



Ponderosa Fire District (PFD) Governing Board

Regular Board Meeting Minutes Thursday, February 20, 2020

At location PFD Station #81
1511 Spring Valley Road, Parks, AZ 86018

Handout 5.a.

1. **CALL TO ORDER/ROLL CALL** – Chairperson Marina Mitchell called the regular board meeting to order at 6:05 pm.

Present: –

Marina Mitchell, Board Chairperson
Carey McDonald, Vice-Chairperson
Ryan McKay, Clerk
Julie Mabry, Member
Mark Christian, Member

Visitors:

Paul Fox, CPA with Stephens & Co.

Lee Antonides, Fire Chief
Kristy Seifert, Office Manager
Kent Ofstie, Assistant Chief

2. **PLEDGE OF ALLEGIANCE** – Lead by Chairperson Mitchell.
3. **INTRODUCTION OR PRESENTATIONS** – None
4. **CALL TO THE PUBLIC** – None
5. **APPROVAL OF MINUTES** –
 - a. **Review of Regular Board Meeting Minutes for Thursday, January 23, 2020.** – Stand approved as written.

6. **FINANCIAL REPORTS** –

- a. **Discussion and possible action regarding financial reports ending January 31, 2020.** (*Paul Fox, CPA with Stephens & Company*)

Discussion: Paul Fox, CPA with Stephens and Company briefed the board members on the financial reports ending January 31, 2020. Mr. Fox stated that the department ended January with \$622k in cash. He stated that the general fund is roughly \$314k, the capital fund is approximately \$77k, and the Station 82 sub capital fund is approximately \$230k. Mr. Fox stated that the department still has a due to and due from balance of \$100K from earlier in the year. He stated there shows a total of net assets of \$1,215,021.

Mr. Fox stated that the Statement of Activities shows a total of program expenses of 114k. He stated that approximately 59k came in revenue that was mostly from the last wildland assignment and approximately 34k of tax revenue and almost 6k of Fire District Assistance Tax FDAT. He stated that for a total there is approximately 90k. Mr. Fox stated that if the Board looks at the year to date sheet it shows that the department has increased their net assets by 142k.

Mr. Fox stated that when looking at the projections of cash flow spreadsheet it will show the budget, the year to date cash flow, the remaining fiscal year cash flow, and any variances they project. He stated that the projected cash is approximately 1.179 million and that is 145k more than what the department had before and that means it is cash the department has received to date already. He stated that they are projecting the department will have some variances in wildland,

salaries and wages. He stated the Boards conservative approach is evident with the basis of the budget being Tax Revenue, FDAT income and not budgeting for any out-of-district billing or potential wildland income.

Mr. Fox asked the Board if they had any additional questions for him. The PFD Board had no other questions. Chief Antonides thanked Mr. Fox for presenting the financial information.

Action: Vice-Chairperson McDonald moved to accept and approve item 6.a. regarding financial reports ending January 31, 2020. Clerk McKay seconded the motion. Vote was unanimous.

7. **OLD BUSINESS** - None

8. **CHIEF'S SUMMARY AND REPORTS** –

a. **Annual number of calls to-date and incident reports (response update).** *(Chief Antonides)*

Discussion: Chief Antonides stated that the department has had 346 total calls for 2019. He stated that year to date the department has received 30 requests for service, which was down 3 from last year at this time. He stated that since the last board meeting, the crews have run 12 calls. He stated there were two significant calls worth mentioning. One crew response was to an ice rescue at Scholtz Lake with initial report of two people being stuck in the ice. Chief Antonides continued the other significant call was a request to assist Lifeline Ambulance out on the Interstate close to the overpass with a patient they were transporting to Flagstaff Medical Center that had stabbed himself in the heart. Our crew helped Lifeline work the patient until arrival at the medical center.

Chief Antonides stated the department training this month is primarily regarding Extrication and GFR was hosting a wildland refresher class for the beginning of the year. There were no particular updates regarding local committee meetings. There is a new multiple agency committee that Chief is involved with called the Community Forest Health and Safety Fair which is a multiple agency group to inform the residents of thinning projects that are going in and around Parks and to provide information regarding evacuation.

Chief Antonides stated that the Fuels Crew has completed work on the HVR 19-303 grant which is the 100% grant that covers 53 acres in the Parks area and Office Manager Seifert is working on the reimbursement from that grant.

Chief Antonides stated that Capstone is approximately 99% complete for their current phase. Capstone is proceeding with Phase 2A and 2B with construction. He stated that as soon as the freezing temperatures are gone, they will finish curbing/sidewalks and will start building the new model homes. He stated there is a total of 108 homes in both phases 2A and 2B. Chief Antonides updated the Board Members regarding the various development proposals in the Bellemont and Parks Communities.

Chief Antonides stated that the Navy is currently reevaluating their options. The department has billed them \$1,041.80 for their response on Jan 17th, 2020 and the Naval Observatory has turned it over to their procurement department to pay and we have yet to receive payment.

Chief Antonides stated that Pierce Manufacturing will be holding an apparatus road rally at Station 82 on April 7th from 10:00 to 3:00 pm. He stated that the Board is welcomed to attend.

Chief Antonides stated that the department is all caught up on billing for last wildland season and have received all the revenue from that. Chief Antonides stated that regarding ongoing

maintenance that staff has ordered a new steering gear box for Engine 821 and there is still needed maintenance on the Chief 82 truck since a noise is coming from the front end.

Chief Antonides stated that since last board meeting there was approximately \$54,430.55 dollars deposited to the general fund and \$1,576.72 of that was from out-of-district billing. Chief Antonides stated that the contract is being drafted for the Station 82 expansion. He met with Loven Contracting and APMI on the initial design and the road ahead.

- b. **Discussion and update regarding 2020-2021 fiscal year budget workshops.** (*Chief Antonides*)
Discussion: Chief Antonides stated that he provided a list of dates to the Board Members at the last board meeting however we adjusted the meeting for May so that it coincides with the Budget Hearing. He stated that both Clerk McKay and Vice-Chairperson McDonald had expressed interest on being a part of the budget committee workshops and we appreciate that input and involvement. There were no other questions or discussion regarding the Chief's report or budget workshops.

9. **NEW BUSINESS -**

- a. **Discussion and possible action regarding changing EAP Vendors and review of proposal from Jorgensen Group.** (*Chief Antonides*)

Discussion: Chief Antonides stated that the department has had a few employees that have used the EAP that have had issues with their experience. He stated that in his research with other departments, the admin group and a gentleman from Tempe Fire Department, Chief Antonides has found that the program we are under is by far the best option. He stated that the issue our department is having seems to be typical of any EAP vendor in that there is a limited number of providers in our rural area or other rural areas. Chief Antonides stated that we originally started looking at going with another vendor, however based on what he has heard that we should just stay with Magellan for the time being. He stated that the biggest reason we chose to go with Magellan is because they offer coverage to our volunteers and they also included our Board Members since they are volunteers as well.

Action: No action

- b. **Discussion and possible action regarding updating or implementing the following policies:**
(*Office Manager Seifert*)

- i. **40.00 EMPLOYEE BENEFITS -**
1. **40.05 Earned Paid Sick Time**
2. **40.12 Light Duty Assignment**

Discussion: Office Manager Seifert reminded the Board members that with the proposed policies anything that is new will be shown in bold underlined and anything that is to be deleted will show with a strikethrough. Chief Antonides stated that with the Earned Paid Sick Time policy he was hoping to have information back from Stephens and Company regarding the accrual and how their system calculates that for part time personnel. He stated that he did not receive the information and would like the board to table that policy until next board meeting.

Chief Antonides stated that the Light Duty Policy follows state statute very closely. Office Manager Seifert stated that the department needs to have a light duty policy in place to assist and accompany our workman's comp insurance coverage.

Action: Vice-Chairperson McDonald moved to table item 9.b.i.1. And approve item 9.b.i.2. regarding implementation of policy 40.12 Light Duty Assignment. Member Christian seconded the motion. Motion passed unanimously.

c. **Discussion and possible action regarding billing policies and Board Resolution 2020-01.**
(Chief Antonides)

Discussion: Chief Antonides stated that there are two proposed resolutions for the Boards consideration. He stated that one resolution is to bill for past invoices if the Board opts to bill for the responses that were not previously billed for. He stated that the other resolution is to not bill for past invoices. He stated that staff wanted to give them the option of either choice and not presume the Board's preference.

Chairperson Mitchell asked if this was entirely accurate for 3 years. Vice-Chairperson McDonald asked how big the problem in dollars is.

Chief Antonides stated that there had apparently been some issues with previous billings in 2017, that some of the billings appeared to have either not been billed or may have inadvertently been closed out. He stated that since Office Manager Seifert has been here, she has been processing some billing; however two issues arose with that. He stated that one was an issue with EF Recovery in that they had missed claims for an entire year, however that issue has since been corrected and those are the out of district funds that you see coming in now. Chief Antonides stated that the other issue was in the management process of our billing. He stated there was confusion of how the processing was to be completed and there were questions that were not asked. He stated when learning about EF Recovery and their issue it caused us to look deeper into our billing procedures and found that our department had not billed or not completed processing.

Vice-Chairperson McDonald asked to confirm that EF Recovery has fixed their issue. Chief Antonides stated yes.

Office Manager Seifert showed the Board the spreadsheets she had been working on to remedy the issue and answer any questions the Board would have now and at future board meetings. She stated that she would continue to update the Board at each board meeting as to the progress and status of the past incident billings. Office Manager Seifert stated that she also wanted to inform the Board that there was a little bit of good news in that there were some billings that were actually sent out.

Chairperson Mitchell asked if there was a statute of limitations on any of this. Chief Antonides stated there is not. He stated that he talked with Mr. Furuya with the County Attorney's office and informed him of the situation and Mr. Furuya informed him that if Ponderosa were a regular business there is a statute of limitations but as a public safety agency there is not.

Office Manager Seifert stated she would continue filling in the information with the spreadsheets as things progress so the Board will be updated every month regarding the amount and the financial status of the situation. She stated that she has begun drafting the billing policies, creating list of definitions, criteria for billable incidents as well as the organization and process for which the incidents will be billed going forward.

Chief Antonides stated that PFD receives a report from EF Recovery every time we receive a check and it has consistently been between a 25-35% collection rates on those claims off the dollar amount. He stated that the percentage was based only on what had been billed.

Clerk McKay asked if they know the number of incidents that remain unbilled and asked what the typical average amount would be. Chief Antonides stated that there were approximately 150 calls

for the past three years that were not billed. He stated that based off of 15 random EMS calls that the average billing was approximately \$700 on average per call for a total of \$10,500 in potential billings for those calls but was only an estimation and not an accurate number for total billings. He stated that he had not done an average with United Resource.

Member Christian asked for clarification that you now have a process that tracks all of this so we can avoid this from happening in the future. Chief Antonides replied yes. Office Manager Seifert stated she must update the spreadsheet to reflect the progress in billing and archival information for the past three years.

Vice-Chairperson McDonald stated that they would have a very hard time explaining in front of the tax payers of the district why they haven't made some attempt to collect. He stated that right now the tax payers have laid the foundation of funds to provide service for people that are not chipping in.

Chief Antonides stated that to start out they will sit down and conduct additional training for the fulltime office staff to make sure they understand what needs to be done and what needs to be processed. He stated that in the process of the additional training, research and notes that staff would build a new policy. He stated that he will meet with Office Manager Seifert every month and go over these incidents and they will bring the information to the Board and show them exactly what has occurred. He stated this is to give the Board total transparency of the unbilled items and new billed items.

Assistant Chief Ofstie stated that it was also a training issue with the crew because it is sometimes very difficult for the crews to obtain contact information from the parties of the incidents.

Member Christian asked if it was possible when the crew is out on the scene to request information from the law enforcement either DPS or Sheriff's Deputy. Chief Antonides replied yes and it had not been consistently done. Chief Antonides stated that is something they will ensure is being done by the crews. If for some reason the crew is unable to obtain that information, Office Manager Seifert is able to request the report from law enforcement.

Member Mabry stated that she feels that they need to be straight with the public and that it doesn't matter how many dollars it is and that they need to bill everybody.

Action: Vice-Chairperson McDonald moved to approve item 9.c. regarding Board Resolution 2020-01 to bill past due invoices and allow collections to report to the credit bureau. Member Mabry seconded the motion. Motion passed unanimously.

10. **EXECUTIVE SESSION** – None

11. **ADJOURNMENT** – There being no further business to discuss and by motion of Vice-Chairperson McDonald, seconded by Clerk McKay, the regular session of the Ponderosa Fire District Board of Directors held on Feb 20, 2020, adjourned at 7:19 p.m.



Ryan McKay, Board Clerk

