization period extended before June 30 to have your July 1, 2017 rate decreased. I have been discussing this with John Flynn and should have some more information available in the next week or so."*

H2485 / Subsection B:

1. Governing Board of Employer adopt a Resolution requesting a longer amortization period (between the current 20 years and a maximum of 30 years), and specifying the beginning date of new period (July 1, 2017).
2. Employer submit written request for longer amortization period to PSPRS.

**FY 2017 / 2018 Tentative Budget Status**

**General (100) Fund**

- FY 2017 / 2018 Tentative Budget will be delivered in June once the true impact of H2485 is determined.
- July 3<sup>rd</sup> is the absolute final date for Tentative Budget adoption in order to provide the statutory 20 days' review by the Public before final adoption of the FY 2017 / 2018 Budget on July 31<sup>st</sup>.
- Staff must deliver the Final Adopted Budget to Pinal and Maricopa Clerk of Board of Supervisors no later than August 1<sup>st</sup>.

**FY 2017 / 2018 Tentative Budget Status**

**General (100) Fund**

Current Status: \$276,520 out of balance

Reflects:

- FY17/18 ELBO +\$190,775
- Tempe Trust Medical Coverage +\$42,136 in increased Benefit Dollars
  - Up \$12.00 per pay period (\$390 vs. \$378)
- Increased PSPRS Contribution +\$582,182
- Cost cutting in non-essential areas - \$241,988

**FY 2017 / 2018 Tentative Budget Status**

**Transport (150) Fund**

- 4,334 ALS + 624 BLS = 4,958 Total Transports
  - 8.49 billable miles per transport
  - \$1,066.46 ALS, \$923.30 BLS, \$18.26 per mile
  - \$6,011,915 **GROSS** Revenue
  - \$2,622,801 **NET** Revenue (after all discounts and write-offs)
- Three (3) full time 24X7 ambulances, one (1) part time 12X7 ambulance

**FY 2017 / 2018 Tentative Budget Status**

**Transport (150) Fund**

Payer Mix

Carrier	% Transports	% Gross	Mix
Medicare	59.76%	37.00%	22.11%
Medicaid	19.37%	68.59%	13.29%
Commercial	10.22%	75.00%	7.67%
No Insurance	10.13%	3.30%	0.33%
Auto Insurance	0.52%	60.00%	3.31%
	100.00%		<b>43.73%</b>

**FY 2017 / 2018 Tentative Budget Status**

**Transport (150) Fund**

Subsidy for General M&O (100) Fund

\$281,653 allocated costs  
 \$251,375 direct facilities, utilities, and operating costs  
 \$533,028 Total Subsidy

**Financial Reserve vs. Capital Reserve**

They are two different amounts.

- Financial Reserve – a portion of the General (100) Fund expense budget set aside "in reserve" with the intent of not spending. It is the money the District will have in the bank at the beginning of the next fiscal year. GASB and GAAP require a minimum amount of financial reserve so the District has money to pay its payroll and bills at the start of the next fiscal year.
- Capital Fund or "Reserve" – the 200 Fund. It is an entirely separate fund. It represents savings over the years from the 100 Fund for the purchase of capital items. There is no requirement for the District to maintain a Capital Fund.

**FY 2017 / 2018 Tentative Budget Status**

**Capital (200) Fund**

Beginning Cash Balance (Projected)	\$ 884,806
Estimated Tax Revenue (\$0.25*)	\$ 951,970
Investment Income (Estimated)	\$ 4,000
Planned Purchases	\$ 723,408
Grant Matching (2 <sup>nd</sup> set Turnouts)	\$ <u>28,358</u>
Ending Cash Balance (Estimated)	\$1,089,010

\* Assumes Board approval of Special Tax Override.

**FY 2017 / 2018 Tentative Budget Status**

**Capital (200) Fund**

Planned Purchases

Steel Building at \$262	\$ 39,830
A/C Unit Replacements (3)	\$ 22,500
Pumper Lease	\$ 86,098
Tanker Lease	\$ 42,256
Ambulance Leases (5)	\$ 175,148
Topaz Venture	\$ 42,076
G2 Encoding Upgrade	\$ 30,000
Dual Band Radios (5)	\$ 45,000
Heart Monitor	\$ 41,500
Mobile Data Terminal Replacement	\$ 130,000
Servers	\$ 52,000
EPCRs	\$ 10,000
Treadmill	\$ 7,000
	\$ 723,408

## FY 2017 / 2018 Tentative Budget Status

### Special Revenue (Donations / Grant – 400) Fund

Beginning Cash Balance (Projected)	\$ 68,775
Grants (Agency Share)	
- Fall Prevention Grant (5%)	\$ 11,961 (Supplies Only)*
- VICC Training Grant (15%)	\$ 95,634
- AFG 2nd Set of Turnouts (10%)	\$255,218
- Donations	\$ 16,600

\* Fall Prevention Grant includes wages & benefits of 2 employees whose costs are fully funded whether or not we get the grant.

\*\* Total potential value of grants to District: \$575,971  
District share: \$47,184

## FY 2017 / 2018 Tentative Budget Status

### Bond Debt Principal (500) Fund

Estimated Tax Revenue: \$492,602  
Debt Principal Expense: \$445,000

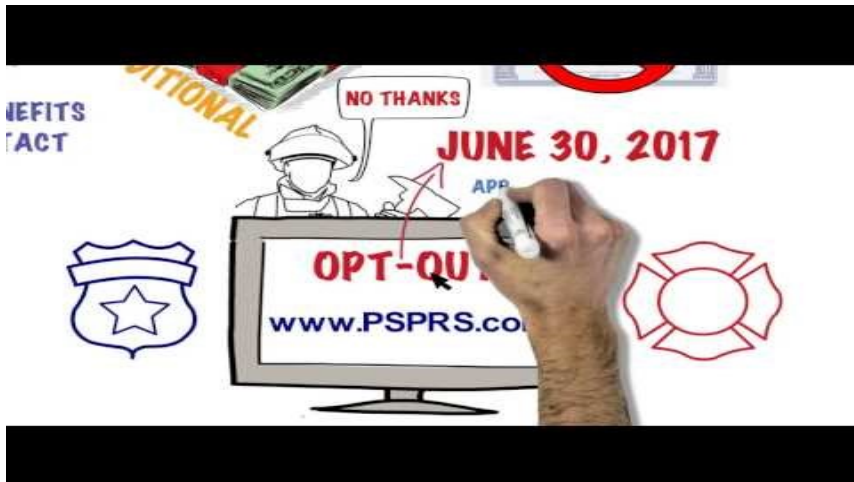
### Bond Debt Interest (600) Fund

Estimated Tax Revenue: \$344,250  
Debit Interest Expense: \$311,025

Addendum B



<https://youtu.be/bZp57HQHdzg>



<https://youtu.be/wzXW0xmnu78>

# April 2017 Transport Revenue



## Appendix B

### B. Special Board Meeting Minutes from May 26, 2017

**Submitted By:**

Board Clerk Gene Gehrt

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 May 26, 2017 special board meeting minutes.

**Enclosure(s):**

May 26, 2017 Special Board Meeting Minutes



[Go to Appendix C](#)

[Go to Agenda](#)



# Superstition Fire & Medical District

Phone (480) 982-4440 ~ [www.sfmd.az.gov](http://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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## Special Board Meeting Minutes May 26, 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 FRIDAY, MAY 26, 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 Strand.

### C. Roll Call

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

Senior Leadership Team in attendance: Assistant Chief Jerome Schirmer, Assistant Chief Mike Farber, and Finance Director Roger Wood.

Legal Counsel Donna Aversa was also present for the meeting.

---

## 1. Discussion, presentation, and possible action regarding the lengthening of the amortization period for the SFMD's Public Safety Personnel Retirement System (PSPRS) plan. (BOD #2017-05-12)

Finance Director Roger Wood stated that, on May 22, the District had received additional information regarding the potential lengthening of the District's PSPRS plan amortization period from Jared Smout, PSPRS Administrator. According to the information received, if the Board approved lengthening the amortization period to 30 years from the current 20 years, the District's FY 2017 / 2018 employer (ER) contribution rate would drop 3.22% to 25.88% from the current 29.1%. The 3.22% drop in the ER contribution rate would decrease the estimated FY 2017 / 2018 PSPRS cost an approximate \$216,230.

Roger went on to remind the Board that at the May 17 Board meeting, Staff had decided to postpone delivering the Tentative Budget for FY 2017 / 2018 until the impact of lengthening the PSPRS amortization period was known. As a result of the \$216,230 in reduced PSPRS cost, along with improved projected cash balances at FY 2016 / 2017 year-end, Roger stated that Staff would be delivering a balanced budget for FY 2017 / 2018 at the June 21 Board meeting.

Director Strand asked if Roger was supportive of lengthening the amortization period, to which Roger stated he was. Chairman Cross asked if the impact of choosing a 25 year amortization period was known, and Roger read directly from the communication from Mr. Smout "Unfortunately, due to the short period of time available to decide, PSRPS is not able to provide any individual analysis on the effect of a period other than 30 years, nor make individual presentations to the governing body in their efforts to decide." Roger stated his best guess would be that a 25 year period would provide 50% of the reduction in the District's ER rate when compared to the 3.22% reduction related to the 30 year option.

Assistant Chief Mike Farber and Roger both conveyed to the Board that the District always has the option of paying more than the “minimum” amount on any given fiscal year, and that if finances were such that this was possible in the future, the Board could direct staff to budget doing so if they were concerned about the cost of additional interest expense over the extra 10 years of amortization.

Chairman Cross asked John Walka, local Union Vice President, who was in attendance at the Board meeting if Labor had a position on the issue, and John stated no.

**Motion** by Director Strand to approve the lengthening of the district’s PSPRS amortization period to 30 years effective July 1, 2017. **Seconded** by Clerk Gehrt.

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

---

- 2. Executive Session for Legal Advice. The Board may vote to go into executive session pursuant to ARS §38-431.03(A)(3) and/or ARS §38-431.03(A)(4) for discussion or consultation for legal advice with an attorney for the District in order to consider the Board’s position regarding contracts that are subject of negotiations, in contemplated litigation, or in settlement discussions to avoid or resolve litigation as related to the Fire Chief’s employment contract, District’s By-Law. (BOD #2017-05-13)**

**Motion** by Clerk Gehrt at 4:42 P.M. to go into Executive Session pursuant to ARS §38-431(A)(3) for discussion or consultation for legal advice with an attorney for the District, in regards to the Fire Chief’s employment contract. **Seconded** by Director Strand.

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

---

**\*\*Back in Regular Session at 7:15 PM. Chairman Cross reminded everyone that items discussed in the executive session is confidential up to returning to regular session.\*\***

---

- 3. Adjourn (BOD #2017-05-14)**

**Motion** by Director Strand at 7:16 PM to adjourn the meeting. **Seconded** by Clerk Gehrt.

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

---

**Governing Board Approval:**

---

Gene Gehrt, Board Clerk

*Roger Wood*

## Appendix C

### C. Special Board Meeting Executive Session Minutes from May 26, 2017

**Submitted By:**

Clerk Gene Gehrt

**Background / Discussion:**

The executive session board meeting minutes of the previous board meeting are provided for the BOD to approve. After approval, minutes are signed by the Clerk of the Board and kept as the official public record per ARS for executive session minutes.

**Financial Impact/Budget Line Item:**

N/A

**Staff Recommendation:**

Staff recommends approval of May 26, 2017 executive session special board minutes.

**Enclosure(s):**

N/A – Executive Session Minutes are Confidential



[Go to Appendix D](#)

[Go to Agenda](#)

## Appendix D

### D. Special Board Meeting Minutes from June 6, 2017

**Submitted By:**

Clerk Gene Gehrt

**Background / Discussion:**

The executive session board meeting minutes of the previous board meeting are provided for the BOD to approve. After approval, minutes are signed by the Clerk of the Board and kept as the official public record per ARS for executive session minutes.

**Financial Impact/Budget Line Item:**

N/A

**Staff Recommendation:**

Staff recommends approval of June 6, 2017 executive session special board minutes.

**Enclosure(s):**

Special Board Meeting Minutes from June 6, 2017



[Go to Appendix E](#)

[Go to Agenda](#)



# Superstition Fire & Medical District

Phone (480) 982-4440 ~ [www.sfmd.az.gov](http://www.sfmd.az.gov)

**Administration Office**  
565 North Idaho Road  
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Fax (480) 982-3268

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



---

## Governing Board Special Meeting Minutes June 6, 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 TUESDAY, JUNE 6, 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 P.M.

---

### A. Call to Order

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

### B. Pledge of Allegiance

Pledge of Allegiance was led by Director House.

### C. Roll Call

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

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

Legal Counsel Donna Aversa was also present for the meeting.

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## 1. Discussion, review, and possible approval of the Intergovernmental Agreement with the Town of Florence, for fire apparatus maintenance services performed by the SFMD. (BOD #2017-06-01)

Finance Director Wood introduced this item to the board and explained that the new Florence IGA that was approved at the May 17, 2017 BOD Meeting (BOD #2017-05-06), had been reviewed by authorities at the Town of Florence. They returned it requesting two additional comments / clarifications. Mr. Wood stated the requested changes being made by the Town of Florence did not affect the intent or the roles and authority of the SFMD in the original IGA. Wood recommended that the Board approve resigned the revised Town of Florence IGA.

**Motion** by Director House to approve the new three (3) year Intergovernmental Agreement between Superstition Fire & Medical District and the Town of Florence for fire apparatus maintenance with a term starting on July 1, 2017. **Seconded** by Director Strand.

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

---

## 4. Call to the Public. (BOD #2017-06-N/A)

Chairman Cross asked for this item to be moved up to Item #2 on the agenda.

None.

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2. **Executive Session for Legal Advice.** The Board may vote to go into executive session pursuant to ARS §38-431.03(A)(3) and/or ARS §38-431.03(A)(4) for discussion or consultation for legal advice with an attorney for the district in order to consider the board's position regarding contracts that are subject of negotiations, in contemplated litigation, or in settlement discussions to avoid or resolve litigation as related to the fire chief's employment contract, district's by-laws, and the letter dated May 24, 2017 from fire chief's attorney regarding breach of contract. (BOD #2017-06-02)

**Motion** by Director House at 4:04 P.M. to go into Executive Session pursuant to ARS §38-431(A)(3) and/or ARS §38-431(A)(4) for discussion or consultation for legal advice with an attorney for the district, in order to consider the board's position regarding contracts that are the subject of negotiations, in contemplated litigation, or in settlement discussions to avoid or resolve litigation as related to the fire chief's employment contract, district's by-laws, and the letter dated May 24, 2017 from the fire chief's attorney regarding breach of contract. **Seconded** by Director Moeller.

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

---

**\*\*Back in Regular Session at 5:15 P.M. Chairman Cross reminded everyone that items discussed in the executive session is confidential up to returning to regular session.\*\***

---

3. **Review, discussion, and possible action regarding the fire chief's employment contract and the letter dated May 24, 2017 from the fire chief's attorney regarding breach of contract. (BOD #2017-06-03)**

Director House stated the following:

*"Mr. Chairman, budgets have always have everybody all excited and I was offering an opinion on the budget a couple of meetings ago, and unfortunately some of my comments were taken the wrong way and I want to correct that. I don't like the idea that somebody didn't exactly understand what I was trying to get across or say.*

*When I, was talking about administrative location and administrative positions, I was talking solely as one board member. Talking about a variety of administrative positions and a possible cure for the budget shortfall. I found out that there were some people that were very affected by that conversation. So, I want, to apologize to anybody that I might of upset, in administration for my comments. Because, ultimately what I am trying to do here is balance the budget. I have been here ten years, this is our family. I do not under any circumstances, ever want to upset anybody in the fire district and unfortunately, it was taken that way. So I apologize to the administration portion of the fire district for doing that.*

*One of the other things that I mentioned during my budget conversation was an error. I look back now and see the error of my conversation was I used a term that is commonly referred to as 'Rob Peter to pay Paul'. What I should have said was, I don't want to take money from our capital reserve fund and use it to balance the budget. For whatever reason, some people misconstrued that to say that I was saying something about our Chief, Chief Bourgeois. That was not the intent, that was not what I was trying to say, I was using a commonly referred comment of 'Robbing Peter to pay Paul'. Looking at it afterwards, it was not the best phrase to use. So, I apologize to the Chief if he took that the wrong way, it wasn't meant that way. It was meant that, I didn't want to take money from the capital reserves to fix the budget.*

*One of the other things that is coming up, from all of this budget negotiations is a lot of blame is being placed on the Chief about the budget shortfalls, or the budget problems with this district. I think I said in my prelude to my conversation at the meeting was, I am responsible as anybody of this board or this district for the position that we are in. I have been on this board longer than anybody. So, I am just as much responsible for whatever position we are in, we're in, the Chief isn't.*

*One of the things that was inaccurately reported was the Chief was spending a lot of money, on certain issues and items. The Chief just can't spend money, we, the board have to approve any expenditures that the Chief makes. So, I think those comments were misguided and they shouldn't have been made. And I wanted to set the record straight that, this board is who spends the money in this district, not necessarily the Chief.*

*One of the other things that has come up in all of this is evidently somewhere along the line, the robo-dial occurred and went out to the district. That robo-dial I can assure you was not issued from this board of directors, by anybody on the board of directors. We've discussed it, and no one on this board had anything to do with that robo-dial, and that robo-dial was just continuing some misguided information that was not accurate to this. To this district and it shouldn't have been done. Shouldn't have been circulated as a robo-dial as a case for this district.*

*One of the other issues that may have been misconstrued and I apologize if it was, is the blue card is very valuable to the Superstition Fire & Medical District because it has leadership training. It presents a position to where firemen and senior leadership knows how to react during a fire. I am sorry if I down played the ability of the blue card, because it is very important to have that. It is a very very good guide for our men. The last thing I want to do is have any kind of deaths or incidental deaths at this district based on we don't have the training or the ability to handle a fire. That's the last thing that this board ever wants to hear. So, I am going to apologize to Chief Schirmer if he took those remarks on blue card, to heart. I was just merely saying that I think we have staffed enough staff training in in that issue. But, I do see the importance of blue card and I don't want to down play the importance of that.*

*One of the other things is that the budget, the budget is balanced now. After this last meeting, with the PSPRS relief we have, we now have a balanced budget. And we did balance the budget without laying anybody off, without firing anybody, or without cutting anybody's pay. Which is the important thing that we want to try to get done in this district.*

*So, I think that the board, has learned a, I myself has learned a very valuable lesson from this budget year. That we always have to keep sight of that the district is more important than any one entity of the district. And we need to make sure that the district has good solid footing going forward, because no one wants a district that is failing or falling apart.*

*So, with that being said, I will let anybody else make a comment from the board if they want and I think that I think that the budget shortfall again, was that we faced was not the Chief's fault. That it could be construed as that. But this board of directors that had the final decision on how the money is spent in this district. And so I don't think that that is accurate blaming the shortfall on the Chief. So with that I'll, I'll, let other members of the board speak."*

Chairman Cross asked if there were any other comments, the other members did not have any comments. Director House then made a motion.

**Motion** by Director House to authorize the chairman to draw up a letter or statement, in the AJ News and Independent, the local papers, to correct any inaccurate information and to clarify some rumors that have been out and taking place. **Seconded** by Director Strand.

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

---

## 5. Adjourn (BOD #2017-06-04)

**Motion** by Director House at 5:24 P.M. to adjourn the meeting. **Seconded** by Director Strand.

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

---

**Governing Board Approval:**

---

Gene Gehrt, Board Clerk

*Jasmin Jones*

## Appendix E

### E. Special Board Meeting Executive Session Minutes from June 6, 2017

**Submitted By:**

Clerk Gene Gehrt

**Background / Discussion:**

The executive session board meeting minutes of the previous board meeting are provided for the BOD to approve. After approval, minutes are signed by the Clerk of the Board and kept as the official public record per ARS for executive session minutes.

**Financial Impact/Budget Line Item:**

N/A

**Staff Recommendation:**

Staff recommends approval of June 6, 2017 executive session special board minutes.

**Enclosure(s):**

N/A – Executive Session Minutes are Confidential



[Go to Appendix F](#)

[Go to Agenda](#)

## Appendix F

### F. Medical Insurance Business Agreement (Blue Cross / Blue Shield)

**Submitted By:**

Assistant Chief Brett Broman

**Background / Discussion:**

At the May 17th board meeting, the BOD approved the agreement to enter into the United Firefighters Healthcare Trust (UFHCT-Tempe Plan) who contracts with Blue Cross Blue Shield (BCBS). This plan includes a \$750/\$1500 Co-Pay Plan, \$1500/\$3000 HSA Plan, and a \$2600/\$5200 HSA Plan.

The document before you is the business agreement between the Superstition Fire & Medical District (SFMD) and Blue Cross Blue Shield (BCBS).

**Financial Impact/Budget Line Item:**

2.89% increase over current - \$26,896.

**Staff Recommendation:**

Staff recommends the approval of the business agreement.

**Enclosure(s):**

Business agreement between of SFMD and BCBS



[Go to Appendix G](#)

[Go to Agenda](#)

# Group Master Contract Amendment

Effective Date: 7/1/2017-6/30/2018  
 Group / Bid ID: 034774  
 Legal Name of Group: Superstition Fire and Medical District  
 Name of Group Health Plan: Superstition Fire and Medical District Group Health Plan  
 Funding: FI Prospective, Medical and Pharmacy  
 Broker Paid: Ed Gussio \ Todd Chamberlin  
 Commission: 5.0%  
 Total Enrollment: 122

Date: 6/7/2017  
 Bid/Renewal: Renewal  
 Days Notice: 90  
 BDE: Randy Daly  
 Underwriter: Alan Leshner  
 UW Code: LL  
 Pooling / Specific Stop Loss: \$75,000

## SOLD Plan(s) Benefit Outline

	<u>Deductible</u>	<u>Coinsurance</u>	<u>OOP Max</u>	<u>OV</u>	<u>Spec</u>	<u>UC</u>	<u>ER</u>	<u>RX</u>
<b>H S A \$1500</b>								
IN:	\$1,500	90%	\$3,000		Deductible and Coinsurance Applies			\$10/\$30/\$50
OON:	\$3,000	80%	\$6,000		Deductible and Coinsurance Applies			
<b>H S A \$2600</b>								
IN:	\$2,600	100%	\$4,000		Deductible and Coinsurance Applies			\$5/\$15/\$30
OON:	\$5,000	60%	\$6,000		Deductible and Coinsurance Applies			
<b>PPO \$750</b>								
IN:	\$750	90%	\$2,500	\$20	\$40	\$75	\$250	\$5/\$20/\$35
OON:	\$1,400	70%	\$3,000					

## SOLD Rates

	H S A \$1500 (Estimated)		H S A \$2600 (Estimated)		PPO \$750 (Estimated)	
	Enrollment	Premium Rates	Enrollment	Premium Rates	Enrollment	Premium Rates
Employee	22	\$335.10	21	\$307.57	31	\$387.38
Employee + Spouse	4	\$810.93	4	\$744.32	12	\$937.45
Employee + Family	7	\$1,223.09	7	\$1,122.63	14	\$1,413.93
Total	33		32		57	

HCR Suite: C = Non-Grandfathered

C = Non-Grandfathered

C = Non-Grandfathered

Is Mayo Provider included in network? Yes

HealthEquity Integration: No

All information from the exhibit Assumptions #FI-2017-20170301601-4, 100+ Employer Application (Exhibit 1) and Disclosure of "Eligible Indirect Compensation" (Exhibit 2) are incorporated herein by reference. Employer acknowledges electronic receipt of the Uniform Summaries of Benefits and Coverage (SBCs) for plans selected and the SBCs are incorporated herein by reference. As of the effective date on page 1, this amends and is made part of Employer's Group Master Contract (GMK) with BCBSAZ. All provisions in the GMK not modified by this Amendment remain in full force and effect.

BCBSAZ reserves the right to adjust these premium rates retroactive to the first day of any billing month in which enrollment varies by more than ten percent (+/-10%) from that listed above.

Employer acknowledges and agrees that the grandfathered plans reflected above are considered grandfathered plans for purposes of the Patient Protection and Affordable Care Act (PPACA). Employer agrees that it is solely responsible for determining whether the plans are considered grandfathered or not for purposes of PPACA and agrees that the designations reflected above are correct.

One of the changes which causes a group health plan to cease to be a grandfathered plan is an employer's reduction in its contribution toward the cost of coverage by more than 5% below the contribution rate on March 23, 2010. Did you reduce, OR WILL YOU REDUCE PRIOR TO YOUR NEXT RENEWAL, contributions towards the cost of any tier of coverage for any class of similarly situated individuals by more than 5% below the contribution rate on March 23, 2010?

YES: \_\_\_\_\_ NO: \_\_\_\_\_

If yes, you agree to notify BCBSAZ immediately and comply with non-grandfathered PPACA benefit requirements. Please direct your notice to your Sales Representative.

If no, you agree to notify BCBSAZ at least 15 days in advance of any change to your contribution rates by more than 5% below the contribution rate on March 23, 2010. Please direct your notice to your Sales Representative. If the change results in a reduction of more than 5% below the contribution rate on March 23, 2010, BCBSAZ will need to move you to a non-grandfathered plan as of the first month after the change.

Premium rates reflect additional costs and fees imposed by the Patient Protection and Affordable Care Act (PPACA) which take effect on Jan. 1, 2014. These additional costs and fees include the transitional reinsurance program at a cost of \$0.00 PMPM and the annual fee on health insurance providers of 1.50% premium.

The ACA prohibits waiting periods in excess of 90 days. By signing below you represent that you do not impose a waiting period which is longer than 90 days and that you have made all necessary changes to bring all waiting periods for your plan into compliance with the ACA requirements. You agree to promptly advise BCBSAZ of any change which may impact the accuracy of this representation. You agree to provide BCBSAZ with timely and accurate information regarding enrollee effective dates and shall ensure such effective dates comply with applicable laws.

This Rate Acceptance Form must be signed and returned prior to BCBSAZ issuing ID Cards. The Agreement will terminate if this Amendment is not signed and returned prior to the end of your current term. If any information on this Form is inaccurate, please provide the correct information on this Form.



BCBS Representative

Date

Group Representative

Date

Title

Rates and coverage are contingent upon BCBSAZ's right to: (1) assess an amount against the group for late payment of any premium and/or other amounts due to BCBSAZ in an amount equal to one percent (1%) of the outstanding balance each month for which the payment or any portion of the payment is past due; and (2) eliminate the grace period if two (2) or more payments received by BCBSAZ in the past 12 months are/were untimely.

\* BCBSAZ may adjust rates if the following requirements are not met:

Where the employer contributes 100% of the employee cost, BCBSAZ requires 100% participation of all eligible employees, excluding those with other qualifying medical coverage.

Where the employer does not contribute 100%, BCBSAZ requires 70% of all eligible employees to participate.

BCBSAZ requires a minimum of 50% of all full-time eligible employees in the group to be enrolled in the employer's group plan.

Employer must contribute a minimum of 50% of the employee's health premium.

Payroll deduction for employee contribution is required.

\* Rates assume Blue Cross Blue Shield of Arizona is the sole medical and rx carrier.

\* BCBSAZ reserves the right to re-evaluate the rates if there is a significant change in the rating assumptions (e.g. enrollment).

\* BCBSAZ reserves the right to re-evaluate and change the rates if Superstition Fire and Medical District adds or deletes a benefit eligible class that will have BCBSAZ medical

\* BlueCard fees are a claims expense and are included in the rate development.

\* BCBSAZ reserves the right to decline to provide coverage for residents of any state other than Arizona, if in BCBSAZ's sole opinion, such coverage would be inconsistent with state or federal law.

\* BCBSAZ will create the Uniform Summaries of Coverage (SBC) for coverage provided by BCBSAZ. BCBSAZ will not create SBCs for any coverage the Group provides through a third-party or for health reimbursement arrangements, flexible spending accounts or health savings accounts provided by the Group. Unless directed by the Group, BCBSAZ will provide SBCs to Subscribers, as required by PPACA, except that the Group is solely responsible for delivering SBCs in accordance with PPACA: (i) to Subscribers during open enrollment; (ii) to newly eligible individuals; and (iii) to special enrollees.

\* Beginning in 2015 the Affordable Care Act provides that certain large employers will be subject to a penalty if they fail to offer full-time employees and certain dependents health coverage which satisfies both a 60% minimum value standard and an affordability requirement and a full-time employee obtains a subsidy on the health insurance marketplace. Groups subject to these requirements and seeking to avoid a penalty are responsible for the ultimate determination of whether the minimum value and affordability requirements are satisfied.

Using the minimum value calculator made available by HHS and the IRS, BCBSAZ estimates that the minimum value of **[INSERT PLAN NAME(S)] does meet while [INSERT PLAN NAME(S)] does not meet** the minimum value standard. It is important that you independently review and confirm these results as they may be impacted by information not available to us (for example, benefits not provided by BCBSAZ, non-standard benefits not suited for the calculator and certain HSA contributions or HRA funds). BCBSAZ has included its conclusion(s) about minimum value in the plan(s) SBC(s) that BCBSAZ provides to Group. Any changes

\* Employer agrees to reimburse BCBSAZ for any excise tax BCBSAZ is required to pay on Employer's behalf due to any excess benefits provided by Employer's group health plan. Additionally, Employer agrees to reimburse BCBSAZ the amount of any additional income tax BCBSAZ incurs as a result of the collection of excise tax reimbursement from Employer.

\* 100+ Groups (Fully Insured or ASC) who choose the network that includes Mayo Clinic in Arizona will also have, as an in-network provider at no additional charge, the Cancer Centers Treatment of America located in Arizona. Groups will also have access to Mayo Clinics and Cancer Treatment Centers of America facilities identified as "in-network" in the provider directory for other states.

## Appendix G

### G. Annual ImageTrend Software Fees Payment

**Submitted By:**

Finance Director Roger Wood  
IT / Planning Anna Butel

**Background / Discussion:**

The District uses the ImageTrend software extensively throughout its fire suppression, EMS service, and transport operations. The annual fee exceeds the District's Procurement Policy limit of \$25,000 where an expense must then be approved by the Board.

This item is budgeted for in the FY 2017 / 2018 budget.

**Financial Impact/Budget Line Item:**

FY17/18 cost - \$25,800.00 / Global Software Licensing  
\$17,200 account 100-10-62105-08  
\$8,600 account 150-10-62105-08

**Staff Recommendation:**

Staff recommends the approval of the ImageTrend Software agreement.

**Enclosure(s):**

ImageTrend Invoice #106712



[Go to Item 5](#)

[Go to Agenda](#)

# Invoice

## IMAGETREND®

**Remit To:**

ImageTrend, Inc.  
20855 Kensington Blvd.  
Lakeville, MN 55044

**Phone:** 952-469-1589**Email:** [invoices@imagetrend.com](mailto:invoices@imagetrend.com)**Bill To:**

Superstition Fire and Medical District (Apache Junction)  
Barb Duffel  
565 N. Idaho Road  
Apache Junction AZ 85119

**Invoice Number** 106712  
**Invoice Date** 6/1/2017  
**Terms** Net 30  
**PO Number**  
**Order Number** 13272  
**Customer Number** 1455

**Ship To:**

Superstition Fire and Medical District (Apache Junction)  
Barb Duffel  
565 N. Idaho Road  
Apache Junction AZ 85119

Item Name	Description	Qty	Unit Price	Total
ImageTrend Elite Rescue Investigations	Annual Fee	1	\$200.00	\$200.00
ImageTrend Elite Rescue Scheduler Support	Annual Fee	1	\$800.00	\$800.00
ImageTrend Elite Rescue Visual Informatic	Visual Informatics: Fire Cube Annual Fee	1	\$2,100.00	\$2,100.00
ImageTrend Elite Rescue Telestaff Integration	Annual Fee	1	\$2,500.00	\$2,500.00
Resource Bridge Hospital Hub SaaS	Annual Fee	1	\$1,500.00	\$1,500.00
ImageTrend Elite Rescue CAD Integration	Annual Fee	1	\$2,500.00	\$2,500.00
ImageTrend Elite Rescue MARS (Mapping)	Annual Fee	1	\$1,600.00	\$1,600.00
ImageTrend Elite Rescue Visual Informatic	Visual Informatics: EMS Cube Annual Fee	1	\$3,000.00	\$3,000.00
ImageTrend Elite Rescue Support	Annual Fee	1	\$3,600.00	\$3,600.00
ImageTrend Elite Rescue Inspections Support	Annual Fee	1	\$3,000.00	\$3,000.00
ImageTrend Elite Rescue Hosting	Annual Fee	1	\$5,000.00	\$5,000.00

# Invoice

# IMAGETREND®

**Remit To:**

ImageTrend, Inc.  
20855 Kensington Blvd.  
Lakeville, MN 55044

Phone: 952-469-1589

Email: [invoices@imagetrend.com](mailto:invoices@imagetrend.com)

Invoice Sub-Total	\$25,800.00
Taxes	\$0.00
Invoice Total	\$25,800.00

**Thank you for your business!**

**Please include customer number and invoice number on your payment.**