



Ponderosa Fire District (PFD) Governing Board

Regular Board Meeting Minutes Thursday, May 16, 2019

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

Handout 5.a.

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

Present –

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

Lee Antonides, Fire Chief
Kristy Seifert, Office Manager
Kevin Stephens, CPA Stephens & Co. LLC

2. **PLEDGE OF ALLEGIANCE** – Lead by Chairman Marina Mitchell.
3. **INTRODUCTION OR PRESENTATIONS** – None
4. **CALL TO THE PUBLIC** – None
5. **APPROVAL OF MINUTES** -
 - a. **Approval of regular board meeting minutes for Thursday, April 18, 2019.** – Stand approved as written.
6. **FINANCIAL REPORTS** -
 - a. **Discussion and possible action regarding financial reports ending March 31, 2019.** (*Kevin Stephens, CPA*)
Discussion: Kevin Stephens stated that the department is three quarters through the fiscal year to date. Mr. Stephens stated that in the future the Board could expect to see additional columns in the financial statements to display the capital projects fund and the sub account station 82 fund information. He showed the statement of net assets as of March 31st and explained that the cash balance showed an amount \$89,497.00 due to the capital fund from the general fund. Mr. Stephens stated that the department showed good progress on their payments for the apparatus and liabilities and show no debt service for March.

Action: Member Mabry moved to approve item 6.a. regarding financial reports ending March 31, 2019. Clerk McKay seconded the motion. Vote was unanimous.
 - b. **Discussion and possible action regarding financial reports ending April 30, 2019.** (*Kevin Stephens, CPA*)
Discussion: Kevin Stephens explained the new additional columns that showed the capital fund and stated that the capital sub account or Capstone cash is approximately \$146,000 of the capital funds which are approximately \$322,000 for total capital projects fund. The department expenses for the month are fairly standard and there is no debt service for this month either. He stated that the detailed statement of net assets for April shows that the department is at nearly 99% on

income for the year and with only another month or so the department should receive the remainder of the wildland and capstone monies and still shows the \$89,497 due to the capital projects fund from the general fund. Mr. Stephens stated that the department has done well and managed to stay in budget.

Vice-Chairman McDonald stated for confirmation that the department still has to return the funds to the capital fund that the department borrowed for operations before the end of the fiscal year.

Chief Antonides affirmed that was correct and stated that remaining outstanding wildland assignment monies would be deposited into the capital fund so that should balance the department out.

Kevin Stephens stated that those remaining outstanding wildland monies are inclusive of that.

Action: Member Mabry moved to approve item 6.b. regarding financial reports ending April 30, 2019. Clerk McKay seconded the motion. Vote was unanimous.

7. BUDGET MATTERS – PUBLIC HEARING

a. Discussion and possible action regarding One Year Strategic Plan for Fiscal Year 19-20. (Chief Antonides) – Handout 7.a.

Discussion: Chief Antonides stated the board should find the Strategic Plan proposal in their packets. He stated the Strategic Planning Committee held their latest meeting just prior to this board meeting and the committee is proposing to the board that they approve this initial one year strategic plan.

Vice-Chairman McDonald stated that the department needs the strategic plan to justify some of the expenditures from the capital fund for the Station 82 expansion.

Clerk McKay stated it looks good however he is very weary of seeing the term general contractor so often in a document.

Chief Antonides stated that the project will go out for bid to the public and the department will have to receive a minimum of three bids. The department may have an outside person oversee the bid process so there is objective oversight of the entire process.

Vice-Chairman McDonald stated the board needs to be able to access that capital fund. He stated there are the breathing apparatus which really need to be taken care of. He stated the other item that was discussed about was coming up with a capital replacement plan and actually looking at the Type ones in particular and what their expected life span is and how the department is going to replace them. He stated that there is another item or goal for the next fiscal year to start planning or budget and put actual cash in the bank to cover the replacements. This would get the department started and put on track for the next two and three year plans.

Chief Antonides stated that goal number five indicates starting in fiscal year 19-20, 50% of all incoming wildland assignment revenue, after taking fuel costs and whatever else is necessary to take out of that and 20% for maintenance into the general fund, 50% of what remains will be deposited into the capital funds account for capital replacement expenditures. Chief Antonides stated that depending on how that carries for the fiscal year, the department can adjust those numbers up or down on the wildland revenue that comes in but this gives the department a place to start so we can put away and save additional money in the capital fund for apparatus replacement. He stated that if this one year strategic plan meets the board's requirements, staff

needs a motion to post the One Year Strategic Plan for the 30 day public review for approval at the regular June meeting.

Action: Vice-Chairman McDonald moved to approve item 7.a. regarding One Year Strategic Plan for Fiscal Year 19-20 as shown and post for 30 day public review. Member McKay seconded the motion. Motion passed unanimously.

b. Discussion and possible action regarding Fiscal Year 19-20 Budget Proposal. (Chief Antonides) – Handout 7.b.

Discussion: Kevin Stephens stated they take the financial information from the department's budgeted numbers and put in this summarized format so that the board and public can see it clearly. He stated that it shows the districts three funds. He stated the budgeted revenues and budgeted expenditures match one another and the department beginning cash matches the department ending cash in the general fund. He stated the capital projects fund that starts with 176K with no plans to add to it and we are projecting 60K in the Station 82 Capstone fund with a spending of 206K.

Chief Antonides stated that is estimation as to what we are going to have. He stated that basically the 148K that is in the account now plus the 60K. He stated that this way under the strategic plan as we are spending money for the Station 82, right now we have budgeted for that money that we plan to spend. He stated that the 60K we estimated was based on the 3K on average per month that we receive from Capstone and that number can go up or down as that is a projected income from Capstone, which that is where we came up with the 60K when I was discussing this with Paul Fox earlier.

Kevin Stephens asked when the department receives that money from Capstone.

Chief Antonides stated the department receives it when the house closes escrow and then the department receives a check from Capstone.

Kevin Stephens stated that you are spending everything you have at the beginning and what you have collected through the year regarding the Capstone Station 82 fund so you end the fiscal year at zero but still with 176k in the main Capital projects fund.

Chief Antonides stated that is why the department wanted those amounts or funds to be clearly delineated so it could show that when we spend money on the Station 82 expansion project that we can show we only spent from that fund and not the main capital projects fund.

Mr. Stephens asked if the department plans to borrow any money for the Station 82 expansion.

Chief Antonides stated no, just with the projected costs that have been received, the department should be fine with just the money we have projected coming in, to cover the Station 82 expansion project.

Kevin Stephens stated that basically your budget gets you exactly where you started except for the capital projects fund, where you are spending about 146K of money that you began the year with, is what your budgeted amounts are. Mr. Stephens requested a brief fifteen minute break on this item to double check information. Item 7.b. discussion was paused for 15 minutes while the PFD Board discussed other items.

Discussion continued with Mr. Stephens explaining one modification to the summary. Mr.

Stephens stated that the ending cash stayed exactly the same but wanted to make sure the contingency amount was shown. He stated that even though there are no plans to use the contingency there is still the ability to utilize it safely and not go over budget. The contingency needs to be reasonable.

Action: Clerk McKay moved to approve item 7.b. regarding the Fiscal Year 19-20 Budget Proposal as shown and post for 30 day public review. Vice-Chairman McDonald seconded the motion. Motion passed unanimously.

8. OLD BUSINESS –

a. Discussion and possible action regarding PFD Board Opinion Letter to County Board of Supervisors. (Vice-Chairman McDonald)

Discussion: Vice-Chairman McDonald stated that he has revised the letter regarding the infrastructure in Bellemont and the concerns that have been raised about the amount of development and the proposed road system. The general consensus was that what the County is planning is probably not adequate and a single lane round-about poses a potential safety issue. Mr. McDonald stated that the letter he drafted was in their packet and is proposed to be sent from the PFD Board to the County Board of Supervisors primarily to make sure they are aware of the problem. He stated that he was asking the other board members for their input and agreement to send this letter to the County Board of Supervisors. He stated if the PFD Board is in agreement with the draft letter, he moves that they go to the final draft and send the letter to the Board of Supervisors.

Member Mark Christian stated that it seems the specific issue the board has is with the traffic management plan. He asked if that should be specifically identified in the letter.

Clerk McKay stated that the term infrastructure may be too broad of a term. Mr. McDonald stated that if it would help to indicate traffic management plan and that is the correct term, then we will do that.

Chief Antonides stated that traffic is going to be the biggest concern and relate to possible delays caused by the issues with traffic congestion and any potential liability that could create for the district.

Vice-Chairman McDonald stated that we need to make the County aware and the PFD Board has a duty to the district to make sure that our concerns are heard. He asked if the entire board should sign the letter and the other board members agreed to all sign the letter.

Action: Vice-Chairman McDonald moved to approve item 8.a. regarding the final draft of the Letter of Concern for signature by all the PFD Board members for their regular June board meeting. Clerk McKay seconded the motion; motion passed unanimously.

9. CHIEF'S SUMMARY AND REPORTS –

a. Annual number of calls to-date and incident reports (response update). Handout 8.a. (Chief Antonides) – Handout 9.a.

Discussion: Chief Antonides stated that he emailed his Chief's Report to the board and there have only been a couple things that changed since that was emailed. The department ran a call for a welfare check in Parks and with the onsite Sheriff's deputy approval the crew gained access into the home and the resident was not there. He stated that the resident was pleased that the crew went to check on him but there was damage to his doors and we are working through what process that would be to potentially assist him or not assist him under the County's requirements.

Chief wanted to make sure the board was aware of this.

Chief Antonides asked the board if they saw the damage that Engine 821 sustained from the accident that occurred on May 8th. He stated that the insurance adjuster came up and took pictures and is trying to decide if there is someone local that can do the repairs to it or if it's going to have to go to Phoenix or worst case scenario back to KME in California. Staff is waiting on the claim and repairs and VFIS is assisting with the entire process.

Vice-Chairman McDonald asked about the incident on May 11 and if there are standard procedures in place to handle these types of situations where we put firefighters into this type of shooting scenario.

Chief Antonides stated yes that if there is a type of scenario or a domestic situation that poses a potential threat to first responders, fire and EMS personnel do not move in until the Sheriff's department is on scene and they declare the scene is safe. He stated that the Sheriff's department and DPS are extremely protective of our fire and EMS personnel.

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.

10. NEW BUSINESS –

- a. **Discussion and possible action regarding memorandum of agreement between Ponderosa Fire District and the Naval Observatory. (Chief Antonides)**

Discussion: Chief Antonides stated there is good news being that staff received the contract back from the Navy and it was sent to the County Attorney who reviewed it and sent it back with minor changes. He stated that the Navy wants this contract completed and in place so they can pay us by October 1st. If that deadline is met, the department expects to receive \$39,162.00 every year. Chief Antonides stated that he put in for a five year contract with an annual review and renewal and it came back as a ten year contract with annual renewal. He stated that this will do very well for the department and all parties have worked very hard to bring this to fruition and when the contract is finalized it would be brought to the board for approval. There was no further discussion and no action at this time.

- b. **Discussion and possible action regarding transfer of \$61,353.00 (current net to district wildland revenue FY18-19) from the PFD General fund to the PFD Capital fund. (Chief Antonides)**

Discussion: Item 10.b. was discussed after the financial reports items 6.a and 6.b. Chief Antonides stated that when he talked to the county that the department is supposed to make deposits to the general fund and any transfer of funds between accounts must be accompanied by specific board approved action.

Vice-Chairman McDonald stated that from an operational perspective the wildland assignments are reimbursing the department for operational expenses so the department should stay consistent with the monies going into the same pot.

Kevin Stephens stated he agreed with that and right now the general fund owes the capital fund approximately \$90k and you're referring to an additional \$60k.

Chief Antonides affirmed yes.

Kevin Stephens stated that will reduce the general fund amount owed however will leave you with approximately 100K providing all expected revenue is received before end of this fiscal year. He stated that the Capital project fund or funds needs to have a clear plan, such as your proposed Strategic Plan, keeping in mind that it's difficult to transfer funds back to general fund once the funds have been dedicated.

Chief Antonides stated that if the board feels comfortable with postponing this transfer they can table this item and see if those wildland monies come in and how the funds look next month.

Vice-Chairman and Clerk McKay stated that the board should probably hold off on this until they see where the department is next month. The PFD Board agreed.

Kevin Stephens made a suggestion to the board to think about paying off in full, that balance owed to the capital fund, before the end of this fiscal year so that if it grows a little between now and then the transfer amount is alright.

Action: Vice-Chairman McDonald made motion to approve that the amount borrowed from the capital fund, and placed in the general fund, be repaid before the end of this fiscal year. Motion seconded by Clerk McKay. Motion passed unanimously.

c. **Discussion and possible action regarding Fire Chief Evaluation.** *(Chief Antonides)*

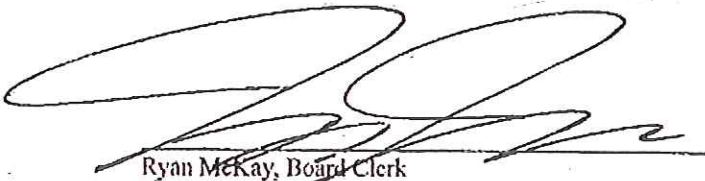
Discussion: Chief Antonides stated that he sent various formats and examples of evaluations to the board members and asked if they had any questions or liked one of them in particular.

Chairman Marina Mitchell stated that she liked the one they used last year. Member Mabry stated that she didn't like the repetitive nature of the form last year. Clerk McKay stated that he agreed about the repetitive nature of the last years form and liked the version called Employee Performance Evaluation that shows the three point rating scale of needs meets or exceeds expectations. Vice-Chairman McDonald stated that he was fine with the format of the three point rating scale. Member Christian stated that he thought the three point evaluation stood out from the others.

Action: Vice-Chairman McDonald move to approve item 10.c. regarding Fire Chief Evaluation and adopt the three point Employee Performance Evaluation template. Clerk McKay seconded the motion. Motion passed unanimously.

11. **EXECUTIVE SESSION** – None.

12. **ADJOURNMENT** – There being no further business to discuss, the regular session of the Ponderosa Fire District Board of Directors held on May 16, 2019, adjourned at 7:23 p.m.



Ryan McKay, Board Clerk