



Ponderosa Fire District (PFD) Governing Board

Regular Board Meeting Minutes Thursday, Jan 23, 2020

At location PFD Station #82
11951 W. Shadow Mountain Drive, Bellemont, AZ 86015

Handout 5.a.

1. **CALL TO ORDER/ROLL CALL** – Chairperson Mitchell called the regular board meeting to order at 6:00 pm. It was determined there was a quorum.

Present –

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

Absent - None

Lee Antonides, Fire Chief
Kristy Seifert, Office Manager

2. **PLEDGE OF ALLEGIANCE** – Lead by Vice-Chairperson McDonald.
3. **INTRODUCTION OR PRESENTATIONS** –
 - a. **Presentation and Discussion with Ms. Sarah Benatar, Treasurer for Coconino County.**
Discussion: At the request of the Chairperson, Item 3.a. was moved on the agenda between item 6 and item 7.
4. **CALL TO THE PUBLIC** – None
5. **APPROVAL OF MINUTES** -
 - a. **Review of Regular Board Meeting Minutes for Thursday, December 19, 2019.** – Stand approved as written.
6. **FINANCIAL REPORTS** –
 - a. **Discussion and possible action regarding financial reports ending December 31, 2019.** (*Paul Fox, CPA with Stephens and Company*)
Discussion: Paul Fox, CPA with Stephens and Company introduced himself and began his update by reporting on the Statement of Net Assets first. He stated that the general fund is at approximately 302k in cash, the capital fund is at approximately 77k and the Station 82 fund is at approximately 230k for a total of approximately 610k in PFD funds. He stated there is still the 100k due (to) from other funds. Mr. Fox stated that liabilities were generally payroll tax and pension liability and he stated that the total net assets for the period are 1.2 million.

Mr. Fox stated that the total expenses were approximately 73k and approximately 55k of that is due to personnel services which are typically the districts largest expense. He stated that there was not much in the way of revenue and it was only approximately 75k and FDAT was just over 8k and the miscellaneous is generally the capstone money that comes in. He stated that there was a transfer of funds that occurred from the general fund to the capstone station 82 fund. Mr. Fox stated that currently showing the change in net assets was approximately 35k.

Mr. Fox stated that we are halfway through the year and had approximately 559k of expenses and to date have had approximately 66k for receipts for services, approximately 478k in property

taxes and 89k in FDAT, and resulting in the change in net assets were about 155k year to date.

Mr. Fox stated that when looking at the cash projections spreadsheet that to keep in mind this is mostly chalk predictions based on past trends but the benefit of the cash projections is we show any variances in the current budget. He stated that they show a projection of 100k less in cash for the next year but keeping in mind that it includes a budgeted amount of 206k for building and construction.

Vice-Chairperson McDonald asked a question regarding modified basis vs accrual basis and if it's possible to add wildland billing receivables or out of district receivables.

Paul Fox stated that it was not impossible however the hard part in doing that would be due to the Government accounting standards stating that the real money has to be expected to be received within 60 days in order to show it as revenue, meaning if it hasn't been received, you are not allowed to count on it. He stated that with wildland income remaining so difficult to track, it might not be the best approach.

Chief Antonides stated that in response to Vice-Chairperson McDonald's request, staff has the vehicle maintenance breakdown ready and should have that for the Board next month.

There were no other questions from the Board for Mr. Fox.

Action: Clerk McKay moved to accept item 6.a. regarding financial reports ending Dec 31, 2019. Member Mabry seconded the motion. Vote was unanimous.

3. INTRODUCTION OR PRESENTATIONS –

a. **Presentation and Discussion with Ms. Sarah Benatar, Treasurer for Coconino County.**

Discussion: Chief Antonides introduced Mrs. Sarah Benatar, the Treasurer for Coconino County. Chief Antonides stated that based on the Board's discussion at last month's meeting regarding possible funding sources and financing of the Station 82 addition, the County does offer something that may be of interest to the Fire District and to the Board.

Mrs. Benatar greeted the Board Members and thanked them for inviting her to attend. She stated that what the County Treasurers office does is manage the investment portfolio for all the taxing districts in Coconino County which is approximately 250 million, including the Fire District's. Mrs. Benatar stated that what the County can and can't invest in is outlined in State Statute. She stated there are also limitations as to the timeframe of the investments and they cannot go past five years or anything high risk but they try their best to get a good rate of return.

Mrs. Benatar pointed out that one of the things they can do is invest in Government Debt. She stated that the County can create a note, or purchase the debt and that entity can pay that back. She stated the County has purchased bonds before and mentioned an example of the bond they have with Tuba city. She stated that they have dealt with a PSPRS debt and loaned a Fire District the money and that Fire District paid that back over a period of time.

Mrs. Benatar stated that it is good for the County as a good investment and they know where and who they are investing in. She stated that they see the FDAT and tax revenue that the Fire District has and knows whether the Fire District can pay that back. She stated the County just has to make sure the interest rate is in line with the market so as not to be seen as doing favors for friends, etc. She stated that to give the Board an idea, most of their portfolio is bonds, Fannie Mae or Freddie Mac; usually those are around 1-2 %, they can do Corporate Bonds with

limitations. She stated that right now they have a money market for 2.2% to 3%. She stated that the County could not offer anything lower than the 2.2% since their money market is at 2.2%.

Mrs. Benatar stated that given the current climate and rates they have going right now, they could offer something as far as five years but no longer with an interest rate in the range of 2.2-3% and can offer a good interest rate and terms of repayment, we can spread it out and/or make balloon payments and/or interest & principle two times per year, etc.

Mrs. Benatar stated that they can but do not encourage monthly payments as that creates more work on the County side of things. She stated that the County tries to be as flexible as possible however they cannot be flexible on the rate or terms since they have to abide by statute.

Chief Antonides asked if the district were to go for a commercial loan what you think the rate would be with someone outside of the County. Mrs. Benatar stated that it would probably be at least 10% maybe more. Chief Antonides stated there would also probably be an early payoff penalty.

Chief Antonides stated that in earlier discussions he mentioned the estimated amount per month from capstone was between seven and nine thousand dollars per month and would that be a reasonable amount to cover our payment schedule with the County.

Mrs. Benatar asked what the total amount the district would be looking for. Chief Antonides stated somewhere between 400-500k loan. Mrs. Benatar stated that it depends on what they look for collateral. The Treasurer's office will only look at your tax revenue or other money like the Capstone deposits, depending on market.

Vice-Chairperson McDonald asked if the County would look at that or only the tax revenue for payment. Mrs. Benatar stated that they could look at that and it would be considered. She stated they would work with you on the timing, and they would create a note and have to agree on the note. We would flush out the terms together and when we have come to an agreement, then go to the attorney for legal opinion.

Chief Antonides stated that if the district went that route, how long the process would take. Mrs. Benatar stated they only need some heads up or fair warning is appreciated as to when the money is needed and they can start working on the note.

Vice-Chairperson McDonald asked if the District could create a line-of-credit and simply draw on that as they need it or could they split up the loan into a couple pieces. Mrs. Benatar stated that she would look into that and any excess money sits and collects interest and it depends if that balances out. With a bond, they give you the cash right away so you start paying back right away.

Vice-Chairperson McDonald asked if you perform projections on tax revenues and are you looking at the next fiscal year revenue and could you give us a projection for a couple years out. Mrs. Benatar stated that would be the Assessor's office but she could find that out and ask the Assessor what they are projecting for the next couple years and share that with PFD.

Chief Antonides stated there has been discussion of the construction being completed in increments. Any concerns there. Mrs. Benatar stated just possible cost of labor and materials over time since it fluctuates and you never know how things will change. She stated that they are fairly flexible with the exception of managing the portfolio and they like to keep it in the local

economy. The County looks at their investments with Safety first, then the liquidity, and finally what the yield will be. Safety First.

Chief Antonides asked Mr. Paul Fox if he had any questions or suggestions. Mr. Fox stated that he was wondering if the District would be borrowing the whole amount for the loan and keep the Capstone funds on hand as a buffer. Chief Antonides stated the loan money would go into the Capstone fund and we would just draw from that.

Mr. Paul Fox stated would you start construction and pay the first 200k out of Capstone and then do the loan or would you keep a portion as a buffer in case there wasn't as much Capstone money coming in. Chief Antonides asked if that is what you would recommend. Mr. Fox stated yes, initially we would recommend having at least some buffer.

Chief Antonides asked if the Board Members had any other questions for Paul or Sarah. Chief Antonides asked Mrs. Benatar if this would be a conflict of interest as a resident of Bellemont. Mrs. Benatar stated that she fully discloses she is a resident and it would not be a conflict and she is happy to pay her fair share of taxes to support the district and would love to see this place grow and would like a community room, and is in total support.

The Board thanked Paul Fox and Sarah Benatar for attending this evenings meeting. The Board members requested recess at 6:45 pm.

7. OLD BUSINESS –

a. Discussion and possible action regarding selection of Contractor Bid for Station 82 expansion project. (Chairperson Mitchell)

Discussion: Clerk McKay stated that if we decide to finance this, the County is definitely the way to go. Vice-Chairperson McDonald stated that there are wants and there are needs and asked do we do it now or later. Chairperson Mitchell stated that we promised our community that they would get a community room. Vice-Chairperson stated that he understands we have to build a community room regardless.

Chief Antonides as far as the design goes, the design was based off building around the community room, the additional dorm rooms are for future additional personnel since currently we have reserves and volunteers are sleeping on the floor.

Member Christian stated that serving the community is a commitment that was made. I also know that this area is going to expand in population and residential structures which will dictate the need for a higher level of infrastructure to take care of those needs. This community room also supply's the operational space that his department will need to satisfy the service that has been dedicated to this community. Mr. Christian stated that this project can serve a higher level of operational service to the district it serves. This Station is their home for several shifts in a week and we need to make sure that we're supplying what they need to come to work every day to serve our community.

Chief Antonides stated that the department just sat down and discussed what we were going to need with assumed development over the next 5-10 years. Offices are a need, dorm rooms are a need, space for security of protected information and human resource counseling is a need, expanding the kitchen is a need as currently there is no room for the whole shift and staff to sit in there. He stated that the only thing that may not be an immediate need is the Battalion Chief's bay, however the concept for that is when the department got to a point where we have a Battalion Chief, we can house them in there or the department can do something with Guardian in

the future, which I have talked about with the Board in the past. The idea is the department would provide one person and the quarters and Guardian would provide the ambulance and another person so the department would have an actual ambulance within the response. Chief Antonides stated that the Battalion Chief's bay is probably a want, however in the interim we can also offer it to CCSO or DPS, a dorm or storage use, etc. Everything else in his opinion is a need for our crews to have the comfort and necessities available to function at a reasonable level.

Clerk McKay stated the people will come to our area if we provide the infrastructure and support they can depend on.

Vice-Chairperson McDonald stated that he has some concerns with the design as it stands, one thing it is missing is a decontamination station.

Chief Antonides stated that he and Mark Christian attended the AFDA Conference and sat in on a session regarding new facilities and that is something they discussed and that is something that can be added to the Battalion Chief Bay. He stated that is something we can definitely discuss with the contractor and design team during our initial meetings and add that in there. Clerk McKay and Vice-Chairperson McDonald asked what that entails and if that is an expensive inclusion.

Chief Antonides stated that it can be an expensive item but depending on the level of service and decontamination.

Vice-Chairperson McDonald stated regarding private offices, in his experience that if you have private offices you have a breakdown in communication and you don't want that to become an issue. He stated that he suggests using a small conference room for that privacy to solve the HR issue and or have an open design for the offices. He stated that regarding design maybe adding a kitchenette in the community room but move it so that it abuts the existing kitchen to save on plumbing. He stated that regarding the Bays are ventilation and truck exhausts.

Chief Antonides stated that we are looking at grants to help or cover that as those exhaust systems are very expensive.

Vice-Chairperson McDonald stated that regarding the overall plan is the building, but buildings come with furnishings and he doesn't see anything in the budget to furnish the expansion and is that coming from operation budget or bond. Chief Antonides stated that there may be some donations of office furniture from SCA Tissue.

Vice-Chairperson McDonald stated that he has more questions for Sarah regarding possibly ear mark taxes to some extent to pay the County back. If the economy goes south, nobody sees it coming.

Chief Antonides stated for clarification that the Board is saying they would like to set aside funds, for instance a raise on the mil rate just to go toward that account. Vice-Chairperson McDonald stated that it depends on the cost to service the loan and we would have to accumulate or reserve the money in another pot so we could write the check to the County.

Member Christian stated he understands Vice-Chairperson McDonalds comments and they're all good points and speaking from his experience, he had a lot of people in his command and there are many times you need that privacy office and sometimes that open space concept doesn't work.

Vice-Chairperson McDonald stated that he agreed but wants to express there will need to have focus on communication and an open door policy. Mr. Christian stated that when there is webinars, conference calls, speaker phone and hands free, you can close that door and maintain undisturbed work.

Member Christian stated that he attended a highlands fire board meeting and they have an open space room where they can have privacy or open the doors, so it can be a multi-purpose room.

Chief Antonides stated that we will sit down with the design team and have a few representatives from our team and go over those adjustments together. That is the whole reason why we went with the design build concept.

Chief Antonides stated he reached out to both builders regarding an extension on their quotes, one said the end of this month, and one said the end of next month. Chief Antonides stated that his concern is if we delay, we're looking at another year or two down the road.

Member Mabry asked that if we chose a contractor would we have to start on things right away. Chief Antonides stated that if we pick contractor A for instance, we're looking at getting a contract in place but it doesn't necessarily mean we start construction immediately. He stated that he doesn't think we're starting tomorrow just because we pick a design team tonight. He stated that both contractors implied the potential ground breaking in late spring or early summer.

Clark McKay asked the Board member which contractor did they like and who would they want to do the work.

Chief Antonides asked member Christian if he wanted to elaborate on that session he attended at the AFDA conference for benefit to the Board. Member Christian stated that one of the first sessions that he attended with the Chief was a three member panel that discussed talking about building Fire Departments. He stated that one thing that stuck out in my mind as it unfolded, they discussed so many plans and contractors and their discussion leaned toward the character of the contractor, that when something goes wrong, what was that contractor going to do. He stated that the contractor has a relationship with that building and client for many years down the road. He stated that his opinion is the Board has a clear choice between the two contractors whereas one said they wanted to build and leave and the other one said he will have a relationship with us for years to come.

Clerk McKay stated that night, he knew Loven was the way to go and he felt that way since that interview.

Chief Antonides stated that between the two, Loven talked about being close on the budget and he recalled BEC said that we're already looking at taking things out, and they were under budget.

Member Christian stated that he felt much more comfortable with the information that Loven provided. Clerk McKay agreed.

Vice-Chairperson McDonald stated that if we pick a contractor, what we do if we haven't decided on financing yet. Chief Antonides stated that we can discuss that with the contractor and work with the Treasurer's office after that. He stated that we are not committed until we sign the contract.

Vice-Chairperson McDonald stated that he agrees with Mark in that the relationship with the contractor and design team is critical but his concern is design and with the design and build that we may find that it will change the budget drastically. He asked Chief what his recommendation was.

Chief Antonides stated that Loven is creative at finding ways to make things work and he would go with Loven hands down.

Member Mabry stated that she also liked Loven because he is going to care about the project and will want to protect his name sake and he guaranteed his presence and would be available.

Action: Member Christian moved to approve item 7.a. regarding selection of contractor Bid for Station 82 expansion project and chose Loven Contracting Inc.. Clerk McKay seconded the motion. Motion passed unanimously.

The Board requested a break and recess at 7:25 pm.

The Board resumed the Jan 23rd regular board meeting at 7:32 pm.

8. CHIEF'S SUMMARY AND REPORTS –

- a. **Annual number of calls to-date and incident reports (response update).** *(Chief Antonides)* - Handout 8.a. – This item was moved to the end of the agenda to be heard after the New Business. **Discussion:** Chief Antonides stated he completed his graphics and included those in the Board packets. He stated that regarding incidents the department ran a total of 346 calls for the year 2019 and the department is consistent with our average 5-7% annual increase we've had for the past five years or so. Year to date we have run 18 calls so far and that is 4 more than we ran last year at this time. Since the last Board meeting the crew has run 27 calls.

Member Christian stated that he attended a Highlands FD Board Meeting and he was impressed with how they stuck to their agenda like clockwork.

Chief Antonides stated that you will see a laminated sheet in front of you regarding Board Responsibilities and that is something that AFDA has put out as well as Highlands FD and we thought it may or may not be helpful for the Board Members but thought it was a helpful reminder.

Chief stated that it was a good experience at the AFDA conference this year and asked Member Christian and Manager Seifert if they had any additional input for the Board.

Member Christian stated that he was grateful to have attended the AFDA conference and it helped clarify for him what the expectations are for Board Members. He stated that he found the statutory material information quite helpful and he was able to keep the notes and presentations from the conference as it covered a lot of detail.

Manager Seifert stated that there is more than just the statutory training at the AFDA conference and she found it very beneficial to hear all the input from the other Fire Districts and Boards that ask questions and put hypothetical situations forward to learn from. She stated there was also a session called Fire District 101 and an HR session as well as information regarding Grants and how to apply for them. She stated that it was well worth her time and felt it would be well worth any of the Board Members time to attend as well.

Chief Antonides stated that it would be his recommendation to the Board to at least make it to one of the conferences per year. He stated that as soon as the dates are available for the July conference that staff will get that information out to the Board.

Chief Antonides gave an update on department monthly training on ALS skills and support. Chief gave an update regarding committee meetings, preparations for budget planning and the upcoming AWIMA conference. He stated that the BNSF gave a presentation on derailment, at the last LEPC (Local Emergency Planning Committee) meeting and the potential tabletop exercise that will happen.

Chief Antonides stated that the department is approximately 97% complete with the current fuels grant. He stated the department received one subscription for service for \$673.76 since the last board meeting. He stated that for Flagstaff Meadows out of 115 homes there is only 15 left so they are approximately 85% sold. He stated that he discussed with John that we are anticipating another check from Capstone.

Chief Antonides stated that there were no significant calls for service outside of the norm, however there was a call to the Naval Observatory last week and he plans to have Kristy write up the invoice and he will meet with Bob or Mike at the Observatory to discuss either payment on the bill or the contract the department has been waiting for.

Chief Antonides stated that the department had the wildland assignment to California that you all are aware of and Erin finished the billing for that which was for \$54,970.46. He stated that there were needed tires for the C81 truck and rear tires for E821 apparatus that are now bought and paid for and installation completed.

Chief Antonides stated that there was a total of \$5926.77 deposited since the last Board meeting. He stated that the Out-of-District billing for the last month came to \$84.50. He stated that he also gave permission for Big Brothers/ Big Sisters to place a donation box outside of the Station Bays.

Chief Antonides completed his report and asked the Board Members if there were any additional questions. The Ponderosa Fire District Board Members were satisfied with the Chief's Report and had no other questions. The Chief's Report is also available to the district board and the public for review at the board meetings and thereafter.

9. NEW BUSINESS -

a. Discussion and possible action regarding type of financing method for Station 82 expansion project. (Chairperson Mitchell)

Discussion: Chairperson Mitchell stated that she feels the Board knows what they want to do.

Clerk McKay stated that we should go through the county treasury for financing especially if we are borrowing.

Vice-Chairperson McDonald stated he wants to see the assessor projections and then decide, and ear-mark that toward the payments.

Chief Antonides stated that we are not truly locked in until we sit down and make the contract with them.

Vice-Chairperson made a motion to go with the County for financing but stipulate that we don't have a deal.

Chairperson Mitchell stated that she was pleased with the decisiveness of the Board.

Action: Vice-Chairperson McDonald moved to approve item 9.a. regarding type of financing method for Station 82 expansion project and utilize the financing of the County Treasurer's office. Clerk McKay seconded the motion. Motion passed unanimously.

b. Discussion and possible acceptance of FY 18-19 annual audit by Saunders Company, Ltd. (James Saunders, CPA)

Discussion: Manager Seifert stated this is in regard to the annual audit and is standard for all fire districts to review and accept the audit as presented, however, asks the board to defer this item until the regular March Board Meeting since Saunders and Company are unavailable for this month or February Board meetings. The draft report is ready and the department should receive the final audit report by February.

The Board Members agreed to defer this item until the regular March Board meeting.

Action: Vice-Chairperson McDonald moved to table item 9.b. regarding FY 18-19 annual audit by Saunders Company, Ltd. PFD until the March 19th regular Board meeting. Clerk McKay seconded the motion. Motion passed unanimously.

c. Discussion regarding upcoming 2020-2021 fiscal year budget workshops. (Chief Antonides)

Discussion: Chief Antonides stated that the Finance Manager has begun prepping for the budget workshop process and is suggesting two board members to be involved with the workshops and schedule those no later than next month. Clerk McKay stated he didn't mind attending this year again and Vice-Chairperson McDonald stated he would volunteer as well, schedule permitting. Chief Antonides stated that he is anticipating that the workshops would be evenings or potentially on the weekends and preferred to have at least one board member consistently and fair warning if more than two would like to attend so staff has time to post the quorum notice. There was no further discussion regarding item 9.c. and no action taken.

Action: No action taken.

d. Discussion and possible action regarding updating department policies and creation of new ones – (Chief Antonides)

1. 40.00 EMPLOYEE BENEFITS –

a. 40.03 Holidays (Guidelines)

Discussion: Chief Antonides stated that we had a full department meeting on January 5th and brought everyone in for a full day to discuss what Chief's expectations are for the department for this year and upcoming years. He stated that within that there was discussion of updating our policies and procedures. He stated that it is our intention to bring forward at least one or more policy(s) to the Board for review and approval at every regular meeting. Some updates regarding this policy were needed for our fuels crew so staff is bringing this Holiday policy to you at this time.

Manager Seifert stated that when you see a policy come through for review and approval you will notice that you will have the current existing policy and anything that is new will be in **Bold Underline** text and anything that is proposed to be deleted will be with a ~~strike-through~~ font.

Chief Antonides asked if the Board had any questions or found anything that we may have missed.

Vice-Chairperson McDonald asked for clarification regarding section 3, number 4, for an administrative employee's holiday but while on vacation. Manager Seifert stated that for example if I took the week off during Christmas, four days would be deducted from my vacation time and one day would come from holiday pay and my pay check would look the same for a straight week pay.

Vice-Chairperson McDonald asked if we ever paid the wildland crew before.

Chief Antonides stated that it depended on how the holiday fell in the week and on occasion we would pay them because if we didn't, they would lose their 40 hours for the week. He stated that there were issues if there was bad weather and the crew couldn't go out and then finally have good weather but it fell on a holiday. He stated that we have to stipulate that if the personnel work 32 hours that week then they would receive the holiday pay and if they don't work the 32 hours through the week then they don't get the holiday.

Member Christian stated that he has a question regarding section A sentence three is showing that if the admin staff have to work on a holiday that they get another day off with straight time and asked if that was standard practice since in his experience any staff that is asked to work on a holiday would normally be paid time and a half.

Chief Antonides stated that was created back in the day but also usual policy for that type of situation.

No other discussion or questions from the Board members.

Action: Vice-Chairperson McDonald moved to approve item 9.d. regarding the department Holiday policy 40.03 as written. Member Mabry seconded the motion. Motion passed unanimously.

e. Discussion and possible action regarding billing policies and possible resolution. (Chief Antonides)

Discussion: Chief Antonides stated that this item will match up with item F as well. He stated that after November's Board meeting there was discussion regarding out-of-district billing and the amounts we were getting or not getting. He stated that while staff was looking into that and started realizing there were some things missing and in the process of researching we also received an email from EF Recovery stating that from January first of 2019 until December 31 of 2019 that EF Recovery misplaced our claims. He stated that EF Recovery explained that they had an employee that quit in January of 2019 and when that employee quit, they had locked the claims in their que and just buried them so for that entire year. The accounts they had for us for the entire year were just sitting in his computer. EF Recovery were very upfront about it and said one hundred percent was on them, however there will obviously be some push back regarding those bills but they will continue to re-claim those bills.

Chief Antonides stated that within that research staff started doing our own audit regarding our billing and processes and have found some errors in that processing, such as prior bills being closed out when they should have moved on to the next phase of collections, which happened over the past three years and since our current staff came on board there has been a disconnect and the way our policy was written and so we have missed some potential billings for the last two years as well.

Chief Antonides stated that staff is still currently gathering the numbers and information and we intend to have that information for you at the next meeting as we want to provide the most accurate information to you as possible. He stated that what we are doing now is a retraining of staff, policy rewrite, and adding additional control measures as well as monthly auditing of everything that should have and has been billed on for every month starting this month.

Chief Antonides stated that he reached out to the County Attorney to ask what our options are and where are we at with liability with billing for one or two years late and he stated that federally there is no limitation and we could go back as far as we want, however he did say the potential public relations nightmare that would most likely arise from the situation.

Chief Antonides stated that staff will put together one or two options of Board resolutions to help note that there was an error of some type and then determine the next course of action from here. It's unfortunate that there were multiple errors on multiple parties that compounded over a period of time.

Member Mabry asked how EF Recovery is going to work on the claims or recover the money.

Chief Antonides stated that they are doing additional auditing and implementing control measures as well. Unfortunately there is no guarantee on collection of any bill.

Member Christian asked if we are in a contract with EF Recovery.

Chief Antonides stated that we have one Billing company and one Collection company that we use. EF Recovery is our billing company and bill for MVA's and Hazardous Materials. The fires and non-MVA medical calls, staff sends out the bills to the billable party and if we don't collect or hear anything back, staff then sends those to United Resource Systems collection company.

Chief Antonides stated that in prior discussion with the Board and the question as to our out-of-district billing, he wanted to make the Board aware of the situation and that we're gathering information for the board to determine the best course moving forward.

There was no further discussion on the item as the Board is waiting for further information from staff at the next board meeting. No motions were made.

Action: None.

f. Discussion and possible action regarding PFD Response Area. (Vice-Chairperson McDonald)

Discussion: Chief Antonides stated that he discussed this with AFDA and the County Attorney. He stated that the Response Area is determined by the Fire Chief and the Fire District Board. He stated that the District is by the Voters and the Response Area is by the Board and Fire Chief and the department could cover a ton of miles outside of the district or zero miles outside of the district and that there is no state statute that covers this.

Chief Antonides stated that in conversation with the County Attorney he warned about a slippery slope when you start moving the line around and the department used to respond to address A and now you don't, it is recommended to hold a public hearing if not multiple hearings on the issue. Chief Antonides stated that FDAT Fire District Assistance Tax is designed for Rural Areas with interstates or highways to provide funding for those specific responses.

Chief Antonides stated that it was brought up at our last staff meeting that there was discussion

regarding a need to reduce or expand our response area and all of our crew responded that they want no part of reducing service or coverage to our community. He stated that he wanted the Board to be aware of the thoughts of the crew.

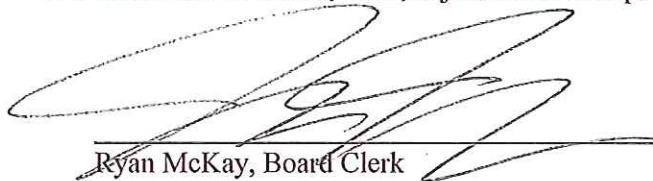
Vice-Chairman McDonald thanked Chief for all of his research and information regarding the difference between response area and tax district, the out-of-district billing and who determines the boundaries.

There was no further discussion on the item and no motions made.

Action: None.

10. **EXECUTIVE SESSION** – None.

11. **ADJOURNMENT** – There being no further business to discuss and by motion of Vice-Chairman McDonald, seconded by Clerk McKay, the regular session of the Ponderosa Fire District Board of Directors held on Jan 23, 2020, adjourned at 8:20 p.m.



Ryan McKay, Board Clerk