



BOARD OF DIRECTORS MEETING

May 16, 2018

SUPERSTITION FIRE & MEDICAL DISTRICT BOARD

TODD HOUSE, BOARD CHAIRMAN

GENE GEHRT, BOARD CLERK

JEFF CROSS, BOARD DIRECTOR

JASON MOELLER, BOARD DIRECTOR

LARRY STRAND, BOARD DIRECTOR



Superstition Fire & Medical District

Board of Directors Meeting Agenda

May 16, 2018

Mission Statement

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

Notice is hereby given to the General Public that the Superstition Fire & Medical District Governing Board will hold a meeting on **Wednesday, May 16, 2018**. 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 April, 2018 financial reports and bank reconciliations. (BOD #2018-05-01)**
- 2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2018-05-02)**
- 3. Call to the Public. (BOD #2018-05-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 #2018-05-03):**
 - A. Board Meeting Minutes from April 18, 2018
 - B. Executive Session Meeting Minutes from April 18, 2018
 - C. United Healthcare Confirmation
 - D. Principal Financial Group Dental Renewal Letter for FY 2018/2019
 - E. Vision Services Plan (VSP) for FY 2018/2019
 - F. Aetna Employee Assistance Program (EAP) Renewal for FY 2018/2019
 - G. KRONOS Agreement (Telestaff Software)

- 5. Discussion and possible approval of Policy 100.02: Immigration Reform Control Act brought forth for review at the April 18, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting. (BOD #2018-05-04)**

- 6. Discussion and possible approval of Policy 100.03: Loyalty Oath brought for review at the April 18, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting. (BOD #2018-05-05)**

- 7. Discussion and review of Policy 102.24: Harassment and Discrimination brought for review at the May 16, 2018 Board Meeting for final approval at the June 20, 2018 Board Meeting (BOD #2018-05-06)**

- 8. Discussion and possible approval of Resolution 2018-05-16-04: Call for Election (BOD #2018-05-07)**

- 9. Discussion and possible approval of Resolution 2018-05-16-05: Election Workers (BOD #2018-05-08)**

- 10. Discussion and possible approval of Resolution 2018-05-16-06: Precincts and Polling Places (BOD #2018-05-09)**

- 11. Discussion, consideration, and possible action regarding the development of the Fiscal Year 2018/2019 Revenue and Expenditure Budget and adoption of Resolution 2018-05-16-07. (BOD #2018-05-10)**

- 12. Discussion, consideration and possible action regarding refinancing the District's 2006 GADA Bond and the approval Resolution 2018-05-16-08. (BOD #2018-05-11)**

13. Reports. (BOD #2018-05-12)

➤ **Senior Leadership Team (SLT):**

Fire Chief Mike Farber

Acting Assistant Chief of Emergency Operations Richard Mooney

Acting Assistant Chief of Planning & Logistics Richard Ochs

Finance Director Roger Wood

Acting Administrative Director Anna Butel

➤ **Labor: Captain John Walka**

➤ **Pension Board: Board Clerk Gene Gehrt**

➤ **Board Sanctioned Committees**

14. New Business / Future Agenda Items. (BOD #2018-05-13)

15. Announcements (BOD #2018-05-N/A)

16. Adjourn (BOD #2018-05-14)

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).

Posted on: May 14, 2018
At: 1700 Hours
By: Sherry Mueller

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 24-hours before the board meeting.

Governing Board Meeting – May 16, 2018

Agenda Item: 1

BOD#: 2018-05-01

Agenda Item Title

Review and approval of the April 2018 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)

*Monthly Financials provided under separate cover

Recommended Motion

"Motion to approve the April 2018 financial reports and bank reconciliations."



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

Pursuant to A.R.S. §48-807, by the signature(s) below, the Governing Board of the Superstition Fire & Medical District attests to the review and approval of the following financial report(s) of the fire district for the month of **April 2018**:

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

Todd House, Board Chair

Date



May 16, 2018

Governing Board Meeting – May 16, 2018

Agenda Item: 2

BOD#: 2018-05-02

Agenda Item Title

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

Submitted By

Fire Chief Mike Farber

Acting Assistant Chief Richard Mooney

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.

May Anniversaries

16 Years of Service
Firefighter Paul Garcia
16 Years of Service
Engineer Robert Van De Krol
16 Years of Service
Paramedic / Firefighter Stephan Wagner
2 Years of Service
EMT Kevin Montgomery



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Governing Board Meeting – May 16, 2018

Agenda Item: 3

BOD#: 2018-05-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



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Governing Board Meeting – May 16, 2018

Agenda Item: 4

BOD#: 2018-05-03

Agenda Item Title

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

- A. Board Meeting Minutes from April 18, 2018 – **Appendix A**
- B. Executive Session Meeting Minutes from April 18, 2018 – **Appendix B**
- C. United Healthcare Confirmation – **Appendix C**
- D. Principal Financial Group Dental Contract Addendum for FY 18/19 – **Appendix D**
- E. Vision Services Plan (VSP) Contract for FY18/19 – **Appendix E**
- F. Aetna Employee Assistance Program (EAP) Renewal – **Appendix F**
- G. KRONOS Agreement (Telestaff) – **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 May 16, 2018.”



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Governing Board Meeting – May 16, 2018

Agenda Item: 5

BOD#: 2018-05-04

Agenda Item Title

Discussion and possible approval of Policy 100.02: Immigration Reform Control Act for review at the April, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting.

Submitted By

Board Clerk Gene Gehrt

Background/Discussion

Policy 100.02: Immigration Reform Control Act will come before the Board for final approval of the policy at the May 16, 2018 BOD Meeting giving the Board a month to review the policy in its entirety.

Financial Impact

N/A

Enclosure(s)

Fair Employment / Anti-Discrimination / Retaliation Policy


Recommended Motion

“Motion to approve Policy 100.02: Immigration Reform Control Act”



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 Administrative Policy	Series: 100	Volume I: Administrative Policy	
	100.02: Immigration Reform Control Act		
	Effective Date: 2005	Revision Date: 2005	
	Approved by: Administrative Services		

Policy

After November 6, 1986, all applicants, prior to being hired by the SFMD, should be required to provide verification that the applicant is either a United States citizen or an alien authorized to work in the United States.

Once hired, both the applicant and the SFMD should sign a government form ([I-9 Form](#)) verifying that the individual properly established U.S. citizenship or authorization to work in the country. The SFMD should retain the verification form for at least three (3) years after the applicant is hired or for one (1) year after the date of termination.

Governing Board Meeting – May 16, 2018

Agenda Item: 6

BOD#: 2018-04-05

Agenda Item Title

Discussion and possible approval of Policy 100.03: Loyalty Oath brought for review at the April, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting.

Submitted By

Board Clerk Gene Gehrt

Background/Discussion

Policy 100.03: Loyalty Oath brought for review at the April, 2018 Board Meeting for final approval of the policy at the May 16, 2018 BOD Meeting giving the Board a month to review the policy in its entirety.

Financial Impact

N/A

Enclosure(s)

Loyalty Oath Policy


Recommended Motion

“Motion to approve Policy 100.03: Loyalty Oath”



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 Administrative Policy	Series: 100	Volume I: Administrative Policy	
	100.03: Loyalty Oath		
	Effective Date: 2005	Revision Date: 2005	
	Approved by: Administrative Services		

Policy

Per [A.R.S. §38-231](#), employees of the SFMD are required to complete a loyalty oath upon acceptance of an offer of employment. The required oath reads as follows:

State of Arizona, County of _____

I, _____ do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution and laws of the State of Arizona, that I will bear true faith and allegiance to the same and defend them against all enemies, foreign and domestic, and that I will faithfully and impartially discharge the duties of the office of _____ (name of office) _____ according to the best of my ability, so help me God (or so I do affirm).

(Signature of officer or employee)

Governing Board Meeting – May 16, 2018

Agenda Item: 7

BOD#: 2018-05-06

Agenda Item Title

Discussion and presentation of Policy 102.24: Harassment and Discrimination brought for review at the May, 2018 Board Meeting for final approval at the June 20, 2018 Board Meeting.

Submitted By

Board Clerk Gene Gehrt

Background/Discussion

Policy 102.24: Harassment and Discrimination brought for review at the May, 2018 Board Meeting for final approval of the policy at the June 20, 2018 BOD Meeting giving the Board a month to review the policy in its entirety.

Financial Impact

N/A

Enclosure(s)

Policy 102.24: Harassment and Discrimination


Recommended Motion

“N/A”



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 Administrative Policy	Series: 102	Volume I: Administrative Policy
	102.24: Harassment and Discrimination	
	Effective Date: 2005	Revision Date: 2005
	Approved by: Administrative Services	

Purpose

To establish SFMD strict prohibition of harassment and discrimination in the workplace.

Policy

Harassment based upon age, race, color, sex, religion, national origin, disability, pregnancy, or sexual orientation is regarded as a violation of policy. Harassment should be understood to mean a single incident or a pattern of behavior where the purpose, or the effect, is to create a hostile, offensive, or intimidating workplace environment. Harassment may encompass a wide range of behaviors, which include, but are not limited to, derogatory comments that are gender-based, racial, religious, sexual, ethnic or disability based in nature.

It is every employee’s responsibility to act in a manner that will create and maintain a workplace environment that supports diversity and is free from all harassment and discrimination. Supervisors, in particular, are expected to prevent harassment and discrimination and to support this policy. The SFMD must have a skilled, capable, committed and fully engaged work force with a wide range of backgrounds and views to meet and exceed our employee’s and customer’s expectations.

It is important for employees to report any incident in which they feel they have been the recipient of harassment or discrimination or where they observe harassing or discriminating behavior in the workplace. Complaints should be reported to the appropriate supervisor, HR or the Fire Chief. The SFMD will not tolerate behavior that is inconsistent with this policy and will take appropriate action to prevent such behavior up to and including termination. Retaliation against an employee who files a complaint of harassment and/or discrimination is prohibited.

Governing Board Meeting – May 16, 2018

Agenda Item: #8

BOD#: 2018-05-07

Agenda Item Title

Discussion and possible approval of Resolution 2018-05-16-04: Call for Election.

Submitted By

Fire Chief Mike Farber

Board Secretary Sherry Mueller

Background/Discussion

This resolution is necessary to call for an election to be held on November 6, 2018 for the purpose of electing two individuals to serve as board directors for a four year term. Staff will publish the required Call for Election in a local paper on June 25, 2018 and July 2, 2018.

The minimum number of signatures to be on the ballot for SFMD Board is 154 with the maximum number of 250 signatures, the cost is \$0.75 per registered voter. In addition, a letter will be sent to both Pinal and Maricopa County Elections Department and the Board of Supervisors, notifying them of our interests to hold an election in November for the two board seats. The letter is required per ARS § 16-205 and is due by May 31, 2018.

The candidate filing dates are July 9, 2018 through August 8, 2018.

Financial Impact(s)/Budget Line Item

N/A

Enclosure(s)

Resolution 2018-05-16-04: Call for Election

Recommended Motion

“Motion to approve Resolution 2018-05-16-04: Call for Election, and to hereby call for an election to be held on November 6, 2018 for the purpose of electing two individuals to serve as Board Directors for a four year term”



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RESOLUTION 2018-05-16-04
Superstition Fire & Medical District
CALL FOR ELECTION

A RESOLUTION OF THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT, CALLING FOR AN ELECTION OF BOARD OF DIRECTORS.

WHEREAS, it is required by the State Statutes, that the Fire District serve as its own election district and comply with applicable federal, state, and county statutes, and;

WHEREAS, the terms of one existing board director and one existing board clerk will expire in December of 2018.

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

To hereby call for an election to be held on November 6, 2018 for the purpose of electing two individuals to serve as board director and board clerk for a four year term.

The last day to register to vote in this election shall be October 9, 2018. The last day to file nominating petitions with the Clerk of the Board of Supervisors of Pinal County, in Florence, Arizona, for the positions of board director and board clerk is August 8, 2018 no later than 5:00 p.m.

PASSED AND ADOPTED THIS SIXTEENTH OF DAY OF MAY 2018 BY THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT.

Todd House, Board Chairman

Gene Gehrt, Board Clerk

Jason Moeller, Board Director

Larry Strand, Board Director

Jeff Cross, Board Director

Governing Board Meeting – May 16, 2018

Agenda Item: #9

BOD#: 2018-05-08

Agenda Item Title

Discussion and possible approval of Resolution 2018-05-16-05: Election Workers.

Submitted By

Fire Chief Mike Farber

Board Secretary Sherry Mueller

Background/Discussion

This resolution is required to designate the county's election workers as the Fire District's election workers.

Staff Recommendation:

Approval of Resolution 2018-05-16-05: Election Workers

Financial Impact(s)/Budget Line Item

N/A

Enclosure(s)

Resolution 2018-05-16-05: Election Workers

Recommended Motion

"Motion to approve Resolution 2018-05-16-05: Election Workers, designating that the Fire District's election workers shall coincide with, and be, the election workers utilized by Pinal County"



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RESOLUTION 2018-05-16-05
Superstition Fire & Medical District
ELECTION WORKERS

A RESOLUTION OF THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT TO DESIGNATE THAT THE FIRE DISTRICT'S ELECTION WORKERS SHALL COINCIDE WITH, AND BE, THE ELECTION WORKERS UTILIZED BY PINAL COUNTY

WHEREAS, it is now required by State Statutes, that the Fire District serve as its own election district and comply with applicable federal, state, and county statutes, and;

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

That the Superstition Fire & Medical District appoints the Election Workers being utilized by Pinal County as the District's Election Workers.

PASSED AND ADOPTED THIS SIXTEENTH OF DAY OF MAY, 2018 BY THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT.

Todd House, Board Chairman

Gene Gehrt, Board Clerk

Jason Moeller, Board Director

Larry Strand, Board Director

Jeff Cross, Board Director

Governing Board Meeting – May 16, 2018

Agenda Item: #10

BOD#: 2018-05-09

Agenda Item Title

Discussion and possible approval of Resolution 2018-05-16-06: Precincts and Polling Places

Submitted By

Fire Chief Mike Farber

Board Secretary Sherry Mueller

Background/Discussion

This resolution is required to designate the county’s precincts and polling places within the District as the SFMD precincts and polling places as well.

Staff Recommendation:

Approval of Resolution 2018-05-16-06: Precincts and Polling Places

Financial Impact(s)/Budget Line Item

N/A

Enclosure(s)

Resolution 2018-05-16-06: Precincts and Polling Places

Recommended Motion

“Motion to approve Resolution 2018-05-16-06: Precincts and Polling Places that the Superstition Fire & Medical District’s Precincts and Polling Places, which are within the boundaries of the Fire District, shall coincide with those of Pinal County.”



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RESOLUTION 2018-05-16-06
Superstition Fire & Medical District
PRECINCTS AND POLLING PLACES

A RESOLUTION OF THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT TO DESIGNATE THAT THE FIRE DISTRICT'S PRECINCTS AND POLLING PLACES, WHICH ARE WITHIN THE BOUNDARIES OF THE FIRE DISTRICT, SHALL COINCIDE WITH THOSE OF PINAL COUNTY.

WHEREAS, it is now required by State Statutes, that the Fire District serve as its own election district and comply with applicable federal, state, and county statutes, and;

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

That the Superstition Fire & Medical District's Precincts and Polling Places, which are within the boundaries of the Fire District, shall coincide with those of Pinal County.

PASSED AND ADOPTED THIS SIXTEENTH DAY OF MAY, 2018 BY THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT.

Todd House, Board Chairman

Gene Gehrt, Board Clerk

Jason Moeller, Board Director

Larry Strand, Board Director

Jeff Cross, Board Director

Governing Board Meeting – May 16, 2018

Agenda Item: #11

BOD#: 2018-05-10

Agenda Item Title

Discussion, consideration, and possible action regarding the development of the Fiscal Year 2016/2017 Revenue and Expenditure Budget and adoption of Resolution 2018-05-16-07.

Submitted By

Fire Chief Mike Farber

Board Secretary Sherry Mueller

Background/Discussion

A Tentative Fiscal Year 2018/2019 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.

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 2018-05-16-07 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 Tax Override Initiative, and a \$0.18 special assessment related to the 2006 GADA Bond debt principal and interest repayment.

Staff Recommendation:

Approval of Resolution 2018-05-16-07: Tentative FY 2018/2019 Budget

Financial Impact(s)/Budget Line Item

N/A

Enclosure(s)

Resolution 2018-05-16-07:

Recommended Motion:

“Motion to Adopt Resolution 2018-05-16-07 adopting a tentative budget in the amount of \$21,491,658.44 for the fiscal year beginning July 1, 2018 and ending June 30, 2019 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.”



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RESOLUTION 2018-05-16-07
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, 2018 AND ENDING JUNE 30, 2019, 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 sixteenth day of May 2018, 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, 2018 and ending June 30, 2019, 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 2018/2019 fiscal year for the Superstition Fire & Medical District, on July 18, 2018. 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 SIXTEENTH DAY OF MAY 2016, BY THE CHAIRMAN AND GOVERNING BOARD OF DIRECTORS OF THE SUPERSTITION FIRE & MEDICAL DISTRICT.

Todd House, Board Chairman

Gene Gehrt, Board Clerk

Jason Moeller, Board Director

Larry Strand, Board Director

Jeff Cross, Board Director

Governing Board Meeting – May 16, 2018

Agenda Item: #12

BOD#: 2018-05-11

Agenda Item Title

Discussion, consideration and possible action regarding refinancing the District's 2006 GADA Bond, and the approval of the 2006 GADA Bond Refinance Resolution 2018-05-16-08, the Refinance Placement Agent Agreement, and the Written Policies and Procedures for Tax-Advantaged Obligations.

Submitted By

Fire Chief Mike Farber

Finance Director Roger Wood

Background/Discussion

Staff continues to pursue the opportunity to refinance the remaining debt related to the 2006 GADA bond to take advantage of lower interest rates today than the 5.0% included in the GADA bond when originally issued.

To facilitate these efforts, the Board is being asked to consider approving the following documents:

- 1. 2006 GADA Bond Refinance Resolution 2018-05-16-08.** This Resolution defines the authority to be given to the Fire Chief and Finance Director as they work through the administrative efforts in negotiating a Loan Repayment Agreement that would pay off the remaining 2006 GADA bond debt. The Fire Chief and Finance Director are authorized to further efforts that conclude in a Loan Repayment Agreement as long as the Loan Repayment Agreement covers all costs and does not require additional District funds, and the refinancing effort results in a minimum net present value of savings no less than \$425,000 over the remaining life of the bond. **The resulting Loan Repayment Agreement must be approved and signed by the Board to be considered valid and duly authorized.**
- 2. Refinance Placement Agent Agreement.** This Agent Agreement defines the roles and responsibilities of the District and Stifel, Nicolas & Company Incorporated in the negotiating of a Loan Repayment Agreement to pay off the remaining debt related to the District's 2006 GADA bond.
- 3. Written Policies and Procedures for Tax-Advantaged Obligations.** These policies and procedures define the responsibilities of the District to maintain compliance with the federal tax requirements applicable to the tax-advantaged obligations of the Loan Repayment Agreement.

Staff Recommendation

Staff recommends the Board approve of the 2006 GADA Bond Refinance Resolution 2018-05-16-08, the Refinance Placement Agent Agreement, and the Written Policies and Procedures for Tax-Advantaged Obligations.

Financial Impact(s)/Budget Line Item

Future debt interest savings of at least \$425,000 over the remaining life of the 2006 GADA bond.



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Enclosure(s)

2006 GADA Bond Refinance Resolution 2018-05-16-08
Refinance Placement Agent Agreement
Written Policies and Procedures for Tax-Advantaged Obligations.

Recommended Motion

“Motion to approve the 2006 GADA Bond Refinance Resolution 2018-05-16-08, the Refinance Placement Agent Agreement, and the Written Policies and Procedures for Tax-Advantaged Obligations.”



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RESOLUTION NO. 2018-05-16-08

RESOLUTION (1) PROVIDING PRELIMINARY APPROVAL FOR THE SALE AND ISSUANCE OF NOT TO EXCEED \$5,550,000 AGGREGATE PRINCIPAL AMOUNT OF SUPERSTITION FIRE AND MEDICAL DISTRICT OF PINAL COUNTY, ARIZONA GENERAL OBLIGATION REFUNDING BONDS AND FOR THE ANNUAL LEVY OF A TAX FOR THE PAYMENT OF THE BONDS; (2) PRESCRIBING CERTAIN TERMS AND CONDITIONS OF THE BONDS INCLUDING THE DELEGATION TO THE FIRE CHIEF AND THE FINANCE DIRECTOR OF THE DISTRICT OF AUTHORITY TO DESIGNATE MATTERS WITH RESPECT TO THE BONDS AS WELL AS CERTAIN MATTERS WITH RESPECT TO CERTAIN BONDS BEING REFUNDED WITH THE PROCEEDS OF THE SALE THEREOF AND FOR PLACEMENT OF THE BONDS TO EFFECT SUCH SALE PURSUANT TO A PLACEMENT AGENT AGREEMENT, APPROVING SUCH AGREEMENT AND AUTHORIZING THE CHAIRPERSON OR ANY MEMBER OF THE DISTRICT BOARD TO EXECUTE AND DELIVER SUCH AGREEMENT; (3) MAKING CERTAIN FINDINGS, CERTIFICATIONS AND COVENANTS WITH RESPECT TO THE BONDS; (4) DELEGATING TO THE FIRE CHIEF AND THE FINANCE DIRECTOR THE AUTHORITY TO APPOINT, IF NECESSARY, A BOND REGISTRAR AND PAYING AGENT WITH RESPECT TO THE BONDS, APPROVING AN AGREEMENT WITH SUCH BOND REGISTRAR AND PAYING AGENT AND AUTHORIZING THE CHAIRPERSON OR ANY MEMBER OF THE DISTRICT BOARD TO EXECUTE AND DELIVER SUCH AGREEMENT; (5) DELEGATING TO THE FIRE CHIEF AND THE FINANCE DIRECTOR THE AUTHORITY TO APPOINT, IF NECESSARY, AN ESCROW TRUSTEE, APPROVING AN ESCROW TRUST AGREEMENT FOR THE SAFE KEEPING AND HANDLING OF SECURITIES AND MONEY TO BE USED TO PAY CERTAIN BONDS BEING REFUNDED AND AUTHORIZING THE CHAIRPERSON OF THE DISTRICT BOARD TO EXECUTE AND DELIVER SUCH AGREEMENT; (6) ADOPTING POST-ISSUANCE TAX COMPLIANCE PROCEDURES IN CONNECTION WITH ISSUANCE OF OBLIGATIONS OF THE DISTRICT AND (7) RATIFYING ALL ACTIONS TAKEN TO FURTHER THIS RESOLUTION

WHEREAS, the District Board (this "Board") of Superstition Fire and Medical District of Pinal County, Arizona (the "District"), has determined that it is expedient to prepay all or a portion of the Loan Repayment Agreement, dated as of November 1, 2006 (the "Bonds Being

Refunded”), by and between the District (under its legal name of Apache Junction Fire District of Pinal County, Arizona, at the time of execution thereof) and the Greater Arizona Development Authority, and that the sale and issuance of certain refunding bonds by the District (the “Bonds”) and the application of the net proceeds thereof to pay at maturity or earlier redemption the Bonds Being Refunded is necessary and advisable and in the best interests of the District and shall result in a minimum of \$425,000.00 present value debt service savings, net of all costs; and

WHEREAS, the total aggregate of taxes levied to pay principal of, and premium, if any, and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Bonds to the final date of maturity of the Bonds Being Refunded; and

WHEREAS, this Board will receive a proposal from Stifel, Nicolaus & Company, Incorporated, serving in the capacity of and designated as the placement agent (the “Placement Agent”) and not acting as a municipal advisor as defined in the “Registration of Municipal Advisors” rule promulgated by the United States Securities and Exchange Commission, and has determined that the Bonds should be placed by the Placement Agent; and

WHEREAS, by this Resolution this Board will give approval to proceed with the placement of the Bonds by the Placement Agent with a purchaser to be determined pursuant to the hereinafter defined Placement Agreement (the “Purchaser”), and will authorize the placement of the Bonds with the Purchaser; and

WHEREAS, pursuant to the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations promulgated thereunder (the “Regulations”), issuers of obligations, the interest on which is intended to be excludable from the gross income of the owners thereof for federal income tax purposes (“Tax-Exempt Obligations”), are required to establish policies and procedures to ensure compliance with the applicable provisions of the Code and the Regulations; and

WHEREAS, it is determined that procedures should be adopted in order to ensure that Tax-Exempt Obligations issued by the District comply with the provisions of the Code and the Regulations (the “Procedures”); and

NOW, THEREFORE, IT IS RESOLVED BY THE DISTRICT BOARD OF SUPERSTITION FIRE AND MEDICAL DISTRICT OF PINAL COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Authorization. This Board hereby authorizes the Bonds to be issued and placed with the Purchaser in an aggregate principal amount of not to exceed \$5,500,000 against payment therefor by the Purchaser in accordance with the provisions of this Resolution and a resolution to be adopted by this Board at a later date granting final approval of the terms and conditions of the placement of the Bonds (the “Final Resolution”); provided that the same shall

only be done if the same shall result in a minimum present value debt service savings of not less than the amount indicated in the Recitals hereto.

Section 2. Terms.

(A) The Fire Chief and the Finance Director of the District are hereby authorized and directed to determine on behalf of the District, subject to the terms of the Final Resolution: (1) the title and series designation of the Bonds; (2) the dated date and total principal amount of the Bonds (but not to exceed the amount indicated hereinabove); (3) the final principal and maturity schedule of the Bonds and the principal and maturity schedules for the Bonds Being Refunded and the method of defeasance thereof; (4) the interest rate on each maturity of the Bonds and the dates for payment of such interest (the “interest payment dates”); (5) the provisions for redemption in advance of maturity of the Bonds and the determinations of exercise of redemption provisions for the Bonds Being Refunded and (6) the provision for credit enhancement, if any, for the Bonds upon the advice of the Placement Agent; provided, however, that such determinations must result in a present value debt service savings, net of all costs associated with the Bonds, of not less than the amount indicated in the Recitals hereto.

(B) (1) Except as provided on a more restrictive basis in the definitive form of the Bond, the Bonds shall be issued in the denomination of \$100,000 of principal amount or integral multiples of \$1,000 in excess thereof and only in fully registered form. (Bonds may be in denominations of less than \$100,000 if necessary to accommodate redemption.)

(2) Except as provided in the definitive form of the Bond, the principal of, and premium, if any, on the Bonds shall be payable at maturity or prior redemption upon presentation and surrender thereof at the designated corporate trust office of the “Bond Registrar and Paying Agent” (as such term is hereinafter defined) or, if provided in the definitive form of the Bond, at the main administrative office of the District.

(3) The Bonds shall bear interest at the applicable rates from their date to the maturity or prior redemption of each Bond, payable commencing on interest payment dates. Except as provided in the definitive form of the Bond, interest on the Bonds shall be payable by check, dated as of the interest payment date, mailed to the registered owners thereof, as shown, if applicable, on the registration books maintained, if necessary, by the Bond Registrar and Paying Agent at the address appearing therein, if applicable, at the close of business on the 15th day of the month next preceding that interest payment date (the “regular record date”). If applicable, any such interest on a Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of Bonds not less than ten days prior thereto.

(4) The principal of, and premium, if any, and interest on, the Bonds shall be payable in lawful money of the United States of America.

Section 3. Prior Redemption; Defeasance.

(A) Notice of optional redemption of any Bond shall be mailed by first class mail, postage prepaid, not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of the Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any Bond for which notice was given properly. Such notice may provide that the redemption is conditional upon moneys for payment of the redemption price being held in separate accounts by the Bond Registrar and Paying Agent.

(B) On the date designated for redemption by notice given as herein provided, the Bonds or portions thereof to be redeemed shall become and be due and payable at the redemption price for such Bonds or such portions thereof on such date, and, if moneys for payment of the redemption price are held in separate accounts by the Bond Registrar and Paying Agent, interest on such Bonds or such portions thereof shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security hereunder, the registered owners of such Bonds or such portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon and such Bonds or such portions thereof shall be deemed paid and no longer outstanding.

(C) The District may redeem, and the Bond Registrar and Paying Agent shall select, by lot in such manner as the Bond Registrar and Paying Agent may determine, any amount which is included in a Bond in the denomination in excess of, but divisible by, \$1,000. In that event, the registered owner shall submit the Bond for partial redemption and the Bond Registrar and Paying Agent shall make such partial payment and shall cause to be issued a new Bond in a principal amount which reflects the redemption so made, to be authenticated and delivered to the registered owner thereof.

(D) Any Bond or portion thereof in authorized denominations shall be deemed paid and defeased and thereafter shall have no claim on ad valorem taxes levied on taxable property in the District (i) if there is deposited with a bank or comparable financial institution, in trust, moneys or obligations issued by or guaranteed by the United States government ("Defeasance Obligations") or both which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant, to pay the principal of and interest and any premium on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption and (ii) if such defeased Bond or portion thereof is to be redeemed, notice of such redemption has been given in accordance with provisions hereof or the District has submitted to the Bond Registrar and Paying Agent instructions expressed to be irrevocable as to the date upon which such Bond or portion thereof is to be redeemed and as to the giving of notice of such redemption. Bonds the payment of which has been provided for in accordance with this Section shall no longer be deemed payable or outstanding hereunder and thereafter such Bonds shall be entitled to payment only from the moneys or Defeasance Obligations deposited to provide for the payment of such Bonds.

Section 4. Security.

(A) For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of the Bonds, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, premium, if any, interest and administration costs of and on the Bonds as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected; provided, however, that the total aggregate of taxes levied to pay principal and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Bonds to the final date of maturity of the Bonds Being Refunded. Subject to such limitation, taxes in an amount sufficient to pay the interest on all of the Bonds then outstanding, the installments of the principal of the Bonds becoming due and payable in the ensuing year, and the annual portion of such sinking fund as may be set up for retirement of the Bonds, shall be levied, assessed and collected as other taxes of the District. The proceeds of such taxes shall be kept in a special fund entitled the “Debt Service Fund” of the District and shall be used only for the payment of principal, interest, premium, if any, or costs as above-stated. After the Bonds are issued, this Board shall enter on its minutes a record of the Bonds sold and shall determine annually the amount of the tax levy to pay the Bonds and certify such amount to the Board of Supervisors of Pinal County, Arizona (the “County”).

(B) As provided in Section 5(A) hereof, the net proceeds of the sale of the Bonds shall, as determined in Section 2(A) hereof, be held uninvested in cash or invested in obligations issued by or guaranteed by the United States government (“Government Obligations”), so long as such Government Obligations shall mature with interest so as to provide funds to pay at maturity or upon earlier redemption the Bonds Being Refunded together with interest thereon and redemption premiums, if any, and such proceeds or Government Obligations shall, and other funds legally available for such purposes may, be deposited in respective principal and interest redemption funds and shall be held in trust (the “Trust”) for the payment of the Bonds Being Refunded with interest and redemption premiums, if any, at maturity or upon redemption. The owners of the Bonds shall rely upon the sufficiency of the funds or Government Obligations held in the Trust for the payment of the Bonds Being Refunded. The issuance of the Bonds shall in no way infringe upon the rights of the owners of the Bonds Being Refunded to rely upon a tax levy for the payment of principal and interest on the Bonds Being Refunded if the investments in such redemption funds prove insufficient.

(C) (1) If necessary, the Chairperson or any member of this Board is hereby requested to enter into a standard form of agreement (the “Escrow Trust Agreement”) with a national banking association authorized to do trust business in the State of Arizona appointed by the Fire Chief or the Finance Director of the District, with respect to the safekeeping and handling of moneys and Government Obligations to be held in the Trust for the payment of the Bonds Being Refunded, with such additions, deletions and modifications as shall be approved by the Fire Chief or the Finance Director of the District.

(2) This Board hereby orders that the Bonds Being Refunded be redeemed on the respective redemption dates determined as provided in Section 2(A) hereof. All

actions to refund the Bonds Being Refunded whether taken before or after adoption of this Resolution are ratified and confirmed and approved, respectively.

Section 5. Use of Proceeds.

(A) The net proceeds of the sale of the Bonds (and any other premium) related thereto shall be applied, along with the moneys to be transferred from the interest and redemption funds for the Bonds Being Refunded over and above amounts needed to make payments on such bonds on or before the first day of the fiscal year next preceding, to create, if applicable, the Trust pursuant to the Escrow Trust Agreement which shall be an irrevocable trust for the benefit of the owners of the Bonds related thereto. As provided in Section 4(B) hereof, amounts credited to the Trust, other than any beginning cash balance, shall be invested immediately in Government Obligations, the maturing principal of and interest on which, together with any beginning cash balance, are to be sufficient to pay the principal of and premium, if any, and interest on the Bonds Being Refunded as the same become due.

(B) Any balance of the net proceeds of the Bonds remaining after creation of the Trust shall be transferred to the Debt Service Fund for the Bonds.

(C) Notwithstanding the foregoing, amounts to pay costs of issuance of the Bonds may be held pursuant to the Escrow Trust Agreement, by the District for separate payment or paid by the Purchaser (as hereinafter defined) in connection with the initial delivery thereof.

Section 6. Form of Bonds.

(A) Pursuant to Section 35-491, Arizona Revised Statutes, as amended, a fully-registered bond form is hereby adopted as an alternative to any other form of bond provided by law. The Bonds (including the form of certificate of authentication and form of assignment therefor) shall be in substantially the form set forth in the Exhibit attached hereto; provided, however, that the Fire Chief or the Finance Director may provide for changes in the definitive form of bond initially delivered to the Purchaser as necessary for the purposes hereof. There may be such necessary and appropriate omissions, insertions and variations as are permitted or required hereby and are approved by those officers executing the Bonds in such form. Execution thereof by such officers shall constitute conclusive evidence of such approval.

(B) The Bonds may have notations, legends or endorsements required by law, securities exchange rule or usage. Each Bond shall show both the date of the issue and the date of authentication and registration of each Bond.

(C) The Bonds are prohibited from being converted to coupon or bearer Bonds without the consent of this Board and approval of Bond Counsel to the District.

Section 7. Execution of Bonds and Other Documents.

(A) (1) The Bonds shall be executed for and on behalf of the District by the Chairperson of this Board, attested by the Clerk of this Board and countersigned by the

Finance Director of the District. (For such purpose, the acting clerk or, if none, the Vice Chairperson of this Board is hereby appointed as such clerk for such purpose.) Such signatures may be by mechanical reproduction; however, such officers shall manually sign certificates adopting as and for such signatures on the Bonds the mechanically reproduced signatures affixed to the Bonds.

(2) If an officer whose signature is on a Bond no longer holds that office at the time such Bond is authenticated and registered, the Bond shall nevertheless be valid and binding so long as such Bond would otherwise be valid and binding.

(3) A Bond shall not be valid or binding until authenticated by the manual signature of an authorized representative of the Bond Registrar and Paying Agent. The signature of the authorized representative of the Bond Registrar and Paying Agent shall be conclusive evidence that the Bond has been authenticated and issued pursuant to this Resolution.

(B) The Chairperson or any member of this Board is hereby authorized to approve, execute and deliver or, in the case of those documents to which the District is not a party, to approve the execution and delivery by the parties thereto of the documents and agreements referred to herein calling for such execution and delivery, including particularly, if necessary, the Escrow Trust Agreement, the hereinafter defined Bond Registrar and Paying Agent Agreement and the Placement Agreement.

Section 8. Mutilated, Lost or Destroyed Bonds. In case any Bond becomes mutilated or destroyed or lost, the District shall cause to be executed and delivered a new Bond of like type, date, maturity date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond, destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the District in connection therewith and, in the case of a Bond, destroyed or lost, filing with the Bond Registrar and Paying Agent or the Finance Director of the District as applicable, by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent or the Finance Director of the District that such Bond was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes, as amended.

Section 9. Bond Registrar and Paying Agent.

(A) The Fire Chief or the Finance Director of the District is hereby authorized to appoint, if necessary, the initial Bond Registrar and Paying Agent with respect to the Bonds, and the Chairperson or any member of this Board is hereby requested to enter into a standard form of agreement therewith (the "Bond Registrar and Paying Agent Agreement") covering such services, with such additions, deletions and modifications as shall be approved by the Fire Chief. The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond.

(B) A Bond may be transferred on the registration books upon delivery and surrender of the Bond to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the

Bond to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of the Bond. No transfer of any Bond shall be effective until entered on the registration books.

(C) In the event of the transfer of a Bond, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution.

(D) All costs and expenses of initial registration and payment of the Bonds shall be borne by the District, but the District and the Bond Registrar and Paying Agent shall charge the registered owner of such Bond for every subsequent transfer of a Bond an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer and may require that such transfer fee, tax or other charge be paid before any such Bond shall be delivered.

(E) The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bond during a period beginning with the opening of business on any regular record date and ending with the close of business on the corresponding interest payment date.

(F) If the Bonds are made subject to a Book-Entry System (as that term is hereinafter defined) of ownership and transfer, except as provided in subsection (3) of this subsection, the general provisions for effecting the Book-Entry System shall be as follows:

(1) The District hereby designates The Depository Trust Company as the Depository (as that term is hereinafter defined) hereunder.

(2) Notwithstanding the provisions of this Section or of the Bonds to the contrary and so long as the Bonds are subject to a Book-Entry System, the Bonds shall be evidenced by one typewritten certificate for each maturity in an amount equal to the aggregate principal amount thereof. The Bonds so delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of the District maintained by the Bond Registrar and Paying Agent except:

(a) to any successor Depository designated pursuant to subsection (3) of this subsection;

(b) to any successor nominee designated by a Depository
or

(c) if the District shall elect to discontinue the Book-Entry System pursuant to subsection (3) of this subsection, the District shall cause

the Bond Registrar and Paying Agent to authenticate and deliver replacement Bonds in fully registered form in authorized denominations in the names of the Beneficial Owners or their nominees, as certified by the Depository, at the expense of the District; thereafter the other applicable provisions of this Resolution regarding registration, transfer and exchange of the Bonds shall apply.

(3) The Bond Registrar and Paying Agent, pursuant to a request from the District for the removal or replacement of the Depository, and upon 30 days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent shall remove or replace the Depository at any time pursuant to the request of the District. The Depository may determine not to continue to act as Depository for the Bonds upon 30 days written notice to the District and the Bond Registrar and Paying Agent. If the use of the Book-Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of the Beneficial Owners of their book entry interests in the Bonds by appropriate notice to the then Depository, the District and the Bond Registrar and Paying Agent shall permit withdrawal of the Bonds from the Depository and authenticate and deliver the Bond certificates in fully registered form and in denominations authorized by this Section to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bond certificates) of the District.

(4) So long as the Book-Entry System is used for the Bonds, the District and the Bond Registrar and Paying Agent shall give any notice of redemption or any other notices required to be given to registered owners of Bonds only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect shall not affect the validity of the redemption of the Bonds to be redeemed or of any other action premised on such notice. Neither the District nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

(5) Notwithstanding any other provision of this Section or Section 3(B) hereof or of the Bonds to the contrary, so long as the Bonds are subject to a Book-Entry System, it shall not be necessary for the registered owner to present the applicable Bond for payment of mandatory redemption installments, if any. The mandatory redemption installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose, and the Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(6) For purposes of this Section, "Beneficial Owners" shall mean actual purchasers of the Bonds whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository, "Book-Entry System" shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having custodial relationships with such participants) through

electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Bonds by Beneficial Owners and transfers of ownership interests in the Bonds, and “Depository” shall mean The Depository Trust Company or any successor depository designated pursuant to this Section.

(7) Notwithstanding any other provisions in this Section, if provided in the definitive form of the Bond, the Finance Director of the District may perform whichever of the tasks described in this Section are necessary pursuant to such form of bond with respect to the matters provided in this Section.

Section 10. Acceptance of Proposal.

(A) The Finance Director of the District is hereby authorized to accept a proposal of the Placement Agent for the placement of the Bonds, and the Bonds are hereby ordered sold to the purchaser established thereby in accordance with the terms of the form of Placement Agent Agreement presented to this Board at the meeting at which this Resolution is being adopted (the “Placement Agreement”). The Chairperson or any other member of this Board is hereby authorized to execute and deliver the Placement Agreement, for and on behalf of the District, in a final form satisfactory to the Chairperson or such member of this Board.

(B) The Bonds shall be delivered upon receipt of payment therefor and satisfaction of the other conditions for delivery thereof in accordance with the terms of the sale provided in this Resolution, the Placement Agreement and the Final Resolution.

Section 11. General Federal Tax Law Covenants.

(A) As to be provided in a certificate relating to federal tax matters to be delivered upon initial issuance of the Bonds (the “Tax Certificate”), the District will not make or direct the making of any investment or other use of the proceeds of any Bonds which would cause such Bonds to be “arbitrage bonds” as that term is defined in Section 148 (or any successor provision thereto) of the Code (as such term is hereinafter defined), or “private activity bonds” as that term is defined in Section 141 (or any successor provision thereto) of the Code, and that the District will comply with the requirements of the Code sections and related regulations throughout the term of the Bonds. (Particularly, the District shall be the owner of the facilities refinanced with the proceeds of the sale of the Bonds (the “Facilities”) for federal income tax purposes. Except as otherwise advised in a Bond Counsel’s Opinion (as such term is hereinafter defined), the District shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of such authority as may control at the time or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal of and interest on the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds, or amounts treated as proceeds of the Bonds, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds are being issued, (ii) may be so used in making investments of a bona fide debt service fund or (iii) may be invested in

obligations issued by the United States Treasury. This Board shall comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds. In consideration of the purchase and acceptance of the Bonds by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, as amended, the District shall, and the appropriate officials of the District are hereby directed, to take all action required or to refrain from taking any action prohibited by the Code which would adversely affect in any respect such exclusion.

(B) (1) The District shall take all necessary and desirable steps, as determined by the District, to comply with the requirements hereunder in order to ensure that interest on the Bonds is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the District receives a Bond Counsel's Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds, or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the District receives such a Bond Counsel's Opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(2) If for any reason any requirement hereunder is not complied with, the District shall take all necessary and desirable steps, as determined by the District, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the District shall pay any required interest or penalty under Regulations section 1.148-3(h) relating to the Code.

(C) This Board hereby authorizes the Fire Chief and the Finance Director of the District to designate the Bonds as "qualified tax-exempt obligations" within the meaning of and pursuant to the provisions of Section 265(b) of the Code so long as the District can represent and warrant that the reasonably anticipated amount of "qualified tax-exempt obligations" (other than private activity bonds within the meaning of the Code) which will be issued by the District during the calendar year in which the Bonds are issued will not exceed \$10,000,000.

(D) The District is adopting the Procedures to have written procedures to ensure that all nonqualified obligations are remediated according to the requirements under the Code and related Treasury Regulations and to monitor the requirements of section 148 of the Code relating to arbitrage.

Section 12. Arbitrage Rebate Procedures.

(A) Terms not otherwise defined in Subsection (B) hereof shall have the meanings given to them in the Tax Certificate.

(B) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issuance of the Bonds and shall end on the date selected by the District, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in the Tax Certificate. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or -4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the District from the sale of the Bonds but excluding amounts used to pay accrued interest on the Bonds within one year of the date of issuance of the Bonds;

(ii) transferred proceeds of the Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Bonds in the event the District encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

Issue Price is as indicated in the Tax Certificate and shall be determined as provided in Regulations section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(C) If the District determines that the exception to rebate described in Section 11(E) of this Resolution is not available, within 60 days after the end of each Bond Year, the District shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds (determined as of such Computation Date), is equal to at least 90 percent of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100 percent of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(D) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(E) For purposes of Subsection (D), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (F) or (G), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(F) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(G) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the requirements in the Regulations that the District receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the District uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The District retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the District and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(H) The procedures required by any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Bonds (initially this Section) shall be complied with for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

(I) This Board further authorizes the employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of such Code.

Section 13. Post-Issuance Tax Compliance Procedures. The Procedures are hereby adopted to establish policies and procedures related to the purposes set forth in the Recitals hereto. The right to use discretion as necessary and appropriate to make exceptions or request additional provisions with respect to the Procedures as may be determined is hereby reserved. The right to change the Procedures from time to time, without notice, is also reserved.

Section 14. Resolution a Contract; Severability; Ratification of Actions.

(A) This Resolution shall constitute a contract between the District and the registered owners of the Bonds and shall not be repealed or amended in any manner which would impair, impede or lessen the rights of the registered owners of the Bonds then outstanding.

(B) If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. This Board hereby declares that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

(C) All actions of the officers and agents of the District including this Board which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the District and the County are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District and the County as may be necessary to carry out the terms and intent of this Resolution and to give effect to and consummate the transactions contemplated by this Resolution and the proposal of the Purchaser.

PASSED, ADOPTED AND APPROVED by the District Board of Superstition Fire and Medical District of Pinal County, Arizona, on May 16, 2018.

.....
Chairperson of the District Board of Superstition
Fire and Medical District of Pinal County, Arizona

ATTEST:

.....
Clerk, District Board, Superstition Fire and
Medical District of Pinal County, Arizona

EXHIBIT

FORM OF BOND*

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.**

REGISTERED
NO.

REGISTERED
\$.....

UNITED STATES OF AMERICA
STATE OF ARIZONA

SUPERSTITION FIRE AND MEDICAL DISTRICT
OF PINAL COUNTY, ARIZONA
GENERAL OBLIGATION REFUNDING BOND, SERIES 2018

Interest Rate:	Maturity Date:	Dated:	CUSIP:
.....%	July 1,, 2018

REGISTERED OWNER: CEDE & CO.**

PRINCIPAL AMOUNT: DOLLARS

Superstition Fire and Medical District of Pinal County, Arizona, a fire district duly created under Title 48, Chapter 5, Article 1, Arizona Revised Statutes (the “District”), for value received, hereby promises to pay to the aforesaid registered owner, or registered assigns, the aforesaid principal amount on the aforesaid maturity date unless earlier redeemed, and to pay interest on the principal amount from the date as of which this Bond is dated as indicated hereinabove at the aforesaid interest rate on 1,, and on each 1 and 1 thereafter (each an “interest payment date”) to the maturity or redemption prior to maturity of this Bond. The principal of and premium, if any, on this Bond are payable upon

* As provided in the Resolution to which this Form is an Exhibit, the Bond may be modified to conform with the exceptions allowed by such Resolution.

** Insert only if the Bonds are in the Book-Entry System.

presentation and surrender hereof at the designated corporate trust office of, as the initial “Bond Registrar and Paying Agent.” Interest on the bonds of the issue of which this Bond is one is payable by check, dated as of the interest payment date, mailed to the registered owner hereof, as shown on the registration books maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the “regular record date”). Any such interest on this Bond which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of that overdue interest, and notice of the special record date shall be given to registered owners of the Bonds not less than ten days prior thereto.

The principal of, and interest and premium, if any, on, this Bond are payable in lawful money of the United States of America, on the respective dates when principal and interest become due.

This Bond is one of a series of bonds indicated above (the “Bonds”) in the aggregate principal amount of \$.....,000 of like tenor except as to amount, maturity date, redemption feature, rate of interest, number and other matters described herein, issued by the District to refund certain previously issued and outstanding bonds issued on behalf of the District, pursuant to a resolution of the District Board of the District, duly adopted prior to the issuance hereof, all of the terms of which are hereby incorporated herein (the “Resolution”), and pursuant to the Constitution and laws of the State of Arizona relative to the issuance and sale of refunding bonds of fire districts, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, and premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all the taxable property in the District a continuing, direct, annual, ad valorem tax sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected; provided, however, that the issuance of the Bonds shall in no way infringe upon the rights of the owners of the bonds being refunded described above to rely upon a tax levy for payment of the principal and interest on such refunded bonds if the net proceeds of the Bonds to provide funds to pay when due, or called for redemption, such refunded bonds together with interest thereon and redemption premiums, if any, and with other funds legally available for such purposes deposited in the respective principal and interest redemption funds and held for the payment of such refunded bonds with interest and redemption premiums, if any, on maturity or upon an available redemption date prove insufficient and further that the total aggregate of taxes levied to pay principal and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on such refunded bonds from the date of issuance of the Bonds to the final date of maturity of such refunded bonds. The owners of the Bonds must rely on the sufficiency of the funds held irrevocably in trust for payment of such refunded bonds.

The Bonds maturing before and on July 1,, are not subject to redemption prior to maturity. The Bonds maturing on or after July 1,, are subject to optional redemption prior to maturity, in whole or in part, on July 1,, or any date thereafter, by the payment of a redemption price equal to the principal amount of each such Bond redeemed plus interest accrued to the date fixed for redemption plus a premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1,, and January 1,%
July 1,, and thereafter	0.0

The Bonds maturing on July 1,, shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed plus interest accrued to the date fixed for redemption, but without a premium:

<u>Year</u>	<u>Amount</u>
	\$

A remaining principal amount of \$.....,000 of Bonds maturing on July 1,, shall mature on July 1,

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1,, the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying Agent may determine) from all the Bonds maturing on July 1,, outstanding a principal amount of the Bonds maturing on July 1,, equal to the aggregate principal amount of the Bonds maturing on July 1,, to be redeemed and shall redeem such Bonds maturing on July 1,, on the next July 1 and give notice of such redemption.

Notice of redemption of any such Bond will be mailed not more than 60 nor less than 30 days prior to the date set for redemption to the registered owner of such Bond or Bonds being redeemed at the address shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent. Failure to give properly such notice of redemption shall not affect the redemption of any such Bond for which notice was properly given.

The Bond Registrar and Paying Agent shall maintain the registration books of the District for the registration of ownership of each Bond as provided in the Resolution. (The Bond Registrar and Paying Agent may be changed without notice or consent.)

This Bond may be transferred on the registration books upon delivery and surrender hereof to the Bond Registrar and Paying Agent at its designated corporate trust office, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of this Bond, the Bond Registrar and Paying Agent shall transfer the ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denominations (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The District and the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The District and the Bond Registrar and Paying Agent shall not be required to issue or transfer any Bonds during a period beginning with the opening of business on a regular record date and ending with the close of business on the corresponding interest payment date.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Bond and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Bonds of which this is one, together with all other existing indebtedness of the District, does not exceed any applicable constitutional or statutory limitation and (iii) that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon taxable property within the District, over and above all other taxes authorized or limited by law except as otherwise described herein, sufficient to pay the principal hereof and the interest hereon as each becomes due.

IN WITNESS WHEREOF, SUPERSTITION FIRE AND MEDICAL DISTRICT OF PINAL COUNTY, ARIZONA, has caused this Bond to be executed in the name of the District by the facsimile signature of the Chairperson of the District Board of the District and such signature of the Chairperson of the District Board of the District to be attested by the facsimile signature of the Clerk of the District Board of the District.

SUPERSTITION FIRE AND MEDICAL
DISTRICT OF PINAL COUNTY, ARIZONA

By (Facsimile)
.....
Chairperson, District Board

ATTEST:

(Facsimile)
.....
Clerk, District Board

COUNTERSIGNED:

By (Facsimile)
.....
Finance Director, Superstition Fire and Medical
District of Pinal County, Arizona

(Form of Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the Superstition Fire and Medical District of Pinal County, Arizona General Obligation Refunding Bonds, Series 2018.

Date of Authentication:

.....,
as Bond Registrar and Paying Agent

By.....
Authorized Representative

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

.....
(Name and Address of Transferee)

the within Bond and irrevocably constitutes and appoints
attorney to transfer the within Bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated:
Signature

Signature Guaranteed:
.....
Signature

[Insert proper legend]

Note: The signature(s) on this assignment must correspond with the name(s) as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - Custodian
(Cust) (Minor)

under Uniform Gifts to Minors Act
(State)

Additional abbreviations may also be used though not included in the above list.

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR

PLACEMENT AGENT AGREEMENT

May 16, 2018

District Board
Superstition Fire and Medical District
of Pinal County, Arizona
565 North Idaho Road
Apache Junction, Arizona 85119

Re: Superstition Fire and Medical District of Pinal County, Arizona General
Obligation Refunding Bond, Series 2018

Upon the terms and conditions and based upon the representations, warranties and covenants set forth herein, Stifel, Nicolaus & Company, Incorporated (the "Placement Agent") offers to enter into this Placement Agent Agreement (this "Agreement") with Superstition Fire and Medical District of Pinal County, Arizona (the "Issuer"), which, upon acceptance of this offer, shall be binding upon the Issuer and the Placement Agent. This offer is made subject to acceptance of this Agreement by the Issuer before or on May 17, 2018, and, if not so accepted, will be subject to withdrawal by the Placement Agent upon notice delivered to your office at any time prior to acceptance hereof. If the obligations of the Placement Agent shall be terminated for any reason permitted hereby, neither the Placement Agent nor the Issuer shall, except as otherwise permitted hereunder, be under further obligation hereunder.

The above-captioned Bond (the "Obligation") is to be issued pursuant to a Resolution of the District Board of the Issuer adopted on May 16, 2018 (the "Resolution").

1. Purchase, Sale and Delivery of Obligation. On the basis of the representations and agreements contained herein, but subject to the terms and conditions herein set forth, the Placement Agent agrees, on a best efforts basis, to locate a purchaser for the Obligation (the "Purchaser") at a purchase price equal to the principal amount thereof (the "Purchase Price") and on terms consistent with the Resolution. The maturities, principal amounts, interest rates and other terms and conditions of the Obligation shall be as set forth in the Obligation.

For its services hereunder, and upon payment of the Purchase Price by the Purchaser to the Issuer (the date of such payment herein, the "Closing Date"), the Placement Agent shall receive compensation, payable by the Issuer, equal to 1.15% (the "Fee"). On the Closing Date, the Issuer shall pay or cause to be paid the Fee to the Placement Agent by wire transfer of immediately available funds. The Fee does not include any services the Placement Agent may

render in the future to the Issuer with respect to any offering or placement of municipal securities other than the Obligation.

2. Representations, Warranties, and Covenants of the Issuer. The undersigned, on behalf of the Issuer, but not individually, hereby represents and warrants to the Placement Agent (and it shall be a condition of the obligation of the Placement Agent to perform under this Agreement that it shall be represented and warranted on the Closing Date) that:

(a) The Issuer is duly organized and validly existing under the laws of the State of Arizona (the "State") with the power to adopt the Resolution, perform the agreements on its part contained therein and in the agreements approved thereby and cause the issuance of the Obligation.

(b) The Issuer has complied materially and, in all respects on the Closing Date will be in material compliance, with all of the provisions of applicable law of the State.

(c) The Issuer has duly adopted the Resolution, and the Issuer has duly authorized and approved the execution and delivery of this Agreement as well as the performance of its obligations contained in the Obligation and the consummation by it of all other transactions contemplated hereby.

(d) This Agreement has been duly authorized, executed and delivered by the Issuer, and, assuming due authorization, execution and delivery by the Placement Agent, constitutes a legal, valid and binding agreement of the Issuer enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against the Issuer in the State.

(e) The Issuer is not in material breach of or material default under any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof, or of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under this Agreement, and the execution and delivery of this Agreement and the adoption of the Resolution and the issuance of the Obligation and compliance with the provisions of each will not conflict materially with or constitute a material breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under this Placement Agreement.

(f) No action, suit, proceeding or investigation at law or in equity before or by any court of governmental agency or body is pending or overtly threatened in any

way affecting the existence of the Issuer or the title of the members of the District Board of the Issuer to their respective offices or seeking to restrain or to enjoin the sale or issuance of the Obligation, or the payment or collection of any amounts pledged or to be pledged under the Resolution to pay the principal of and interest on the Obligation, or in any way contesting or affecting the validity or enforceability of the Resolution, the Obligation or this Agreement, or contesting the powers of the Issuer or the members of the District Board of the Issuer with respect to the Obligation.

(g) The Issuer has furnished the Placement Agent with certain information and materials concerning the Issuer and the Obligation that the Placement Agent requested (the "Information Package"). The following documents and information comprise the Information Package: audited financial statements for fiscal years ended June 30, 2013, through June 30, 2017; adopted budget for fiscal year ended June 30, 2018; unaudited financial information for fiscal year ended June 30, 2018 through May 31, 2018; and certain of the demographic/operational data relating to the Issuer included in the Term Sheet disseminated by the Placement Agent. To the extent necessary under applicable law, if any, the Issuer represents and warrants that all information contained in the Information Package is, and will at all times during the period of the engagement of the Placement Agent hereunder be, true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made.

3. Conditions to Closing. The obligations of the Placement Agent under this Agreement shall be subject, at the option of the Placement Agent, to the accuracy in all material respects of the representations, warranties and covenants on the part of the Issuer contained herein as of the date hereof and as of the Closing Date and to the performance by the Issuer of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, this Agreement and the Obligation shall have been duly authorized, executed and delivered by the parties hereto, in substantially the forms heretofore submitted to the Placement Agent with only such changes as shall have been agreed to by the Placement Agent, and this Agreement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Placement Agent, and there shall have been taken in connection therewith, with the issuance of the Obligation and with the transactions described therein and in this Agreement, all such action as the Placement Agent and hereinafter defined Bond Counsel shall deem to be necessary and appropriate;

(b) At or prior to the Closing Date, the Placement Agent shall have received the following documents, in each case satisfactory in form and substance to the Placement Agent:

(1) This Agreement (or a certified copy thereof) duly executed and delivered by the parties hereto, with such amendments, modifications or supplements as may have been agreed to by the Placement Agent;

(2) The opinion of Greenberg Traurig, LLP, Bond Counsel, dated the Closing Date in form and substance satisfactory to the Placement Agent, relating to the validity of the Obligation and the tax-exempt status of the Obligation, together with a letter from Bond Counsel, dated the Closing Date and addressed to the Placement Agent to the effect that the foregoing opinion may be relied upon by the Placement Agent to the same extent as if such opinion was addressed to it and providing that the offer and sale of the Obligation shall be exempt from registration under the Securities Act of 1933, as amended, and that the Resolution does not need to be qualified pursuant to the Trust Indenture Act of 1939, as amended;

(3) A certificate of the Issuer, dated the Closing Date, in form and substance satisfactory to the Placement Agent, to the effect that:

(i) the Issuer has complied with and satisfied all the conditions on its part to be performed or satisfied under this Agreement at or prior to the Closing Date and

(ii) the representations, warranties and covenants of the Issuer contained in this Agreement are true and correct as if made on the Closing Date.

(4) An Investor Letter, in the form attached to this Agreement as the Exhibit hereto and in form and substance acceptable to the Placement Agent, executed by the purchaser of the Obligation and addressed to the Placement Agent; and

(5) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Placement Agent or its counsel, if any, and Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

4. Termination. This Agreement may be terminated by either party upon ten (10) business days' prior written notice; provided, however, that, to the extent the Issuer may agree to do so pursuant to applicable law, the Fee shall be immediately due and payable by the Issuer if the Issuer terminates this Agreement and sells the Obligation to an investor identified by the Placement Agent to the Issuer prior to such termination and such sale occurs within six (6) months after termination of this Agreement.

5. Expenses. In addition to the Fee as provided in Section 1, hereof, there shall be paid solely from the proceeds of the sale of the Obligation, upon or promptly after the Closing Date: (a) the cost, if any, of the preparation and printing of the Obligation and (b) the fees and disbursements of Bond Counsel and of any other counsel or consultants retained by the Issuer. The Placement Agent shall be under no obligation to pay any expenses incident to this Agreement.

6. Regulatory Disclosure: The Issuer acknowledges that, in connection with the purchase and sale of the Obligation, the offering of the Obligation for sale and the discussions

and negotiations relating to the terms of the Obligation pursuant to and as set forth in this Agreement that (a) the Placement Agent has acted at “arm’s length”, is acting solely for its own account and is not agent of or advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)) and owes no fiduciary duty to, the Issuer or any other person, (b) the Placement Agent’s duties and obligations to the Issuer shall be limited to those contractual duties and obligations set forth in this Agreement, (c) the Placement Agent may have interests that differ from those of the Issuer, and (d) the Issuer has consulted its legal and financial advisors to the extent it deemed appropriate in connection with the offering and sale of the Obligation. The Issuer further acknowledges and agrees that it is responsible for making its judgment with respect to the offering and sale of the Obligation and the process leading thereto. The Issuer agrees that it will not claim that the Placement Agent acted as a Municipal Advisor to the Issuer or rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer, in connection with the offering or sale of the Obligation or the process leading thereto.

7. Survival of Certain Representations and Obligations. The respective agreements, covenants, representations, warranties and other statements of the Issuer and its officers set forth in or made pursuant to this Agreement shall survive delivery of and payment for the Obligation and shall remain in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Placement Agent.

8. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the Issuer at its address set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 2325 East Camelback Road, Suite 750, Phoenix, Arizona 85016, Attention: Bryan Lundberg, Managing Director.

9. No Assignment. This Agreement has been made by the Issuer and the Placement Agent, and no person other than the foregoing shall acquire or have any right under or by virtue of this Agreement.

10. Applicable Law.

(a) This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State.

(b) This Agreement as required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the State, its political subdivisions (including the Issuer) or any department or agency of either may, within three (3) years after its execution, cancel any contract, without penalty or further obligation, made by the State, its political subdivisions or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any of the departments or agencies of either is, any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The

cancellation shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. This Section is not intended to expand or enlarge the rights of the Issuer hereunder except as required by such Section. Each of the parties hereto hereby certifies that it is not presently aware of any violation of such Section which would adversely affect the enforceability of this Agreement and covenants that it shall take no action which would result in a violation of such Section.

11. Effectiveness. This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.

12. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

[Signature page follows.]

13. Counterparts. This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.

Respectfully submitted,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

.....
Bryan Lundberg, Managing Director

ACCEPTED this 16th day of May, 2018.

SUPERSTITION FIRE AND MEDICAL DISTRICT
OF PINAL COUNTY, ARIZONA

By.....
Chairperson, Board of Directors

ATTEST:

.....
Clerk, Board of Directors

EXHIBIT

FORM OF INVESTOR LETTER

Superstition Fire and Medical District
of Pinal County, Arizona

Stifel, Nicolaus & Company, Incorporated

Re: Superstition Fire and Medical District of Pinal County, Arizona General Obligation Refunding Bond, Series 2018

The undersigned (the “Investor”) hereby acknowledges that it is purchasing the \$.....,000 aggregate principal amount Superstition Fire and Medical District of Pinal County, Arizona (the “Issuer”) General Obligation Refunding Bond, Series 2018 (the “Obligation”), issued pursuant to a Resolution (the “Resolution”) of the District Board of the Issuer, adopted May 16, 2018. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

This letter is being provided pursuant to a Placement Agent Agreement, dated May 16, 2018 (the “Placement Agreement”), between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”).

The Obligation was issued to provide for refunding outstanding bonds of the Issuer and principal with respect to the Obligation, together with interest thereon shall be payable from the source indicated in the Obligation.

In connection with the sale of the Obligation to the Investor, the Investor hereby makes the following certifications, representations and warranties upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Obligation and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Obligation.

2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b) an “accredited investor” as that term is defined in Regulation D under the Securities Act.

3. The Investor is not purchasing the Obligation for more than one account. The Obligation is being acquired by the Investor solely for investment and not with a view to, or for resale in connection with, any distribution of the Obligation, and the Investor intends to hold the Obligation solely for its own account for investment purposes for an indefinite period of time, and does not intend to dispose of all or any part of the Obligation. However, the Investor may sell the Obligation at any time the Investor deems appropriate, subject to the transfer restrictions set forth in the Obligation. The Investor understands that it may need to bear the risks of this investment

for an indefinite period of time, since a sale of the Obligation, or any portion thereof, prior to maturity may not be possible.

4. The Investor understands that the Obligation is not, and is not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof and further understands that the Obligation (a) is not being registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.

5. The Investor acknowledges that it has either been supplied with or been given access to information, financial statements and other financial information to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Issuer and the Obligation and the security therefor so that, as a reasonable investor, the Investor has been able to make a decision to purchase the Obligation. The Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Obligation.

6. The Investor acknowledges that the Obligation is payable solely from, and secured solely by, the source indicated in the Obligation.

7. The Investor has made its own inquiry and analysis with respect to the Obligation and the security therefor, and other material factors affecting the security and payment of the Obligation. The Investor is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Obligation. The Investor has reviewed the documents executed in conjunction with the issuance of Obligation, or summaries thereof, including, without limitation, the Resolution.

8. The Investor acknowledges and agrees that the Issuer takes no responsibility for, and makes no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Obligation in violation of the provisions hereof, or any securities law or income tax law consequences thereof. The investor also acknowledges that, with respect to the Issuer’s obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Obligation in connection with any subsequent transfer of the Obligation made by the Investor.

9. The Investor agrees that it is bound by and will abide by the provisions of the Obligation relating to transfer, if any, the restrictions noted on the face of the Obligation and this Investor Letter. The Investor shall comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Obligation by the Investor.

10. The Investor acknowledges that the sale of the Obligation to the Investor is made in reliance upon the certifications, representations and warranties herein by the addressees hereto.

The interpretation of the provisions hereof shall be governed and construed in accordance with the laws of the State of Arizona without regard to principles of conflicts of laws.

All representations of the Investor contained in this letter shall survive the issuance of the Obligation to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date:, 2018

Very truly yours,

Investor:

By:.....

Printed Name:.....

Title:

WRITTEN POLICIES AND PROCEDURES FOR TAX-ADVANTAGED OBLIGATIONS

Superstition Fire and Medical District of Pinal County, Arizona (the “Issuer”), has issued and may in the future issue tax-exempt obligations (including, without limitation, bonds, notes, loans, leases and certificates) (together, “tax-advantaged obligations”) that are subject to certain requirements under the Internal Revenue Code of 1986, as amended (the “Code”).

The Issuer has established the policies and procedures contained herein (the “Procedures”) as of May 16, 2018, in order to ensure that the Issuer complies with the requirements of the Code that are applicable to its tax-advantaged obligations. The Procedures, coupled with requirements contained in the arbitrage and tax certificate or other operative documents (the “Tax Certificate”) executed at the time of issuance of the tax-advantaged obligations, are intended to constitute written procedures for ongoing compliance with the federal tax requirements applicable to the tax-advantaged obligations and for timely identification and remediation of violations of such requirements.

A. GENERAL MATTERS.

1. Responsible Officer. The Finance Director of the Issuer will have overall responsibility for ensuring that the ongoing requirements described in the Procedures are met with respect to tax-advantaged obligations (the “Responsible Officer”).
2. Establishment of Procedures. The Procedures will be included with other written procedures of the Issuer.
3. Identify Additional Responsible Employees. The Responsible Officer shall identify any additional persons who will be responsible for each section of the Procedures, notify the current holder of that office of the responsibilities, and provide that person a copy of the Procedures. (For each section of the Procedures, this may be the Responsible Officer or another person who is assigned the particular responsibility.)
 - a. Upon employee or officer transitions, new personnel should be advised of responsibilities under the Procedures and ensure they understand the importance of the Procedures.
 - b. If employee or officer positions are restructured or eliminated, responsibilities should be reassigned as necessary to ensure that all Procedures have been appropriately assigned.
4. Training Required. The Responsible Officer and other responsible persons shall receive appropriate training that includes the review of and familiarity with the contents of the Procedures, review of the requirements contained in the Code applicable to each tax-advantaged obligation, identification of all tax-advantaged

obligations that must be monitored, identification of all facilities (or portions thereof) financed with proceeds of tax-advantaged obligations, familiarity with the requirements contained in the Tax Certificate or other operative documents contained in the transcript, and familiarity with the procedures that must be taken in order to correct noncompliance with the requirements of the Code in a timely manner.

5. Periodic Review. The Responsible Officer or other responsible person shall periodically review compliance with the Procedures and with the terms of the Tax Certificate to determine whether any violations have occurred so that such violations can be timely remedied through the “remedial action” regulations or the Voluntary Closing Agreement Program available through the Internal Revenue Service (“IRS”) (or successor guidance). Such periodic review shall occur at least annually.
6. Change in Terms. If any changes to the terms of the tax-advantaged obligations are contemplated, bond counsel should be consulted. Such modifications could jeopardize the status of tax-advantaged obligations.

B. IRS INFORMATION RETURN FILING. The Responsible Officer will confirm that bond counsel has filed the applicable information reports (such as Form 8038-G) for such issue with the IRS on a timely basis, and maintain copies of such form including evidence of timely filing as part of the transcript of the issue. The Responsible Officer shall file the IRS Form 8038-T relating to the payment of rebate or yield reduction payments in a timely manner as discussed in Section G.12. below. The Responsible Officer shall also monitor the extent to which the Issuer is eligible to receive a refund of prior rebate payments and provide for the timely filing for such refunds using an IRS Form 8038-R.

C. USE OF PROCEEDS. The Responsible Officer or other responsible person shall:

1. Consistent Accounting Procedures. Maintain or confirm maintenance of clear and consistent accounting procedures for tracking the investment and expenditures of proceeds, including investment earnings on proceeds.
2. Reimbursement Allocations at Closing. At or shortly after closing of an issue, ensure that any allocations for reimbursement expenditures comply with the Tax Certificate.
3. Timely Expenditure of Proceeds. Monitor that sale proceeds and investment earnings on sale proceeds of tax-advantaged obligations are spent in a timely fashion consistent with the requirements of the Tax Certificate.
4. Requisitions. Utilize or confirm the utilization of requisitions to draw down proceeds, and ensure that each requisition contains (or has attached to it) detailed information in order to establish when and how proceeds were spent; review requisitions carefully before submission to ensure proper use of proceeds to minimize the need for reallocations.

5. Final Allocation. Ensure that a final allocation of proceeds (including investment earnings) to qualifying expenditures is made if proceeds are to be allocated to project expenditures on a basis other than “direct tracing” (direct tracing means treating the proceeds as spent as shown in the accounting records for draws and project expenditures). An allocation other than on the basis of “direct tracing” is often made to reduce the private business use of bond proceeds that would otherwise result from “direct tracing” of proceeds to project expenditures. *This allocation must be made within 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than five years and 60 days after the date the tax-advantaged obligations are issued (or 60 days after the issue is retired, if earlier).* Bond counsel can assist with the final allocation of proceeds to project costs. Maintain a copy of the final allocation in the records for the tax-advantaged obligation.
6. Maintenance and Retention of Records Relating to Proceeds. Maintain or confirm the maintenance of careful records of all project and other costs (e.g., costs of issuance, credit enhancement and capitalized interest) and uses (e.g., deposits to a reserve fund) for which proceeds were spent or used. These records should be maintained separately for each issue of tax-advantaged obligations for the period indicated under Section H. below.

D. MONITORING PRIVATE BUSINESS USE. The Responsible Officer or other responsible person shall:

1. Identify Financed Facilities. Identify or “map” which outstanding issues financed which facilities and in what amounts.
2. Review of Contracts with Private Persons. Review all of the following contracts or arrangements with non-governmental persons or organizations or the federal government (collectively referred to as “private persons”) with respect to the financed facilities which could result in private business use of the facilities:
 - a. Sales of financed facilities;
 - b. Leases of financed facilities;
 - c. Management or service contracts relating to financed facilities;
 - d. Research contracts under which a private person sponsors research in financed facilities; and
 - e. Any other contracts involving “special legal entitlements” (such as naming rights or exclusive provider arrangements) granted to a private person with respect to financed facilities.
3. Bond Counsel Review of New Contracts or Amendments. Before amending an existing agreement with a private person or entering into any new lease, management, service, or research agreement with a private person, consult bond

counsel to review such amendment or agreement to determine whether it results in private business use.

4. Establish Procedures to Ensure Proper Use and Ownership. Establish procedures to ensure that financed facilities are not used for private use without written approval of the Responsible Officer or other responsible person.
 5. Analyze Use. Analyze any private business use of financed facilities and, for each issue of tax-advantaged obligations, determine whether the 10 percent limit on private business use (5 percent in the case of “unrelated or disproportionate” private business use) is exceeded, and contact bond counsel or other tax advisors if either of these limits appears to be exceeded.
 6. Remediation if Limits Exceeded. If it appears that private business use limits are exceeded, immediately consult with bond counsel to determine if a remedial action is required with respect to nonqualified tax-advantaged obligations of the issue or if the IRS should be contacted under its Voluntary Closing Agreement Program. If tax-advantaged obligations are required to be redeemed or defeased in order to comply with remedial action rules, such redemption or defeasance must occur within 90 days of the date a deliberate action is taken that results in a violation of the private business use limits.
 7. Maintenance and Retention of Records Relating to Private Use. Retain copies of all of the above contracts or arrangements (or, if no written contract exists, detailed records of the contracts or arrangements) with private persons for the period indicated under Section H. below.
- E. LOAN OF BOND PROCEEDS.** Consult bond counsel if a loan of proceeds of tax-advantaged obligations is contemplated. If proceeds of tax-advantaged obligations are permitted under the Code to be loaned to other entities and are in fact so loaned, require that the entities receiving a loan of proceeds institute policies and procedures similar to the Procedures to ensure that the proceeds of the loan and the facilities financed with proceeds of the loan comply with the limitations provided in the Code. Require the recipients of such loans to annually report to the Issuer ongoing compliance with the Procedures and the requirements of the Code.
- F. ARBITRAGE AND REBATE COMPLIANCE.** The Responsible Officer or other responsible person shall:
1. Review Tax Certificate. Review each Tax Certificate to understand the specific requirements that are applicable to each tax-advantaged obligation issue.
 2. Arbitrage Yield. Record the arbitrage yield of the issue, as shown on IRS Form 8038-G or other applicable form. If the tax-advantaged obligations are variable rate, yield must be determined on an ongoing basis over the life of the tax-advantaged obligations as described in the Tax Certificate.

3. Temporary Periods. Review the Tax Certificate to determine the “temporary periods” for each issue, which are the periods during which proceeds of tax-advantaged obligations may be invested without yield restriction.
4. Post-Temporary Period Investments. Ensure that any investment of proceeds after applicable temporary periods is at a yield that does not exceed the applicable yield, unless yield reduction payments can be made pursuant to the Tax Certificate.
5. Monitor Temporary Period Compliance. Monitor that proceeds (including investment earnings) are expended promptly after the tax-advantaged obligations are issued in accordance with the expectations for satisfaction of three-year or five-year temporary periods for investment of proceeds and to avoid “hedge bond” status.
6. Monitor Yield Restriction Limitations. Identify situations in which compliance with applicable yield restrictions depends upon later investments (e.g., the purchase of 0 percent State and Local Government Securities from the U.S. Treasury for an advance refunding escrow). Monitor and verify that these purchases are made as contemplated.
7. Establish Fair Market Value of Investments. Ensure that investments acquired with proceeds satisfy IRS regulatory safe harbors for establishing fair market value (e.g., through the use of bidding procedures), and maintaining records to demonstrate satisfaction of such safe harbors. Consult the Tax Certificate for a description of applicable rules.
8. Credit Enhancement, Hedging and Sinking Funds. Consult with bond counsel before engaging in credit enhancement or hedging transactions relating to an issue, and before creating separate funds that are reasonably expected to be used to pay debt service. Maintain copies of all contracts and certificates relating to credit enhancement and hedging transactions that are entered into relating to an issue.
9. Grants/Donations to Governmental Entities. Before beginning a capital campaign or grant application that may result in gifts that are restricted to financed projects (or, in the absence of such a campaign, upon the receipt of such restricted gifts), consult bond counsel to determine whether replacement proceeds may result that are required to be yield restricted.
10. Bona Fide Debt Service Fund. Even after all proceeds of a given issue have been spent, ensure that debt service funds, if any, meet the requirements of a “bona fide debt service fund,” i.e., one used primarily to achieve a proper matching of revenues with debt service that is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of: (i) the earnings on the fund for the immediately preceding bond year; or (ii) one-twelfth of the debt service on the issue for the immediately preceding bond year. To the extent that a debt service fund qualifies as a bona fide debt service fund for a given bond year, the

investment of amounts held in that fund is not subject to yield restriction for that year.

11. Debt Service Reserve Funds. Ensure that amounts invested in reasonably required debt service reserve funds, if any, do not exceed the least of: (i) 10 percent of the stated principal amount of the tax-advantaged obligations (or the sale proceeds of the issue if the issue has original issue discount or original issue premium that exceeds 2 percent of the stated principal amount of the issue plus, in the case of premium, reasonable underwriter's compensation); (ii) maximum annual debt service on the issue; or (iii) 125% of average annual debt service on the issue.
12. Rebate and Yield Reduction Payment Compliance. Review the arbitrage rebate covenants contained in the Tax Certificate. Subject to certain rebate exceptions described below, investment earnings on proceeds at a yield in excess of the yield (i.e., positive arbitrage) generally must be rebated to the U.S. Treasury, even if a temporary period exception from yield restriction allowed the earning of positive arbitrage.
 - a. Ensure that rebate and yield reduction payment calculations will be timely performed and payment of such amounts, if any, will be timely made. Such payments are generally due 60 days after the fifth anniversary of the date of issue, then in succeeding installments every five years. The final rebate payment for an issue is due 60 days after retirement of the last obligation of the issue. The Issuer should hire a rebate consultant if necessary.
 - b. Review the rebate section of the Tax Certificate to determine whether the "small issuer" rebate exception applies to the issue.
 - c. If the 6-month, 18-month, or 24-month spending exceptions from the rebate requirement (as described in the Tax Certificate) may apply to the tax-advantaged obligations, ensure that the spending of proceeds is monitored prior to semiannual spending dates for the applicable exception.
 - d. Make rebate and yield reduction payments and file Form 8038-T in a timely manner.
 - e. Even after all other proceeds of a given issue have been spent, ensure compliance with rebate requirements for any debt service reserve fund and any debt service fund that is not exempt from the rebate requirement (see the Arbitrage Rebate covenants contained in the Tax Certificate).
13. Maintenance and Retention of Arbitrage and Rebate Records. Maintain records of investments and expenditures of proceeds, rebate exception analyses, rebate calculations, Forms 8038-T, and rebate and yield reduction payments, and any other records relevant to compliance with the arbitrage restrictions for the period indicated in Section H. below.

G. RECORD RETENTION. The Responsible Officer or other responsible person shall ensure that for each issue of obligations, the transcript and all records and documents described in these Procedures will be maintained while any of the obligations are outstanding and during the three-year period following the final maturity or redemption of that issue, or if the obligations are refunded (or re-refunded), while any of the refunding obligations are outstanding and during the three-year period following the final maturity or redemption of the refunding obligations.

ADOPTED AND APPROVED by the District Board of Superstition Fire and Medical District of Pinal County, Arizona, on May 16, 2018.

.....
Chairperson of the District Board of Superstition
Fire and Medical District of Pinal County, Arizona

ATTEST:

.....
Clerk, District Board, Superstition Fire and
Medical District of Pinal County, Arizona

**ATTACHMENT I TO
WRITTEN PROCEDURES**

REMEDIAL ACTION PROCEDURES

Capitalized terms used herein but not defined have the meaning assigned thereto in Section 5 below and in the Written Policies and Procedures for Tax-Advantaged Obligations to which these Remedial Action Procedures are attached. This attachment describes written procedures that may be required to be taken by, or on behalf of, an issuer of Obligations.

1. **Background.** The maintenance of the tax status of the Obligations (*e.g.*, as tax-exempt obligations under federal tax law) depends on the compliance with the requirements set forth in the Internal Revenue Code of 1986, as amended (the “Code”). *The purpose of this attachment is to set forth written procedures to be used in the event that any deliberate actions are taken that are not in compliance with the tax requirements of the Code (each, a “Deliberate Action”) with respect to the Obligations, the proceeds thereof, or the property financed or refinanced by the Obligations (the “Financed Property”).*

2. **Consultation with bond counsel.** If a Deliberate Action is taken with respect to the Obligations and the Financed Property subsequent to the issuance or execution and delivery of the Obligations, then the Issuer must consult with Greenberg Traurig, LLP or other nationally recognized bond counsel (“bond counsel”) regarding permissible Remedial Actions that may be taken to remediate the effect of any such Deliberate Action upon the federal tax status of the Obligations. Note that remedial actions or corrective actions other than those described in this attachment may be available with respect to the Obligations and the Financed Property, including remedial actions or corrective actions that may be permitted by the Commissioner through the voluntary closing agreement programs (VCAP) provided by the Internal Revenue Service from time to time.

3. **Conditions to Availability of Remedial Actions.** None of the Remedial Actions described in this attachment are available to remediate the effect of any Deliberate Action with respect to the Obligations and the Financed Property unless the following conditions have been satisfied and unless bond counsel advises otherwise:

(a) The issuer of the Obligations reasonably expected on the date the Obligations were originally issued or executed and delivered that the Obligations would meet neither the Private Business Tests nor the Private Loan Financing Test of Section 141 of the Code and the Treasury Regulations thereunder for the entire term of the Obligations (such expectations may be based on the representations and expectations of the applicable conduit borrower, if there is one);

(b) The weighted average maturity of the Obligations did not, as of such date, exceed 120 percent of the Average Economic Life of the Financed Property;

(c) Unless otherwise excepted under the Treasury Regulations, the Issuer delivers a certificate, instrument, or other written records satisfactory to bond counsel demonstrating that the terms of the arrangement pursuant to which the Deliberate Action

is taken is *bona fide* and arm's-length, and that the non-exempt Person using either the Financed Property or the proceeds of the Obligations as a result of the relevant Deliberate Action will pay fair market value for the use thereof;

(d) Any disposition must be made at fair market value and any Disposition Proceeds actually or constructively received by the Issuer as a result of the Deliberate Action must be treated as gross proceeds of the Obligations and may not be invested in obligations bearing a yield in excess of the yield on the Obligations subsequent to the date of the Deliberate Action; and

(e) Proceeds of the Obligations affected by the Remedial Action must have been allocated to expenditures for the Financed Property or other allowable governmental purposes before the date on which the Deliberate Action occurs (except to the extent that redemption or defeasance, if permitted, is undertaken, as further described in Section 4(A) below).

4. **Types of Remedial Action.** Subject to the conditions described above, and only if the Issuer obtains an opinion of bond counsel prior to taking any of the actions below to the effect that such actions will not affect the federal tax status of the Obligations, the following types of Remedial Actions may be available to remediate a Deliberate Action subsequent to the issuance of the Obligations:

(a) Redemption or Defeasance of Obligations.

(i) If the Deliberate Action causing either the Private Business Use Test or the Private Loan Financing Test to be satisfied consists of a fair market value disposition of any portion of the Financed Property exclusively for cash, then the Issuer may allocate the Disposition Proceeds to the redemption of Nonqualified Obligations pro rata across all of the then-outstanding maturities of the Obligations at the earliest call date of such maturities of the Obligations after the taking of the Deliberate Action. If any of the maturities of the Obligations outstanding at the time of the taking of the Deliberate Action are not callable within 90 days of the date of the Deliberate Action, the Issuer may (subject generally to the limitations described in (iii) below) allocate the Disposition Proceeds to the establishment of a Defeasance Escrow for any such maturities of the Obligations within 90 days of the taking of such Deliberate Action.

(ii) If the Deliberate Action consists of a fair market value disposition of any portion of the Financed Property for other than exclusively cash, then the Issuer may use any funds (other than proceeds of the Obligations or proceeds of any obligation the interest on which is excludable from the gross income of the registered owners thereof for federal income tax purposes) for the redemption of all Nonqualified Obligations within 90 days of the date that such Deliberate Action was taken. In the event that insufficient maturities of the Obligations are callable by the date which is within 90 days after the date of the Deliberate Action, then such funds may be used for the establishment of a Defeasance Escrow within 90

days of the date of the Deliberate Action for all of the maturities of the Nonqualified Obligations not callable within 90 days of the date of the Deliberate Action.

(iii) If a Defeasance Escrow is established for any maturities of Nonqualified Obligations that are not callable within 90 days of the date of the Deliberate Action, written notice must be provided to the Commissioner of Internal Revenue Service at the times and places as may be specified by applicable regulations, rulings, or other guidance issued by the Department of the Treasury or the Internal Revenue Service. Note that the ability to create a Defeasance Escrow applies only if the Obligations to be defeased and redeemed all mature or are callable within ten and one-half (10.5) years of the date the Obligations are originally issued or executed and delivered. If the Obligations are not callable within ten and one-half years, and none of the other remedial actions described below are applicable, the remainder of this attachment is for general information only, and bond counsel must be contacted to discuss other available options.

(b) Alternative Use of Disposition Proceeds. Use of any Disposition Proceeds in accordance with the following requirements may be treated as a Remedial Action with respect to the Obligations:

(i) the Deliberate Action consists of a disposition of all or any portion of the Financed Property for not less than the fair market value thereof for cash;

(ii) the Issuer reasonably expects to expend the Disposition Proceeds resulting from the Deliberate Action within two years of the date of the Deliberate Action;

(iii) the Disposition Proceeds are treated as Proceeds of the Obligations for purposes of Section 141 of the Code and the Regulations thereunder, and the use of the Disposition Proceeds in the manner in which such Disposition Proceeds are in fact so used would not cause the Disposition Proceeds to satisfy the Private Activity Bond Tests;

(iv) no action is taken after the date of the Deliberate Action to cause the Private Activity Bond Tests to be satisfied with respect to the Obligations, the Financed Property, or the Disposition Proceeds (other than any such use that may be permitted in accordance with the Treasury Regulations);

(v) Disposition Proceeds used in a manner that satisfies the Private Activity Bond Tests or that are not expended within two years of the date of the Deliberate Action must be used to redeem or defease Nonqualified Obligations in accordance with the requirements set forth in Section 4(a) hereof; and

(c) Alternative Use of Financed Property. The Issuer may be considered to have taken sufficient Remedial Actions to cause the Obligations to continue their applicable treatment under federal tax law if, subsequent to taking any Deliberate Action with respect to all or any portion of the Financed Property:

(i) the portion of the Financed Property subject to the Deliberate Action is used for a purpose that would be permitted for qualified tax-exempt obligations;

(ii) the disposition of the portion of the Financed Property subject to the Deliberate Action is not financed by a person acquiring the Financed Property with proceeds of any obligation the interest on which is exempt from the gross income of the registered owners thereof under Section 103 of the Code for purposes of federal income taxation or an obligation described in Sections 54A-54F, 54AA, or 6431 of the Code; and

(iii) any Disposition Proceeds other than those arising from an agreement to provide services (including Disposition Proceeds arising from an installment sale) resulting from the Deliberate Action are used to pay the debt service on the Obligations on the next available payment date or, within 90 days of receipt thereof, are deposited into an escrow that is restricted as to the investment thereof to the yield on the Obligations to pay debt service on the Obligations on the next available payment date.

Absent an opinion of bond counsel, no Remedial Actions are available to remediate the satisfaction of the Private Security or Payment Test regarding the same with respect to the Obligations. Nothing herein is intended to prohibit Remedial Actions not described herein that may become available subsequent to the date the Obligations are originally issued or executed and delivered to remediate the effect of a Deliberate Action taken with respect to the Obligations, the proceeds thereof or the Financed Property.

5. **Additional Defined Terms.** For purposes of this attachment, the following terms have the following meanings:

“*Commissioner*” means the Commissioner of Internal Revenue, including any successor person or body.

“*Defeasance Escrow*” means an irrevocable escrow established to redeem obligations on their earliest call date in an amount that, together with investment earnings thereon, is sufficient to pay the entire principal of, and interest and call premium on, obligations from the date the escrow is established to the earliest call date. A Defeasance Escrow may not be invested in higher yielding investments or in any investment under which the obligor is a user of the proceeds of the obligations.

“*Deliberate Action*” means any action, occurrence, or omission by the Issuer (or, if applicable, by a conduit borrower) that is within the control of the Issuer (or, if applicable, by such conduit borrower) that causes either (1) the Private Business Use Test to be satisfied with respect to the Obligations or the Financed Property (without regard to the Private Security or Payment Test), or (2) the Private Loan Financing Test to be satisfied with respect to the Obligations or the proceeds thereof. An action, occurrence, or omission is not a Deliberate Action if (1) the action, occurrence, or omission would be treated as an involuntary or compulsory conversion under Section 1033 of the Code, or (2) the action, occurrence, or omission is in response to a regulatory directive made by the government of the United States.

“*Disposition Proceeds*” means any amounts (including property, such as an agreement to provide services) derived from the sale, exchange, or other disposition of property (other than Investments) financed with the proceeds of the Obligations.

“*Nonqualified Obligations*” means that portion of the Obligations outstanding at the time of a Deliberate Action in an amount that, if the outstanding Obligations were issued or executed and delivered on the date on which the Deliberate Action occurs, the outstanding Obligations would not satisfy the Private Business Use Test or the Private Loan Financing Test, as applicable. For this purpose, the amount of private business use is the greatest percentage of private business use in any one-year period commencing with the Deliberate Action.

“*Private Activity Bond Tests*” means, collectively, the Private Business Use Test, the Private Security or Payment Test, and the Private Loan Financing Test.

“*Private Business Tests*” means the Private Business Use Test and the Private Security or Payment Test.

“*Private Business Use Test*” has the meaning set forth in Section 141(b)(1) of the Code.

“*Private Loan Financing Test*” has the meaning set forth in Section 141(c) of the Code.

“*Private Security or Payment Test*” has the meaning set forth in Section 141(b)(2) of the Code.

“*Remedial Action*” means any of the applicable actions described in Section 4 hereof, or such other actions as may be prescribed from time to time by the Department of the Treasury or the Internal Revenue Service, which generally have the effect of rectifying noncompliance by the Issuer with certain provisions of Section 141 of the Code and the Regulations thereunder and are undertaken by the Issuer to maintain the federal tax status of the Obligations.

6. **Change in Law.** This attachment is based on law in effect as of this date. Statutory or regulatory changes, including but not limited to clarifying Treasury Regulations, may affect the matters set forth in this attachment.

Governing Board Meeting – May 16, 2018

Agenda Item: 13

BOD#: 2018-05-12

Agenda Item Title

Reports

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.

- **Senior Leadership Team**
- **Labor**
- **Pension Board**
- **Board Sanctioned Committees**

Recommended Motion:

N/A



Go to Item 14

Go to Agenda

Governing Board Meeting – May 16, 2018

Agenda Item: 14

BOD#: 2018-05-13

Agenda Item Title

New Business / Future Agenda Items

Submitted By

Board of Directors

Background/Discussion

This item is used as a placeholder to discuss New Business / Future Agenda Items, the Board may want on a future agenda.

Financial Impact

N/A

Enclosure(s)

N/A

Recommended Motion:

N/A



Go to Item 15

Go to Agenda

Governing Board Meeting – May 16, 2018

Agenda Item: 15

BOD#: 2018-04-n/a

Agenda Item Title

Announcements

Background / Discussion

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

Recommended Motion:

N/A



Go to Item 16

Go to Agenda

Governing Board Meeting – May 16, 2018

Agenda Item: 16

BOD#: 2018-05-14

Agenda Item Title

Adjournment

Recommended Motion:

“Motion to adjourn the Board meeting.”



Go to Agenda

Appendix A

A. Board Meeting Minutes from April 18, 2018

Submitted By

Board Clerk Gene Gehrt

Board Secretary Sherry Mueller

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

Enclosure(s)

April 18, 2018 Board Meeting Minutes





Superstition Fire & Medical District

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

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

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

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



Governing Board Meeting Minutes April 18, 2018

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, APRIL 18, 2018. 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 PM.

A. Call to Order

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

B. Pledge of Allegiance

Pledge of Allegiance was led by Director Strand.

C. Roll Call

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

Senior Leadership Team in attendance were: Interim Fire Chief Mike Farber, Acting Assistant Chief Richard Ochs, Acting Assistant Chief Richard Mooney, Finance Director Roger Wood, and Acting Administrative Director Anna Butel.

Legal Counsel Gene Neil and Board Secretary Sherry Mueller were also present for the meeting.

1. Review and approval of March 2018 financial reports and bank reconciliations. (BOD #2018-04-01)

Motion by Director House to approve the March 2018 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 #2018-04-02)

Volunteer Jack Hafer Sr. was recognized for his service to the organization with a plaque.

Employee Service Anniversaries were recognized: Community Risk Reduction Specialist Tina Gerola with 14 years of service; Paramedic Ryan Tonelli with 1 year of service.

Chief Farber read a letter from Director Strand and Michael Adams thanking the crews from the District for saving their lives.

3. Call to the Public. (BOD #2018-04-N/A)

N/A

4. Review, discussion and possible action regarding Chairmanship of the Fire Board under SFMD By-Laws Article III: Officer, Paragraph 7. (BOD #2018-04-03)

Motion by Director Moeller to vote on the Chairman position and to remove Chairman Cross at the end of the meeting and will replace him at the next meeting in May.

Seconded by Director House.

Roll Call Vote was taken:

Chairman Cross – nay

Clerk Gehrt – nay

Director House – aye

Director Moeller – aye

Director Strand – aye

Vote 3 ayes and 2 nays. **MOTION PASSED.**

Motion by Director Moeller to nominate and vote to approve Director House for the Chairman position to go into effect at the next meeting.

Seconded by Director Strand.

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

5. Consideration and possible approval of all consent agenda items listed below: (BOD #2018-04 – 04)

A. Board Meeting Minutes from March 21, 2018

B. Executive Session Meeting Minutes from March 21, 2018

C. Changing Refuse Collection Company to Right Away Disposal

D. Physio Control, Inc. Service Agreement

Motion by Director Strand to approve consent agenda items A, B, and C. Item D was pulled from the Agenda as additional verbiage is needed in the agreement. **Seconded** by Director House.

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

5)D. Motion by Director House to approve 5-D subject to legal counsel providing the statutory requirements for contracts. **Seconded** by Clerk Gehrt.

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

6. Discussion and possible action regarding Arizona Department of Forestry & Fire Management Cooperative Fire Rate Agreement. (BOD #2018-04-05)

This is an Agreement that has to be renewed every 2 years and it is for when we rent out our equipment while on Wildland fires. This Agreement is due by May 31, 2018. We have added an ambulance for additional potential revenue, which will be staffed mainly by Firefighters. We will be using the spare (white) ambulance for this purpose.

Motion by Director House to approve the AZ Department of Forestry & Fire Management Cooperative Fire Rate Agreement subject to legal counsel providing the statutory required language for contracts.
Seconded by Director Moeller.

Vote 5 ayes, 0 nays. MOTION PASSED.

7. Discussion of Policy 100.02: Immigration Reform Control Act brought forth for review at the April 18, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting. (BOD #2018-04-06)

Motion: N/A

8. Discussion of Policy 100.03: Loyalty Oath brought for review at the April 18, 2018 Board Meeting for final approval at the May 16, 2018 Board Meeting. (BOD #2018-04-07)

Motion: N/A

Chairman Cross moved **Agenda Item #16 here:**

Discussion and possible action on a letter of support as required by FEMA for the SAFER Grant (BOD #2018-04-15)

Acting Administrative Director Anna Butel discussed the letter of support required by FEMA for the SAFER Grant. This letter must be from the SFMD Board Members and needs to include two main components: 1) We will maintain current staffing levels and 2) we will not lay anyone off for 3 years during that time span. SFMD requested to hire 12 employees through the SAFER Grant to staff an extra Engine Company.

Motion by Clerk Gehrt to approve the letter of support to accompany the 2018 SAFER Grant application.
Seconded by Director Strand and Director House.

Vote 5 ayes, 0 nays. MOTION PASSED.

9. Discussion and review of the Preliminary Budget, and determine Tax Rate for Fiscal Year 2018/2019. (BOD #2018-04-08)

Finance Director Roger Wood discussed the FY 2018/2019 budget year calendar.

Roger hopes to have the Preliminary (tentative) Budget for FY 2018/2019 approved at the May 16, 2018 Board Meeting. The major initiative in the 100 Fund (M & O Fund) is the SAFER Grant. SFMD is applying for 12 new hires and budgeting for 7. In looking at the next 10 years, Roger stated that the grant would cover 75% in year one, 75% in year two and 35% in year three. Then we will have to be able to carry those new employees. We do have people in the DROP, however, they won't be exiting the DROP at the same time as we bring on these new employees. We have to be prepared to be able to handle the cash flow of these new employees (\$560,000+ in cost).

The budget includes staffing for Station 263's second Engine with \$170,000 of shift overtime. Once the SAFER Grant new hires come out of The Academy, they will go into the leave pool and will fill vacancies that exist therefore, we expect overtime to be reduced. We have included Captains training in this budget and the Deputy Chiefs position.

We have applied for the Community Risk Reduction Grant. We did receive it this year which fully funds the Community Risk Reduction position along with the supplies that we use to serve the community.

We did receive some surprising news from Blue Cross Blue Shield in regard to the medical premiums for our upcoming fiscal year (18/19). The Tempe Trust wants to increase our premiums. We are working through a variety of options to try to maintain the current level of premiums. Our benefit broker, Ed Gussio, is working diligently on our behalf. One option we are looking at is the "stand alone self-funded" insurance plan. This option may turn out to be the best alternative to what we are doing now. Golder Ranch started doing this about 4 years ago and I have had some communication with my peer at Golder Ranch about this.

We have moved Open Enrollment out an additional week. We hope to have more information on April 24 where Senior Leadership can make a final decision. The Board would have to approve this within the Budget.

In light of this medical premium increase, we are still projecting including a cost of living adjustment (COLA) in the Budget of 2% (instead of 3%).

In the 150 Fund (Transport Services), we are assuming a 3% increase in the number of transports for next fiscal year. Staffing levels will remain the same. We are not including any changes to the billing rates. DHS is currently working on our application for the general rate increase.

One new cost that is coming in for the 150 Fund is medication costs. Mountain Vista Hospital used to pay for medication costs, but no longer will. We have included Dr. Smith's estimated costs in this budget.

The Capital Replacement Fund (200 Fund) projection of beginning cash balance is \$1,100,000. If the Board approves the \$0.25 special assessment for FY 18/19, that will bring in another \$994,654.00 (estimated). The planned purchases, \$1,700,000.00 includes paying cash for the new Pumper (\$720,000.00) that we are planning on buying. We would like to get away from leases. We are looking at trying to pay cash for this Pumper, and if not we will present a lease to the Board.

The major initiatives in the 200 Fund: the Pumper, existing leases (Pumper and Tendor), and leases for 5 ambulances. We are budgeting for a new Type III Wildland Vehicle, replacing our current 2004 vehicle. We have a staff vehicle contingency with \$100,000 in the budget in case a staff vehicle goes down which would roll from year to year. Will need a new Gator to use at the Renaissance Festival in addition to our current Gator. We budgeted \$75,000 to replace our current Scott Air Packs that have reached the end of their life. \$150,000 for a second set of turn-outs. Anna submitted a Grant for this, and our Grant share is about \$26,000, but we don't want to be dependent on that Grant therefore we are budgeting like we have to pay for it all. We budgeted for three A/C Units which are \$7500 each. We budgeted for heart monitors, the replacement of EPCR tablets, exchange server software, G-2 System two year catch-up, portable radios have to be maintained, and our commitment to TOPAZ (East Valley dispatch process).

We are able to lower the assessment by \$0.04 for our residents. We will begin the Fiscal Year with a little over \$100,000 in each of the funds (principal and interest funds). We will end the year with money in the bank. We request that the Board approve the tax rates we are using in planning this budget. You'll see in the Motion the tax rates for the 100 Fund, 200 Fund and the GADA Bond.

Motion by Director House to approve the tax rate of \$3.25 per hundred dollars of secondary valuation for District operations, a \$0.25 special assessment related to the Tax Override Initiative, and \$0.18 special assessment related to the 2006 GADA Bond for development of the Tentative Budget for Fiscal Year 2018/2019. **Seconded** by Director Strand.

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

10. Discussion and possible approval of Resolution #2018-04-18-02 relating to the adoption of the Amended Fee Schedule. (BOD #2018-04-09)

Acting Assistant Chief Richard Ochs explained that Exhibit A includes two annual fee schedules for permitting for businesses. The second part of that relates to new businesses or business remodels that have to be physically inspected. We are bringing our fees schedules in line with the majority of the Metro Valley.

Motion by Director Strand to approve Resolution #2018-04-18-02 amending and adopting the permit fee schedule for the District. **Seconded** by Clerk Gehrt and Director Moeller.

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

11. Discussion and possible direction regarding the District's GADA Bond application. (BOD #2018-04-10)

Finance Director Roger Wood talks about the 2006 issued GADA Bond. The Bond itself is now in a stage of its life where there is no longer a prepayment penalty. In talking with a Bond Underwriter Firm and the Bond Attorney, we've been discussing the opportunity to take advantage of the lower interest rates. Our current bond is at 5% interest rate and current market rates are between 2.5% - 2.7%. This gives us an opportunity to save between \$460,000 and \$500,000 in interest costs after fees. All of the fees and underwriting costs would just be a part of the total package and we wouldn't have to come up with money up front. The remaining debt is about \$5,355,000 and 8 years left. Roger is asking for direction from the Board if they wish to pursue this opportunity.

Motion by Clerk Gehrt to direct Staff to pursue the possibility of refinancing the remaining principal debt related to the District's 2006 GADA Bond, and provide detail as needed at future Board meetings. **Seconded** by Director House.

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

12. Discussion and possible action re: possible approval of Ratification Resolution #2018-04-18-03 ratifying the approval of Resolution #2018-321 and the hiring of William R. Whittington as legal counsel. (BOD #2018-04-11)

This was a housekeeping item from our last Board meeting.

Motion by Director House to ratify March 2018 Agenda Resolution #3018-321 and approve Ratification Resolution #2018-04-18-03 and the hiring of William R. Whittington as legal counsel. **Seconded** by Director Strand.

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

13. Possible vote to go into Executive Session. The Board may vote to go into Executive Session pursuant to pursuant to ARS §38-431.03(A)(1) for personnel matters; ARS §38-431.03(A)(3) for legal advice; and ARS §38-431.03(A)(4) to give instructions to legal counsel re: Interim Fire Chief's evaluation; possible appointment of Interim Fire Chief to permanent Fire Chief position; possible form and terms of Fire Chief's contract. (BOD #2018-04-12)

Motion by Director House to go in to Executive Session at 6:46 PM. **Seconded** by Clerk Gehrt.

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

14. Review, discussion and possible action regarding the Interim Fire Chief's evaluation. (BOD #2018-04-13)

The Board returned to regular session at 7:24 PM. The Interim Fire Chief was previously provided a 24 hour notice of the Executive Session discussion of his performance evaluation. Overall, it was an excellent review for Chief Farber.

Motion: N/A

15. Discussion and possible action regarding the appointment of a Fire Chief. (BOD #2018-04-14)

Director House stated that he would like to remove the "Interim" from the Fire Chiefs title and move to make Chief Mike Farber the permanent Fire Chief. All Board members agreed that Fire Chief Mike Farber should be the permanent Fire Chief at the beginning of the next Fiscal Year beginning July 1, 2018.

Motion to promote Interim Fire Chief Farber to full time Fire Chief. Direction is given to the Staff to work with legal on the specifics of pay and range at level 75 with an effective date of July 1, 2018. Chief Farber has elected to stay at will. **Seconded** by Director Strand.

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

16. Discussion and possible action on a letter of support as required by FEMA for the SAFER Grant. (BOD# 2018-04-15)

Item #16 was previously discussed right after agenda item number 8.

17. Reports (BOD #2018-04-16)

- Senior Leadership Team
- Labor
- Pension Board
- Board Sanctioned Committees

Fire Chief Report

Interim Fire Chief Mike Farber

- Met with Queen Valley Fire District regarding pooling resources or Management Agreement
- Golf Tournament - Board Members and Labor benefiting the Community Alliance Against Family Abuse (CAFA)
- Review of Response Times and Working Fires in March, displaying benefits of Engine 263 (additional unit)

Operations

Acting Assistant Chief Richard Mooney

- Review of current Training
- Review of March Responses
- Review of Working Fire Incidents during March

Planning & Logistics Update

Acting Assistant Chief Richard Ochs

- New Hires - Transportation Division
 - Full Time EMT - Christopher Donahue
 - Part Time EMT – Kelsey Christensen
 - Part Time EMT - Jake Lesher
- The MDRC and the City of Apache Junction Police Department have begun accepting 911 Text Messages
- The MDRC will begin to operate hazard zone incidents on VHF radio channels beginning on May 1, 2018
- Sexual Harassment & Hostile Work Environment Training on April 19 and April 26
- National Public Safety Tele-communicators Week (April 8 – 14)
 - April 10 visit to the Apache Junction Police Department
 - April 12 visit to the Mesa Regional Dispatch Center (MRDC)
- April 14 - Community HOA Spring Event
- April 15 – 21 - National Volunteer Appreciation Week
- April 19 - Volunteer Appreciation Luncheon at De La Cruz
- April 23 - Water Safety at Headstart
- April 24 - Senior Center Luncheon - Partner with Manor Health to present Falls Prevention and to provide fall prevention grant items
- April 28 - April Pools Day from 10:00 a.m. to 1:00 p.m. at Superstition Shadows Aquatic Center

Administrative Services Update

Acting Administrative Director Anna Butel

- Cardiac Situation Tool
- 265 Verizon
 - Installation of a Signal Extender has been scheduled for April 26
 - There have also been some adjustments on different towers in the area to improve the signal
- SAFER Grant due April 27

Labor Update

Captain John Walka

- Fill the Boot Event – Muscular Dystrophy Association (MDA)
- Fifteenth Annual Poker Run - East Valley Firefighters Charities

Pension Board Update

Clerk Gene Gehrt

- 1 more person who will be going into the DROP next month (May 2018)
 - that makes a total of 9 in the DROP with the potential for a tenth employee going into the DROP

18. New Business / Future Agenda Items (BOD #2018-04-17)

N/A

19. Announcements (BOD 2018-04-N/A)

N/A

20. Adjourn (BOD #2018-04-18)

Motion by Director House at 7:59 p.m. to adjourn the meeting. **Seconded** Director Strand.

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

Governing Board Approval:

Gene Gehrt, Board Clerk

Sherry Mueller

Appendix B

b) Executive Session Meeting Minutes from April 18, 2018

Submitted By

Chairman Cross

Board Secretary Sherry Mueller

Background/Discussion

Executive Board Meeting Minutes are confidential.

Financial Impact(s)/Budget Line Item

N/A

Staff Recommendation:

Approval of the April 18, 2018 Executive Session Board Meeting Minutes

Enclosure(s)

Executive Session Minutes – Confidential



Appendix C - F

- C) United Healthcare Confirmation
- D) Principal Dental Renewal Letter
- E) VSP Vision
- F) Aetna EAP Renewal

Agenda Item Title

Employee Health Benefits for FY 2018/2019

Submitted By

Anna Butel, Acting Administrative Services Director
Mike Farber, Fire Chief

Background/Discussion

The SFMD leadership team has been working in conjunction with our health insurance broker Crest on the 2018/19 employee benefit package. The following employee benefits are under annual review; Aetna EAP, Principal Dental, VSP (vision), The Standard, and United Healthcare.

Aetna, Principal Dental, VSP submitted a rate schedule with minimal increases in cost and there is no change in provider. The Standard has no changes. We are switching from Blue Cross Blue Shield to United Healthcare for medical coverage. A Formal Agreement was not yet available at the time the board packet was compiled, but we do have a confirmation letter included in this packet. This Formal Agreement will be provided to you at the earliest convenience.

Financial Impact(s)/Budget Line Item

No change to the per-pay-period benefit dollar amount of \$390 for each employee.

Enclosure(s)

United Healthcare Confirmation
Principal Renewal Letter
VSP Vision
Aetna EAP Renewal

Recommended Motion

"Motion to approve all Consent Agenda Items A through G"





Anna Butel
 Administrative Services Director
 Superstition Fire & Medical District

Anna,

Please see the confirmed plans and rates below for the effective date of July, 1st, 2018. In addition to these rates, we have Performance Rewards and Simply Engaged included in our plan offering. Please accept this document until we have our contracts completed. If there is anything else you need right away, please let me know. Thanks very much!

Superstition Fire & Medical District- 7/1/2018

Policy # 914634

	BEI7 MOD (Balanced) Rx Plan: F5	YMG MOD (HSA/Emb) Rx Plan: H9-HSA	BEI3 MOD (HSA/Non Emb) Rx Plan: H9-HSA
Plan Name	Choice + Insurance *	Choice + Insurance *	Choice + Insurance *
Product	Multiple Option	Multiple Option	Multiple Option
Plan Offering	No	HSA	HSA
HRA or HSA			
Benefits*	Network Single/Family	Network Single/Family	Network Single/Family
Office Copay	PCP \$20, SPC \$40	PCP N/A, SPC N/A	PCP N/A, SPC N/A
Hospital Copays	OP N/A, IP N/A	OP N/A, IP N/A	OP N/A, IP N/A
UC/ER/Major Diag	UC \$50, ER \$250, MD N/A	UC N/A, ER N/A, MD N/A	UC N/A, ER N/A, MD N/A
Other	Minor Lab/Xray \$25	N/A	N/A
Deductible	\$1,000/\$2,000 (Emb)	\$3,000/\$6,000 (Emb)	\$2,000/\$4,000 (NonEmb)
Coinsurance	80%	80%	80%
Out-of-Pocket	\$3,000/\$6,000	\$4000/8000	\$3000/6000
Pharmacy	\$10/25/45; 2.5x for M.O.	Int Med/Rx ded, \$10/30/50; 2.5x for M.O.	Int Med/Rx ded, \$10/30/50; 2.5x for M.O.
	Out of Network Single/Family	Out of Network Single/Family	Out of Network Single/Family
Deductible	\$5000/10000 (Emb)	\$6000/12000 (Emb)	\$5000/10000 (NonEmb)
Coinsurance	50%	50%	50%
Out of Pocket	\$10000/20000	\$18000/36000	\$10000/20000
Enrollment			
Employee	34	22	24
Employee + 1	6	4	5
Employee + Family	16	10	11
Total	55	37	40
	Rates (Billed)	Rates (Billed)	Rates (Billed)

Rates			
Employee	\$410.52	\$293.34	\$321.37
Employee + 1	\$993.46	\$709.88	\$777.72
Employee + Family	\$1,498.40	\$1,070.69	\$1,173.00
SOLD & CONFIRMED RATES			

Sincerely,



Jared Moen
 Senior Account Executive
 United HealthCare

Employers Dental Services
3430 E. Sunrise Drive, #160, Tucson, AZ 85718
800-722-9772 tel 866-814-8023 fax
employersdental.com



RENEWAL LETTER

February 7, 2018

Superstition Fire & Medical District
Attention: Employee Benefits
565 N. Idaho Road
Apache Junction, AZ 85119

Dear Benefits Coordinator:

Employers Dental Services (EDS) is pleased you have chosen us from the many dental plans available in the market. Thank you for your continued business. Your contract is scheduled to renew.

Group Name	Superstition Fire & Medical District
Group Number	18717
Renewal Month	July 1, 2018
Contract Dates	July 1, 2018 through June 30, 2019
Renewal Rates	
Employee Only	\$11.25/Month
Employee + Spouse	\$22.37/Month
Employee + Child(ren)	\$29.24/Month
Employee + Family	\$33.73/Month
Administration Fee	Waived
Schedule of Benefits	EDS100N
Open Enrollment Period	June 1 – 30, 2018
Agent(s)	Crest Insurance

EDS Account Manager	Deborah Rosales
Phone and Email Address	(602) 266-3424 x135 Rosales.Debbie@Principal.com

You do not need to sign and/or return anything if you are renewing your coverage.

Reminder: A copy of the *Dental Care Insurer Appeals Process* is available upon request and outlines the member's rights as an EDS member. Contact EDS to receive a copy. We welcome the opportunity to answer your questions.

Please call or email if I can be of assistance.

RENEWAL RATES
Effective July 1, 2018

DENTAL

Renewal rates are guaranteed through June 30, 2019.

ALL MEMBERS					
	Lives	Current Rates	Renewal Rates	Current Monthly Premium	Renewal Monthly Premium
Employee	47	\$27.61	\$29.24	\$1,297.67	\$1,374.28
Employee & Spouse	16	\$56.10	\$59.41	\$897.60	\$950.56
Employee & Child(ren)	7	\$73.28	\$77.60	\$512.96	\$543.20
Family	27	\$107.21	\$113.54	\$2,894.67	\$3,065.58
TOTAL				\$5,602.90	\$5,933.62
Renewal Premium Percent of Change					5.9% Increase

Renewal Premium Percent of Change. The renewal premium percent of change is based on information presented in this letter.



Principal Life Insurance Company
Des Moines, Iowa 50392
© 2013 Principal Financial Services, Inc.

Account Number: 1054610

Anniversary Date: July 1, 2018



May 20, 2018

SUPERSTITION FIRE & MEDICAL DISTRICT
ATTN: ROGER WOOD
565 N IDAHO RD
APACHE JUNCTION, AZ 85119

CREST INS GROUP LLC DBA PARTNERS OF THE WEST I
CREST INS GROUP LLC DBA PARTNERS OF THE WEST I
5285 E WILLIAMS CIR
STE 4500
TUCSON, AZ 85711-7456

As you approach your upcoming renewal with Principal Life Insurance Company, we would like to thank you for your business over the past year. Our goal is to offer competitive benefit solutions supported with exceptional service. Your business is very important to us and we look forward to working with you over the next year.

Your Renewal

Your renewal rates can be found on the following pages. Your Principal Life coverage will renew on your policy anniversary date of July 1, 2018.

How to Renew Coverage

To renew coverage, your payment of the premium due is acceptance of your rates. We look forward to continuing our relationship with you and fulfilling your needs in the coming year.

Take Advantage of Discounts

You may be able to take advantage of the Principal Life **Multiple Product Discount** when at least three qualifying coverages are in force. A strong and competitive benefit offering will help you retain quality employees.

Contact Us

To inquire about this renewal or explore alternate benefit designs contact your broker or local Principal Life Insurance Company sales office at 602-957-3031.

Sincerely,

Group Benefits Underwriting
Specialty Benefits Division

VSP CHOICE PLAN®
COMMERCIAL BUSINESS RATES
 100-199 Enrolled Employees
 For Clients Headquartered in Arizona
 Valid Until July 1, 2018



Plan Guidelines

- Individual Experience is not available for Pooled Groups
- 24 month rate guarantee and contract term
- These rates assume a minimum employer contribution of 75% toward employees and dependents or 100% participation of employees and dependents enrolled in the medical or dental plan
- Rates are based on our sliding 10% commission scale and the agreement that VSP will receive these amounts over the full plan term
- Platform participation and associated fees are not included
- The first copay applies to the eye examination and the second copay applies to materials
- Rates include all applicable taxes and health assessment fees known as of the date of the proposal

Plan Frequencies

	PLAN C	PLAN B	PLAN A
Eye Exam	12 Months	12 Months	12 Months
Lens	12 Months	12 Months	24 Months
Frame	12 Months	24 Months	24 Months

The base rates quoted reflect VSP's standard in-network retail allowances of \$130 for frames and \$130 for elective contact lenses.

MONTHLY RATES

4-Rate Basis	Employee Only	Employee + One	Employee + Children	Employee + Family
PLAN C Copay: \$10/\$25	\$6.95	\$11.12	\$11.35	\$18.30
Total:	\$6.95	\$11.12	\$11.35	\$18.30

Our proposal is based on the scope of the obligations that VSP agrees to undertake. VSP will comply with state and/or federal rules and regulations as they pertain to pre-paid vision plans with a defined benefit



**Aetna Behavioral Health
Aetna Resources for Living
151 Farmington Ave
Hartford, CT 06156
Mail Stop RSAA
FAX Number 1-800-970-6255**

Superstition Fire & Medical District
Attn: Sherry Mueller
565 N. Idaho Road
Apache Junction, AZ 85219

May 9, 2018

Dear Ms. Mueller:

Thank you for renewing your Aetna Resources For Living Employee Assistance Program (“EAP”) Services Agreement (“Services Agreement”). At Aetna, we believe in an integrated, total health focus where an EAP and other benefits are part of a continuum of care.

This letter (“Renewal Letter”) serves to confirm our agreement that you and Aetna mutually agree to: (i) renew your Services Agreement, and (ii) amend the Services Agreement as follows:

- (a) the Domestic Service and Fee Schedule is hereby replaced with the enclosed Domestic Service and Fee Schedule; and

All other applicable terms and conditions of the Services Agreement not addressed herein shall remain in full force and effect.

Please review these documents. If they are acceptable to you, please sign the enclosed signature document where indicated, and return to me at the email address noted below. Alternatively, you may fax or mail such documents to the address or fax number written above.

However, if we have not received a signed copy of the document(s) by June 8, 2018, you and Aetna will consider the terms of this Renewal Letter and its attachments to be effective. This Renewal Letter, including any attachments and the Services Agreement constitutes the sole contract between the parties regarding the EAP.

Thank you for your support. We trust that Aetna Resources for Living will continue to provide value to you and your employees thru the EAP. Should you have any questions regarding this Renewal Letter or any other aspects of your Employee Assistance Program, please do not hesitate to contact us.

Sincerely,

Jennifer Rackoff
Account Executive
602-414-7566
rackoffj@aetna.com

The term of this Renewal Letter for the EAP Services Agreement shall be from 07/01/2018 through 06/30/2021.

IN WITNESS WHEREOF, the parties hereto have caused this letter to be executed by their duly authorized representatives.

SUPERSTITION FIRE & MEDICAL DISTRICT

AETNA BEHAVIORAL HEALTH, LLC

Signed By:

Signed By:

Printed Name:

Title:

Date:

Printed Name: Hyong Un, M.D.

Title: Head of EAP and Chief Psychiatric Officer

Date:

EMPLOYEE ASSISTANCE PROGRAM TERMS AND CONDITIONS

DOMESTIC SERVICE AND FEE SCHEDULE

This Employee Assistance Program Renewal is made and entered into by and between Aetna Behavioral Health, LLC on behalf of itself and its affiliates (hereinafter "Company"), and Superstition Fire & Medical District (hereinafter "Customer").

Customer hereby elects to receive the Services designated below. The below Service Fees shall be in effect for three (3) years, beginning upon the Effective Date of this Renewal, and, thereafter, if this Renewal is extended by the parties for any additional successive term, such Service Fees shall be reasonably negotiated by the parties for such successive term. Notwithstanding the immediately preceding sentence, the below Service Fees shall be amended by Company, from time to time during the first three (3) years of this Renewal and for any future period(s) thereafter, in accordance with the terms of this Service and Fee Schedule.

Core Features and Services (included in the PEPM)	\$7.68 PEPM
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- Unlimited telephone access to licensed clinicians 24 hours a day, seven days a week.
- 10 counseling sessions per problem per contract year with EAP network contracted providers and/or contracted televideo providers.
- Access to comprehensive, nationwide network of EAP providers who are licensed, master's level behavioral health professionals.
- Referrals to community services.
- Internet access to our EAP website 24 hours a day, seven days a week.
- Telephonic management and supervisory consultation.
- Designated account management with EAP administrative expertise.
- Standard printed communication materials and additional promotional materials in electronic format.
- Quarterly EAP utilization reports.*
- Web-based WorkLife Services.
- Legal and Financial Services and Identity Theft Services.
- Bank of Standard CISD Hours: 6 hours of standard CISD services are included in the EAP Session Model PE/PM Rate. Any additional standard CISD sessions are \$250.00 per hour plus travel and preparation expenses reimbursed at a flat rate of \$150.00 per location. Immediate CISD's are subject to the fees described below. Additional services are priced below.
- Standard Intake Model.

Additional Services:

Training and Education: The term "Training and Education" refers to training, provided by Company, or a Company Contracted educator to the Customer, concerning general behavioral health and work/life issues. This includes Employee Orientation Meetings and Supervisor Orientation Trainings. This training may be provided in different ways, i.e. in-person, telephonically, or web-based. Additional fees apply to web-based training over 50 participants (Participants is defined as unique phone lines calling into the webinar). Department of Transportation (DOT) services are excluded from standard Training and Education services.

- Training and Education Fee for Service Pricing:

EMPLOYEE ASSISTANCE PROGRAM TERMS AND CONDITIONS

- Fee for Service On-Site Training Pricing: \$250.00 per hour for the total amount of time that the educator is on site, plus a \$150.00 per location charge for travel and preparation time. If training is not scheduled consecutively or multiple topics are scheduled, additional travel and preparation costs may apply.
- Fee for Service Webinar Training Pricing: \$250.00 per hour, plus a \$150.00 charge for preparation for each web-based training for up to 50 participants. For webinars with more than 50 participants, an additional charge of \$25.00 applies for each additional 25 participants up to a maximum of 200 participants.
- Sessions less than one (1) hour in duration will count as one (1) hour of Training and Education.
- Training and Education Cancellation Fee: Failure to provide Company with six (6) business days' notice of cancellation of a previously scheduled training program may result in a charge of:
 - Fee for Service Training Cancellation Fee: \$375.00 per hour for services which are provided on a fee for service basis and which are subject to the hourly rate.
 - For Department of Transportation compliance training to meet Drug-Free Workplace regulations regarding drug and alcohol awareness, see pricing referenced below under Drug Free Workplace Services. Mental Health First Aid trainings are excluded from standard Training and Education services. For specialized Mental Health First Aid training, see separate definition under Mental Health First Aid.

Mental Health First Aid: An educational program offered to Customers to help managers and employees recognize and respond to mental health issues in the workplace. The curriculum includes an overview of mental health and provides education about Anxiety, Depression, Suicide, Trauma, Psychosis, and Substance Use Disorders, along with videos, interactive exercises and practice scenarios. Courses must be taught onsite. The eight hour course provides all participants with Mental Health First Aid Certification for three years. A four-hour option is available for a general overview of the topic. The four-hour class does NOT provide participants with a Mental Health First Aid Certification. Courses are limited to 30 participants per course.

- Mental Health First Aid:
 - 8 Hour Course \$9,200.00 – This option provides eight (8) hours of standard Mental Health First Aid curriculum. Fee includes all instructor fees, travel, and customization.
 - 4 Hour Course \$5700.00 – This option provides four (4) hours of standard Mental Health First Aid curriculum. Fee includes all instructor fees, travel, and customization.
 - Volume Discounts:

Note: 2 4-hour classes should ideally be scheduled same day; 8-hour classes' consecutive days

 - 5-10 classes – 10% Discount
 - 11-20 classes – 15% Discount
 - 21+ classes – 20% Discount
 - Other Course Options:
 - 2-hour Onsite (All inclusive) - \$3,200
 - 1-hour Webinar - \$1,500
- Mental Health First Aid Cancellation Fee Schedule: If cancelled for any reason within 30 days from the training date, Superstition Fire & Medical District will be responsible for the cancellation fees as follows:
 - 50% of the total fee 15-30 days prior to the scheduled date of training.
 - 100% of the total fee 0-14 days prior to the scheduled date of training.

EMPLOYEE ASSISTANCE PROGRAM TERMS AND CONDITIONS

Critical Incident Support (Crisis Support/Management Services/Critical Incident Stress De-Briefing (CISD) Services): An array of services offered by the EAP that helps an organization to prepare for, prevent, or respond to traumatic events. Acts of war are excluded from on-site CISD Services.

- CISD (Critical Incident Stress Debriefings) Fee for Service Pricing (beyond the 6 hours included above):
 - Fee for Service Standard CISD Pricing (On-site attendance response time in greater than 2 hours)
 - \$250 per hour plus travel and preparation expenses reimbursed at a flat rate of \$150 per location. Out of area or special request expenses are additional.
 - Fee for Service Immediate CISD Pricing (On-site attendance response time in less than 2 hours)
 - \$350 per hour plus travel and preparation expenses reimbursed at a flat rate of \$150 per location. Out of area or special request expenses are additional.
 - CISD hours used, whether fee for service and/or within the bank of standard hours, are calculated based upon the combined total number of hours all clinicians are on-site.
- CISD Cancellation Fee: Whenever possible, Superstition Fire & Medical District agrees to provide Company with 24 hours advance notice of cancellation of any requested Workplace Crisis Response Services. Failure to provide Company with 24 hours' notice of cancellation of any services:
 - Fee for Service CISD Cancellation Fee: Services which are provided on a fee for service basis and which are subject to the hourly rate will result in a charge of \$375.00 per incident.
 - Bank of Standard CISD Hours Cancellation Fee: Services which are included in the bank of capitated hours described above, will result in the deduction of a number of hours from the bank, equal to the number of cancelled hours.

Reduction in Force: The process by which a work organization reduces its work force by eliminating jobs, such as closing subsidiaries or departments.

- Reduction in Force Fee for Service Pricing:
 - \$250 per hour plus travel and preparation expenses reimbursed at a flat rate of \$150 per location.
- Reduction in Force Cancellation Fee: Failure to provide Company with 24 hours notice of cancellation of Reduction in Force Services will result in a charge of \$375 per incident.

Drug Free Workplace Services: Suite of services to assist Customer in managing workplace related employee substance mis-use and/or disclosure of substance abuse in the workplace. Services for general employer industries include Company EAP case management of mandatory referrals related to workplace impacted substance abuse, as well as management consultation services as described above. Services for transportation related industries, such as employers who are regulated by DOT, FMCSA, FAA, FRA, FTA, PHMSA, etc., include substance abuse case management by a Substance Abuse Professional (SAP) for Department of Transportation regulation compliance. Additional service for transportation regulated employees includes DOT training to meet Drug-Free Workplace regulations regarding drug and alcohol awareness available through American Substance Abuse Professionals (ASAP) or comparable SAP provider. A variety of training formats are available, including on-site, on-line or video.

- Drug Free Workplace services:
 - \$750 per case, for substance abuse case management by Substance Abuse Professionals (SAP) and/or for Department of Transportation regulation compliance.
 - DOT Alcohol and Drug-Free Workplace for Supervisors Training to meet Drug-Free Workplace regulations regarding drug and alcohol use. Additional fees may be added on to the base rate for DOT training. These fees will be assessed on a case-by-case basis and are dependent upon travel expenses and for classes that exceed 50 participants.

EMPLOYEE ASSISTANCE PROGRAM TERMS AND CONDITIONS

- DOT Supervisor Training - 2 hours at \$800
- DOT Alcohol and Drug-Free Workplace for Employees Awareness Training (Note: this training does not meet Drug-Free Workplace regulations regarding drug and alcohol use.) Additional fees may be added on to the base rate for DOT training. These fees will be assessed on a case-by-case basis and are dependent upon travel expenses and for classes that exceed 50 participants.
- DOT Employee Training - 1 hour at \$400

Other Terms/Conditions:

- NOTE: Original contractual definition of "Employee" and "Dependent" are amended to include adult children up to the age of 26.
- Rate excludes any fees for broker commissions.
- Rate is guaranteed for 3 years from the renewal date of July 1, 2018.
- Rate assumes standard billing process of single bill at plan sponsor level only.
- *Utilization reports are provided on a Quarterly basis. If for any 2 consecutive reporting periods there is less than 1% utilization, reporting frequency will default to Annual reporting.
- Company may adjust Service Fees effective as of the date on which any of the following occurs:
 - If, for any Service, there is a change in the number of Employees greater than +/- 20% of current population assumed in Company's quotation as of the Effective Date of this Renewal.
 - Change in Services – A material change in Services is requested or initiated by the Customer or by legislative action.
 - Premium Taxes or Assessments – If legislative or regulatory action results in the assessment of premium taxes or other like charges as it concerns those Services provided under the terms of this Agreement.
 - EAP Services may be subject to regulation under the Knox-Keene Act in the State of California. Program documentation and procedures may be adjusted accordingly.
- Company agrees to abide by ARS statute 38-511.

Appendix G

G) KRONOS Agreement (Telestaff)

Submitted By

Anna Butel, Acting Administrative Director

Background/Discussion

Currently, SFMD utilizes Telestaff for Suppression and Transportation Operation time keeping and scheduling. This was first implemented in 2013, and has had many configuration changes since then. Kronos bought out Telestaff several years ago, and has created a new web-based platform.

This new web-based platform offers new features, reporting, and all non-exempt employees can be added. (Previously, administrative civilian staff utilized another method for time keeping). With this new platform payroll can pull a pre-calculated export and run payroll faster and more efficiently.

Kronos is essential for accurate employee scheduling and time keeping. Please consider allowing us to move forward to more efficiencies.

Financial Impact(s)/Budget Line Item

\$5249.09 Purchase

\$1384.69 Annual Support

Enclosure(s)

Kronos Agreement



ORDER FORM

Quote#: 606213 - 1
 Expires: 30-JUN-2018
 Sales Executive: Patzold, Celeste

Order Type: Upgrade US
 Date: 07-MAY-2018
 Page: 1/2

Bill To: SUPERSTITION FIRE & MEDICAL DISTRICT
 565 NORTH IDAHO ROAD
 APACHE JUNCTION
 AZ 85119
 United States

Ship To: Attn:LAUREN DANIEL
 SUPERSTITION FIRE & MEDICAL DISTRICT
 565 NORTH IDAHO ROAD
 APACHE JUNCTION
 AZ 85119
 United States

Solution ID: 6108071

Contact: Lauren Daniel
Email: lauren.daniel@sfmd.az.gov
Ship To Phone: 1 480 982-4440

Payment Terms: N30
Currency: USD
Customer PO Number:

FOB: Shipping Point
Ship Method:
Freight Term: Prepay & Add

Order Notes:

This order is subject to the terms and conditions of that certain Sales, Software License and Services Agreement between Kronos and Customer dated 09/19/2012.

Customer will continue support on the TELESTAFF WEB ACCESS V2 - TSG HOSTED product. Customer may renew or terminate the TELESTAFF WEB ACCESS V2 - TSG HOSTED product support services in accordance with the terms of the Agreement.

Your Kronos solution includes:

SOFTWARE

Item	License/Qty	Total Price
WORKFORCE TELESTAFF GLOBAL ACCESS V6	153	
	Total Price	1,338.75

SUPPORT SERVICES

Item	Duration	Total Price
PLATINUM SUPPORT SERVICE	1 YR	334.69
	Total Price	334.69

*Support values listed above are total for all applicable products in each section of this order form

PROFESSIONAL SERVICES / EDUCATIONAL SERVICES

Item	Quantity	Unit Price	Total Price
TSG TECHNICAL SERVICES	11 Hours	215.00	2,365.00
Technology Consultant	11 Hours	215.00	
KNOWLEDGE PASS	1 Each	0.00	0.00
ED SERVICES SUBSCRIPTION	1 Contract	1,050.00	1,050.00
	Total Price		3,415.00

QUOTE SUMMARY

Description	Total Price
Subtotal	5,088.44
Deposit	0.00
Tax	160.65
Grand Total	5,249.09

SUPERSTITION FIRE & MEDICAL DISTRICT**Kronos Incorporated**

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Effective Date: _____

Effective Date: _____

Invoice amount will reflect deposit received. All professional services are billed as delivered with a payment term of Net Upon Receipt. Unless otherwise indicated above, this order is subject to the attached terms and conditions which the customer acknowledges have been read. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE TAX AMOUNT SHOWN ON THIS ORDER IS ONLY AN ESTIMATE. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html. Shipping and handling charges will be reflected on the final invoice.



Professional Services Work Order

Opportunity ID: _____

Customer Name: Superstition Fire and Medical

SID: 6108071

Customer Contact: Lauren Daniel

Phone Number: 480) 982-4440 ext. 141

Email Address: lauren.daniel@sfmd.az.gov

Currency: USD

Professional Services Objective/Outcome Deliverable

Technical Upgrade TeleStaff Enterprise v2.x to Workforce TeleStaff v6

Production Environment:

- 1 Application Server, 1 Database, Testing/Validation
- Assist with SSL termination
- Task Replication

Test Environment:

- 1 Application Server, 1 Database, Testing/Validation

Standard Payroll Export

Upgrade Assumptions:

Up to (4) hours are allocated to the set up a new standard payroll export or the upgrade of an existing standard payroll export. Additional configuration and/or tasks are subject to a change order.

Customer is responsible for testing the upgraded database in the development environment, not to exceed a (4) week time period. The project will be closed after eight weeks if customer testing stalls and forward progress toward go live on the upgraded database ceases.

Kronos provides standard task automation instruction and will recreate up to (5) tasks as part of the technical upgrade. Customer is responsible for recreating the remaining tasks.

Upgrade of customs (Rules, Payroll Export Files, Gateway Feeds, Reports) are not in scope.

Configuration services are not in scope.

Customer is responsible for recreating the remaining tasks.

Customer will migrate the database to MS SQL

All services delivered remotely.

Any additional time required to assist customer will be managed through a mutually agreed upon change order signed by both parties.

Budget

Professional Services Part #	Billing Role	Contract Type	UOM	Qty.	Rate	Total Price
9990079-PRO	Technology Consultant	Time and Materials	Hours	11	\$215.00	\$2,365.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
Total Professional Services						\$2,365.00

Sales Executive:	Celeste Patzold	Create Date:	5/7/2018
Author:	Celeste Patzold	Expiration Date:	9/25/2018