



Ponderosa Fire District (PFD) Governing Board

Regular Board Meeting Minutes Thursday, Sept 19, 2019

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

Handout 5.a.

1. **CALL TO ORDER/ROLL CALL** – Vice-Chairman Carey McDonald called the regular board meeting to order at 6:01 pm. It was determined there was a quorum.

Present –

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

Absent - Excused

Marina Mitchell, Board Chairman

Lee Antonides, Fire Chief
Kristy Seifert, Office Manager

2. **PLEDGE OF ALLEGIANCE** – Lead by Vice-Chairman McDonald.
3. **INTRODUCTION OR PRESENTATIONS** – None
4. **CALL TO THE PUBLIC** – None
5. **APPROVAL OF MINUTES** -
 - a. **Review of Regular Board Meeting Minutes for Thursday, August 15, 2019.** – Stand approved as written.
6. **FINANCIAL REPORTS** –
 - a. **Discussion and possible action regarding financial reports ending August 31, 2019.** (*Paul Fox, CPA*)

Discussion: Paul Fox, CPA with Stephens and Company, briefed the board members on the financial reports ending August 31, 2019. Mr. Fox stated that the department financially is going pretty good compared to last year and especially with the fires in July and August. He explained that the Net Assets page describes the district equity that you have as a tax base that is in excess of liabilities. He stated when looking at the one month period ended August 31, 2019, that most of the activity is in the general fund. There were expenses of almost 100k and only about 7k of revenue came in at that time.

Vice-Chairman McDonald asked if the slow fire season for the department did not drain the cash for that this season as compared to last.

Mr. Fox explained that to give you an estimate, the department spends in a given month anywhere between 60k and 100k. This is the cash projection which is a very useful tool. The two columns you focus on are the third and fourth columns as to your variances. The largest variance is typically wages and this is showing what the department has paid nearly one quarter of the way through the year. Another column to pay attention to is the amount in capital and we calculate or project the capital spending of approximately 288,246 for the year.

Chief Antonides stated for the board and the record that those numbers reflect what wildland wages have been paid out and that the statements have yet to show the wildland assignment

reimbursements to come in. Mr. Fox agreed affirmatively that that was the case and the statements tend to look a little lean at this time of year. Mr. Fox continued to explain the Schedule 3 Deposit Detail and the schedule 4 showing a listing of all of the checks that get cut for the month. You are able to delineate the miscellaneous expenses versus the payroll or payables.

Chief Antonides stated that he was wondering if Mr. Fox would touch on the transfers that are being discussed later on the agenda.

Paul Fox stated that he analyzed what the department processed last Oct and Nov and stated the department had a little under 300k came in last year and about 250k come in November so there is the next few months when most of your revenue will come in but the department should cover for the next month to get you through the next period. The department has about one month before you will see your next revenue and I recommend that you perform a transfer of approximately 100k total to cover you through the next period. That will help limit that interest on the line of credit that you have going now.

Vice-Chairman McDonald asked about detail on the book keeping system and whether the system has the capability to do custom reporting, if I wanted to see the specific account 1101 or something, could I ask you for that and could you provide that information.

Paul Fox stated yes that they can provide something like that and Chief could let us know what account and the time frame and we can send those over to you.

Chief Antonides asked if there would be a separate charge for this type of request.

Paul Fox stated that there should not be an extra charge if the request does not cause us to spend multiple hours or a lot of time on it and it is just a specific time period of the report you are requesting, however, it would be difficult to provide this within the current month of the request. If there were one point of contact that would help keep things simple for us and if you funnel your questions through the Chief that should work well for us.

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

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

b. **Discussion and possible action regarding Arizona Bond Indebtedness Report and Lease Report prepared by Stephens & Company, LLC. (Paul Fox, CPA)**

Discussion: Paul Fox, CPA with Stephens and company briefed the board members on the Arizona Bond Indebtedness Report and Lease Report. Mr. Fox stated there are some liabilities such as payroll, some pension PSPRS liabilities and there are also several notes that the fire district owes for apparatus but the district will have those paid off by next fiscal year as shown. Mr. Fox asked if there were any questions of the board members regarding those statements and there were none.

Action: Member Mabry moved to accept item 6.b. regarding Arizona Bond Indebtedness Report and Lease Report. 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 he will have his graphics next month. He stated that regarding incidents we are currently 253 calls for this year. Last year we were at 264 calls so we are down 9 calls. He stated that it has been a busy couple weeks. Chief stated that the main things he is working on right now are with Sherwood Forest Fire Department and working with the new International Kadampa Retreat Center. The Buddhist Temple Grand Opening is next Thursday, Sept 26th and goes until Oct 3. He stated he was helping Chief Marx and he requested assistance with the emergency plan for the grand opening. It should be completed tomorrow and will be solidified next week with review from Coconino County Emergency Management. If something goes drastically wrong, the district will have a plan in place to respond accordingly. It is technically in Ponderosa Fire Response area and the department has a mutual aid agreement with SWFD.

Vice-Chairman McDonald asked that if we have mutual aid agreement with SWFD then we have to respond.

Chief Antonides stated that if we are available we have to respond, however if we are working on a call inside our district, we are obligated to continue that response within the district. Chief continued that the department information technology upgrades are in motion and have already made a world of difference. Chief stated that he put out ten requests for proposals and has received two proposals back regarding the Station 82 expansion, there was a 3rd reply but their schedule does not permit.

Chief stated that he is inquiring with the two contractors as to why there is a 122k difference between the two proposals. Once he receives the itemized sheet from the vendors, Chief will bring the committee together to review and compare notes. Chief stated that his committee will consist of Captain Paul Pugh, a licensed electrical contractor, Kurt Wildermuth, a realtor and former contractor, and Chief Dirch Foreman from Highlands Fire District who just went through this entire process. Chief Antonides stated that when his committee has reviewed the proposals, he will make a recommendation to the board.

Vice-Chairman McDonald asked how the proposals are looking.

Chief Antonides stated that the higher proposal is right at the proposed budget which was maximum 660k and the proposal was right around 659k and change. He stated that the other proposal is approximately 122k less than the other one. He stated when the committee gets together that one of the board members are allowed to attend if they would like.

Member Mark Christian stated it would be interesting to sit in on those. He stated he has sat in on others and learned amazing differences.

Chief Antonides stated that he asked the vendors to submit a detail breakdown of their estimate to compare and analyze so he can make a solid recommendation to the board. He stated he would let Member Mark Christian know when the committee will meet so he can attend if he is available.

Chief Antonides stated that there is also an equipment replacement guide in your packets for review. He stated that the explanation sheet and guide is widely used by government agencies for

vehicle replacement. Chief stated that Erin went through our lists of apparatus and gave scores to them according to the criteria and it gives us a current status on the lifespan or an estimate on our apparatus. Chief stated he has Verna currently going through our archives about 3 years back and building a spreadsheet to have actual maintenance costs to go with the replacement guidelines spreadsheets. Chief stated that looking at the matrix, he thinks this gives a really good tool to look at how we are doing and what apparatus will need to be replaced. This gives a guideline to help us create a forecast. He has asked Erin to keep up on this as it will help him and Carl and will give a better status report overall and will help the Strategic Planning Committee in their planning. He asked the Board if they had any questions regarding the guidelines and matrix.

Vice-Chairman McDonald asked if a column can be added on the estimated cost of replacement in terms of dollars.

Chief Antonides stated that he should be able to and that for example a new type 1 Engine goes up about 15% every year and if he can get that info and see how Erin can plug that in but the cost of apparatus has a broad range. He stated he will work with Erin on what general or average cost they can plug into it.

Vice-Chairman McDonald stated he is just seeking to get some kind of forecast or average.

Chief Antonides stated that you also have the wildland billing sheet in your packet from Erin showing what has been billed. He stated that she had to redo the museum billing but we should start to see payments rolling in soon on that.

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 transfer of \$11,893.14 from Capital Station 82 funds account to the General fund account to cover Station 82 improvements as indicated in the PFD Strategic Plan. (Chief Antonides)**

Discussion: Chief Antonides stated that the total is based off some station maintenance that we accomplished such as the lights in parking lot, the flagpole, and we fixed the new light LED around the perimeter as well as some new I.T. support items. The I.T. support items are a new hard drive to recycle the computer for the crew, Chiefs new desktop computer and new laptops. We pull older items from the office to recycle to the crew and Flag IT has made good recommendations to us which has saved us nearly 2k. Chief Antonides stated that he recommends that the Board makes the transfer for the Station 82 improvements.

Action: Clerk McKay moved to approve item 9.a. regarding transfer of \$11,893.14 from Capital Station 82 funds to the General fund account. Member Mabry seconded the motion. Motion passed unanimously.

- b. **Discussion and possible action regarding transfer of monies from PFD Capital fund account to the PFD General fund account. (Chief Antonides)**

Discussion: Chief Antonides stated that Mr. Paul Fox had explained some of this earlier and explained the reasoning behind our thought processes and what the historical amounts have been in the past and that the department has tapped into the line of credit at this time. Chief stated that the amount was left up to the Board so they could determine the best course of action after discussing ideas with the accountants. Chief stated that this transfer is to cover the line of credit

that we have tapped into as well as cover the department for the next month or so of expenditures until those tax revenues come in.

Vice-Chairman McDonald suggested an even 100k just to keep it simple and it is easier to track and that will help cover those expenses.

Clerk McKay agreed and suggested \$100,000.00

Action: Member Mabry moved to approve item 9.b. regarding transfer of \$100,000.00 from PFD Capital Fund to the PFD General Fund account. Clerk McKay seconded the motion. Motion passed unanimously.

c. Discussion and possible action regarding Coconino County response to PFD Board Opinion Letter regarding road infrastructure in Bellemont. (Vice-Chairman McDonald)

Discussion: *Member Mark Christian abstained from this discussion.

Vice-Chairman McDonald stated that the county submitted back their response and it was in your packets for your review.

Member Mabry stated that there was also a letter to the editor in the paper recently stating concerns about not having a secondary emergency exit for Bellemont residents as well as emergency equipment and responders.

Chief Antonides stated when Empire Homes originally planned their development, there was an easement planned for emergency access however since that time Capstone has been developing and there has been a lot of discussion between agencies the Sheriff's Department, County Emergency Management, the developer and our department and they are looking at different options on a more improved and efficient way to perform an evacuation if that had to occur.

Chief Antonides stated that if the board has any questions, the board should send him their questions and he can forward those to the County Emergency Management Director. Chief stated that Kristy will scan and hold a copy of that letter to the editor for our records of public input. Chief also spoke with Supervisor Ryan's administrative aide regarding his attendance at one of our Board meetings and his schedule is in conflict with our meetings as he is at the State Legislature in Phoenix on Thursdays and would like to attend the Board meeting but needs to reschedule.

Vice-Chairman McDonald asked if there was Board consensus to schedule a special meeting with County Supervisor Matt Ryan. Clerk McKay and Member Mabry agreed.

Chief Antonides stated he would get in touch with Mr. Ryan's office to see what he can do and once he get some dates he will set something up.

Vice-Chairman McDonald stated that he went through the round-a-bout by Fort Tuthill and there is more rubber on the sidewalk than on the roadway and he observed tractor trailers doing semi circles around it and when he saw the semi go through he only saw one that managed to not hit the curbs and there were a lot of cars backed up behind the semi. He stated he is not contented on the counties response. Mr. McDonald stated that a meeting with Matt Ryan would be the Board's next step.

Chief Antonides stated that he will facilitate that to the best of his ability.

Clerk McKay stated that he noticed in the County's response letter that Mark Sahara was involved in the planning process and that originally it was planned to have two lanes.

Chief Antonides stated that was affirmative.

Vice-Chairman McDonald stated that he has driven through other two lane round-a-bouts in Prescott and Sedona and it seems that they work really smooth.

Clerk McKay stated that the two lanes make a big difference.

Vice-Chairman McDonald stated he thought about two lanes for Shadow Mountain Road and if for some reason the two lanes weren't possible then maybe an extra-large shoulder so in the case of there being a lot of backed up traffic then the fire equipment or emergency responders could drive down the shoulder.

There was no further discussion regarding item 9.c. and no action taken.

d. Discussion and update of Ponderosa Fire Districts Annual Audit Dates of November 20th & 21st, 2019. (Chief Antonides)

Discussion: Chief Antonides stated it is that time of year. He stated that Saunders contacted us and we scheduled for the November 20 and 21st dates. He stated that he encourages Board Members to attend if they are interested in seeing what the audit entails. Saunders is always happy to explain things to the board and you are welcome to attend. Chief stated that if Board Members do wish to visit that we need to know ahead of time so we can put out a public notice of a quorum. Saunders is very good and very thorough and be prepared to receive a long detailed response to any questions. Chief stated he will keep you up to date if something changes and he encourages you to attend if you like.

No further discussion regarding item 9.d. and no action taken.

e. Discussion and update regarding Local PSPRS Board and meeting update. (Manager Seifert, PSPRS Secretary)

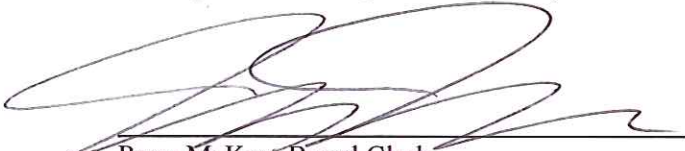
Discussion: Manager Seifert updated the Board regarding all promissory notes and accounts have been cleared and paid back to the district in full. Mrs. Seifert stated that she will be attending upcoming PSPRS training on October 1st and there will also be another training session for local PSPRS Board members in January if any are interested to attend.

Manager Seifert stated that there is a new requirement from state statute that every PSPRS Local Board has approved and adopted their Pension Funding Policy. She stated that she has a draft policy for the PSPRS Board to review and possibly approve at their next PSPRS meeting in November and if approved it will be forwarded on to the PFD Board for adoption.

No further discussion regarding item 9.e. and no action taken.

10. EXECUTIVE SESSION – None.

11. **ADJOURNMENT** – There being no further business to discuss and by motion of Clerk McKay, seconded by Member Mabry, the regular session of the Ponderosa Fire District Board of Directors held on Sept 19, 2019, adjourned at 6:54 p.m.



Ryan McKay, Board Clerk

