VERSION 1.1

February 20, 2019

BOARD OF DIRECTORS MEETING

FEBRUARY 20, 2019

SUPERSTITION FIRE & MEDICAL DISTRICT BOARD

TODD HOUSE, BOARD CHAIRMAN

KATHLEEN CHAMBERLAIN, BOARD CLERK

JEFF CROSS, BOARD DIRECTOR

JASON MOELLER, BOARD DIRECTOR

LARRY STRAND, BOARD DIRECTOR

Superstition Fire & Medical District

Board of Directors Meeting Agenda

February 20, 2019

Mission Statement

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

---

The Board will hold a meeting on Wednesday, February 20, 2019. 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 January 2019 financial reports and bank reconciliations. (BOD #2019-02-01)**

2. **Recognition of employee performance, achievements, and special recognition for community members. (BOD #2019-02-02)**

3. **Call to the Public. (BOD #2019-02-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 #2019-02-03):**

   A. Board Meeting Minutes from January 16, 2019
   B. Work Session Minutes from January 28, 2019
   C. Renewal of Contract for Property and Casualty Insurance Service

5. **Discussion of the Fiscal Year 2019/2020 Tax Abstract for Pinal and Maricopa Counties, and its impact on the development of the Fiscal Year 2019/2020 Revenue Budget. (BOD #2019-02-04)**

6. **Discussion and possible approval of Resolution #2019-02-20-01 for the annexation of the Kauffman Homes properties. (BOD #2019-02-05)**

7. **Discussion and possible approval of annexation of the Arizonian properties. (BOD #2019-02-06)**

8. **Discussion, presentation and possible approval of the following Policies brought for review at the January 16, 2019 Board Meeting for final approval at the February 20, 2019 Board Meeting. (BOD #2019-02-07)**

   - 201 - Emergency Action Plan & Fire Prevention
   - 210 - Solicitation of Funds
   - 318 - Safe Haven Newborn Law
   - 321 - Scene Preservation
   - 322 - Child Abuse
   - 323 - Disposition of Valuables
   - 324 - Carrying of Weapons on Duty
   - 325 - Performance of Duties
   - 326 - Adult Abuse
   - 327 - Traffic Collisions
   - 328 - Line of Duty Death & Serious Injury Investigations
   - 329 - National Fire Incident Reporting System (NFIRS)
   - 332 - Grocery Shopping On-Duty

9. **Discussion and presentation of the following Policies brought for review at the February 20, 2019 Board Meeting for final approval at the March 20, 2019 Board Meeting. (BOD #2019-02-08)**

   - 1000 – Recruitment and Selection
   - 1002 – Promotions and Transfers
   - 1003 – Positions
   - 1004 – Classification Specifications
   - 1006 – Fire Officer Development
   - 1007 – Educational Incentives
   - 1010 – Emergency Recall
   - 1012 – Discriminatory Harassment
   - 1013 – Conduct and Behavior

10. **Discussion and possible approval of Sick Leave Buy-Out at the time of retirement. (BOD #2019-02-09)**

11. **Discussion and possible approval regarding the District's Annual PSPRS Pension Funding Policy #2019-02 (House Bill 2097) effective on July 1, 2019. (BOD #2019-02-10)**

12. **Reports. (BOD #2019-02-11)**

    <u>Senior Leadership Team (SLT)</u>:
    Fire Chief Mike Farber
    Assistant Chief of Emergency Operations Richard Mooney
    Assistant Chief of Planning & Logistics Richard Ochs
    Administrative Services Director Anna Butel
    Finance Director Roger Wood

13. **Executive Session for discussing the Bourgeois letter. The Board may vote to go into executive session pursuant to §ARS 38-431.03(A)(3) for discussion or consultation for legal advice and possible instructions to the District's attorney relating to the same pursuant to §ARS 38-431.03(A)(4). (BOD #2019-02-12)**

    Note: Executive Sessions are confidential pursuant to ARS 38-431.03(C).
    Note: Legal action involving a final vote or decision shall not be taken at an executive session.

14. **Possible instructions to legal counsel regarding the Bourgeois letter. (BOD #2019-02-13)**

15. **New Business / Future Agenda Items. (BOD #2019-02-14)**

16. **Announcements (BOD #2019-02-N/A)**

17. **Adjourn (BOD #2019-02-15)**

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:	February 14, 2019
Reposted on:	February 19, 2019
At:	1300 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 – February 20, 2019
Agenda Item: 1
BOD#: 2019-02-01

Agenda Item Title
Review and approval of the January 2019 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)
January 2019 Letter of Acceptance (for signature)

*Monthly Financials provided under separate cover

Recommended Motion
"Motion to approve the January 2019 financial reports and bank reconciliations."

Go To Item 2

Go to Agenda

Superstition Fire & Medical District

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

Pursuant to A.R.S. §48-807, by the signature(s) below, the Governing Board of the Superstition Fire & Medical District attests to the review and approval of the following financial report(s) of the fire district for the month of **January 2019:**

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

Governing Board Meeting – February 20, 2019
Agenda Item: 2
BOD#: 2019-02-02

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

Submitted By
Fire Chief Mike Farber
Assistant Chief Rick Ochs

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

**** Special Recognition of Mike Gregorie, Retired from SFMD**

February Service Anniversaries

29 Years of Service:
Fire Captain / Paramedic **Paul Perkins**

19 Years of Service:
Administrative Services Director **Anna Butel**
Fire Captain / Paramedic **Carlos Rivera**

10 Years of Service:
Fleet Services Manager **Vaughn Croshaw**

6 Years of Service:
Firefighter / Paramedic **Dave Endres**
Firefighter **Monte Fuller**
Firefighter / Paramedic **Chris Furgeson**
Firefighter **Anthony Martinez**

3 Years of Service:
EMS Coordinator **Eileen Blackstone**
Human Resources Generalist **Sherry Mueller**

1 Year of Service:
Paramedic **Crystal Martin**

Governing Board Meeting – February 20, 2019
Agenda Item: 3
BOD#: 2019-02-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

Governing Board Meeting – February 20, 2019
Agenda Item: 4
BOD#: 2019-02-03

Agenda Item Title

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

A. Board Meeting Minutes from January 16, 2019 – **Appendix A**

B. Work Session Minutes from January 28, 2019 – **Appendix B**

C. Renewal of Contract for Property and Casualty Insurance Service – **Appendix C**

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 February 20, 2019."

Go to Item 5

Go to Appendices

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: # 5
BOD#: 2019-02-04

Agenda Item Title: Discussion of the 2019 Fire District Tax Abstract / Levy Limit Worksheet for Pinal and Maricopa counties, and its impact on the development of the Fiscal Year 2019 / 2020 Revenue Budget.

Submitted By: Fire Chief Mike Farber

Background/Discussion:
The Combined Pinal County & Maricopa County Fire District Levy Limit Worksheet (Tax Abstract) for FY 2019 / 2020 was delivered on February 8. A summary of the District's Net Assessed Valuation (NAV) and its impact on the property tax revenues for FY 2019 / 2020 is as follows:

	Pinal	Maricopa	Total	% Increase (Decrease)
Centrally Assessed Property	10,180,572	25	10,180,597	(6.02%)
Locally Assessed Property	30,524,145	144,616	30,668,761	8.70%
Locally Assessed Personal Property	365,438,787	289,036	365,727,823	5.34%
Total	**406,143,504**	**433,677**	**406,577,181**	**5.26%**

At the current tax rate of $3.25 per $100 of Net Assessed Value, the NAV increase results in an additional **$650,263** in tax revenues for the General (100) Fund.

At the current special assessment rate of $0.25 per $100 of NAV, the NAV increase results in an additional **$50,472** in tax revenues for the Capital Replacement (200) Fund.

The District Salt River Project (SRP) NAV is still not known.

Recommended Motion: For informational purposes only – no Board action required.

Financial Impact: For FY 2018 / 2019 Budgeting purposes for the General (100) and Capital Replacement (200) Funds.

Enclosures: 2019 Combined Pinal County & Maricopa County Fire District Levy Limit (Tax Abstract)

Recommended Motion
N/A

Go To Item 6

Go to Agenda

2019 FIRE DISTRICT LEVY LIMIT WORKSHEET

MARICOPA & PINAL COUNTIES - SUPERSTITION FIRE & MEDICAL

	MARICOPA	PINAL	COMBINED
ADJUSTMENTS FOR ANNEXED PROPERTY	**2018**	**2018**	**2018**
A.1. Net Assessed Value of Property Annexed for TY 2019	$0	$0	$0
A.2. A.1. divided by 100	$0	$0	$0
A.3. Prior Year Actual Tax Rate (excluding debt service tax rate)	$3.2500	$3.2500	$3.2500
A.4. Adjustment for Annexed Property (A.2. multiplied by A.3.)	$0	$0	$0

MAXIMUM ALLOWABLE LEVY LIMIT	**2019**
B.1. Prior Year Maximum Allowable Levy Limit (B.4 from prior year)	$23,935,539
B.2. Line B.1. multiplied by 1.08	$25,850,382
B.3. Plus amount attributable to annexed property (Line A.4.)	$0
B.4. **MAXIMUM ALLOWABLE LEVY LIMIT** (Line B.2. + B.3.)	**$25,850,382**

CURRENT YEAR NET ASSESSED VALUES	**2019**	**2019**	**2019**
C.1. Centrally Assessed Property	$25	$10,180,572	$10,180,597
C.2. Locally Assessed Real Property	$289,036	$365,438,787	$365,727,823
C.3. Locally Assessed Personal Property	$144,616	$30,524,145	$30,668,761
C.4. Total Net Assessed Values (C.1. through C.3.)	**$433,677**	**$406,143,504**	**$406,577,181**
C.5. C.4. divided by 100	$4,337	$4,061,435	$4,065,772

CURRENT YEAR TAX RATE / LEVY LIMIT CALCULATION	**2019**	**2019**	**2019**
D.1. Current Year Net Assessed Values / 100 (Line C.5.)			$4,065,772
D.2. Maximum Allowable Levy Limit (Line B.4.)			$25,850,382
D.3. Tax Rate (D.2. divided by D.1.; rounded to 4 decimals)			$6.3581
D.4. Maximum Tax Rate (lesser of D.3. or $3.50) /2			$3.5000
D.5. **Current Year Allowable Tax Rate** /1	**$3.5000**	**$3.5000**	**$3.5000**
D.6. **Current Year Allowable Levy Limit** (D.5. multiplied by D.1.)	**$15,179**	**$14,215,022**	**$14,230,201**
D.7. Prior Year Excess Collections			
D.8. Prior Year Excess Levy			
D.9. **Current Year Allowable Levy Limit** (D.6. - D.7. - D.8.)	**$15,179**	**$14,215,022**	**$14,230,201**

/1 Adjusted D.5. to avoid a levy that exceeds the maximum allowable levy limit (Line B.4.)

/2 On November 8, 2016, voters approved a budget override adjusting the maximum allowable tax rate from $3.25 to $3.50 for tax year 2017 through tax year 2021. The maximum tax rate will return to $3.25 for tax year 2022. (Reference Session Law 2016, Chapter 219, SB 1244)

Paul D Petersen
Assessor

Office of the
Maricopa County
Assessor

2019 Levy Limit Worksheet

Superstition Fire & Medical

A. Annexed Property

A1	Net Assessed Value of Annexed Property (2018 for TY 2019)	**$0**
A2	2018 Actual Tax Rate	$3.2500
A3	Adjustment Annexed Property Levy (A1/100*A2)	0
A4	Total Adjustment for Annexed Property	**$0**

B. Maximum Levy

B1	Actual Tax Levy (excluding debt service)	$26,033
B2	B1 Multipled by 1.08	$28,116
B3	Annexed Property Amount (Line A4)	0
B4	Maximum Allowable Levy Limit (Line B2 + B3)	**$28,116**

Assessor **Maricopa County**

C. Current Net Assessed Value (2019)

C4	Net Assessed Value	**$433,677**

D. Levy Limit Calculation

D1	Current Net Assessed Value / 100	4,337
D2	Maximum Allowable Levy Amount (Line B4)	28,116
D3.	Allowable Tax Rate (D2. divided by D1.)	6.4832
D4	Maximum Allowable Tax Rate (Lessor D3 or $3.25)	3.5000
D5.	Current Year Allowable Tax Rate	**$3.5000**
D6.	Current Year Maximum Allowable Levy Limit (D5. Multipled by D1.)	**$15,179**
D7.	Prior Year Excess Collections	0.00
D8.	Prior Year Excess Levy	0.00
D9.	**Current Year Allowable Levy Limit (D6. - D7. -D8.)**	**$15,179**

G. Sources

G1. Maricopa County Assessor Reports: Abstracts (SR41110,SR41075,SR41070, SR41095 & SR41085)
G2. Maricopa County Assessor Reports: Annexations (SR41111)
G3. Arizona Department of Revenue Annexation Report

Paul D Petersen
Assessor

Office of the
Maricopa County
Assessor

2019 Net Assessed Value Detail

Superstition Fire & Medical

Current Net Assessed (2019)	Primary	Primary Growth
C1. Net Centrally Valued Property	25	4.2%
C2. Net Real Property	289,036	5.0%
C4. Net Personal Property	144,616	1.1%
C4a Exemptions	84,080	55.1%
C5. **Net Assessed**	**433,677**	**3.7%**

0

Prior Year Net Assessed Value	February 10, 2018 Primary
F1. Net Centrally Valued Property	24
F2. Net Real Property	275,272
F4. Net Personal Property	143,034
F4a. Exemptions	54,193
F5. Net Assessed	**418,330**

0

G. Sources

G1. Maricopa County Assessor Reports: Abstracts (SR41110,SR41075,SR41070, SR41095 & SR41085)

G2. Maricopa County Assessor Reports: Annexations (SR41111)

G3. Arizona Department of Revenue Annexation Report

H. Notes

H1. The Levy Worksheets have been modified to reflect net assessed valuations for the Current Property Subject to Taxation in Prior Year, Current Net Assessed Valuations and Prior Year Net Assessed Valuations.

H2. The Levy Worksheets have been modified for Tax Year 2013 to combine unsecured and secured Personal Property into a single net assessed valuations for the Current Property Subject to Taxation in Prior Year, Current Net Assessed Valuations and Prior Year Net Assessed Valuations.

2019 FIRE DISTRICT LEVY LIMIT WORKSHEET

Date: 2/4/2019

MARICOPA & PINAL COUNTIES - SUPERSTITION FIRE & MEDICAL

	PINAL *
ADJUSTMENTS FOR ANNEXED PROPERTY	**2018**
A.1. Net Assessed Value of Property Annexed for TY 2019	$0
A.2. A.1. divided by 100	$0
A.3. Prior Year Actual Tax Rate (excluding debt service tax rate)	$3.2500
A.4. Adjustment for Annexed Property (A.2. multiplied by A.3.)	$0
MAXIMUM ALLOWABLE LEVY LIMIT	**2019**
B.1. Prior Year Maximum Allowable Levy Limit (B.4 from prior year)	$23,909,616
B.2. Line B.1. multiplied by 1.08	$25,822,385
B.3. Plus amount attributable to annexed property (Line A.4.)	$0
B.4. **MAXIMUM ALLOWABLE LEVY LIMIT** (Line B.2. + B.3.)	**$25,822,385**
CURRENT YEAR NET ASSESSED VALUES	**2019**
C.1. Centrally Assessed Property	$10,180,572
C.2. Locally Assessed Real Property	$365,438,787
C.3. Locally Assessed Personal Property	$30,524,145
C.4. Total Net Assessed Values (C.1. through C.3.)	**$406,143,504**
C.5. C.4. divided by 100	$4,061,435
CURRENT YEAR TAX RATE / LEVY LIMIT CALCULATION	**2019**
D.1. Current Year Net Assessed Values / 100 (Line C.5.)	$4,061,435
D.2. Maximum Allowable Levy Limit (Line B.4.)	$25,822,385
D.3. Tax Rate (D.2. divided by D.1.; rounded to 4 decimals)	$6.3579
D.4. Maximum Tax Rate (lesser of D.3. or $3.50) /1	$3.5000
D.5. **Current Year Allowable Tax Rate** /2	**$3.5000**
D.6. **Current Year Allowable Levy Limit** (D.5. multiplied by D.1.)	**$14,215,023**
D.7. Prior Year Excess Collections	
D.8. Prior Year Excess Levy	
D.9. **Current Year Allowable Levy Limit** (D.6. - D.7. - D.8.)	**$14,215,023**

/1 Adjusted D.5. to avoid a levy that exceeds the maximum allowable levy limit (Line B.4.)

/2 On November 8, 2016, voters approved a budget override adjusting the maximum allowable tax rate from $3.25 to $3.50 for tax year 2017 through tax year 2021. The maximum tax rate will return to $3.25 for tax year 2022. (Reference Session Law 2016, Chapter 219, SB 1244)

***** Preliminary Worksheet - a combined levy limit worksheet will be distributed by PTOC staff based on values for Maricopa and Pinal Counties.***

Note: The combined prior year maximum allowable levy limit for line B.1 is $23,935,539 (or $25,923 for Maricopa and $23,909,616 for Pinal Counties).

Governing Board Meeting – February 20, 2019
Agenda Item: #6
BOD#: 2019-02-05

Agenda Item Title
Discussion and possible approval of Resolution #2019-02-20-01 for the annexation of the Kauffman Homes properties.

Submitted By
Fire Chief Mike Farber

Background/Discussion
This annexation will bring nearly $100,000 revenue from the increased Net Assessed Valuation for the District. Once the Board approves the annexation request, the property will become part of the District after 30 days. At that point, the annexation will be recorded by the county.

Financial Impact(s)/Budget Line Item

Enclosure(s)
Resolution #2019-02-20-01

Recommended Motion
"Motion to approve Resolution #2019-02-20-01 for the annexation of the Kauffman Homes two-parcel properties"

Go To Item 7

Go to Agenda

SUPERSTITION FIRE & MEDICAL DISTRICT

Resolution No. 2019-02-20-01
(Annexation of Kauffman Homes, Apache Junction, Arizona – Parcel No. 104-07-001B, 104-07-001C, and 104-07-001D)

[Single Parcel Annexation]

A FORMAL RESOLUTION OF THE ELECTED BOARD OF THE SUPERSTITION FIRE & MEDICAL DISTRICT ORDERING A CHANGE OF THE FIRE DISTRICT BOUNDARIES TO INCLUDE THAT PROPERTY DESCRIBED IN EXHIBIT "A" AS ATTACHED HERETO;

WHEREAS, the Superstition Fire & Medical District Governing Board has been presented with a valid request for annexation of the property described in **Exhibit "A"** as attached hereto, requesting that said property be annexed into the jurisdictional boundaries of the District; and

WHEREAS, the subject property is located within Pinal County and is contiguous to the boundaries of the Superstition Fire & Medical District as shown on the map attached hereto as **Exhibit "B"**; and

WHEREAS, the Superstition Fire & Medical District Governing Board believes that said annexation would be in the best interest of the District and the property owner, and would promote the public health, comfort, convenience, necessity or welfare; and

WHEREAS, the Apache Junction City Council approved said annexation of the above-referenced property into the District by way of Resolution No. _____ (attached hereto as **Exhibit "C"**), pursuant to the requirements of A.R.S. § 48-262(I); and

WHEREAS, all other pertinent requirements of A.R.S. § 48-262 have been addressed and met according to law; and

WHEREAS, the Superstition Fire & Medical District Board has determined that the inclusion of the subject property within the boundaries of the Superstition Fire & Medical District will benefit the Superstition Fire & Medical District and the property owner.

NOW THEREFORE, BE IT RESOLVED that the Fire District Board does hereby find that the proposed annexation satisfies the requirements of A.R.S. § 48-262(I), and does hereby order the change to its boundaries to include the property described above, as more specifically set forth in the attached legal description and map.

APPROVED AND ADOPTED this 20th day of February, 2019.

_____
Board Chairperson
Superstition Fire & Medical District

_____
Board Clerk

CITY OF APACHE JUNCTION
300 E. SUPERSTITION BLVD.
APACHE JUNCTION, AZ 85119

Resolution No. 2019-_____

A RESOLUTION OF THE APACHE JUNCTION CITY COUNCIL APPROVING THE ANNEXATION OF PARCEL #104-07-001B, PARCEL #104-07-001C, AND PARCEL #104-07-001D, CURRENTLY LOCATED WITHIN CITY BOUNDARIES, INTO THE SUPERSTITION FIRE AND MEDICAL DISTRICT.

WHEREAS, a property owner whose property is located within the City of Apache Junction has filed an Application for Annexation without a Petition, with the Superstition Fire & Medical District (attached hereto as Exhibit "A"); and

WHEREAS, the property described in Exhibit "A", attached hereto, has been deemed to be contiguous to current District boundaries; and

WHEREAS, the Superstition Fire and Medical District believes that the annexation of said real property into the District will benefit the District and the property owner; and

WHEREAS, pursuant to A.R.S. § 48-262(I) it is necessary that the City of Apache Junction adopt a resolution approving the annexation of that certain real property into the Superstition Fire and Medical District.

NOW THEREFORE BE IT RESOLVED that, pursuant to A.R.S. § 48-262(I), the Apache Junction City Council does hereby approve the annexation of the above-referenced parcel #'s 104-07-001B, 104-07-001C, and 104-07-001D into the Superstition Fire and Medical District.

ADOPTED AND APPROVED this _____ day of February, 2019.

APACHE JUNCTION CITY COUNCIL

_____

By: Jeff Serdy, Mayor

ATTEST:

_____

By: Chip Wilson, Vice-Mayor

APPLICATION FOR
ANNEXATION WITHOUT A PETITION
(Single Parcel Annexation)

Date: 2-1-19

To: Superstition Fire & Medical District
Attn: Governing Board
565 N. Idaho Road
Apache Junction, AZ 85119

Dear Chairman,

As per A.R.S. § 48-262(I), I would like to request that my property be included into the boundaries of the Superstition Fire & Medical District.

My property is contiguous to the District's current boundaries and is more specifically described as:

Parcel # 104-07-001B; 104-07-001C; and 104-07-001D Section/Township /Range S 3/ T 1 South/ R 8 East

Physical Address: _____

_____, AZ _____

Mailing Address: P.O. Box 18571
if different from above
Fountain Hills, AZ 85269

(A copy of the legal description and a map of this property must be included with this application.)

I appreciate your consideration on this matter and look forward to hearing from you.

Property Owner(s):
Print Name: Superstition Vista Development, LLC

Number of people living in this home (if applicable): _____

Phone Number(s): 480-816-6155 or _____

Signature of Applicant: _____

Signature of Co-Applicant (if applicable): _____

For Office Use Only

Verification: Is property contiguous to current SFMD property: _____
Date Application received: _____

Signature _____ (Title)

EXHIBIT A
Legal Description

PARCEL NO. 1: (Tax Parcel No. 104-07-001B)

The East half of the Southwest quarter of the Northeast quarter of Section 3, Township 1 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT all minerals as reserved by the United States of America in the Patent recorded May 11, 1956 in Docket 152, page 372, records of Maricopa County, Arizona.

PARCEL NO. 2: (Tax Parcel No. 104-07-001C)

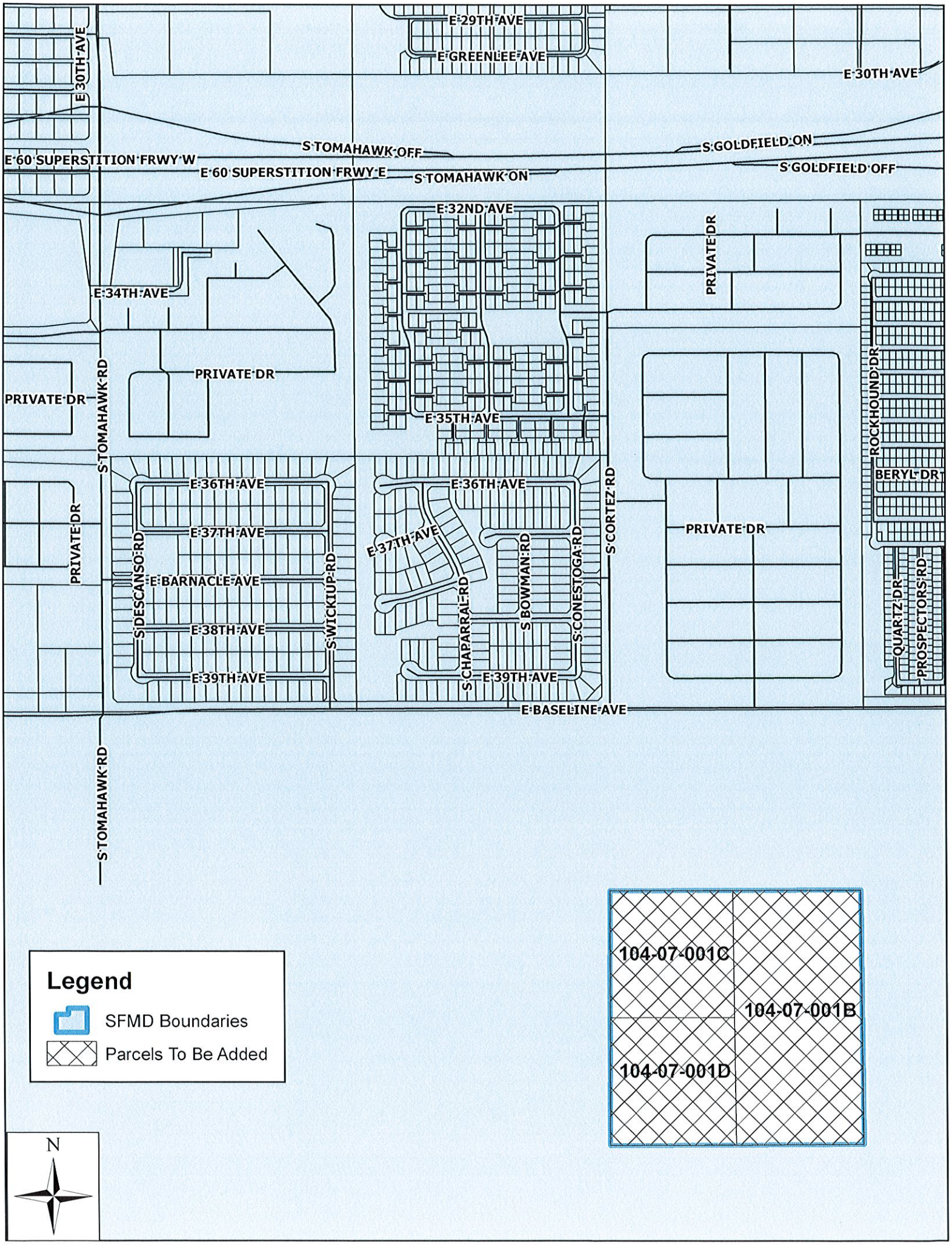
The North half of the West half of the Southwest quarter of the Northeast quarter of Section 3, Township 1 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT all minerals as reserved by the United States of America in the Patent recorded May 11, 1956 in Docket 152, page 372, records of Maricopa County, Arizona.

EXHIBIT A
Legal Description

The South half of the West half of the Southwest quarter of the Northeast quarter of Section 3, Township 1 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT all minerals as reserved by the United States of America in the Patent recorded May 11, 1956 in Docket 152, page 372, records of Maricopa County, Arizona.


E 29TH AVE
E GREENLEE AVE
E 30TH AVE
E 30TH AVE
S TOMAHAWK OFF
S GOLDFIELD ON
E 60 SUPERSTITION FRWY W
E 60 SUPERSTITION FRWY E
S TOMAHAWK ON
S GOLDFIELD OFF
E 32ND AVE
PRIVATE DR
E 34TH AVE
PRIVATE DR
PRIVATE DR
S TOMAHAWK RD
E 35TH AVE
ROCKHOUND DR
BERYL DR
E 36TH AVE
E 36TH AVE
S CORTEZ RD
PRIVATE DR
PRIVATE DR
E 37TH AVE
E 37TH AVE
S DESCANSO RD
S WICKIUP RD
S BOWMAN RD
S CONESTOGA RD
E BARNACLE AVE
S CHAPARRAL RD
QUARTZ DR
PROSPECTORS RD
E 38TH AVE
E 39TH AVE
E 39TH AVE
E BASELINE AVE
S TOMAHAWK RD
104-07-001C
104-07-001B
104-07-001D
Legend
SFMD Boundaries
Parcels To Be Added
N

Governing Board Meeting – February 20, 2019
Agenda Item: #7
BOD#: 2019-02-06

Agenda Item Title
Discussion and possible approval of annexation of The *Arizonian* properties.

Submitted By
Fire Chief Mike Farber

Background/Discussion
Staff is requesting direction from the Board regarding potential annexation of *The Arizonian* properties. In recent months, efforts have been made to convince the owner to seek annexation in to the District, but that has not happened yet. If the owner resists annexation, Staff is recommending notifying the owner that SFMD will stop services in 90 days after receipt of notification letter. Also, to discuss and possibly approve direct billing of individuals residing at *The Arizonian* who are utilizing our services if annexation is not successful.

Financial Impact(s)/Budget Line Item
N/A

Enclosure(s)
N/A

Recommended Motion
"TBD."

Go To Item 8

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: #8
BOD#: 2019-02-07

Agenda Item Title
SFMD Policy Manual – Policies reviewed in January.

Submitted By
Mike Farber, Fire Chief
Anna Butel, Administrative Services Director

Background/Discussion
In the January Board of Directors meeting, the following policies were submitted for review:

1. 201 Emergency Action Plan and Fire Prevention
2. 210 Solicitation of Funds
3. 318 Safe Haven Newborn Law
4. 321 Scene Preservation
5. 322 Child Abuse
6. 323 Disposition of Valuables
7. 324 Carrying Weapons on-Duty
8. 325 Performance of Duties
9. 326 Adult Abuse
10. 327 Traffic Collisions
11. 328 Line-of-Duty Death and Serious Injury Investigations
12. 329 National Fire Incident Reporting System (NFIRS)
13. 332 Grocery Shopping On-Duty

These are essential policies and are part of the comprehensive Lexipol/SFMD policy manual.

Financial Impact(s)/Budget Line Item
NA

Enclosure(s)

Recommended Motion
"Motion to approve policies: Emergency Action Plan & Fire Prevention, Solicitation of Funds, Safe Haven Newborn Law, Scene Preservation, Child Abuse, Disposition of Valuables, Carrying Weapons on-Duty, Performance of Duties, Adult Abuse, Traffic Collisions, Line-of-Duty Death & Serious Injury Investigations, National Fire Incident Reporting System (NFIRS) and Grocery Shopping On-Duty. "

Go To Item 9

Go to Agenda

Governing Board Meeting – January 16, 2019
Agenda Item: #9
BOD#: 2019-01-08

Agenda Item Title
Policy Review – For possible approval in the March 2019 Board of Director Meeting.

Submitted By
Mike Farber, Fire Chief
Anna Butel, Administrative Services Director

Background/Discussion
As you are aware, SFMD is currently creating a new policy manual through the implementation of Lexipol. After your review, we will be seeking approval in the February meeting. Although, these policies require board approval they will not go into effect until the completion of the policy manual. Ideally, we do not want to burden the board with a large manual that requires approval all at once, and we want to avoid membership confusion by having only manual.

Financial Impact(s)/Budget Line Item
NA

Enclosure(s)

- 1000 – Recruitment and Selection
- 1002 – Promotions and Transfers
- 1003 – Positions
- 1004 – Classification Specifications
- 1006 – Fire Officer Development
- 1007 – Educational Incentives
- 1010 – Emergency Recall
- 1012 – Discriminatory Harassment
- 1013 – Conduct and Behavior

Recommended Motion
No motion at this time.

Go To Item 10

Go to Agenda

Recruitment and Selection

1000.1 PURPOSE AND SCOPE

Best Practice

The purpose of this policy is to establish the recruiting, selection, training and retention processes utilized by the Superstition Fire & Medical District. This policy supplements any rules that govern employment practices for the Superstition Fire & Medical District.

1000.2 POLICY

Best Practice

In accordance with applicable federal, state and local law, the Superstition Fire & Medical District provides equal opportunities for applicants and district members regardless of race, gender expression, age, pregnancy, religion, creed, color, national origin, ancestry, physical or mental handicap, genetic information, veteran status, marital status, sex or any other protected class or status. The District does not show partiality or grant any special status to any applicant, member or group of members, unless otherwise required by law.

1000.3 RECRUITMENT

Best Practice MODIFIED

The Administrative Services Division should employ a comprehensive recruitment and selection strategy to recruit and select members from a qualified and diverse pool of candidates.

The strategy should include:

(a) Identification of racially and culturally diverse target markets.

(b) Use of marketing strategies to target diverse applicant pools.

(c) Expanded use of technology and maintenance of a strong internet presence. This may include an interactive district website and the use of district-managed social networking sites, if resources permit.

(d) Expanded outreach through partnerships with media, community groups, citizen academies, local colleges, universities and the military.

(e) Member referral.

(f) Consideration of shared or collaborative regional testing processes.

The Administrative Services Division shall avoid advertising, recruiting and screening practices that tend to stereotype, focus on homogeneous applicant pools or screen applicants in a discriminatory manner.

The District should strive to facilitate and expedite the screening and testing process, and should periodically inform each candidate of his/her status in the recruiting process.

1000.4 SELECTION PROCESS

Best Practice MODIFIED

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

The District shall actively strive to identify a diverse group of candidates that have in some manner distinguished themselves as being outstanding prospects. Minimally, the District should employ a comprehensive screening, background investigation and selection process that assesses cognitive and physical abilities and includes review and verification of the following:

- A comprehensive application for employment (including previous employment, references, current and prior addresses, education, military record)
- Driving record
- Reference checks
- Employment eligibility, including U.S. Citizenship and Immigration Services (USCIS) Employment Eligibility Verification Form I-9 and acceptable identity and employment authorization documents (documentation may be requested upon hire)
- Information obtained from public internet sites
- Financial history consistent with the Fair Credit Reporting Act (FCRA) and Arizona law (15 USC § 1681 et seq.; ARS § 44-1692)
- Local, state and federal criminal history record checks
- Polygraph or computer voice stress analyzer (CVSA) examination (when legally permissible)
- Medical, pre-employment drug screening, and psychological examination (may only be given after a conditional offer of employment)
- Review board or selection committee assessment

1000.4.1 VETERAN PREFERENCE

State

The District will provide veteran preference points as required (ARS § 38-492).

1000.5 BACKGROUND INVESTIGATION

Best Practice

Every candidate shall undergo a thorough background investigation to verify his/her personal integrity and high ethical standards, and to identify any past behavior that may be indicative of the candidate's unsuitability to perform duties relevant to the operation of the Superstition Fire & Medical District.

1000.5.1 NOTICES

Federal **MODIFIED**

The Administrative Services Division shall ensure that investigations are conducted and notices provided in accordance with the requirements of the FCRA and the Arizona consumer reporting law (15 USC § 1681d; ARS § 44-1693).

1000.5.2 CRIMINAL BACKGROUND INFORMATION

Best Practice

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Criminal background information, whether directly from the Arizona Department of Public Safety Criminal History Records Section or provided by a third party, may have restrictions on the access, use, security and release of the information. The Administrative Services Division shall establish procedures to ensure compliance with any applicable requirements and security limitations.

1000.5.3 REVIEW OF SOCIAL MEDIA SITES

Best Practice **MODIFIED**

Due to the potential for accessing unsubstantiated, private or protected information, the Administrative Services Division should not require candidates to provide passwords, account information or access to password-protected social media accounts.

The Administrative Services Director should consider utilizing the services of an appropriately trained and experienced third party to conduct open source, internet-based searches and/or review information from social media sites to ensure that:

- The legal rights of candidates are protected.
- Material and information to be considered are verified, accurate and validated.
- The District fully complies with applicable privacy protections and local, state and federal law.

Regardless of whether a third party is used, the Administrative Services Director should ensure that potentially impermissible information is not available to any person involved in the candidate selection process.

1000.5.4 RECORDS RETENTION

Best Practice

The background report and all supporting documentation shall be maintained in accordance with the established records retention schedule.

1000.5.5 DOCUMENTING AND REPORTING

Best Practice

The background investigator shall summarize the results of the background investigation in a report that includes sufficient information to allow the reviewing authority to decide whether to extend a conditional offer of employment. The report shall not include any information that is prohibited from use, including that from social media sites, in making employment decisions. The report and all supporting documentation shall be included in the candidate's background investigation file.

1000.6 DISQUALIFICATION GUIDELINES

Best Practice

As a general rule, performance indicators and candidate information and records shall be evaluated by considering the candidate as a whole, and taking into consideration the following:

- Age at the time the behavior occurred
- Passage of time

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

- Patterns of past behavior
- Severity of behavior
- Probable consequences if past behavior is repeated or made public
- Likelihood of recurrence
- Relevance of past behavior to public safety employment
- Aggravating and mitigating factors
- Other relevant considerations

A candidate's qualifications will be assessed on a case-by-case basis, using a totality-of-the-circumstances framework.

1000.7 EMPLOYMENT STANDARDS

Best Practice

All candidates shall meet the minimum standards required by state law. Candidates will be evaluated based on merit, ability, competence and experience, in accordance with the high standards of integrity and ethics valued by the District and the community.

Validated, job-related and nondiscriminatory employment standards shall be established for each job classification and shall minimally identify the training, abilities, knowledge and skills required to perform the position's essential duties in a satisfactory manner (see the Position Descriptions Policy). Each standard should include performance indicators for candidate evaluation. The Department of Human Resources should maintain validated standards for all positions.

Selection standards for promotional opportunities are detailed in the Promotions and Transfers Policy.

1000.7.1 STANDARDS FOR FIREFIGHTERS

Best Practice

Generally, the standards may include the following requirements. The candidate should:

(a) Be at least 18 years of age by the closing date of the recruitment period.

(b) Be in possession of a high school diploma or a General Equivalency Diploma (GED).

(c) Have good vision in both eyes, with the ability to distinguish Occupational Safety and Health Administration (OSHA) color codes for hazardous materials (e.g., blue, red, yellow, white), and have no depth or peripheral vision impairment.

(d) Meet the objectives and minimum standards established in the International Association of Fire Chiefs (IAFC)/International Association of Fire Fighters (IAFF) Fire Service Joint Labor Management Wellness-Fitness Initiative or similar validated health screening process.

(e) Meet the minimum standards established by the National Fire Protection Association (NFPA).

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

(f) Be in possession of, or have the ability to obtain, a valid state driver license in the class required for the position sought.

(g) Be a U.S. citizen or have proof of a legal right to work in the U.S.

1000.8 TRAINING

Best Practice

All entry-level firefighter candidates should complete training in an accredited fire training program established by the Arizona Center for Fire Service Excellence.

1000.9 RETENTION

Best Practice

The primary focus should be on hiring those who are the best fit for a particular position. In order to retain quality members, the District should:

- Seek member input on retention strategies.
- Develop a workplace that respects, encourages and enables a work/life balance.
- Facilitate training and career development opportunities.
- Develop and maintain quality supervisors.
- Provide regular and meaningful performance feedback.
- Promote an environment where members are able to speak freely.
- Treat members fairly, equitably and consistently.
- Consider ways to reward excellent performance.
- Follow up on any feedback acquired during an exit interview process.

Retention incentives may include items from a collective bargaining agreement, employment benefits, seniority benefits, forms of recognition, etc.

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Promotions and Transfers

1002.1 PURPOSE AND SCOPE

Discretionary

The purpose of this policy is to establish required and desirable qualifications for promotion and transfer within the ranks of the Superstition Fire & Medical District.

1002.2 POLICY

Discretionary MODIFIED

The Superstition Fire & Medical District provides equal employment opportunities for employees regardless of race, sexual orientation, age, pregnancy, religion, creed, color, national origin, ancestry, physical or mental handicap, veteran status, marital status or sex. It is the policy of the Superstition Fire & Medical District to utilize the promotional testing criteria, study materials and testing instruments available from authenticated and validated local, regional and nationally recognized best practices in the fire service. This policy will establish the required and desirable qualifications for promotion and transfer within the ranks of the District based on this criteria.

Nothing in this policy is intended to supersede any contract language related to promotional requirements that may exist in a memorandum of understanding.

1002.3 GENERAL REQUIREMENTS

Discretionary MODIFIED

The following conditions will be used in evaluating members for promotion and transfer:

(a) Presents a professional, and neat appearance.

(b) Demonstrates the following traits:

1. Emotional stability and maturity
2. Stress tolerance
3. Sound judgment and decision-making ability
4. Personal integrity and ethical conduct
5. Leadership
6. Initiative
7. Adaptability and flexibility
8. Ability to conform to organizational goals and objectives in a positive manner

1002.4 TRANSFERS

Discretionary MODIFIED

The following position is defined as a transfer and is not considered a promotion:

- Training Officer

Copyright Lexipol, LLC 2019/01/30, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

- Battalion Safety Officer

1002.4.1 DESIRABLE TRANSFER QUALIFICATIONS

Discretionary

The following qualifications are considered for transfer:

- Three years of experience
- Completion of the probationary period with the Superstition Fire & Medical District
- Expressed interest in the transfer position
- Education, training and demonstrated abilities in areas related to the transfer position
- Completion of any local, regional or national training or certification for the transfer position

1002.4.2 TRANSFER CRITERIA

Discretionary MODIFIED

The following criteria apply to transfers:

(a) Administrative evaluation as determined by the Fire Chief. This shall include a review of supervisor recommendations. Each supervisor who has supervised or otherwise been involved with the candidate should submit these recommendations.

(b) The supervisor recommendations should be submitted to the Assistant Chief/Director for whom the candidate will work. The Assistant Chief/Director should schedule interviews with each candidate.

(c) Based on supervisor recommendations and those of the Assistant Chief/Director after the interview, the Assistant Chief/Director should submit his/her recommendation to the Fire Chief.

(d) Transfers will be made by the Fire Chief.

(e) Members transferred from a 56 hour schedule to a 40 hour schedule are entitled to incentive pay.

Position	5.5% Annual Incentive
Firefighter	$3,574.39
Engineer	$4,163.29
Captain	$4,828.14

The policy and procedures for all positions may be waived for temporary assignments, for emergency situations or for training in accordance with any applicable memorandum of understanding.

1002.5 PROMOTIONS

Discretionary

Specifications for promotional opportunities are on file with the Superstition Fire & Medical District.

Copyright Lexipol, LLC 2019/01/30, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

1002.6 TRAINING OFFICER RESPONSIBILITIES

Discretionary

It is the responsibility of the Training Officer to maintain a training file on each member of the District. Any relevant training certificate or certification document submitted to the District by a member should be permanently retained in the member's training file.

Copyright Lexipol, LLC 2019/01/30, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Position Descriptions

1003.1 PURPOSE AND SCOPE

Best Practice

The purpose of this policy is to establish a comprehensive description of overall duties and responsibilities of each rank or job classification within the District.

1003.2 POLICY

Best Practice

It is the policy of the Superstition Fire & Medical District to develop unique position descriptions for each assignment within an established rank or classification.

1003.3 PROCEDURE

Best Practice MODIFIED

The Department of Human Resources will generally develop and maintain classification specifications (e.g., firefighter, Captain, Battalion Chief). Within the classification specifications there may be multiple assignments. The descriptions will detail the unique duties and responsibilities of each assignment.

Position descriptions may be included in a memorandum of understanding.

Position descriptions should be considered living documents and should be reviewed and evaluated for modification. This should occur at least annually and any time duties or expectations of a specific position substantially change.

Position descriptions should be reviewed prior to hiring to ensure the candidate's knowledge, skills and abilities are consistent with the current performance expectations of the position.

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Classification Specifications

1004.1 PURPOSE AND SCOPE

Best Practice

The purpose of this policy is to establish the origin and maintenance processes of the job classifications applicable to the Superstition Fire & Medical District.

1004.2 POLICY

Best Practice

It is the policy of the Superstition Fire & Medical District to coordinate with the Department of Human Resources for the development of job classifications unique to the District.

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Fire Officer Development

1006.1 PURPOSE AND SCOPE

Discretionary

The purpose of this policy is to outline the required and recommended competencies in the Superstition Fire & Medical District's fire officer development program.

1006.2 POLICY

Discretionary

It is the policy of the Superstition Fire & Medical District to use professionally recognized programs and resources to train and develop members for supervisory roles.

1006.3 RESOURCES

Discretionary

To assist members in developing the needed competencies for supervisory roles, the Superstition Fire & Medical District will utilize such resources as:

- The Arizona Center for Fire Service Excellence.
- The Arizona Fire Chiefs Association Fire and EMS Leadership Conference.
- The Arizona State University (ASU) Certified Public Manager Program.
- The ASU Management and Leadership Institute.
- The Center for Public Safety Excellence's (CPSE) Fire Officer Designation (FO).
- The National Fire Academy's (NFA) Executive Fire Officer Program (EFOP).
- The National Fire Protection Association (NFPA) 1021, Standard for Fire Officer Professional Qualifications.
- The International Association of Fire Chiefs' (IAFC) *Officer Development Handbook*.
- Other district-approved certification programs for the professional development of fire officers.

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Educational Incentives

1007.1 PURPOSE AND SCOPE

Discretionary MODIFIED

The purpose of this policy is to identify the educational incentives available to Superstition Fire & Medical District members pursuant to the memorandum of understanding or the established personnel agreement, and to establish a system of accessing the benefits.

1007.2 POLICY

Discretionary MODIFIED

It is the policy of the Superstition Fire & Medical District that the educational incentives established in the memorandum of understanding or the established personnel agreement shall be available to all members who meet the defined requirements.

Incentive (Full Time)	Annual Amount
Paramedic (Public Safety Only)	$7,500.00
Technical Rescue Team (Public Safety Only)	$1,800.00
SCBA (Public Safety Only)	$1,800.00
Battalion Safety Officer (Public Safety Only)	$2,100.00

Educational Incentive	Annual Amount
Certificate of Completion (Position Specific)	$600.00
College Degree	$1,200.00

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Emergency Recall

1010.1 PURPOSE AND SCOPE

Best Practice

The purpose of this policy is to establish the right of the Superstition Fire & Medical District to recall off-duty employees in the event of a large-scale or protracted emergency, natural disaster or other unusual situation that depletes on-duty resources. The policy also establishes the procedures to be used to recall off-duty employees, in accordance with state and federal laws and collective bargaining agreements.

1010.1.1 DEFINITIONS

Best Practice

Definitions related to this policy include:

Automatic aid - Apparatus and firefighters who are dispatched automatically by contractual agreement between two fire departments, communities or fire districts.

Mutual aid - Apparatus and firefighters who are dispatched, upon request, by the responding fire department. Mutual aid is defined by a signed contractual agreement between the Superstition Fire & Medical District and neighboring jurisdictions.

1010.2 POLICY

Best Practice

It is the policy of the Superstition Fire & Medical District to provide sufficient resources at the scene of an emergency to reasonably provide for the safety of the employees working at the scene, and to ensure adequate resources are available for additional emergency calls. In some instances, this may require the emergency recall of employees.

1010.3 PROCEDURES

Best Practice

The Fire Chief or any other chief officer, Battalion Chief or Incident Commander (IC) may initiate an emergency recall by providing the Dispatch Center or other designated resource with brief information regarding the emergency, where members are to report for duty and the name or names of personnel required.

1010.3.1 TRIGGERING INCIDENTS

Best Practice

The types of incidents that may require the initiation of an emergency recall include, but are not limited to:

- One major incident affecting a localized or widespread area.
- Two or more incidents causing a high demand for resources at different locations.
- Numerous incidents causing a peak demand on the entire resource system.

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

- Any time designated by the Fire Chief or the authorized designee.

1010.3.2 THE DISPATCH CENTER RESPONSIBILITIES

Best Practice

The Fire Chief or the authorized designee should be responsible for developing and implementing an emergency recall procedure that complies with state and federal laws and collective bargaining agreements. Dispatch or the other designated resource should follow the established procedure when implementing an emergency recall.

1010.3.3 FIREFIGHTER RESPONSIBILITIES

Best Practice **MODIFIED**

Firefighters should reply to an emergency recall immediately or provide notification within 30 minutes with their status and estimated time of arrival. If applicable, they should report for duty with their personal protective equipment.

1010.3.4 EXCEPTIONS

Best Practice

Members may not refuse an emergency recall notice. Firefighters who receive an emergency recall notification and are under the influence of any impairment, such as medications or alcohol, should advise the caller of the impairment and should not report for duty.

1010.4 OTHER RESOURCES

Best Practice

If sufficient resources cannot be assembled by an emergency recall, the District may consider other options such as:

- Automatic aid
- Mutual aid
- Additional chief officers

Copyright Lexipol, LLC 2019/01/29, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Discriminatory Harassment

1012.1 PURPOSE AND SCOPE

Federal

This policy is intended to prevent district members from being subjected to discrimination or sexual harassment. Nothing in this policy is intended to create a legal or employment right or duty that is not created by law.

1012.2 POLICY

Federal

The Superstition Fire & Medical District is an equal opportunity employer and is committed to creating and maintaining a work environment that is free of all forms of discriminatory harassment, including sexual harassment and retaliation. The District will not tolerate discrimination against a member in hiring, promotion, discharge, compensation, fringe benefits and other privileges of employment. The District will take preventive and corrective action to address any behavior that violates this policy or the rights it is designed to protect.

The nondiscrimination policies of the District may be more comprehensive than state or federal law. Conduct that violates this policy may not violate state or federal law but still could subject a member to discipline.

1012.3 DISCRIMINATION PROHIBITED

Federal

1012.3.1 DISCRIMINATION

Federal

The District prohibits all forms of discrimination, including any employment-related action by a member that adversely affects an applicant or member and is based on race, color, religion, sex, age, national origin or ancestry, genetic information, disability, military service, sexual orientation and other classifications protected by law (ARS § 41-1463).

Discriminatory harassment, including sexual harassment, is verbal or physical conduct that demeans or shows hostility or aversion toward an individual based upon that individual's protected class. It has the effect of interfering with an individual's work performance or creating a hostile or abusive work environment.

Conduct that may, under certain circumstances, constitute discriminatory harassment can include: making derogatory comments, crude and offensive statements or remarks; making slurs or off-color jokes; stereotyping; engaging in threatening acts; making indecent gestures, pictures, cartoons, posters or material; making inappropriate physical contact; or using written material or district equipment and/or systems to transmit or receive offensive material, statements or pictures. Such conduct is contrary to district policy and to a work environment that is free of discrimination.

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

1012.3.2 RETALIATION

Federal

Retaliation is treating a person differently or engaging in acts of reprisal or intimidation against the person because he/she has engaged in protected activity, filed a charge of discrimination, participated in an investigation or opposed a discriminatory practice.

Retaliation will not be tolerated (see the Anti-Retaliation Policy).

1012.3.3 SEXUAL HARASSMENT

Federal

The District prohibits all forms of discrimination and discriminatory harassment, including sexual harassment. It is unlawful to harass an applicant or a member because of that person's sex.

Sexual harassment includes, but is not limited to, unwelcome sexual advances, requests for sexual favors or other verbal, visual or physical conduct of a sexual nature when:

(a) Submission to such conduct is made either explicitly or implicitly a term or condition of employment, position or compensation.

(b) Submission to, or rejection of, such conduct is used as the basis for any employment decisions affecting the member.

(c) Such conduct has the purpose or effect of substantially interfering with a member's work performance or creating an intimidating, hostile or offensive work environment.

1012.3.4 ADDITIONAL CONSIDERATIONS

Federal

Discrimination and discriminatory harassment do not include actions that are in accordance with established rules, principles or standards, including:

(a) Acts or omission of acts based solely upon bona fide occupational qualifications under the Equal Employment Opportunity Commission and the Arizona Civil Rights Act guidelines.

(b) Bona fide requests or demands by a supervisor that a member improve his/her work quality or output, that the member report to the job site on time, that the member comply with District or district rules or regulations, or any other appropriate work-related communication between supervisor and member.

1012.4 RESPONSIBILITIES

Best Practice

This policy applies to all district members who shall follow the intent of these guidelines in a manner that reflects district policy and the best interest of the Superstition Fire & Medical District and its mission.

Members are encouraged to promptly report any discriminatory, retaliatory or harassing conduct or known violations of this policy to a supervisor. Any member who is not comfortable with reporting violations of this policy to his/her immediate supervisor may bypass the chain of command and

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

make the report to a higher ranking supervisor or manager. Complaints may also be filed with the Fire Chief, the Administrative Services Director or the Fire Board of Directors.

Any member who believes, in good faith, that he/she has been discriminated against, harassed or subjected to retaliation, or who has observed harassment or discrimination, is encouraged to promptly report such conduct in accordance with the procedures set forth in this policy.

Supervisors and managers receiving information regarding alleged violations of this policy shall determine if there is any basis for the allegation and shall proceed with resolution as stated below.

1012.4.1 QUESTIONS OR CLARIFICATION

Best Practice

Members with questions regarding discrimination or sexual harassment are encouraged to contact a supervisor, a manager, the Fire Chief, the Administrative Services Director or the Fire Board of Directors for further information, direction or clarification.

1012.4.2 SUPERVISOR'S RESPONSIBILITY

Best Practice

Each supervisor and manager shall:

(a) Continually monitor the work environment and strive to ensure that it is free from all types of unlawful discrimination, including harassment or retaliation.

(b) Take prompt, appropriate action within their work units to avoid and minimize the incidence of any form of discrimination, harassment or retaliation.

(c) Ensure that subordinates understand their responsibilities under this policy.

(d) Ensure that members who make complaints or who oppose any unlawful employment practices are protected from retaliation and that such matters are kept confidential to the extent possible.

(e) Notify the Fire Chief or Administrative Services Director in writing of the circumstances surrounding any reported allegations or observed acts of discrimination, harassment or retaliation no later than the next business day.

1012.4.3 SUPERVISOR'S ROLE

Best Practice

Because of differences in individual values, supervisors and managers may find it difficult to recognize that their behavior or the behavior of others is discriminatory, harassing or retaliatory. Supervisors and managers shall be aware of the following considerations:

(a) Behavior of supervisors and managers should represent the values of the District.

(b) False or mistaken accusations of discrimination, harassment or retaliation can have negative effects on the careers of innocent members.

(c) Supervisors and managers must act promptly and responsibly in the resolution of such situations.

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

(d) Supervisors and managers shall make a timely determination regarding the substance of any allegation based upon all available facts.

Nothing in this section shall be construed to prevent supervisors or managers from discharging supervisory or management responsibilities, such as determining duty assignments, evaluating or counseling members or issuing discipline in a manner that is consistent with established procedures.

1012.5 INVESTIGATION OF COMPLAINTS

Best Practice

Various methods of resolution exist. During the pendency of any such investigation, the supervisor of the involved member or members should take prompt and reasonable steps to mitigate or eliminate any continuing abusive or hostile work environment. It is the policy of the Superstition Fire & Medical District that all complaints of discrimination, retaliation or harassment shall be fully documented and promptly and thoroughly investigated. The participating or opposing member should be protected against retaliation, and the complaint and related investigation should be kept confidential to the extent possible.

1012.5.1 SUPERVISORY RESOLUTION

Best Practice

Members who believe they are experiencing discrimination, harassment or retaliation should be encouraged to inform the individual that his/her behavior is unwelcome, offensive, unprofessional or inappropriate. However, if the member feels uncomfortable or threatened or has difficulty expressing his/her concern, or if this does not resolve the concern, assistance should be sought from a supervisor or manager who is a rank higher than the alleged transgressor.

1012.5.2 FORMAL INVESTIGATION

Best Practice

If the complaint cannot be satisfactorily resolved through the supervisory resolution process, a formal investigation will be conducted.

The person assigned to investigate the complaint will have full authority to investigate all aspects of the complaint. Investigative authority includes access to records and the cooperation of any members involved. No influence will be used to suppress any complaint and no member will be subject to retaliation or reprisal for filing a complaint, encouraging others to file a complaint, or offering testimony or evidence in any investigation.

Formal investigation of the complaint will be confidential to the extent possible and will include, but is not limited to, details of the specific incident, frequency, dates of occurrences and names of any witnesses. Witnesses will be advised regarding the prohibition against retaliation, and that a disciplinary process, up to and including termination, may result if retaliation occurs.

Members who believe they have been discriminated against, harassed or retaliated against because of their protected status are encouraged to follow the chain of command but may also

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

file a complaint directly with the Fire Chief, the Administrative Services Director or the Fire Board of Directors.

1012.5.3 ALTERNATIVE COMPLAINT PROCESS

Best Practice

No provision of this policy shall be construed to prevent any member from seeking legal redress outside the District. Members who believe that they have been harassed, discriminated or retaliated against are entitled to bring complaints of employment discrimination to federal, state and/or local agencies responsible for investigating such allegations. Specific time limitations apply to the filing of such charges.

Members are advised that proceeding with complaints under the provisions of this policy does not in any way affect those filing requirements.

1012.6 DOCUMENTATION OF COMPLAINTS

Best Practice **MODIFIED**

All complaints or allegations shall be thoroughly documented in a manner designated by the Fire Chief. The outcome of all reports shall be:

(a) Approved by the Fire Chief, the Fire Board of Directors or the Administrative Services Director, as deemed appropriate.

(b) Maintained for the period established in the district's records retention schedule.

1012.6.1 NOTIFICATION OF DISPOSITION

Best Practice

The complainant and/or victim will be notified in writing of the disposition of the investigation and the action taken to remedy or address the circumstances giving rise to the complaint.

1012.7 TRAINING

Best Practice

All new members shall be provided with a copy of this policy as part of their orientation. The policy shall be reviewed with each new member. The member shall certify by signing the prescribed form that he/she has been advised of this policy, is aware of and understands its contents, and agrees to abide by its provisions during his/her term with the District.

All members shall receive annual training on the requirements of this policy and shall certify by signing the prescribed form that they have reviewed the policy, understand its contents and agree that they will continue to abide by its provisions.

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Conduct and Behavior

1013.1 PURPOSE AND SCOPE

Best Practice

The purpose of this policy is to provide guidelines to prevent activities or behaviors that may lead to disciplinary actions or dismissal.

1013.2 POLICY

Best Practice

It is the policy of this district that its members strive to attain the highest professional standard of conduct and discharge their duties in a courteous and professional manner.

1013.3 PROFESSIONAL CONDUCT

Best Practice MODIFIED

All members should be governed by the ordinary and reasonable rules of behavior observed by law-abiding and self-respecting citizens, and should conduct themselves at all times in such manner as to reflect favorably on the District. Conduct unbecoming of a member shall include that which discredits the District or the person as a member of the District or which impairs the operation or efficiency of the District or its members.

All members should conduct themselves in a manner that will not impair the good order and discipline of the District. Members should not, while on-duty, indulge in hazing or bullying; verbal or physical altercations or threats thereof; or conduct which might cause injury to another person.

All members of the District should be familiar with the expected standard of behavior, both on- and off-duty.

1013.4 INTERACTION WITH THE PUBLIC

Best Practice

In the performance of their duties, members should be courteous to the public and tactful. They should control their tempers, should exercise reasonable patience and discretion and should not engage in any argumentative discussions even when provoked.

In the performance of their duties, members should not use coarse, violent, profane or insolent language or gestures, and should not express prejudice concerning race, religion, politics, sex, age, physical or mental disability or other medical condition, sexual orientation, marital status, national origin, lifestyle or similar personal characteristics.

1013.5 COURTESY TO MEMBERS

Best Practice MODIFIED

Members should be courteous and respectful in their relations with all members of the District. Members should not use coarse, violent, profane or insolent language or gestures toward other members, and shall not express prejudice concerning race, religion, politics, sex, age, physical

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

or mental disability or other medical condition, sexual orientation, marital status, national origin, lifestyle or similar personal characteristics.

1013.6 CONFORMANCE TO LAWS

Best Practice

Members shall obey all laws of the United States and of any state and local jurisdiction in which the member is present.

1013.7 DEROGATORY OR MALICIOUS STATEMENTS

Best Practice **MODIFIED**

Members should not be a party to any malicious gossip, report or activity which would tend to disrupt district morale or bring discredit to the District or any member thereof. Member questions concerning district policy, activities, officers and/or safety issues should be submitted to the member's immediate supervisor, or their labor representative.

1013.8 POLITICAL ACTIVITY

Best Practice **MODIFIED**

Members should not engage in political activities of any kind while on-duty. Members are also prohibited from engaging in any political activity off-duty while wearing any uniform items or using equipment that identifies the District.

1013.9 SEXUAL ACTIVITY

Best Practice **MODIFIED**

Members should not engage in any sexual activity while on-duty. This includes use of any electronic device to communicate or receive messages, photos or any other content of a sexual or provocative nature in the presence of others.

1013.10 ILLEGAL GAMBLING

Best Practice

Members should not engage or participate in any form of illegal gambling at any time while on-duty. This includes accessing gaming websites from computers or any electronic device, whether district-issued or owned by the member.

1013.11 GIFTS AND GRATUITIES

Best Practice **MODIFIED**

Members should not solicit or accept any gift, including money, tangible or intangible personal property, or any service, gratuity, favor, entertainment, hospitality, loan, promise, or any other thing of value from any person, business or organization that is doing business with, or seeking to do business with, the District.

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

If it may reasonably be inferred that the person, business or organization seeks to influence the actions of a member or seeks to affect the performance of a member while on-duty, the incident should be immediately reported to the next level supervisor.

1013.12 OFFERS OF DONATIONS AND GIFTS OF THE HEART

Best Practice **MODIFIED**

Members who are approached with monetary donations shall direct the person or entity to the Financial Services Division for instruction on proper ways to donate.

At no time should a member accept any monetary donation from the public. If a citizen offers a gift of a non-monetary nature, such as food or product, the gift shall be placed in an area of the station or office to be shared by all members.

At no time shall a member consider a gift of the heart as a personal present.

1013.13 ABUSE OF POSITION

Best Practice

Members should not use their official position, official identification cards or badges to avoid the consequences of illegal acts or for other non-work-related personal gain. Members shall not lend to another person their identification cards or badges, or permit their identification cards or badges to be photographed or reproduced without the approval of the Fire Chief.

Members should not authorize the use of their names, photographs or official titles that identify them as district members (e.g., in connection with testimonials or advertisements of any commodity or commercial enterprise) without the approval of the Fire Chief.

1013.14 PUBLIC STATEMENTS AND APPEARANCES

Best Practice

Members should not address public gatherings, appear on radio or television, prepare any articles for publication, act as correspondents to a newspaper or periodical, or release or divulge investigative information or information on any other matter of the District while presenting themselves or in any way identifying themselves as representing the District, without the approval of the Fire Chief.

Copyright Lexipol, LLC 2019/02/12, All Rights Reserved.
Published with permission by Superstition Fire & Medical District

Governing Board Meeting – February 20, 2019
Agenda Item: #10
BOD#: 2019-02-09

Agenda Item Title
Discussion and possible approval of revising the District's Earned Leaves – Sick Leave Caps and Payouts policy.

Submitted By
Fire Chief Mike Farber

Background/Discussion
As discussed at the Board Work Session held on January 26, 2019, Staff is recommending a revision of the District's Earned Leaves – Sick Leave Caps and Payouts policy to provide for a 100% payout of accrued sick leave hours as of an employee's official retirement date, with retirement being defined as retiring from PSRSP or ASRS, and paid out at an average hourly rate of the employee's last 5 years of service. This recommended change is in light of data indicating that such a change would / could:

1. **Eliminate the perceived "loss in value" of accrued sick leave hours** that has occurred since the District reduced the level of accrued sick leave hours upon retirement from the 100% level to the 50% / 60% level depending on an employee's accrued sick leave hours at retirement.
2. **Potentially increase service levels and reduce overtime costs** by lowering absenteeism due to sick leave usage.

Staff recommends the Board approve the revision of the District's Earned Leaves – Sick Leave Caps and Payout policy to provide for 100% payout of accrued sick leave hours upon an employee's official retirement date, with an effective date of this revision being February 21, 2019.

Financial Impact(s)/Budget Line Item
No projected financial impact in Fiscal Year 2018 / 2019 or 2019 / 2020. The first retirement is currently projected to occur in May 2021.

Enclosure(s)
N/A

Recommended Motion
"Motion to approve revising the District's Volume 1: Administrative Policy 102.16 Earned Leaves – Sick Leave Caps and Payouts, sections D and E, effective February 21, 2019, to provide for Earned Leave Buy Out payouts of 100% of an employee's accrued sick leave as of the employee's official retirement date, with retirement being defined as retiring from PSPRS or ASRS, and paid out at an average hourly rate of the employee's last 5 years of service."

Go To Item 11

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: #11
BOD#: 2019-02-10

Agenda Item Title
Superstition Fire & Medical District's PSPRS Annual Pension Funding Policy #2019-02

Submitted By
Anna Butel, Administrative Services Director
Roger Wood, Finance Director
Mike Farber, Fire Chief

Background/Discussion
House Bill 2097 Amending Title 38, Chapter 5, Article 4, Arizona Revised Statues, By Adding Section 38-863.01; Relating to the Public Safety Personnel Retirement System.

38-863.01 Pension Funding Policies: Employers

BEGINNING ON OR BEFORE JULY 1, 2019, EACH ***GOVERNING BODY*** OF AN EMPLOYER SHALL ANNUALLY:

1. Adopt a pension funding policy for the system for employees who were hired before July 1, 2017. The pension funding policy shall include funding objectives that address at least one of the following;
    a. How to maintain stability of the governing body's contributions to the system.
    b. How and when the governing body's funding requirement of the system will be met.
    c. Defining the governing body's funded ratio target under the system and the timeline for reaching the targeted funded ratio.
2. Formally accept the employer's share of the assets and liabilities under the system based on the system's actuarial valuation report.
3. The governing body shall post the pension funding policy on the governing body's public website.

Financial Impact(s)/Budget Line Item
Based on the Board's decision to extend the PSPRS amortization period to 30 years effective July 1, 2017, Staff recommends that the Board officially adopt the attached SFMD PSPRS funding policy effective July 1, 2019.

Enclosure(s)
PSPRS Annual Pension Funding Policy #2019-02

Recommended Motion
"Motion to approve the District's PSPRS Annual Pension Funding Policy #2019-02 in accordance with House Bill 2097 ARS 38-863.01."

Go To Item 2

Go to Agenda

SUPERSTITION FIRE & MEDICAL DISTRICT
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
ANNUAL PENSION FUNDING POLICY #2019-02

The intent of this policy is to clearly communicate the Board's pension funding objectives and its commitment to our employees, the sound financial management of the Superstition Fire & Medical District, and to comply with new statutory requirements of Laws 2018, Chapter 112.

Terms used throughout this policy:

Unfunded Actuarial Accrued Liability (UAAL) – Is the difference between trust assets and the estimated future cost of pensions earned by employees. This UAAL results from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations.

Annual Required Contribution (ARC) – Is the annual amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost – which is the estimated cost of pension benefits earned by employees in the current year; and, amortization of UAAL – which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period of time referred to as the amortization period. The ARC is a percentage of the current payroll.

Funded Ratio – Is a ratio of fund assets to actuarial accrued liability. The higher the ratio the better funded the pension is with 100% being fully funded.

Intergenerational equity – Ensures that no generation is burdened by substantially more or less pension costs than past or future generations.

The Superstition Fire & Medical District's public safety employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS).

Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. An agent multiple-employer plan has two main functions:
1) to commingle assets of all plans under its administration, thus achieving economy of scale for more cost efficient investments, and invest those assets for the benefit of all members under its administration and;
2) serve as the statewide uniform administrator for the distribution of benefits.

Under an agent multiple-employer plan each agency participating in the plan has an individual trust fund reflecting that agencies' assets and liabilities. Under this plan all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation. The Superstition Fire & Medical District has one trust fund for public safety employees.

The Board formally accepts the assets, liabilities, and current funding ratio of the Superstition Fire & Medical District's PSPRS trust funds from the June 30, 2018 actuarial valuation, detailed below.

Report Date: June 30, 2018				
Trust Fund	Assets	Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
Tier 1 & 2	$33,979,043	$52,277, 121	$18,298,078	65%
Tier 3	$1,635,349	$1,831,715	$196,366	89.3%
Totals	$35,614,392	$54,108,836	$18,494,444	65.8%

PSPRS Funding Goal

Pensions that are less than fully funded place the cost of service provided in earlier periods (amortization of UAAL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity. Most funds in PSPRS are significantly underfunded and falling well short of the goal of intergenerational equity.

The Board's PSPRS funding ratio goal is 100% (fully funded) by June 30, 2047.
The Board established this goal for the following reasons:

- The PSPRS trust funds represent only the Superstition Fire & Medical District's liability
- The fluctuating cost of an UAAL causes strain on the Superstition Fire & Medical District, affecting our ability to provide services
- A fully funded pension is the best way to achieve taxpayer and member intergenerational equity
- The Fire Board has taken the following actions to achieve this goal:
  Maintain ARC payment from operating revenues – The Board is committed to maintaining the full ARC payment (normal cost and UAAL amortization) from operating funds.

Based on these actions the Board plans to achieve its goal of 100% funding by June 30, 2047, in accordance with the amortization timeline set forth by the PSPRS June 30, 2018 Actuarial Valuation.

Governing Board Meeting – February 20, 2019
Agenda Item: 12
BOD#: 2019-02-11

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**

Recommended Motion:
N/A

Go to Item 13

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: 13
BOD#: 2019-02-12

Agenda Item Title:
Executive Session for discussing the Bourgeois letter. The Board may vote to go into executive session pursuant to §ARS 38-431.03(A)(3) for discussion or consultation for legal advice and possible instructions to the District's attorney relating to the same pursuant to §ARS 38-431.03(A)(4). (BOD #2019-02-11)

Submitted By:
Legal Counsel William Whittington

Background/Discussion:
Note: Executive Sessions are confidential pursuant to ARS §38-431.03(C).
Note: Legal action involving a final vote or decision shall not be taken at an executive session.

Financial Impact:
N/A

Enclosure(s):
N/A

Recommended Motion:
*"Motion to go into Executive Session at **(State Time)** pursuant to ARS §38-431.03(A)(3) for legal advice with an attorney regarding the Bourgeois letter and possible instructions to the District's Attorney relating to the same pursuant to ARS §38-431.03(A)(4) ."*

Go to Item 14

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: #14
BOD#: 2019-02-13

Agenda Item Title
Possible instructions from legal counsel regarding the Bourgeois letter.

Submitted By
Legal Counsel William Whittington

Background/Discussion
Possible instructions to legal counsel regarding the Bourgeois letter.

Financial Impact(s)/Budget Line Item
NA

Enclosure(s)
NA

Recommended Motion
"Motion TBD"

Go To Item 15

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: 15
BOD#: 2019-02-14

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 16

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: 16
BOD#: 2019-02-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 17

Go to Agenda

Governing Board Meeting – February 20, 2019
Agenda Item: 17
BOD#: 2019-02-15

Agenda Item Title
Adjournment

Recommended Motion:
"Motion to adjourn the Board meeting."

Go to Agenda

Appendix A

A. **Board Meeting Minutes from January 16, 2019**

Submitted By
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)
January 16, 2019 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

January 16, 2019

PURSUANT TO A.R.S. §38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUERSTITION FIRE & MEDICAL DISTRICT GOVERNING BOARD OF DIRECTORS HELD A MEETING ON WEDNESDAY, JANUARY 16, 2019. 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 House called the meeting to order at 5:32 PM.

B. Pledge of Allegiance

The Pledge of Allegiance led by Chairman House.

C. Roll Call

Board Members in attendance were Chairman Todd House, Clerk Kathleen Chamberlain, Director Jeff Cross, Director Jason Moeller and Director Larry Strand.
Senior Leadership Team in attendance were Fire Chief Mike Farber, Assistant Chief Richard Mooney, Assistant Chief Rick Ochs and Finance Director Roger Wood.
Legal Counsel William Whittington attended via conference call. Board Secretary and HR Generalist Sherry Mueller attended.

1. Review and approval of the December 2018 financial reports and bank reconciliations. (BOD #2019-01-01)

Motion by Director Strand to approve the December 2018 financial reports and bank reconciliations. **Seconded** by Director Moeller.

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

2. Recognition of employee performance, achievements, and special recognition for community members. (BOD #2019-01-02)

January Employee Service Anniversaries were recognized:

Chief Kelly of the Apache Junction Police Department recognized Tina Gerola, Community Risk Reduction Specialist for her excellent work in the community for training Police Officers on AED, CPR and fire extinguisher familiarization.

30 Years:

Engineer ***John Christensen***

18 Years:

Captain / Paramedic ***Rob Bessee***

16 Years:

Engineer / Paramedic ***Chuck Hanson***

2 Years:

Firefighter Recruit / Paramedic ***Brian Dover***

3. Call to the Public. (BOD #2019-01-N/A)

None.

4. Consideration and possible approval of all consent agenda items listed below (BOD #2019-01-03):

A. Board Meeting Minutes from December 19, 2018

Motion by Director Cross to approve all consent agenda items.
Seconded by Director Moeller.

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

5. Discussion , presentation, and possible approval for the SFMD's Financial Statements and Independent Auditor's Report for fiscal year ending June 30, 2018. As required by Arizona Revised Statutes §48-253, submitted by Henry & Horne, LLP. (BOD #2019-01-04)

Finance Director Roger Wood introduced Brian J. Hemmerle and Aaron Funk from Henry & Horne Auditing Firm. Mr. Hemmerle stated this year's audit has a clean opinion that was recorded for the District. There were no findings or significant deficiencies found. There were no difficulties or misstatements encountered with management.

Motion by Director Strand to approve the Fire District's Independent Auditor's Report and related Financial Statements for the fiscal year beginning July 1, 2017 and ending on June 30, 2018, as submitted by Brian Hemmerle, CPA, and to direct Staff to submit the auditor's report to Pinal County and Maricopa County as required by A.R.S. §48-253.

Seconded by Clerk Chamberlain.

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

6. Discussion and possible approval of the Arizona Public Safety Personnel Retirement System Qualifying Report for Fiscal Year ending in 2018. (BOD #2019-01-05)

Fire Chief Mike Farber refers to the letter before the Board Members from the Office of the State Forrester/Arizona Department of Forestry and Fire Management regarding the Arizona Fire Insurance Premium Tax Refund for fiscal year 2018. The requirements for the program are detailed in A. R. S. Title 9, Chapter 8, Article 3 and 4 for volunteer firefighter pension and Title 38, Chapter 5, Article 4 for the Public Safety Personnel Retirement System. We must fill out the form by January 31, 2019, and get it to the State Fire Marshal's Office. Completing and submitting this form will entitle us to get about $120,000.

Motion by Director Moeller to approve the Arizona Public Safety Personnel Retirement System Qualifying Report and to submit the report as stated for the refund from the State of Arizona.

Seconded by Director Strand.
Vote 5 ayes, 0 nays. **MOTION PASSED.**

7. Discussion, presentation and possible action regarding *The Working Group* on their capabilities for an organizational evaluation. (BOD #2019-01-06)

Tim Hill, Founder and Principal Consultant from *The Working Group* talked about his company stating that it brings together experts from a variety of disciplines to work with their clients to analyze problems and opportunities within your organization. Each Working Group is tailored to best fit the client's situation and budget. Working with the right set of individuals on a case-by-case basis allows the client to analyze issues that are critical to their organization and lets them bring the client the right solutions to implement. This is accomplished by working together. Board Clerk Chamberlain stated she believes we should use the services of *The Working Group* to come up with some ideas for evaluations and recommendations on how SFMD is operating. Mr. Hill stated a rough estimate of cost for their services would be approximately $5,000 - $15,000. Chief Rich Mooney said he believes this evaluation would add value especially for the future with many people retiring. Fire Chief Mike Farber stated he is in favor of using the services of *The Working Group* and we should invite them to our next work session.

8. Discussion, presentation and possible approval of the following Policies brought for review at the December 19, 2018 Board Meeting for final approval at the January 16, 2019 Board Meeting. (BOD #2019-01-07)

- **206–Administrative Communications**
- **202-Interim Directives**
- **207-Minimum Staffing Levels**
- **200-Organizational Structure**
- **103-Policy Manual**

Motion by Director Strand to approve policies Administrative Communications, Interim Directives, Minimum Staffing Levels, Organizational Structure and Policy Manual.

Seconded by Director Cross.
Vote 5 ayes, 0 nays. **MOTION PASSED.**

9. Discussion and presentation of the following Policies Brought for review at the January 16, 2019 Board Meeting for final approval at the February 20, 2019 Board Meeting. (BOD #2019-01-08)

- **201-Emergency Action Plan & Fire Prevention**
- **210-Solicitation of Funds**
- **318-Safe Haven Newborn Law**
- **321-Scene Preservation**
- **322-Child Abuse**
- **323-Disposition of Valuables**
- **324-Carrying Weapons on-Duty**
- **325-Performance of Duties**
- **326-Adult Abuse**
- **327-Traffic Collisions**
- **328-Line-of-Duty Death and Serious Injury Investigations**
- **329-National Fire Incident Reporting System (NFIRS)**
- **332-Grocery Shopping On-Duty**

No Motion.

10. Discussion and possible approval of the invoice from Pinal County Elections Department for the 2018 General Election. (BOD #2019-01-09)

The District is charged $0.75 per registered voter whenever the District has a measure on the election ballot in Pinal County. In November 2018, the District had the election of two (2) Governing Board members on the ballot.

At $0.75 per registered voter, the following is a breakdown of cost for the 2018 General Election:

100-10-61520-12 Elections Expense	$19,063.50
150-10-61520-12 Elections Expense	$ 9,531.75
Total	**$28,595.25**

The District's Procurement Policy mandates that any expense that is $25,000 or more in cost requires Board approval.

Motion by Director Cross to approve the payment of the 2018 November General Election Invoice GE1118-SFMD.

Seconded by Director Moeller.
Vote 5 ayes, 0 nays. **MOTION PASSED.**

11. Discussion, nomination and possible approval of the appointment of the Chairperson for the Local Pension Board pursuant to A.R.S. 38, Chapter 5, Article 4: Public Safety Personnel Retirement System. (BOD #2019-01-10)

The Local Pension Board currently has a vacant position for the Chairperson. Pursuant to A.R.S. §38-847, we must appoint a new person for this position.

Motion by Director House to appoint Director Larry Strand as the Local Pension Board Chairperson.

Seconded by Clerk Chamberlain.
Vote 5 ayes, 0 nays. **MOTION PASSED.**

12. Discussion and possible approval of the Arizona Department of Forestry and Fire Management (State Fire) Land / Facility Use Agreement. (BOD #2019-01-11)

The SFMD Board of Directors had approved a Lease Agreement in November 2018 to allow State Fire to sublease a portion of the SFMD Training Center. State Fire has since learned that they do not have the authority to enter into the Lease Agreement under current State Statutes. They have informed us that the State of Arizona must change State Statute before they will have the authority to enter into a lease agreement and this process will take several months to achieve. Until State Statute is changed, State Fire has provided the SFMD with the attached Land/Facility Use Agreement. This agreement is temporary and will remain in place until such time that a Lease Agreement is established. The Facility Use Agreement will provide an avenue for State Fire to pay the monthly Rent and Utility Fee to SFMD as previously agreed.

Financial Impact(s)/Budget Line Item

Annual Revenue $39,456 (Approximately)

Rent	$40,456
Utilities	$10,980
Total	$51,660
AJUSD 30%	($12,204) * Rent only
Net	**$39,456**

Motion by Director Cross to approve the Land/Facility Use Agreement with State Fire. This Land/Facility Use Agreement is to remain in place until such time that the previously approved lease agreement can be implemented.

Seconded by Director Strand.

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

13. Discussion and possible approval of a shift differential for 42-hour Transportation Services Employees. (BOD #2019-01-12)

Transportation Services Manager Billy Warren had a presentation and proposal for the Board of Directors. Staff has Identified an issue with the annual pay for a 42-hour employee that is not consistent with competitive employers. Staff has identified a problem with finding qualified paramedics to accept new employment offers in the Transportation Division.

We are proposing a shift differential for 42-hour employees of $2 an hour for EMT's and $3 an hour for Paramedics. This is not a raise, it is a shift differential that is only given to those working the 42-hour shift. If the employee moves to a 56-hour shift, or any other position, the shift differential goes away.

This shift differential would bring the District's 42-hour annual compensation to virtual parity to competitive agencies.

Staff recommends that the Board of Directors approve the shift differential outlined in this proposal to ensure we are adequately staffed with qualified employees and reduce spending on sworn ambulance coverage.

Financial Impact(s)/Budget Line Item
Annual Cost of $25,579/6 month cost $12,790

Motion by Director Strand to approve the $2 per hour for EMT and $3 per hour for Paramedic shift differential for all 42-hour Transportation Services employees beginning January 21st, 2019.

Seconded by Director Moeller.
Vote 5 ayes, 0 nays. **MOTION PASSED.**

14. Reports (BOD #2019-01-13)

Senior Leadership Team (SLT):
Fire Chief Mike Farber

- Board Work Session: Monday, January 28, 2019
  - SAFER Grant Projections
  - Educational Requirements
  - Sick Leave Usage
  - Overtime

- We have an offer from Dan Kauffman of Kauffman 40 (new development at Baseline and Cortez), who would like to be annexed into the District.
- Arizonian; district will draft a notification to the Arizonian that we will no longer respond to incidents on their property if they do not choose to become part of the fire district. Discussion will occur with the Board to determine a time frame for responses to cease. The other option is we could bill them for our services.

Assistant Chief of Operations Richard Mooney

- Commercial Fire, 1725 E. 12th Ave. December 21, 2018
- Residential Fire, 600 S. Idaho Rd. December 24, 2018
- Apartment Fire, 5809 E. Estrella Rd. January 1, 2019
- Two fatality accidents on US60
- Training
  - TRT; Steep Angle Rope Rescue
  - EMS CE / CPR Recertification
  - Recruit Graduation; Class of 18-2
    January 25, 2019 at 14:30
    Bethany Bible Church, 6060 N. 7th Street, Phx.
    - **Clint Musgrave**
    - **Brian Dover**
    - **Kevin Montgomery**

Assistant Chief of Planning & Logistics Richard Ochs

- Roof repairs on three facilities
- Contracts and non-contracted Event Standby's
- Pre-Plans
- Review of new business development
  - SuperStar Express Car Wash
  - Mountain America Credit Union

Administrative Services Director Anna Butel

- New Volunteers:
  - Allan Cranmer, AKA "Coach Cranmer"
  - Colton Echols
  - Jennifer Verdugo
  - Benjamin Eyde

Finance Director Roger Wood

- Preparing 2018 Worker's Compensation Audit Report
- FY 2019/2020 Budget Prep

Pension Board

N/A

Board Sanctioned Committees

N/A

15. New Business / Future Agenda Items. (BOD #2019-01-14)
None.

16. Announcements (BOD #2019-01-N/A)

Board Chairman , Mr. House stated that his Diaper Drive is going very well this year. He expects to have about 22,000 diaper to distribute to the community.

17. Adjourn (BOD #2019-01-15)
Motion by Director Strand at 6:53 PM to adjourn the meeting. **Seconded** by Director Cross.

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

Governing Board Approval:

_____
Board Clerk Kathleen Chamberlain
Sherry Mueller

Superstition Fire & Medical District
Governing Board Meeting

Wednesday, January 16, 2019 ~ 5:30 pm

Item #1

BOD # 2019-01-01

Review and approval of the December 2018 financial reports and bank reconciliations.

Item #2

BOD # 2019-01-02

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

Chief Kelly – AJPD

- Recognition:
- Tina Gerola, Community Risk Reduction Specialist

30 Years of Service

John Christensen
Engineer

18 Years of Service

Rob Bessee
Captain/Paramedic

16 Years of Service

Chuck Hanson

Engineer/Paramedic

2 Years of Service

Brian Dover

Firefighter Recruit/Paramedic

Item #3

BOD # 2019-01-n/a

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 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.

Item #4

BOD # 2019-01-03

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

a. Board Meeting Minutes from December 19, 2018.

Item #5

BOD #2019-01-04

Discussion, presentation, and possible approval for the SFMD's Financial Statements and Independent Auditor's Report for fiscal year ending June 30, 2018. As required by Arizona Revised Statues §48-253, submitted by Henry & Horne, LLP.

Henry+Horne
Offering You More

Superstition Fire & Medical District

Independent Auditor's Report Presentation to the Board of Directors
Year Ended June 30, 2018

About your Auditors

Brian J. Hemmerle, CPA, CFE

- Henry-Horne, Senior Manager, Governmental Services
- Graduated from the University of Arizona
- Certified Public Accountant and Certified Fraud Examiner
- Experience in Municipalities, School Districts, State Agencies, Nonprofits and Industry
- Serves on the Board of Directors for the Girl Scouts Arizona Cactus Pine Council as the Treasurer
- Member of the AICPA, ASCPA, GFOA, GFOAz, AASBO
- GFOA Special Review Committee Member

Offering You More

Communications with Management

- Auditors' Report on Financial Statements
  - Unmodified opinion
    - Financial statements are fairly presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Report on Compliance and on Internal Control over Financial Reporting
  - No current year findings
  - Prior year findings have been remedied

Offering You More

Communications with Management

- Significant Accounting Policies and Issues Discussed
  - Note 1 of Financial Statements
  - Difficulties Encountered in Performing the Audit
  - Corrected and Uncorrected Misstatements
  - Disagreements with Management
  - Management Consultations with Other Independent Accountants
- Federal Funding-Single Audit Requirement

Offering You More

QUESTIONS

Offering You More

Thank you!

Offering You More

Item #6

BOD #2019-01-05

Discussion and possible approval of the Arizona Public Safety Personnel Retirement System Qualifying Report for Fiscal Year ending in 2018.

Item #7 *BOD #2019-01-06*

Discussion, presentation and possible action regarding *The Working Group* on their capabilities for an organizational evaluation.

Organizational Assessment

Superstition Fire/Medical Department

January 16, 2018

Introduction

- Working Group
- Principal Consultants
  - Tim Hill
  - David Leibowitz
  - Kevin Roche
- Mission

Why an Assessment?

- Organizational Change
- Leadership Change
- Fresh Eyes – Outside Expert Perspective
- "You don't know what you don't know."
- Affirmation or Recommendations

Assessment Options

- Survey Instrument
- Interviews
  - Fire District Leadership
  - Fire Department Leadership
  - Fire Department Members
    - On-Duty or Off-Duty
  - IAFF Local 2260

Assessment Options

- Interviews
  - Fire Department Customers
    - Internal – City of Apache Junction
    - Homeowners Associations
    - Automatic Aid Partners
    - Law Enforcement Partners
  - Fire Prevention Customers
  - Fire and EMS Customers

Additional Considerations

- Timing
  - 60-90 days
- Cost
  - Dependent on Scope
- Procurement
  - RFP, IFB, Direct Selection
  - Board Preference and District Rules

Contact Information

- timhill@workinggroup.solutions
- (602) 722-7098

Item #8

BOD #2019-01-07

Discussion and possible approval of the following Policies:

- 206-Administrative Communications
- 202-Interim Directives
- 207-Minimum Staffing Levels
- 200-Organizational Structure
- 103-Policy Manual

Brought for review at the December 19, 2018 Board Meeting for final approval at the January 16, 2019 Board Meeting.

Item #9

BOD #2019-01-08

Discussion and possible approval of the following Policies brought for review at the January 16, 2019 Board Meeting for approval at the February 13, 2019 Board Meeting.

Policies for Review

- 201 – Emergency Action Plan & Fire Prevention
- 210 – Solicitation of Funds
- 318 – Safe Haven Newborn Law
- 321 – Scene Preservation
- 322 – Child Abuse
- 323 – Disposition of Valuables
- 324 – Carrying Weapons On-Duty
- 325 – Performance of Duties
- 326 – Adult Abuse
- 327 – Traffic Collisions
- 328 – Line-of-Duty Death and Serious Injury Investigations
- 329 – National Fire Incident Reporting System (NFIRS)
- 332 – Grocery Shopping On-Duty

Item #10

BOD #2019-01-09

Discussion and possible approval of the invoice from Pinal County Elections Department for the 2018 General Election.

Item #11

BOD #2019-01-10

Discussion and possible approval of the appointment of the Chairperson for the Local Pension Board.

Item #12

BOD #2019-01-11

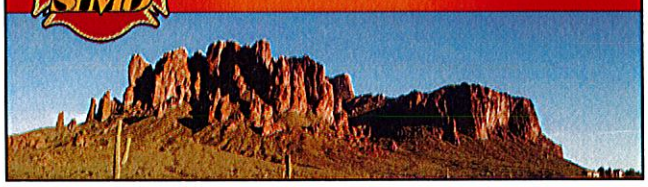
Discussion and possible approval of the Land / Facility Use Agreement with the Arizona Department of Forestry.

Item #13

BOD #2019-01-12

Transport Services Proposal

Superstition Fire & Medical District
PROPOSAL



PURPOSE

- The purpose of this proposal is to ensure that SFMD has the best qualified employees working for us while reducing the amount of sworn coverage on the ambulances. As an organization we have a duty to our stakeholders to identify problems, create solutions, and implement solutions to improve the Fire District.

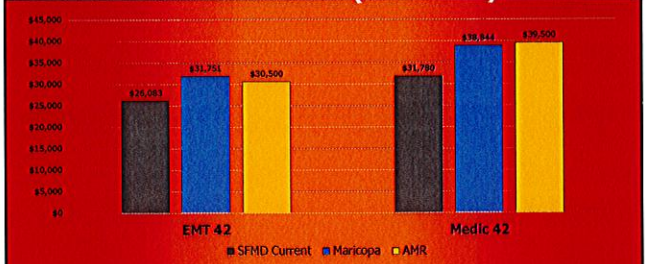
PROBLEM

- Staff has identified a problem with finding qualified paramedics to accept new employment offers in the Transportation Division.
  - Identified an issue with the annual pay for a 42 hour employee that is not consistent with employers we compete with.
  - The pay discrepancy for 42 hours employees results in extreme difficulty in finding quality candidates for the position. Openings on the 42 hour units result in significant sworn overtime coverage costs.
  - While not easily quantifiable, any reduction in quality could lead to a lower reimbursement due to poor documentation.

RESEARCH

- We obtained pay scale information from competitors to see where we were at in comparison. We found SFMD's pay was too low to attract qualified employees that will work our 42 hour work week schedule.

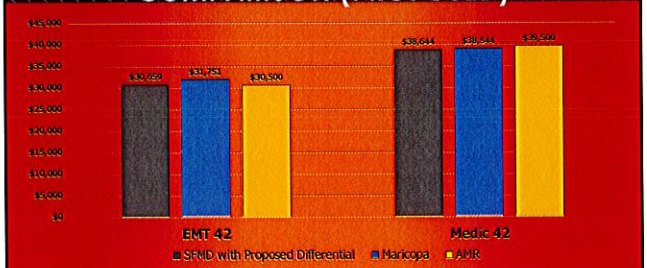
EMT/PARAMEDIC GROSS PAY COMPARISON (CURRENT)



PROPOSED SOLUTION

- To solve the problem we will need to get the EMT and Paramedics pay closer to competitive levels.
- We are proposing a shift differential for 42 hour employees of $2 an hour for EMT's and $3 an hour for Paramedics.
- This is not a raise, it is a shift differential that is only given to those working the 42 hour shift. If the employee moves to a 56 hour shift, the shift differential goes away.

EMT/PARAMEDIC GROSS PAY COMPARISON (PROPOSED)

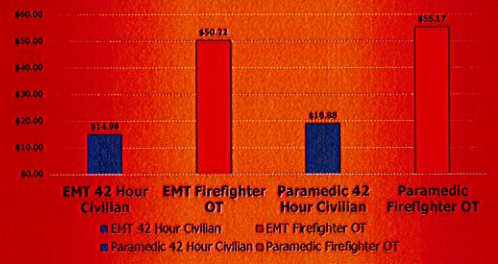


COSTS

- We project the additional annual cost to the district including ASRS contributions to be $25,579 total for all four 42 hour employees. For 6 months that's a cost of $12,790.
- So far this year through December (6 months) we have spent $35,449 in sworn wages and PSPRS contributions to backfill open shifts on the ambulances. In December alone we had $11,231 in sworn wages and PSPRS which was mainly the result of a vacancy that we had on the 42 hour ambulance.
- Ensuring adequate staffing on the ambulances is essential to reducing the cost of sworn coverage.

COSTS

CIVILIAN 42 /FIREFIGHTER(BLEND FF, ENG, CAPT) HOURLY PAY COMPARISON



IMPLEMENTATION

- Human Resources/Payroll
  - Coordinate with HR to update job postings for future hiring.
  - Update existing 42 hour employees pay to include the shift differential.
  - Ensure payroll change forms are completed on existing employees.

EVALUATION

- Track how many job offers are accepted with the new pay scale.
- Track Sworn Coverage to measure potential savings.
- Track how long we retain employees that are on the 42 hour unit.

RECAP

- SFMD is committed to having the best qualified employees available.
- Identified a problem.
  - The pay of the 42 hour employees was lower than other agencies, which resulted in losing good candidates and increase sworn coverage costs..
- Researched and compared competitors pay.
- Provided a solution to this problem.
  - 42 hour EMT shift differential of $2 per hour.
  - 42 hour Paramedic shift differential of $3 per hour.
- Discussed the costs of the solution.
- Discussed how we will implement and evaluate the solution.

RECAP

Staff recommends that the Board of Directors approve the shift differential outlined in this proposal to ensure we are adequately staffed with qualified employees, and reduce spending on sworn ambulance coverage.

QUESTIONS?

SFMD

References:

- AMR Local 1-50 Collective Bargaining Agreement
- Jason Payne, Director of Operations, Maricopa Ambulance
- Roger Wood, Finance Director, SFMD
- SFMD Budget Manager Reports
- SFMD Annual Budget FY 2018-2019

Item #14

BOD # 2019-01-13

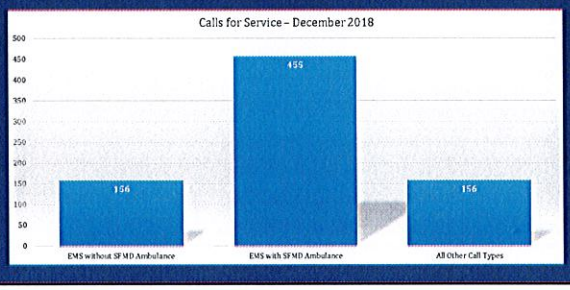
Reports

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

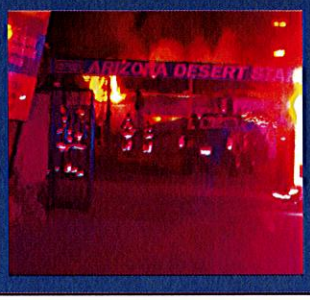
Fire Chief Report

- Board Work Session: Monday, January 28, 2019 4pm
  - > SAFER Grant projections
  - > Educational Requirements
  - > Sick Leave Usage
  - > Overtime
- We have an offer from Dan Kauffman of Kauffman Forty who would like to be annexed into the District
- Arizonian

Operations



Operations

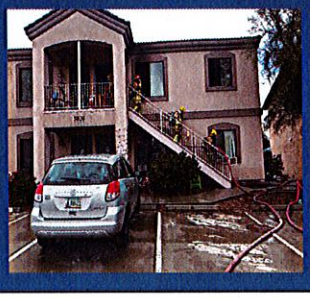


- Commercial Defensive Fire
- 1725 E. 12th Ave
- 2018-100659
- December 21, 2019
- A Shift
- Dispatched at 0128
- On Scene at 0133
- Fire Control at 0203
- Loss Stopped at 0239

Operation Update

- Residential Fire
- 600 S. Idaho #838
- 2018-101709
- December 24, 2018
- C Shift
- Dispatched at 1848
- On Scene at 1852
- Fire Control 1857
- Loss Stopped at 1901

Operations Update



- Apartment Fire
- 5809 S. Estrella Rd. #4
- 2019-0110
- January 1, 2019
- A Shift
- Dispatched at 1003
- On Scene at 1009
- Fire Control at 1015
- Loss Stopped at 1024

Operation Update 2 Fatality MVA's on US60

Training Update

- TRT Training Block 1 Steep Angle Rope Rescue
- EMS CE w/ CPR Recertification
- Recruit Graduation 18-2
  - Clint Musgrave, Brian Dover & Kevin Montgomery
  - January 25, 2019 at 1430
  - Bethany Bible Church 6060 N. 7th Street Phoenix, AZ 85013

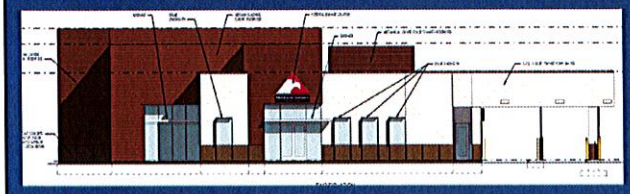
Planning & Logistics

- Facility Roof Repairs
- Contracts
- Pre-Planning

Planning & Logistics

SuperStar Express Car Wash

Planning & Logistics



Mountain America Credit Union

Administrative Services

- New Volunteers: Allan Cranmer, Colton Echols, Jennifer Verdugo, and Benjamin Eyde.
- Next Pension Board Meeting: Tuesday, January 22, 2019 4pm

Finance/Accounting Services Update

- Preparing 2018 Worker's Compensation Audit report
- FY2019 / 2020 Budget prep

Item #15

BOD # 2019-01-14

New Business/Future Agenda Items

Item #16

BOD # 2019-01-n/a

Announcements

Item #17

BOD # 2019-01-15

Adjourn

Appendix B

A. Board Work Session Minutes from January 28, 2019

Submitted By
Board Clerk Kathleen Chamberlain
Board Secretary Sherry Mueller

Background / Discussion
The work session 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)
January 28, 2019 Board Work Session 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 Work Session Meeting Minutes

January 28, 2019

PURSUANT TO A.R.S. §38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUERSTITION FIRE & MEDICAL DISTRICT GOVERNING BOARD OF DIRECTORS HELD A WORK SESSION ON MONDAY, JANUARY 28, 2019. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA.

THIS WORK SESSION WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:00 PM.

A. Call to Order

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

B. Pledge of Allegiance

The Pledge of Allegiance led by Director Moeller.

C. Roll Call

Board Members in attendance were Chairman Todd House, Clerk Kathleen Chamberlain, Director Jeff Cross, Director Jason Moeller and Director Larry Strand.
Senior Leadership Team in attendance were Fire Chief Mike Farber, Assistant Chief Richard Mooney, Assistant Chief Rick Ochs, Finance Director Roger Wood and Administrative Services Director Anna Butel. Board Secretary and HR Generalist Sherry Mueller attended.

1. Call to the Public. (BOD #2019-01-N/A)

None.

2. Discussion on SAFER Grant projections. (BOD #2019-01-01)

Finance Director Roger Wood gave a forecast for the SAFER Grant and DROP replacement planning attrition. We currently have 14 people in DROP. Roger provided a model/tool spreadsheet that will show possible outcomes for future fiscal years considering all replacement costs for all 14 DROP retirees and also to look at how we handle the cost-sharing and the benefits of the SAFER Grant. The first 2 years of the SAFER Grant, the Federal Government covers 75%. The third year they cover 35%, then after that we are on our own. We have to be able to plan through that as we add 7 people before losing most of our DROP. Roger is also taking into consideration the separation earned leave buyout costs for all the retirees. The main variations that can be changed in the model/tool are changes in NAV, changes in PSPRS and ASRS, Benefit Dollars, projected increases in wages and non-wage budget categories. During the SAFER Grant performance period, we must maintain a 90-Firefighter headcount. After the performance period, we can drop to an 86-Firefighter headcount. Roger also assumed all the changes in wages, retirement contributions and benefit dollars are all reflected in the re-stacking. The one line item on the model/tool that indicates if we are doing well (or not) is the financial reserve line. We cannot have a financial reserve less than 5% of our revenue. We will have to manage each budget year individually as the circumstances present themselves, to balance the budget year over year.

The good news is there is a lot of projected growth for the city of Apache Junction with new homes and new businesses forecasted for the near future. The growth that we are seeing should largely offset an economic slow down.

3. **Discussion Educational Requirements. (BOD #2019-01-02)**
Chief Mike Farber talked about our current educational requirements. He believes we need both experience and education. The current educational requirements were voted on in 2015. The Battalion Safety Officer position is an appointed position. Chief Farber feels that any current Captain should be able to fill the BSO position. Since it is an appointed position, he would like to remove the degree requirement for BSO. He also believes that for the position of Battalion Chief, it shouldn't require a Bachelor's degree. The Engineer position has educational requirements but not everybody had them. Also, not everyone knew of these requirements for Engineer. We are providing the three classes and giving everybody a year to get them completed. Chief Farber presented proposed changes to our educational requirements on a PowerPoint slide. He removed the BSO from the list. Chief Farber suggested that we have a committee to find out what other agencies require. Labor agreed a committee would be a good idea. Director Cross is not in favor of lowering educational requirements. He believes in hiring from within and lowering the educational requirements could possibly cause us to have to hire from outside in the future. Firefighter Andrew Tryon believes a Battalion Chief should have an Associate's Degree but not a Bachelor's degree. Director Moeller feels that a Bachelor's degree should be required for Assistant Chief and above. He believes that someone with experience is more valuable than someone with education. Director Cross stated that some agencies give 5 preference points for being a veteran or 10 preference points for years of service or preference points for having an Associate's degree or a Bachelor's degree. Everyone agreed a committee should be formed, gather the information needed and report back to the Board of Director's at the April 2019 meeting.

4. **Discussion and possible solutions for Sick Leave Usage. (BOD #2019 01-03)**
Chief Mike Farber gave an overview of sick pay-out at retirement vs. paying overtime. A study was done in the State of Washington and it was found that pay-out of sick time at retirement was more favorable than paying overtime. Chief Farber said that sick time is viewed to be not as valuable as it used to be. If we were to decide to payout sick time 100% at the time of retirement, we would not be facing any costs until about 2 years from now. Finance Director Roger Wood wanted to clarify that paying out sick time 100% would be only at the time of retirement. If someone were to leave before retiring, they wouldn't get paid out for sick time. Currently, an employee can accrue up to 6 months (1,460 hours) of sick, at which time there's a process to buy them down. Director Cross recommended that we set up a 401(a) account for tax purposes. Director Cross suggested we consider buying down vacation and sick on an annual basis. Chief Farber believes in the 100% buyout. He feels this would translate to better morale and there is more value in short-term rewards for the younger members. Chairman House would like Staff to come up with a plan for a 100% buyout at retirement and possibly some other incentives. Director Cross suggests that we pool the members to see what they would prefer.

5. **Discussion on Overtime. (BOD #2019-01-04)**
Fire Chief Mike Farber stated that in 2016, 22% of the time we had compromised units (must have 4 person staffing). In 2017, I was able to reduce that time to 17%. In 2018 it was down to 8% when we added the extra unit. People are coming to work as expected and I don't feel like we're worse than any other agencies in the Valley. One of our neighboring agencies had to brown-out a unit on a holiday. That should never have happened. Others find it hard to get people to come in on the weekends. Some of the causes for our overtime is we have had a lot of injuries, illnesses (one person was out for a year), and Military Leave. One person was gone for 6 months on Military Leave. For the reduction in overtime, we just had 3 people graduate from the Phoenix Fire Academy which will help reduce overtime with one person on each shift. Then in May 2019, we will have 4 more people graduate from the Phoenix Fire Academy. Those 7 people will drastically reduce overtime. Finance Director Roger Wood said one of the values of the PSPRS actuarial model is it might finally be the evidence we need to go back to State Wildland Fire and say you need to change your reimbursement model. Roger and Chief Farber had been talking about this for a long time but they could never put a dollar amount on what it costs the District for heavy wildland participation (overtime, PSPRS costs, etc.). Director Cross said this is a statewide problem. Some agencies have it on their radar and others do not. Chief Farber said many agencies have stopped participating in wildland fires because of this. Chief Farber made it clear that he is not advocating that we get rid of the wildland fire program. We just need adequate reimbursement.

6. **Adjourn (BOD #2019-01-06)**

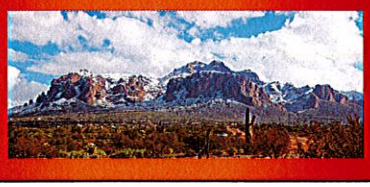
Motion by Director Cross at 6:16 PM to adjourn the meeting. **Seconded** by Director Moeller.

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

Governing Board Approval:

_____
Board Clerk Kathleen Chamberlain
Sherry Mueller

Superstition Fire & Medical District SAFER Grant / DROP Replacement Forecast



FORECAST'S INTENT

The intent of the SAFER Grant / DROP Replacement forecast is to provide a tool that allows District management to model possible outcomes for future fiscal years considering the following variables:

- Replacement costs for all 14 DROP retirees.
- SAFER Grant cost sharing for 7 new hires.
- Separation Earned Leave Buy-Out costs for retirees.
- Changes in NAV, PSPRS and ASRS Contribution Rates, Benefit Dollars, and projected increases in wage and non-wage budget categories.
- Forecast has been built to model changing variables immediately.

SAFER GRANT PERFORMANCE PERIOD

SAFER Grant Update

- SFMD requested 7 of the 12 firefighters in the original grant
- ** Therefore for the next 3 years SAFER requires that SFMD has a minimum of 90 operational firefighters on staff during the performance period of 2/28/19 through 2/28/22*
- Included in 90 operational headcount:
  - 47 Firefighters (includes 7 new hires)
  - 18 Engineers
  - 21 Captains (includes 3 Battalion Safety Officers)
  - 3 Battalion Chiefs
  - 1 Deputy Chief
- Not included: Fire Chief, 2 Assistant Chiefs, Training Captain

SAFER GRANT/DROP RETIREE SCHEDULE

FY 2018 / 2019 – Add 7 SAFER Grant new hires
FY 2019 / 2020
FY 2020 / 2021 – Farber (5/2021), Blackstone (6/2021)
FY 2021 / 2022 – Kuhn (8/2021), Ochs (12/2021)*, Colby (2/2022), Perkins (2/2022), Gereg (5/2022)

* To maintain the 90 operational headcount level required by the SAFER grant, the forecast assumes hiring replacement for Farber, Blackstone, Kuhn, and Ochs. The plan is to then let attrition allow the operational headcount level drop to 86.

SAFER GRANT/DROP RETIREE SCHEDULE

FY 2022 / 2023 – Bessee (12/2022)
FY 2023 / 2024 – Brooks (8/2023)**, Johnston (9/2023), Wyatt (10/2023), Paul (12/2023), McKinney (2/2024), Christensen (2/2024)
FY 2024 / 2025
FY 2025 / 2026

** To maintain the 86 operational headcount level, new hire replacements will occur starting with and continuing after Brooks' retirement.

ASSUMPTIONS IN ANALYSIS

- When a DROP participant retires, active ranks are "restacked". For example, if an Assistant Chief retires, it is assumed that a BC will be promoted to AC, a Captain will be promoted to a BC, a firefighter will be promoted to Captain, and a new firefighter is hired.
- Step increases at the appropriate anniversary dates of each restacked rank are included.
- The restacking is planned in the month following the DROP retiree's departure.
- Assumed changes in wages, retirement contributions, and Benefit Dollars are reflected in the restacking.

ASSUMPTIONS IN ANALYSIS

- The wage and benefits (Benefit Dollars, Medicare) cost savings resulting from the DROP retiree's departure are reflected.
- Estimated vacation and sick leave accrual buy-outs are included at the retiree's final hourly rate. Sick leave accrual levels are factored to reflect current policy.
- FY 2018/2019 budget is the foundation for the financial forecast.
- Starting in FY 2019 / 2020, the SAFER Grant cost sharing and the replacement costs after the Grant ends are reflected as "net" in the SAFER/On-Going Cost line. "Net" means the savings of retiree departures are added to the cost of replacements to determine the net cost to the District.

SCENARIOS

- The forecast model allows the Board and Staff to see the potential impact due to changes in the assumption of:

- Changes in NAV growth which directly impacts tax revenue
- Changes in wages cost
- Changes in pension costs for the District (PSPRS and ASRS)
- Changes in Benefit Dollars (the way the District provides health care benefits to its employees
- Changes in all other non-wage, non-benefit expenses

FORECAST

SFMD SAFER Grant / DROP Replacement Forecast
January 2019

QUESTIONS?

SFMD SAFER Grant / DROP Replacement Forecast
January 2019

Educational Requirements

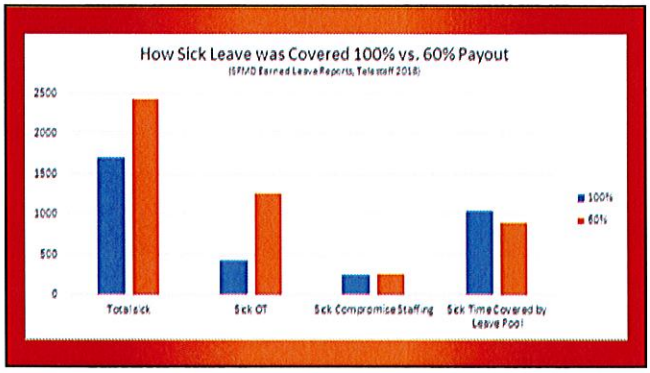
CURRENT REQUIREMENTS

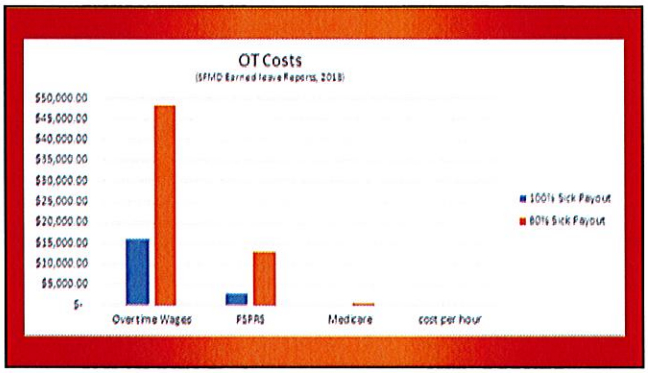
Position/Title	Current Minimum Requirements/ Years of Experience	Future Minimum Requirements/ Years of Service	Current Required Certifications	Future Required Certifications	Compliance Date
Firefighter	High School Diploma/GED No Exceptions	No Changes	EMT / CPAT	No Change	Current
Fire Engineer	3 Years Consecutive Service with SFMD	No Changes	None	Certificate of Completion Driver/Operator (Prerequisite)	January 2017
Fire Captain	5 Years Consecutive Service with SFMD	Associate's Degree – Fire Science, Business, or related field and 5 Years Consecutive Service with SFMD	None	None	January 2016
Battalion Safety Officer	Same as Fire Captain	Associate's Degree – Fire Science, Business, or related field and 5 Years Consecutive Service with SFMD	ISO (Within 1 year of assignment)	No Change	January 2016
Battalion Chief	Associate's Degree – Fire Science/ 2 Years as a SFMD Captain	Bachelor's Degree – Fire Science, Business, or related field and 7 Years Consecutive Service with SFMD / 2 Years as a SFMD Captain	None	CFO (Within 3 years of promotion)	January 2018
Division Chief	Associate's Degree – Fire Science/ 2 Years as a SFMD Captain	Bachelor's Degree – Fire Science, Business, or related field and 7 Years Consecutive Service with SFMD / 2 Years as a SFMD Captain	None	CFO (Within 3 years of promotion)	January 2018
Assistant Chief	Bachelor's Degree/ 3 Years in a Management Position with SFMD	Bachelor's Degree Fire Science, Business or related field and 10 years consecutive service with SFMD / 2 years as a BC/OC	None	CFO (Within 3 years of promotion)	January 2016

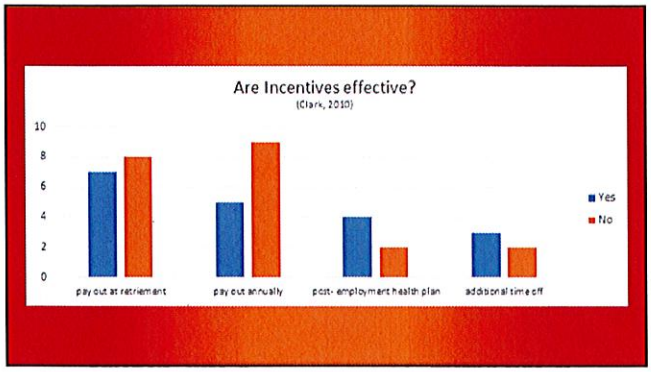
PROPOSED CHANGES

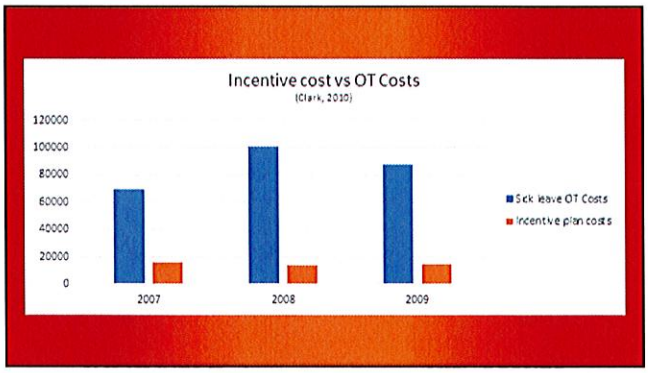
Rank/Position	Grade	Years of Experience	Education
Firefighter	31	NA	High School Diploma/GED
Engineer	39	3 Consecutive Years' Experience with SFMD	PREREQUISITES: FSC 111/FSC 117/ FSC 118 or SFMD Driver Operator or Arizona State Fire Marshal Driver/Operator in lieu of FSC 111
Captain	45	5 Consecutive Years' Experience with SFMD	Associates Degree Fire Science, Business or related field
Battalion/Division Chief	57	7 Consecutive Years' Experience with SFMD with 2 Consecutive Years as an SFMD Captain	Bachelor's Degree Fire Science, Business or related field
Deputy Chief	61	7 Consecutive Years' Experience with SFMD with 2 Consecutive Years as an SFMD Battalion Chief	Bachelor's Degree Fire Science, Business or related field
Assistant Chief	64	10 Consecutive Years' Experience with SFMD with 2 Consecutive Years as a Battalion or above	Bachelor's Degree Fire Science, Business or related field
Battalion Safety Officer (Assignment)	Incentive $2,100	5 Consecutive Years' Experience with SFMD	Incident Safety Officer (ISO) within 1 year

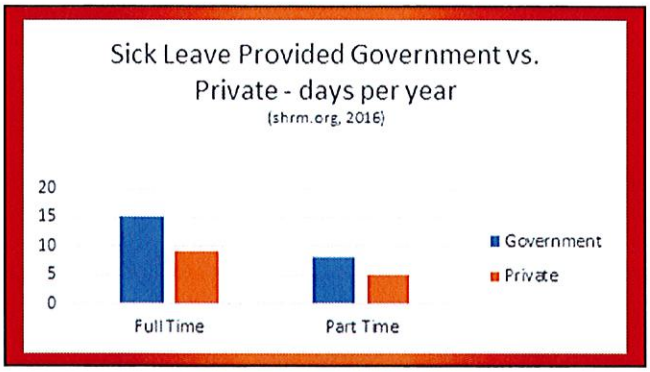
Sick Leave







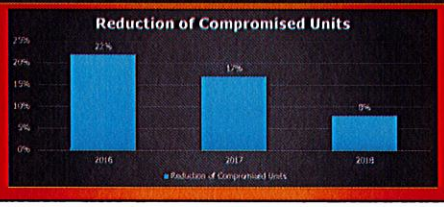




Overtime

REDUCTION OF COMPROMISED UNITS

- Less compromised units per Automatic Aid Agreement
- More Regular Hours with Additional Unit
- Response Times Reduced



OVERTIME FACTORS

- Causes
  - Injuries
  - Illness
  - Military Leave
  - BC Academy Coverage
- Reductions
  - Recruit Academy Graduates – Jan 2019 – 3 Firefighters
  - Recruit Academy Graduates – May 2019 – 4 Firefighters
  - Increase Leave Pool on Each Shift

Appendix C

C. Renewal of contract for property and casualty insurance service

Submitted By:
Fire Chief Mike Farber
Finance Director Roger Wood

Background / Discussion:
Cindy Elbert Insurance Services is our current broker for our ESIP insurance property damage and liability policies. The quote we received from Cindy Elbert Insurance Services for the period March 1, 2019 – February 28, 2020 is $140,845.00, an increase of 2.3%. The increase is due to the following:

	Last Year	This Year	Change	Coverage
A. Auto & Property:	$106,182	$108,823	+ 2,641	Vehicle, Buildings, contents
B. Inland Marine:	20,138	19,504	+ 634	Portable equipment
C. Umbrella Liability:	12,094	11,984	- 110	Umbrella, General, Professional
	$140,945	$137,780	$ 3,165	

The increase in Auto & Property and Inland Marine (A & B above) is caused by the following:

A. The value of the buildings insured increased $1,181,547 (5.0%), and the value of vehicles insured increased $109,806 (1.1%).
B. Considering the $1.29 million increase in assets insured, the actual cost per dollar of insured assets increased 1.43% year-over-year.
C. The decrease in Umbrella Liability insurance (C above) is due to the increased number of calls the District responds to, and the fact that the District now responds to ambulance transport calls.

Additional Items for Consideration.

1. Terrorism Coverage.
    a. Annual premium = $2,448.
    b. The Terrorism Risk Insurance Act of 2002 requires insurance companies to offer terrorism coverage.
    c. The District can deny this coverage.
2. Optional Increased Cyber Liability Coverage.
    a. Annual premium = $5,002 for $1 million is coverage.
    b. The General Liability coverage (C above) already includes $1M per event/$10M aggregate network security and data breach liability coverage
    c. The District can deny this coverage.

Financial Impact/Budget Line Item:
$3,165 additional cost

Staff Recommendation:
Staff recommends the approval of the ESIP insurance for property and vehicle damage, and liability. Staff also recommends the Board reject the Optional Terrorism and Increased Cyber Liability coverage.

Enclosure(s):
Cindy Elbert Insurance Services Premium Quote

NOTE: The Cindy Elbert Insurance Policy and Terrorism Policy for the period March 2019 – February 2020 was distributed to the Board prior to the Board meeting within the Board meeting deck.

CINDY ELBERT
INSURANCE
SERVICES

- Business Insurance Programs & Risk Management Services
- Competitive Comprehensive Coverage
- **Professional Prompt Service**

January 24, 2018

Chief Mike Farber
Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ 85119

RE: Arch Insurance Proposal, Effective: 3/1/19-20

Dear Mike,

We are pleased to enclose your quote this year with Arch Insurance Co for your package, inland marine and umbrella policies as follows. Please review and let us know if there are any changes.
Network Security & Date Breach Liability is now included in this policy
This proposal does not include worker's compensation or group health benefits.

Package Policy -	$108,770.00
AZ Theft Fee-	$ 53.00
Inland Marine-	$ 20,138.00
Umbrella-	$ 11,984.00
Total Annual Premium	**$140,945.00**

***Terrorism is excluded in the above premiums, if you would like terrorism coverage please include an additional $2448.00 with your down payment**

Interest Free Payment Plan:

Down Payment due	3/1/19	$35,276.00 payable to Cindy Elbert Ins. Service
Installment due	6/1/19	$35,223.00
Installment due	9/1/19	$35,223.00
Installment due	12/1/19	$35,223.00

We can request the insurance coverage quoted subject to the following:

1. **Down payment of $35,276.00 made payable to Cindy Elbert Insurance Services.**
2. **Please sign & date declination of Terrorism form**
3. **Please initial, sign & date page 2,4 & 6 of AZ uninsured motorist form**
4. **Please sign & date Statement of Values**
5. **Optional quote for Accident & Sickness liability, please sign either accepting or rejecting**
6. **Optional quote for increased Cyber Liability, please sign either accepting or rejecting**

Once we receive the following in our office by fax with originals in the mail No Later Than 2/22/19 we can request the Binder of Insurance, Certificates of Insurance and Vehicle ID Cards.

Thank you for your business, if you have any questions please call us at 888-681-1020 X 308.

Sincerely,
Cindy Elbert

15182 North 75th Ave., Suite 100, Peoria, AZ 85381
Phone: 602.942.3900 • Fax: 602.942.4300

CA License # OD34009
www.AmbulanceInsurance.com

CINDY ELBERT
INSURANCE
SERVICES
15182 North 75th Ave., Suite 100
Peoria, AZ 85381
Phone: 602.942.3900 • Fax: 602.942.4300

Date: **1/25/2019**

Invoice

Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ 85119

Account #: SUPERS PKG

Insured:
Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ 85119

Date	Description	Comp	Policy #	Premium	Amount Financed Direct Billed	Payments	Total Due
1/25/2019	Pkg Ren 3/1/19-20	ARC	MEPK07620509	27,192.50	0.00	0.00	27,192.50
1/25/2019	AZ Auto Fee 19/20	ARC	MEPK07620509	53.00	0.00	0.00	27,245.50
1/25/2019	IM Ren 3/1/19-20	ARC	MEIM07656109	5,034.50	0.00	0.00	32,280.00
1/25/2019	Umb Ren 3/1/19-20	ARC	MEUM07602709	2,996.00	0.00	0.00	35,276.00
			Totals	35,276.00	0.00	0.00	35,276.00

Total premium due by : 2/22/2019

PLEASE MAKE PAYMENT PAYABLE TO:
CINDY ELBERT INSURANCE SERVICES

This is an invoice not a binder or indication of coverage

TERRORISM COVERAGE DISCLOSURE NOTICE

TERRORISM COVERAGE PROVIDED UNDER THIS POLICY

The Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015 (collectively referred to as the "Act") established a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. An act of terrorism is defined as any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

In accordance with the Act, we are required to offer you coverage for losses resulting from an act of terrorism **that is certified under the federal program** as an act of terrorism. The policy's other provisions will still apply to such an act. Your decision is needed on this question: do you choose to pay the premium for terrorism coverage stated in this offer of coverage, or do you reject the offer of coverage and not pay the premium? You may accept or reject this offer.

If your policy provides commercial property coverage, in certain states, statutes or regulations may require coverage for fire following an act of terrorism. In those states, if terrorism results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to Legal Liability coverage forms or Leasehold Interest coverage forms.

Your premium will include the additional premium for terrorism as stated in the section of this Notice titled DISCLOSURE OF PREMIUM.

DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. **The federal share equals 85% in 2015, 84% in 2016, 83% in 2017, 82% in 2018, 81% in 2019, and 80% in 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer deductible during Calendar Year 2015 and each Calendar Year thereafter through 2020.**

DISCLOSURE OF CAP ON ANNUAL LIABILITY

If the aggregate insured terrorism losses of all insurers exceed $100,000,000,000 during any Calendar Year provided in the Act, the Secretary of the Treasury shall not make any payments for any portion of the amount of such losses that exceed $100,000,000,000, and if we have met our insurer deductible, we shall not be liable for the payment of any portion of such losses that exceeds $100,000,000,000.

DISCLOSURE OF PREMIUM

Your premium for terrorism coverage is: $2,448.00
(This charge/amount is applied to obtain the final premium.)
You may choose to reject the offer by signing the statement below and returning it to us. Your policy will be changed to exclude the described coverage. If you chose to accept this offer, this form does not have to be returned.

REJECTION STATEMENT

I hereby decline to purchase coverage for certified acts of terrorism. I understand that an exclusion of certain terrorism losses will be made part of this policy.

Policyholder/Legal Representative/Applicant's Signature	Superstition Fire & Medical District Named Insured
Print Name of Policyholder/Legal Representative /Applicant	Arch Insurance Company Insurance Company
Date:	Policy Number: MEPK07620509, MEIM07656109, MEUM076027

ARIZONA UNINSURED MOTORISTS COVERAGE AND UNDERINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Applicant/Named Insured: Superstition Fire & Medical District	**Policy Effective Date:** 3/1/2019
Company: Arch Insurance Company	**Producer:** McNeil & Company, Inc.

Arizona law permits you to make certain decisions regarding **UN**insured Motorists Coverage and **UNDER**insured Motorists Coverage. This document describes these coverages and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding **UN**insured Motorists Coverage or **UNDER**insured Motorists Coverage and your options with respect to these coverages.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages your policy provides.

DO NOT SIGN UNTIL YOU READ

You have a legal right to purchase **both UN**insured and **UNDER**insured Motorist coverages with the proposed automobile liability policy. **THESE COVERAGES PROTECT YOU, YOUR FAMILY AND YOUR PASSENGERS. LIABILITY COVERAGE DOES NOT IN MOST CASES.**

UNinsured motorist insurance provides protection for bodily injuries caused by a negligent motorist who has no insurance. **UNDER**insured motorist coverage provides protection if the negligent motorist does not have enough liability insurance to pay for the injuries caused. For a more detailed explanation of these coverages, refer to your policy. Your policy provides **UN**insured/**UNDER**insured coverage in the same amount as the policy's Bodily Injury Liability Limit, unless you select a lower amount or no coverage, as stated in this notice.

You have a right to purchase both **UN**insured Motorist coverage and **UNDER**insured Motorist coverage in any amount from $30,000 single limit (or $15,000/$30,000 split limits) up to your policy's bodily injury liability limit, or you may reject the coverage entirely. Neither limit may exceed your liability coverage limits for Bodily Injury.

Your Bodily Injury Limit on the policy: $1,000,000.00

© ISO Properties, Inc., 2004

A. Mandatory Offer Of UNinsured Motorists Coverage

Please indicate a choice from either **1.**, **2.**, or **3.** below by initialing next to the appropriate item.

1. Selection Of UNinsured Motorists Coverage

(Initials)		Premium
_____	**I select UNinsured Motorists Coverage at limits equal to the limits of my Liability Coverage.**	$ 1,146.00

2. Rejection Of UNinsured Motorist Coverage

(Initials)	
_____	**I reject UNinsured Motorists Coverage.**

© ISO Properties, Inc., 2004

3. **Rejection Of UNinsured Motorists Coverage At Limits Equal To Liability Coverage Limits**

****PLEASE NOTE THAT WE DO NOT OFFER SPLIT LIMITS****

(Initials) _____ **I reject UNinsured Motorists Coverage at limits equal to the limits of my Liability Coverage and I select the following lower limits:**

(Choose one):

Split Limits			OR	Combined Single Limit		
(Initials)		Premium		(Initials)		Premium
_____	$ 15,000/30,000	$n/a		_____	$ 30,000	$462.00
_____	20,000/40,000	n/a		_____	40,000	517.00
_____	25,000/50,000	n/a		_____	50,000	573.00
_____	50,000/100,000	n/a		_____	75,000	n/a
_____	100,000/200,000	n/a		_____	100,000	695.00
_____	100,000/300,000	n/a		_____	200,000	862.00
_____	250,000/500,000	n/a		_____	250,000	879.00
_____	300,000/300,000	n/a		_____	300,000	929.00
_____	500,000/500,000	n/a		_____	350,000	979.00
_____	500,000/1,000,000	n/a		_____	500,000	1,035.00
_____	1,000,000/1,000,000	n/a		_____	1,000,000	1,146.00
_____	_____	_____		_____	_____	_____
	(Other)				(Other)	

© ISO Properties, Inc., 2004

B. Mandatory Offer Of UNDERinsured Motorists Coverage

Please indicate a choice from either **1.**, **2.**, or **3.** below by initialing next to the appropriate item.

1. Selection Of UNDERinsured Motorists Coverage

(Initials)		Premium
_____	**I select UNDERinsured Motorists Coverage at limits equal to the limits of my Liability Coverage.**	$2,715.00

2. Rejection Of UNDERinsured Motorist Coverage

(Initials)	
_____	**I reject UNDERinsured Motorists Coverage.**

© ISO Properties, Inc., 2004

3. Rejection Of UNDERinsured Motorists Coverage At Limits Equal To Liability Coverage Limits

****PLEASE NOTE THAT WE DO NOT OFFER SPLIT LIMITS****

(Initials) _____ I reject UNDERinsured Motorists Coverage at limits equal to the limits of my Liability Coverage and I select the following lower limits:

(Choose one):

Split Limits			OR	Combined Single Limit		
(Initials)		Premium		(Initials)		Premium
_____	$ 15,000/30,000	$ n/a		_____	$ 30,000	$ 395.00
_____	20,000/40,000	n/a		_____	40,000	473.00
_____	25,000/50,000	n/a		_____	50,000	573.00
_____	50,000/100,000	n/a		_____	75,000	n/a
_____	100,000/200,000	n/a		_____	100,000	929.00
_____	100,000/300,000	n/a		_____	200,000	1,452.00
_____	250,000/500,000	n/a		_____	250,000	1,619.00
_____	300,000/300,000	n/a		_____	300,000	1,780.00
_____	500,000/500,000	n/a		_____	350,000	1,903.00
_____	500,000/1,000,000	n/a		_____	500,000	2,192.00
_____	1,000,000/1,000,000	n/a		_____	1,000,000	2,715.00
_____	_____ (Other)	_____		_____	_____ (Other)	_____

© ISO Properties, Inc., 2004

I understand and agree that selection of any of the above options applies to my liability insurance policy and future renewals or replacements of such policy that are issued at the same Bodily Injury Liability Limits. If I decide to select another option at some future time, I must let the Company know in writing.

DO NOT SIGN UNTIL YOU READ

Signed: _____ _____

(Named Insured) **Date**

Attached to application dated: _____

© ISO Properties, Inc., 2004

STATEMENT OF VALUES

Policy Number MEPK07620509

Insured Superstition Fire & Medical District

Headquarters Address 565 N. Idaho Rd.
Apache Junction, AZ 85119

Form of Coverage: ☐ Actual Cash Value applies to Items

☒ Replacement Cost applies to Items
(1 - 1); (1 - 2); (2 - 1); (2 - 2); (2 - 3); (3 - 1); (4 - 1); (4 - 2); (5 - 1); (6 - 1); (6 - 2); (6 - 3); (7 - 1); (9 - 1); (10 - 1)

Indicate Form Numbers to which these rates are to apply: _____

(Attach Forms and Endorsements which require completion to indicate specific information)

Coinsurance ☐ 80% ☐ 90% ☒ 100% Blanket Rate Effective _____

Agreed Value ☒

Causes of Loss for which rates are requested:

☐ Basic
☐ Broad
☒ Special

☐ Earthquake
☐ Other _____ (Specify)

State exact wording of the coverage as it will appear on the policy

INSURED (Optional with Company)	COMPANY, AGENT or BROKER
All values submitted are correct to the best of my knowledge and belief.	Statement of Values submitted by:
Signed _____	Name Cindy Elbert Insurance Services, Inc.
Title _____	Person to Contact _____
Date _____	Street _____
	City Peoria State AZ ZIP 85381

For INSURANCE SERVICES OFFICE use only
Basic Group I _____ Basic Group II _____ Other 01-23-2019

Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

TO BE ENTERED BY COMPANY, AGENT OR BROKER	Average Rate Calculation—for INSURANCE SERVICES OFFICE use Blanket Average Rate 80% Basic Earthquake Date _____ Specific Average Rate 90% Broad 100% Special Other _____ Calculated by ___

Item No.	Description, Location and Occupancy of Property Coverage	Coverage	Values
1-1	1135 W. Superstition Blvd. Apache Junction AZ 85120	Building YBPP	$1,914,423 $148,586
1-2	1135 W. Superstition Blvd. Apache Junction AZ 85120	Building	$36,936
2-1	3955 E. Superstition Blvd Apache Junction AZ 85119	Building YBPP	$1,914,423 $382,885
2-2	3955 E. Superstition Blvd Apache Junction AZ 85119	Building YBPP	$51,719 $1,531,538
2-3	3955 E. Superstition Blvd Apache Junction AZ 85119	Building	$36,936
3-1	1455 E. 18th Avenue Apache Junction AZ 85119	Building YBPP	$2,552,564 $898,774
		TOTALS	Continued

Rate Pub. No	Basic Group I		Basic Group II		Broad		Special		Earthquake		Other	
	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.
TOTALS												

AVERAGE RATES EFFECTIVE_____

BASIC GROUP I_____ BASIC GROUP II____ BROAD____ SPECIAL___ EARTH-QUAKE____ OTHER____

*B = Building S = "Stock" YBPP = Your Business Personal Property PPO = Personal Property of Others
Other – Specify Above

Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

TO BE ENTERED BY COMPANY, AGENT OR BROKER	Average Rate Calculation—for INSURANCE SERVICES OFFICE use Blanket Average Rate 80% Basic Earthquake Date _____ Specific Average Rate 90% Broad 100% Special Other _____ Calculated by ___

Item No.	Description, Location and Occupancy of Property Coverage	Coverage	Values
4-1	1645 S. Idaho Rd Apache Junction AZ 85119	Building YBPP	$3,169,917 $191,442
4-2	1645 S. Idaho Rd Apache Junction AZ 85119	Building	$36,936
5-1	565 N. Idaho Rd Apache Junction AZ 85119	Building YBPP	$1,751,334 $449,394
6-1	7557 E. US Highway 60 Gold Canyon AZ 85118	Building YBPP	$3,006,442 $159,536
6-2	7557 E. US Highway 60 Gold Canyon AZ 85118	Building	$36,936
6-3	7557 E. US Highway 60 Gold Canyon AZ 85118	Building YBPP	$51,711 $1,531,538
		TOTALS	Continued

Rate Pub. No	Basic Group I		Basic Group II		Broad		Special		Earthquake		Other	
	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.
TOTALS												

AVERAGE RATES EFFECTIVE_____

BASIC GROUP I_____ BASIC GROUP II____ BROAD____ SPECIAL___ EARTH-QUAKE____ OTHER____

*B = Building S = "Stock" YBPP = Your Business Personal Property PPO = Personal Property of Others
Other – Specify Above

Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

TO BE ENTERED BY COMPANY, AGENT OR BROKER	Average Rate Calculation—for INSURANCE SERVICES OFFICE use Blanket Average Rate 80% Basic Earthquake Date _____ Specific Average Rate 90% Broad 100% Special Other _____ Calculated by ___

Item No.	Description, Location and Occupancy of Property Coverage	Coverage	Values
7-1	3945 E. Superstition Apache Junction AZ 85119	Building YBPP	$639,540 $159,536
9-1	9294 East Don Donnelly Trail Gold Canyon AZ 85118	Building YBPP	$2,814,202 $127,629
10-1	3700 E 16th Ave Apache Junction AZ 85119	YBPP	$1,215,506
		TOTALS	$24,810,383

Rate Pub. No	Basic Group I		Basic Group II		Broad		Special		Earthquake		Other	
	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.	Rate	Prem.
TOTALS												

AVERAGE RATES EFFECTIVE_____

BASIC GROUP I_____ BASIC GROUP II____ BROAD____ SPECIAL___ EARTH-QUAKE____ OTHER____

*B = Building S = "Stock" YBPP = Your Business Personal Property PPO = Personal Property of Others
Other – Specify Above

Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

NOTES

1. The Company, Agent or Broker must complete page 1 and page 2, where indicated, to obtain a blanket average rate. Do not complete the value column if blanket average rate desired for Business Income (And Extra Expense) Coverage Form CP 00 30; Business Income (Without Extra Expense) Coverage Form CP 00 32 or Extra Expense Coverage Form CP 00 50.
2. When separated blanket average rates are desired, such as Buildings only or Personal Property only, submit a separate Statement of Values for each blanket average rate.
3. Values must be rounded to the nearest dollar.
4. Round the premium, per item on the average rate, for each cause of loss, coverage and exposure to the nearest whole dollar.
5. Minimum coinsurance for a blanket average rate is 90%.
6. The Company may require this Statement of Values to be signed by the Insured, or in the case of firms by a partner or an officer.
7. A blanket average rate expires one year from its effective date or when new class or specific rates are applicable, whichever occurs first.
8. This Statement of Values form or its equivalent must be filed annually.
9. A new blanket average rate may be requested if the conditions upon which the average rate is based have materially changed.
10. Attach Class Rate Information Form or equivalent information for all "class rated" property included in the blanket average rate.

 Copyright, ISO Commercial Risk Services, Inc., 1983, 1987

CINDY ELBERT
INSURANCE
SERVICES

- Business Insurance Programs & Risk Management Services
- Competitive Comprehensive Coverage
- Professional Prompt Service

ACCIDENT & SICKNESS INSURANCE ACKNOWLEDGEMENT FORM

Cindy Elbert Insurance Services, as a matter of Agency Policy, offers the above coverage:

This coverage in summary provides benefits to address the many concerns your members have when they become injured or ill, due to their participation as a volunteer. Benefits are provided for Medical Expenses, Loss of Income, Line of Duty Death and many others. **This is an additional coverage and is excluded under most insurance agreements.**

This form serves to acknowledge that the undersigned has been offered this coverage and:

( ) **Accepts** the opportunity to have a quotation provided for this coverage. Completion of an application is are required to provide said quotation and will be provided once this form is received by us:

Signature: _____ Date: _____

( ) **Rejects** the opportunity to have a quotation provided for this coverage and with this acknowledgement attesting that the offer of said coverage has been made and hereby declined.

Signature: _____ Date: _____

NAME OF SERVICE: Superstition Fire & Medical

15182 North 75th Ave., Suite 100, Peoria, AZ 85381
Phone: 602.942.3900 • Fax: 602.942.4300

Date: 1/23/2019

Insurance Proposal For:

Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ 85119

Presented By:	**Emergency Services Insurance Program**
Cindy Elbert Insurance Services, Inc.	Offered by McNeil & Company, Inc.
15182 North 75th Avenue	P.O. Box 5670
Suite 100	20 Church Street
Peoria, AZ 85381	Cortland, NY 13045
	Phone: (800) 822-3747
Phone: (602) 942-3900	Fax: (607) 756-5051
Fax: (602) 942-4300	Website: www.esip.com
Carrier: Arch Insurance Company A.M. Best Rating: A+ Superior	

This proposal is valid for 90 days.

DISCLAIMER

ESIP BY McNeil&Co.

GENERAL CONDITIONS:

This proposal is based on information provided to McNeil & Company by your Agent. An application signed and dated by an official of the entity and the agent/broker must be received prior to binding coverage.

The quotation in this proposal does not necessarily match the coverages or limits requested in any bid specifications and/or application.

Each individual policy contains the actual terms, conditions and exclusions. This proposal highlights certain features and benefits of the program.

Final premium is subject to adjustment based on any changes to limits and coverages received subsequent to the release of this proposal.

OUR PROMISE

ESIP BY McNeil&Co.

We developed your Insurance Proposal based on information provided by your ESIP insurance agent. We depend on your agent's knowledge of your organization and on interviews with your organization's personnel, to design the best policy and coverages for you. If you have any questions or concerns about the adequacy or appropriateness of the proposed coverage, please discuss them with your ESIP agent. Many of the policy features can be customized to meet your special needs.

In this proposal we outline the various coverages being offered. However this document can not take the place of an actual policy. Only an actual policy contains all of the terms, conditions, and exclusions that affect your coverage. Please review your policies carefully with your agent to be certain that you clearly understand your insurance program.

We believe that the Emergency Services Insurance Program (ESIP) provides emergency service organizations such as yours with the best insurance products available. We promise that you will find our coverage and service to be beyond your expectations!

For more information about ESIP's products and services, visit us on the Internet at www.esip.com.

NAMED INSURED

ESIP BY McNeil&Co.

Named Insured will read on the policy as:

First Named Insured:

Superstition Fire & Medical District

Other Named Insured:

Apache Junction Fire District

Pipes and Drums

Other Named Insureds should include all legal entities under which you operate or own property, including any Fire Company, Volunteer Association, Auxiliary, or Cadet Program. If the named insureds shown above are not correct please advise your ESIP agent.

Basic Coverage Information

Coinsurance	Agreed Amount
Building Deductible	$5,000 Single Occurrence Deductible
Business Personal Property Deductible	$5,000 Single Occurrence Deductible
Cause of Loss Form:	Special

Limits of Insurance

Premises 1: 1135 W. Superstition Blvd., Apache Junction, AZ 85120

1 - 1 Fire Station

Building: $1,914,423 Business Personal Property: $148,586

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

1 - 2 Carport

Building: $36,936 Business Personal Property: $0

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: N/A
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Premises 2: 3955 E. Superstition Blvd, Apache Junction, AZ 85119

2 - 1 Fire Station

Building: $1,914,423 Business Personal Property: $382,885

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Limits of Insurance

2 - 2 Antenna Building

Building: $51,719 Business Personal Property: $1,531,538

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost

Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

2 - 3 Carport

Building: $36,936 Business Personal Property: $0

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: N/A

Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Premises 3: 1455 E. 18th Avenue, Apache Junction, AZ 85119

3 - 1 Maintenance Facility

Building: $2,552,564 Business Personal Property: $898,774

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost

Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Limits of Insurance

Premises 4: 1645 S. Idaho Rd, Apache Junction, AZ 85119

4 - 1 Fire Station

Building: $3,169,917 Business Personal Property: $191,442

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

4 - 2 Carport

Building: $36,936 Business Personal Property: $0

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: N/A
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Premises 5: 565 N. Idaho Rd, Apache Junction, AZ 85119

5 - 1 Administration Building

Building: $1,751,334 Business Personal Property: $449,394

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Limits of Insurance

Premises 6: 7557 E. US Highway 60, Gold Canyon, AZ 85118

6 - 1 Fire Station

Building: $3,006,442 Business Personal Property: $159,536

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

6 - 2 Carport

Building: $36,936 Business Personal Property: $0

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: N/A
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

6 - 3 Antenna Building

Building: $51,711 Business Personal Property: $1,531,538

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost
Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

Limits of Insurance

Premises 7: 3945 E. Superstition, Apache Junction, AZ 85119

7 - 1 Fitness Center

Building: $639,540 Business Personal Property: $159,536

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost

Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Premises 9: 9294 East Don Donnelly Trail, Gold Canyon, AZ 85118

9 - 1 Fire Station

Building: $2,814,202 Business Personal Property: $127,629

Building Valuation: Guaranteed Replacement Cost

Business Personal Property Valuation: Guaranteed Replacement Cost

Separate Wind Deductible: No

Ordinance or Law Provision: No Sub-Limit

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Premises 10: 3700 E 16th Ave, Apache Junction, AZ 85119

10 - 1 Training Building

Building: $0 Business Personal Property: $1,215,506

Building Valuation: No Coverage

Business Personal Property Valuation: Guaranteed Replacement Cost

Separate Wind Deductible: No

Ordinance or Law Provision: N/A

Flood:	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible
Earthquake	$1,000,000	Per Occurrence and Annual Aggregate	$1,000 Deductible

---

Coverage Extensions Included

Building Ordinance or Law

Contingent Loss to the Undamaged Portion of the Building

Demolition Cost Coverage

Increased Cost of Construction

Business Income/Extra Expense

Actual Loss Sustained; Up to 24 Months

Applies at:

Newly Acquired and Constructed Locations

Non-Owned Fundraising Locations for up to 30 days; No Waiting Period

Locations of Sirens, Antennas, Towers and Similar Structures

Includes Increased Time Due to Enforcement of an Ordinance or Law

Includes Civil Authority with No Mileage Restriction

Computers and Communications Equipment $250,000

Broadened Causes of Loss

Software, Data and Valuable Papers Included with No Sub-limit

Broadened Causes of Loss

Equipment Breakdown Coverage Included with No Sub-limit

Heating and Cooling Systems

Telephone Systems

Communication Equipment

Back-Up Generators

Miscellaneous Electrical Equipment

Hazardous Substance Contamination ($250,000)

Newly Acquired Property $2,500,000

Up to 180 Days

Material, Equipment and Supplies ($25,000)

Coverage Extensions Included

Outdoor Property	$300,000
Fences	
Monuments and Memorials	
Paved Surfaces such as Parking Lots and Sidewalks	
Trees, Shrubs, Plants and Lawns ($25,000 Each)	
Property In Transit	$50,000
Broadened Causes of Loss	
Property Off Premises	$100,000
Broadened Causes of Loss	
Uncollected Funds	Included With No Sub-Limit
Broadened Causes of Loss	
Pollutant Clean-Up	$150,000
Debris Removal	$100,000
Spoilage	$250,000
Money & Securities	$50,000
Premises Expanded	1,000 Feet
Outdoor Signs	Included With No Sub-Limit
Fire Extinguishing Equipment	Cost to Recharge; No Sub-Limit
Property of Others	Included With No Sub-Limit
Broadened Causes of Loss (Primary Coverage)	
Sewer and Drain Back Up	Included With No Sub-Limit
Antiquities, Trophies & Awards	Included With No Sub-Limit
Crime Reward	$25,000

Coverage Extensions Included

Additional Covered Property	Building & Personal Property Limit
Not to Exceed $500,000	
Excavations, Grading, Backfilling or Filling	
Foundations of Buildings, Structures, Machinery or Boilers	
Bulkheads, Pilings, Piers, Wharves or Docks	
Retaining Walls that are not part of a Building	
Underground Pipes, Flues or Drains	
Fungus, Wet Rot, Dry Rot or Bacteria	$50,000
Lock and Key Replacement	$25,000
Unintentional Omission of Property	$500,000
Waived Deductible	Up to $1,000
Waiver applies to not more than 3 claims in any line in any one policy term	
Applies if previous 2 policy periods with us were loss free	
Glass Deductible	Waived if Only Damage
Tenant Glass	$10,000
Snow Removal Expense	$1,000 per Policy Period
Inventory or Appraisal	$50,000
Non-Owned Detached Trailers	$10,000
Utility Services (Direct Damage)	$50,000
False Pretense	Included with No Sub-limit
Garages and Storage Sheds	$10,000
Contents in Garage or Storage Shed $1,000	
Unscheduled Buildings or Structures Used by the Public	$100,000

Coverage Extensions Included

Contents in Unscheduled Buildings or Structures Used by the Public $10,000

Preservation of Property	90 Days

Limits of Insurance

General Aggregate	$10,000,000
Products/Completed Operations Aggregate	$10,000,000
Each Occurrence	$1,000,000
Personal & Advertising Injury	$1,000,000
Damage to Premises Rented to You *	$100,000
* Damage by Fire, Lightning or Explosion	
Medical Expense	$5,000

Schedule of all Premises you Own, Rent or Occupy

Location 1: 1135 W. Superstition Blvd., Apache Junction, AZ 85120

Location 2: 3955 E. Superstition Blvd, Apache Junction, AZ 85119

Location 3: 1455 E. 18th Avenue, Apache Junction, AZ 85119

Location 4: 1645 S. Idaho Rd, Apache Junction, AZ 85119

Location 5: 565 N. Idaho Rd, Apache Junction, AZ 85119

Location 6: 7557 E. US Highway 60, Gold Canyon, AZ 85118

Location 7: 3945 E. Superstition, Apache Junction, AZ 85119

Location 8: 575 East Baseline, Apache Junction, AZ 85119

Location 9: 9294 East Don Donnelly Trail, Gold Canyon, AZ 85118

Location 10: 3700 E 16th Ave, Apache Junction, AZ 85119

ESIP BY McNeil&Co.

Coverages Included

Non-Owned Aircraft & Watercraft

Owned Watercraft less than 35 feet

Owned Unmanned Aircraft (Drones)

Contractual Liability

Fund Raising Activities

Host Liquor Liability

Temporary Liquor Liability for Events Lasting 10 Days or Less

Members as Insureds

Includes Physicians acting within the scope of their duties for Insured

Fire and Rescue Service Liability

Emergency Services E&O
Medical Malpractice Liability
Dispatcher's Liability
Medical Director's E&O
Good Samaritan Liability

Emergency Services Liability - Claims Made

Unlimited Tail Available
Full Prior Acts
Directors and Officers Liability
Spousal Liability
Estates, Heirs & Legal Representatives Liability
Employee Benefits Liability
Employment Related Practices Liability
Unintentional Release of Individually Identifiable Health Information
Outside Directorships
$100,000 Non-Monetary Relief

Coverages Included

$100,000 Defense of Suits Involving Fair Labor Standards Act

Coverages Included

$100,000 Fines and Penalties Related to Release of Individually Identifiable Health Information

Pollution Liability

On-Premises

Includes Above Ground Fuel Storage Tanks

Off-Premises

$1,000,000 Sub-Limit for Corrective Action Costs

Injury to Volunteers

Fellow Member Liability

Bodily Injury and Property Damage

Property Damage to Rented Premises (other than fire) $50,000

Enhanced Property Damage

Use of Reasonable Force to Protect Persons or Property

Bail Bonds - $5,000

Your Expenses - $1,000 per day

Blanket Additional Insured

Persons or Organizations - As Required by Contract

Managers, Landlords or Lessors of Premises

Lessors of Leased Equipment

Waiver of Subrogation

Newly Acquired/Formed Organizations - 180 Days

Duties in the Event of an Occurrence, Offense, Claim or Suit

Limits Persons Required to Give Notice

Liberalization

Coverages Included

Bodily Injury Includes Mental Anguish

Coverages Included

Network Security & Data Breach Liability

Network Security & Data Breach Liability Each Event Limit	$1,000,000
Network Security & Data Breach Liability Aggregate Limit	$10,000,000
Network Security & Data Breach Liability Retroactive Date	03/01/2015

Provides liability coverage for third party claims or suits involving:

- Disclosure, loss or theft of personally identifiable or confidential corporate information in your care, custody or control which is obtained or released from your computer system
- Failure to disclose or warn of the actual or potential disclosure or misappropriation of personally identifiable or confidential corporate information
- Violation of any federal, state or local privacy statute addressing disclosure or misappropriation of personally identifiable or confidential corporate information
- Transmission of malware from your computer system
- A denial of service attack which blocks access to your website or computer system

Coverage applies to personally identifiable information of your members.
Coverage applies to events first discovered and reported during the policy period or any extended reporting period.

Privacy Event Mitigation Expense

Privacy Event Mitigation Expense Each Event Limit	$50,000
Privacy Event Mitigation Expense Aggregate Limit	$50,000
Privacy Event Mitigation Expense Retroactive Date	03/01/2015

Provides coverage for reasonable and necessary fees and expenses for:

- Computer forensic analysis of your computer system to determine the cause and extent of the privacy event
- Review of the privacy event by an approved crisis management or legal firm to advise you of the appropriate response
- Travel by your directors, executive officers or employees which is done to mitigate the damage of a privacy event
- Costs associated with notifying affected parties of the privacy event
- Expenses for services, such as credit monitoring, provided to individuals for the purpose of mitigating the effect of a privacy event on them

Coverage applies to events first discovered and reported during the policy period or any extended reporting period.

Type of Coverage	Limit of Insurance (no deductible applies)
Employee Theft - Blanket Includes All Employees, Volunteers, Board Members and Treasurers	$100,000
Faithful Performance of Duty	Included

Coverage Extensions

Credit Card Forgery $250 Deductible	$10,000

Limits of Insurance

Combined Single Limit Liability (Symbols: 1, 19)	$1,000,000
Medical Payments (Symbols: 7)	$10,000
Uninsured Motorists (Symbols: 6, 19)	$1,000,000
Underinsured Motorists (Symbols: 6, 19)	$1,000,000

Deductibles (Single Occurrence)

Emergency Apparatus Deductible	$5,000

Vehicle Schedule

No.	Year	Make	Model	VIN	ACV	Agreed Value
1	1994	E-One	Pumper LDH	4ENBAAA81R1003125		$197,559
2	2000	Dual	Trailer	4ZBUE0183YK000218	N/A	N/A
3	2000	Freightliner	Tanker	1FV6JLCB3YHB47326		$160,824
4	2000	ALF	Heavy Rescue	1FVHBGA891HH52221		$265,527
5	2000	ALF	Pumper Tanker	4Z3HAACG31RH62838		$397,585
6	1999	ALF	Pumper LDH	4Z36ETDB1XRA87560		$257,608
7	2001	Ford	Ambulance ALS	1FDWF36FS1ED16476		$82,476
8	2003	Ford	Service	1FTYR10D13PA42125		$12,736
9	2003	Ford	Service	1FTNX21P53EB39394		$32,197
10	2002	Ford	Rehab	1FDAE55F42HB77070		$124,894
11	1993	Dodge	First Responder	3B7ME33C7PM112702		$22,029
12	2000	Chevrolet	First Responder	1GCGK29R2YF475776		$23,203
13	2002	Ford	First Responder	1FTSW31F22EC02470		$58,404
14	2004	Ford	First Responder	1FTSW31P34EA50016		$37,322
15	2004	Ford	First Responder	1FTSW31P14EA50015		$37,322
16	2004	Pierce	Pumper	4P1CT02HX4A003776		$510,178
17	1991	Ford	Light Rescue	1FDYK84A1MVA09065		$39,038
18	2005	Ford	First Responder	1FTWW31P55EA66978		$42,505
19	2005	Ford	First Responder	1FDWW37P35EA66979		$39,085
20	2005	Ford	First Responder	1FDWW37P55EA76820		$39,085
21	2006	Ford	First Responder	1FDWF36P86EB58656		$33,266
22	2007	Pierce	Tanker	1HTWGAZT77J385198		$199,160
23	2008	Ford	Service	1FTNF20568EB80594		$17,356
24	2008	Ford	Service	3FAHP07148R141314		$17,907
25	2008	Ford	Service	3FAHP07168R141315		$17,907
26	2008	Pierce	Pumper LDH	4P1CU01H08A007954		$625,902
27	2007	GMC	Heavy Rescue	1GDE5E3287F417094		$194,123
28	2006	Ford	First Responder	1FMPU15536LA61424		$28,642
29	2008	Pierce	Pumper LDH	4P1CU01H98A008083		$691,966
30	2009	Ford	First Responder	1FDAW57R89EA72449		$46,594
31	2012	Pierce	Pumper	4P1CU01D3CA012703		$622,784
32	2012	Pierce	Pumper	4P1CU01D5CA012704		$622,794

KEY: (X) Invalid Vin; # No Liability Coverage; * Automatic Increase; ^ Towing; + Rental Reimbursement; > GRC; ~ Loan or Lease Gap Coverage;

Vehicle Schedule

No.	Year	Make	Model	VIN	ACV	Agreed Value	
33	2011	Pierce	Mini Pumper Type III	1HTWEAZRXCJ564047		$310,304	
34	2005	Cert	Trailer	AZ272615	N/A	N/A	
35	2013	Pierce	Pmp/Tnk	4P1CU01D2DA013326		$1,400,000	
36	2014	Ford	F250	1FT7W2B67EEA92714		$64,501	*>~
37	2014	Ford	Expedition	1FMJU1F54EEF17678		$42,000	
38	2014	Ford	F150	1FTFW1EF3EKD62234		$43,100	
39	2014	Ford	F150	1FTFW1EF1EKD62233		$48,700	
40	2014	Ford	F150	1FTFW1EF5EKG08961		$41,000	
41	2014	Ford	F150	1FTFW1EF7EKG08962		$41,000	
42	2014	Ford	F150	1FTFW1EF9EKG08963		$41,000	
43	2014	Ford	F150	1FTFW1EF0EKG08964		$41,000	
44	2016	Pierce	Tanker	1FVHC5DB9GZ2324 (X)		$459,065	*>~
45	2016	Ford	Ambulance Unit C86	1FDUF4GT4GEA39853		$296,156	*>~
46	2016	Ford	Ambulance Unit C87	1FDUF4GT8GEA39855		$296,156	*>~
47	2016	Ford	Ambulance Unit C88	1FDUF4GT6GEA39854		$296,156	*>~
48	2016	Ford	Ambulance Unit C89	1FDUF4GTXGEA39856		$296,156	*>~
49	2016	Ford	Ambulance Unit C90	1FDUF4GT4GEA45474		$296,156	*>~
50	2016	Ford	F150	1FTEW1EF7GFA56001		$43,000	
51	2016	Ford	F150	1FTFW1EF3GFA56002		$63,796	
52	2016	Pierce	Pumper	4P1BAAGF7GA016780		$736,100	
53	2017	Load	Trailer	4ZEUT1827H1122473		$2,600	

KEY: (X) Invalid Vin; # No Liability Coverage; * Automatic Increase; ^ Towing; + Rental Reimbursement; > GRC; ~ Loan or Lease Gap Coverage;

Included Coverages

Scheduled Vehicles

Non - Owned Vehicles (Primary Liability Including Member's Autos)

Hired / Borrowed Vehicles

Members as Insureds

Towing and Labor for Vehicles Carrying Physical Damage

No Sub-Limit Within 250 Miles

$2,500 Beyond 250 Miles

$0 Glass Deductible for Vehicles Carrying Physical Damage

Fellow Member Liability

Automatic Increase for Agreed Value Vehicles 6% Per Year

Injury To Volunteers

Damage to Non-Owned Buildings You Occupy

Garage Liability

Damage to Customer's Autos $50,000

Pollution Liability

For Pollutants Used in Emergency Operations

Waived Deductible

Up to $1,000

Waiver applies to not more than 3 claims across all lines in any one policy term

Applies if previous 2 policy periods with us were loss free

Accidental Discharge of an Airbag for Vehicles Carrying Physical Damage

Enhanced Property Damage

Use of Reasonable Force to Protect Persons or Property

Bail Bonds - $5,000

Your Expenses - $1,000 per day

Blanket Additional Insured

Persons or Organizations - As Required by Contract

Included Coverages

Waiver of Subrogation

Duties in the Event of an Accident, Claim, Suit or Loss

Limits Persons Required to Give Notice

Bodily Injury Includes Mental Anguish

Waiver of Immunity

Applicable to Property Damage Claims of up to $250,000

Physical Damage Coverage Information

For Agreed Value Vehicles We Pay the Lesser of:

1. **Agreed Value**

   Constructive Total Loss if Repair Cost Equals 75% of Agreed Value

2. **Actual Replacement Cost**

   Including the Cost to Update to Current Standards

3. **Repair Cost**

   Including Up to 50% Extra to Update Damaged Parts to Current Standards

   Including the Cost to Recertify

For Actual Cash Value Vehicles We Pay:

1. **Actual Cash Value**

   Including the RCV for Special Paint, Decals and Equipment

   Including the Cost to Update to Current Standards

For Guaranteed Replacement Cost Vehicles We Will Increase the Agreed Value to Whatever Amount is Necessary to Equal the Lesser of:

1. **Cost of a New Apparatus**

   Including the Cost to Update to Current Standards

2. **Actual Amount Spent for Repair or Replacement**

Coverage Extensions

Member's Autos

Non-Emergency:

Lesser of Member's Deductible, Cost to Repair or ACV

Emergency:

Lesser of Cost to Repair, or ACV, Plus Towing

Rental Reimbursement*

Up to $15,000 in 90 Day Period

Rental Reimbursement - Member's Auto*

Up to $40 Per Day for 30 Days

$1,000,000 Substitute Vehicles*

For Up to 6 Months

Adjusted Based on Owner's Policy Provisions if Other Than ACV

$1,000,000 Newly Acquired Vehicles*

For Up to 60 Days

Adjusted Like Vehicles Scheduled with Agreed Value

$500,000 Hired Vehicles*

Adjusted Based on Owner's Policy Provisions if Other Than ACV

$25,000 Vehicle Debris Removal*

Commandeered and Impounded Vehicles

Primary Coverage

Actual Cash Value or Legal Liability - Whichever is Greater

Adjusted Based on Owner's Policy Provisions if Other Than ACV

Loss of Use and Income

Includes Member's Autos

Property on Loan*

From Federal Excess Property Program or Firefighter Property Program

Actual Cash Value or Cost to Repair or Replace - Whichever is Less

***Coverage Applies if Vehicles are Shown in the Vehicle Schedule with Agreed Value with the Exception of PPT's**

PORTABLE EQUIPMENT

ESIP BY McNeil&Co.

Limits of Insurance

Valuation	Guaranteed Replacement Cost
Deductible (Single Occurrence)	$2,500

Coverage Extensions

Commandeered and Impounded Property

Primary Coverage

Actual Cash Value or Legal Liability - Whichever is Greater

Adjusted Based on Owner's Policy Provisions if Other Than ACV

Loss of Use and Income

Includes Member's ATV's, Watercraft, Golf Carts and Snowmobiles

Member's Personal Property

Cost to Repair or Replace

$0 Deductible

Includes ATV's, Watercraft, Golf Carts and Snowmobiles

Patient's Property	$50,000
Computers in Transit	$25,000
Cost to Recertify	$10,000
Permanently Installed Property Off Premises	$200,000
Equipment Breakdown Coverage	Included
Drones	$25,000
Additional Living Expenses - Members	Up to $1,000
Deductible Reimbursement - Members	Up to $1,000

Damage to Member's Primary Residence

Responding to, while at or returning from an emergency

Waived Deductible	Up to $1,000

Waiver applies to not more than 3 claims across all lines in any one policy term

Applies if previous 2 policy periods with us were loss free

Limits of Insurance

Aggregate*	$20,000,000
Each Occurrence	$10,000,000
Personal & Advertising Injury	$10,000,000
Self Insured Retention	None

* Auto Liability claims are not subject to the aggregate limit

Excess Over

Automobile Liability

- Fellow Member Liability
- Garage Liability

General Liability

- Non-Owned Aircraft & Watercraft
- Owned Watercraft up to 35 feet
- Owned Unmanned Aircraft (Drones)
- Contractual Liability
- Host Liquor Liability
- Fellow Member Liability
- Temporary Liquor Liability

Network Security and Data Breach Liability

Emergency Services Liability

- Directors and Officers Liability
- Spousal Liability
- Estates, Heirs & Legal Representatives Liability
- Employee Benefits Liability
- Employment Related Practices Liability
- Unintentional Release of Individually Identifiable Health Information
- Outside Directorships

Pollution Liability

Fire and Rescue Service Liability

- Emergency Services E&O
- Medical Malpractice Liability
- Dispatcher's Liability
- Medical Director's E&O
- Good Samaritan Liability

Excess Over

Employer's Liability

Excess coverage is subject to approval of underlying policy limits and carrier rating.

SAFETY AND TRAINING

McNeil & Co.'s commitment to our client doesn't end with our comprehensive, industry-tailored polices. More than any other insurance company, we want to help you mitigate risk, increase safety, and control losses. We are proud to offer a variety of valuable Risk Management Services with every policy we write.

ESIP RISK MANAGEMENT SERVICES

- Designated Account Safety Specialist
- Wheelchair Van Safety & Security Checklist
- Motor Vehicle Record (MVR) Reviews
- Sample Policies & Policy Reviews
- Hazardous Materials & Incident Command Pocket Guides
- Specialized Safety Forms, Checklists, and Self-Inspection Sheets
- Driver Training & Evaluation Info, including EVOC, accident investigation guides, etc.
- Risk Management Surveys & Recommendations, to help identify potential areas of loss
- Employment Practices Hotline
- Alcohol Server Training
- Sample Liability Waivers
- Safety Posters

Don't Forget About

E-Learning is our internet-based training and tracking management platform with instant, 24/7 access to a wide range of courses. This platform enables your members to access vital information and training anywhere with an internet connection, including via most mobile devices. Our management tools empower your organization's leaders to create customized training programs, track user activity, and easily maintain detailed records. We also offer document dropbox for uploading your own policies and training materials. Training specialists are available to help set up E-Learning for your organization, lead system walkthroughs and tutorials, and provide technical support. Best of all, these services come at no additional cost to you!

For more information on our Risk Management Services or E-Learning, visit esip.com or call 1-800-822-3747 ext. 176.

ESIP BY McNeil&Co.

Policy Premium

Commercial Package	Included
Commercial Inland Marine	Included
Commercial Umbrella	Included
Total (Including Terrorism):	$143,340

Policy Fees

Arizona Automobile Theft Authority Fee	$53.00
Total:	$53.00

Additional Coverage Lines Available

Accident & Health

Group Life

24hr AD&D

Binding Requirements

Binding Requirements:
*Signed statement of values
*Signed election form
*Signed terrorism disclosure if rejecting coverage

CINDY ELBERT
INSURANCE
SERVICES

- Business Insurance Programs & Risk Management Services
- Competitive Comprehensive Coverage
- **Professional Prompt Service**

January 24, 2019

Chief Mike Farber
Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ 85119

RE: Optional Increased Cyber Liability Coverage

Dear Mike,

This insurance policy now includes Cyber Liability under your general liability policy. There is also a stand-alone cyber liability policy available for you and we have attached a breakdown of coverage differences between what is embedded in your current policy and the stand alone NetSafe Cyber Liability policy.

Also attached is a quote for the stand alone NetSafe Cyber Liability policy

Limits	**Annual Premium**
$1,000,000	$5002.00

If you would like to apply for this coverage, please contact me at 888-681-1020 x 308 or email kmaneiro@ambulanceinsurance.com

Sincerely,

Cindy Elbert

Please sign below if you wish to decline the increased Cyber coverage:

X_____ X_____
Signature **Date**

15182 North 75th Ave., Suite 100, Peoria, AZ 85381
Phone: 602.942.3900 • Fax: 602.942.4300

McNeil Co. Cyber Offering Comparison

	ESIP Embedded	HOMed Privacy*	NetSafe 1.0	NetSafe 2.0
Provisions/Definitions				
Admitted Product	Y	Y	N	Y
Computer System includes Cloud Computing and other 3rd Party Hosted Resources	N	N	Y	Y
Computer System includes Employee Owned Mobile Devices used for Insured Ops	N	N	N	Y
Coverage Territory is Worldwide	N	N	Y	Y
Deductible Applies	N	N	Y	Y
Defense Expenses Inside Limit	N	N	Y	Y
Independent Contractors as Insured	N	N	Y	Y
Liability Extends to Umbrella if Minimum Liability Limits Carried	Y	Y	N	N
Liability Coverage				
Coverage Basis	First Discovered & Reported	Occurrence	Claims Made & Reported	Claims Made & Reported
Coverage for Regulatory Action in Absence of Suit	N	Y	Y	Y
Denial of Service Attack	Y	N	Y	Y
Malicious Code Implanted on or Transmitted from an Insured's Computer System	N	N	Y	Y
First Party Coverage				
Business Interruption	N	N	N	Optional
Costs to Restore or Recreate Damaged or Destroyed Data	N	N	N	Y
Coverage Basis	First Discovered & Reported	Occurrence	Occurrence	First Discovered & Reported
Crisis Management Expenses	Y	N	Y	Y
Cyber Extortion Coverage	N	N	Y	Optional
Forensic Analysis of Breached Computer System	Y	N	Y	Y
Maximum First Party Limits Available	$250,000	$50,000/$150,000	$500,000	$1,000,000
Exclusions				
Broad Exclusions Relating to Data Security	Y	N	N	N
Contractual Exclusion Applies to Non-Disclosure Agreements	Y	Y	N	N
Fines or Penalties Imposed by Governmental Authority	Y	Y	Y	N
Loss of Personal Information of Volunteers/Employees	N	Y	N	N

*Covers privacy violations only. No network security coverage.

05/02/2018

McNeil&Co.

An Insurance Proposal For:

Superstition Fire & Medical District
565 N. Idaho Rd.
Apache Junction, AZ
85119

Date:

January 23, 2019

Presented by:

Cindy Elbert Insurance Services, Inc.
15192 North 75th Avenue
Suite 100
Peoria, AZ 85391

Offered By McNeil & Company, Inc.
20 Church Street
P. O. Box 5670
Cortland, NY 13045
Phone: (800) 822-3747 (607) 756-4970
Fax: (607) 756-5051

Carrier: Arch Insurance Company
This proposal is valid for 60 days.

TABLE OF CONTENTS

TABLE OF CONTENTS 1

INTRODUCTION 2

WHO NEEDS A CYBER PROGRAM? 3

DO YOU HAVE A PLAN? 4

WHAT WOULD A CYBER PRE-PLAN LOOK LIKE? 5

REASONS YOU NEED A CYBER LIABILITY PROGRAM 6

POLICYHOLDER 7

COVERAGE SCHEDULE 8

DESCRIPTION OF COVERAGES 9

- A) NETWORK SECURITY LIABILITY COVERAGE 9
- B) PRIVACY VIOLATION LIABILITY COVERAGE 9
- C) CYBER EXTORTION COVERAGE 11
- D) SECURITY BREACH NOTICE COVERAGE 10
- E) CRISIS MANAGEMENT COVERAGE 11

PREMIUM AND CONDITIONS 12

INTRODUCTION

We developed this Insurance Proposal based on information provided by your insurance agent. We depend on your agent's knowledge of your company and on interviews with your company's personnel. If you have any questions or concerns about the adequacy or appropriateness of the proposed coverage, please let us know or discuss them with your agent.

In this Insurance Proposal we explain the various coverages for your review. While we have taken great care in our attempts to explain the various coverages, the actual coverage is provided by your policy. Please review your policy carefully with your agent to be certain that you clearly understand your coverage.

Thank you for considering McNeil & Co. and Arch NetSafe℠.

For more information about McNeil's services and products, visit us on the Internet at www.mcneilandcompany.com.

Daniel F. McNeil
President

WHO NEEDS A CYBER PROGRAM?

- **Does your company collect information?**
  - Employee Personal Information
    - Medical or Non-Medical
  - Training Information
  - Payment / Credit Card Information
  - Patient Care Reports

- **Does your company store information?**
  - Electronically
  - On Paper

- **Does your company supply information to a third party?**
  - Benefits Administrator
  - Claims Adjuster
  - Billing Company
  - Governmental Authority

DO YOU HAVE A PLAN?

- **What do you plan for?**
  - Meetings / Training
  - Building / Vehicle Maintenance
  - Safety Program
  - Accident Review

- **Have you pre-planned for when information is stolen from you?**
  - Electronic
  - Paper

WHAT WOULD A CYBER PRE-PLAN LOOK LIKE?

- **How many files do you have?**
  - 100, 300, 1,000
  - Electronic or Paper
  - Past and Present - Employees, Patients, etc.

- **How do you confirm information was actually stolen? Who can you call for assistance?**

- **Who do you contact to determine what your legal responsibility is and to see if you need to take state mandated actions? What are the requirements in your state?**
  - Victim Notification
  - Credit Reports for Victims
  - Call Center to Answer Victims Questions

- **How will you handle unwanted publicity?**

- **Does your company have the resources to handle these kinds of events?**

REASONS YOU NEED A CYBER LIABILITY PROGRAM

- **Risk Management Services**
  - Complementary Assessment of Information Gathering and Storage System
  - eRISK Hub Portal
    - Provides updates in legal and regulatory compliance
    - Security Blogs (how are others solving problems)
    - Resources to develop an internal recovery plan for compromised data

It is always easier to avoid a loss than to work on a claim.

- **Evaluation Services**
  - A plan when you think a breach may have happened or it actually happens
- **Incident Help Hotline**
  - A breach expert interviews you to determine what you need to do next
- **Breach Coach**
  - Provides an individual to walk you through the entire process
- **Deployment of Security Experts**
  - Forensics to see if anything was lost
  - Triage of data loss
  - Assess whether you violated a regulation or law
- **Notification (if required by law)**
  - Coverage is driven by legal requirements
- **Call Center to take inquiries following the notifications**
  - Provides a group to handle calls from possible victims and help you communicate accurate information to them
- **Help with Public Relations**
  - Provides you with an experienced team to communicate with the public
  - Helps protect your good standing in the community
  - Helps protect you from a loss of the public's confidence

POLICYHOLDER

Policyholder Name: **Superstition Fire & Medical District**
Apache Junction Fire District
Pipes and Drums

This is how the policyholder name will read on your policy. It should include all legal entities to be covered by the policy. If the policyholder name above is not correct, please advise your agent.

COVERAGE SCHEDULE

Proposed Effective Date: March 1, 2019

Policy Period: 12 Months

Aggregate Limit of Liability - Each "Policy Period":	$ 1,000,000	
Sub-limits and Deductibles	**Sub-limit**	**Deductible**
A. Network Security & Privacy Liability	$ 1,000,00	$ 10,000
B. Media Liability	$ 0	$ 0
C. Data Incident Response Expense	$ 1,000,000	$ 10,000
D. Business Interruption Waiting Period 12 Hours	$ 0	$ 0
E. Cyber Extortion	$ 0	$ 0

Retroactive Date:	
A. Network Security & Privacy Liability	Policy Inception
B. Media Liability	Policy Inception
C. Data Incident Response Expense	Policy Inception

This is **CLAIMS MADE INSURANCE**. Such insurance applies only to claims first made against your organization during the policy period. Claims must be reported to the company no later than 60 days after the end of the policy period, unless an extended reporting period applies. Refer to terms and conditions of the policy for coverage limitations.

NOTICE: THE LIMIT OF LIABILITY IN THE POLICY MAY BE REDUCED OR COMPLETELY EXHAUSTED BY CLAIM COST AND/OR LEGAL DEFENSE. IN SUCH EVENT, THE COMPANY SHALL NOT BE LIABLE FOR ANY JUDGMENT, SETTLEMENT, CLAIM COST OR LEGAL DEFENSE COST WHICH IS IN EXCESS OF THE LIMITS OF LIABILITY STATED ON THE DECLARATIONS PAGE OF POLICY.

THE DEDUCTIBLE IN THE POLICY APPLIES TO CLAIM COSTS AND LEGAL DEFENSE AS WELL AS TO JUDGMENTS AND SETTLEMENTS.

DESCRIPTION OF COVERAGES

A) Network Security and Privacy Liability Coverage

This is a third party coverage that pays on behalf of your organization all sums you become legally obligated to pay as a result of claims arising from a Network Security Breach or Privacy Violation.

A Network Security Breach is:

- unauthorized access to or unauthorized use of your organization's computer system;
- the transmission of malicious code into or from your organization's computer system; or
- a denial of service attack.

A Privacy Violation is:

- failure to protect private information while in the care, custody or control of your organization;
- violation of a privacy law, such as HIPAA and GLBA, by our organization; or
- violation of your organization's privacy policy with respect to provisions prohibiting disclosure of private information.

Example:	**A computer hacker infiltrates your computer system which is used to keep employment records containing names, addresses, dates of birth, etc. The hacker uses the information to set up false credit accounts and an employee sues you for failing to properly secure his or her personal information.**

B) Media Liability Coverage

This is a third party coverage that pays on behalf of your organization all sums you become legally obligated to pay as a result of claims due to wrongful acts arising from your Media Activities which result in:

- product disparagement, trade libel, infliction of emotional distress, mental anguish, outrage or outrageous conduct;
- false light, public disclosure of private facts, or the intrusion and commercial appropriation of a name, persona or likeness;
- plagiarism, piracy (excluding patent infringement), or the misappropriation or unauthorized use of advertising ideas, advertising material, titles, literary or artistic formats, styles or performances;

- infringement of copyright, domain name, trademark, trade name, trade dress, title or slogan, service mark, or service name; or
- negligence with respect to the Insured's creation or dissemination of Media Content.

Media Activities means the publishing, dissemination, releasing, gathering, transmission, production, webcasting, or other distribution of Media Content.

Example:	**Your website references a competitor's product and the competitor deems the reference as derogatory and disparaging. The competitor sues your organization for damages.**

C) Data Incident Response Expense Coverage

This is a first party coverage that pays Data Incident Response Expenses incurred by your organization that result directly from a Network Security Breach or Privacy Violation. Data Incident Response Expenses are reasonable and necessary fees and expenses incurred by you, with the company's prior written consent, for:

- legal services of an attorney selected by the company;
- computer forensic investigative services by a third party information security professional selected by the company to determine the cause of a Network Security Breach and identify those who may have been victims of a Privacy Violation;
- notifying individuals who may have been victims of any Privacy Violation;
- public relations firm, crisis management firm or law firm services to mitigate reputational damage;
- credit monitoring services and identity theft education;
- costs for identity theft call centers; and
- costs to restore or recreate electronic data.

Example:	**An intruder steals boxes of files containing health and personal information about past and present patients. State law requires you to give timely notice to all patients whose information was or is believed to have been acquired by an unauthorized third party. You need to determine exactly what information was impacted and send out the required notification letters.**

D) Business Interruption Coverage

This is a first party coverage pays for loss your organization incurs due to Business Interruption, an interruption or suspension of your business, as a direct result of a Network Security Breach. Business Interruption coverage reimburses your organization for:

- reasonable and necessary costs that would not have been incurred if not for the Business Interruption; and
- net income that could have reasonably been earned or net loss that could have reasonably been avoided.

Coverage is provided from the time the waiting period expires and ends on the date the Business Interruption ends, or would have ended if you exercised due diligence.

Example:	**Your computer system is down due to infiltration of malicious code. Your business can't operate without your computer system.**

E) Cyber Extortion Coverage

This is a first party coverage that pays costs incurred by your organization that result directly from a Security Threat, a threat to commit an intentional attack against your computer system, or Privacy Threat, a threat to unlawfully use or disclose private information taken from you, for the purpose of demanding money, securities or other property. Such costs include:

- amounts paid by you with the company's prior consent to terminate or end a Security Threat or Privacy Threat that would otherwise result in harm to your organization; and
- reasonable and necessary costs to conduct an investigation to determine the case of a Security Threat or Privacy Threat.

Example:	**An employee downloads an attachment to a company computer and it contains malware which disables the computer system. The attacker demands that a cash payment be made before they will remove the malware from the computer system.**

PREMIUM AND CONDITIONS

ANNUAL PREMIUM: **$ 5,002.00**

This quote is contingent upon our receipt, review and approval of the following information:

1. Completed, signed cyber application (available up on request)
2.
3.

HIGHER LIMITS ARE AVAILABLE BY REQUEST, SUBJECT TO ADDITIONAL UNDERWRITING INFORMATION.

OPTIONAL COVERAGES:

Media Liability:	Limit $1,000,000/ Deductible $10,000	Premium: $876.00
Business Income:	Limit $1,000,000/ Deductible $10,000	Premium: $876.00
Cyber Extortion:	Limit $1,000,000/ Deductible $10,000	Premium: $876.00