

**FRY FIRE DISTRICT  
MINUTES OF REGULAR MEETING  
January 21, 2015**

**CALL TO ORDER**

Mr. Nash called the Regular Meeting of the Fry Fire District Board to order at 7:00 p.m.

**ATTENDANCE**

Board Members in Attendance:      Art Nash, Board Chairman  
James Barnett, Board Clerk  
Gilbert Gil, Board Member  
Bess Banister, Board Member  
Robert McMurtrie, Board Member

Board Members Absent:

Others in Attendance:              William Miller, Fire Chief  
Maria Gordon, Administrative Manager

**INVOCATION/PLEDGE OF ALLEGIENCE**

Mr. Nash led the pledge of allegiance and Mr. Gil gave the invocation.

**CALL TO THE PUBLIC**

Mr. Nash opened the call to the public at 7:01 p.m.

There was no one to appear before the board at this time.

Call to the public closed at 7:01 p.m.

**FIRE CHIEF'S REPORT/SUMMARY OF CURRENT EVENTS**

Chief Miller informed the board that he is sad to report that our new hire Kirby Overstreet, who we introduced at our last board meeting, has resigned to take a Firefighter position with Tucson Fire Department. We will be filling his position.

We have received \$90,859.45 from the AZ State Forestry on four fires that we responded to out of state in July and August of 2014. The outstanding billings total just under \$58,000.

We had a medic unit at this station that was fueled with wrong fuel type (unleaded fuel instead of diesel), so we'll be seeing a bill from Lawleys for the repairs. We will be labeling the type of fuel on each fuel tank.

The rainwater harvesting project has been completed at both station 365 and 366. This project was completed with a grant from the Cochise Water Project in the amount of \$40,016.13.

We had some damage, from the freeze that occurred about three weeks ago, to the ceiling, drywall and insulation at station 366. The pipe was repaired that same weekend, but we are continuing to get bids for additional work that the water caused. We anticipate that the project should come in under \$4,000.

Chief Miller had the opportunity to be introduced by the Speaker of the House David Gowan during the swearing in ceremonies on January 12, 2015, held at the Arizona State Capitol. He also had the pleasure of meeting Sergeant Sammy Davis who was awarded the Congressional Medal of Honor. Along with that, Representative David Stevens will now chair the Rules Committee and he is a big supporter of fire districts, as is Senator Gail Griffin.

We received the proposed Verizon contract for our communications tower at station 366. After review, we suggested several changes to make the contract similar to what we have with Sprint. If agreed upon, we'll then forward the final contract to our attorney for review before bringing it to the Board for consideration.

The Pima County Fire Chief's Association will be holding a meet and greet on January 23<sup>rd</sup> in Tucson to get to know their legislators and Chief Miller been invited to attend.

Our annual awards banquet will be held February 21<sup>st</sup> at the Windemere. This year we are hosting the event with the City of Sierra Vista Fire Department and our guest speaker will be retired Fire Chief Alan Brunacini from Phoenix Fire Department. Please let Maria know if you're planning to attend.

We had 718 responses for the month of December and a year-end total of 8,619, which represents a 2.5% increase.

## **FINANCIAL REPORT**

A. Review, discussion and possible action on the monthly financial reports for December 2014.

Maria presented the Board with account balances as of December 31, 2014, along with a copy of the report from the Cochise County Treasurer's Office and the

bank reconciliation from the District's Cyma Accounting Software. The District has \$1,082,633.97 in available operating funds as of December 31.

Mr. Gil made a motion that the board agree with balances and accept the financial report as presented. Ms. Banister seconded the motion.

VOTE: 5-0  
Motion Carried

B. Review and discussion for the warrants issued for the month of December 2014.

Mr. Nash inquired about the two checks cut to Southwest Desert Images. Chief Miller explained that the first check was the down payment, with the second being payment in full, for the rainwater harvesting project. We were awarded a check for the full amount and it was our responsibility to pay the invoices.

There were no further questions regarding the month's warrants.

#### **APPROVAL OF MINUTES**

A. Regular board minutes of December 17, 2014.

Mr. Barnett made a motion to accept the meeting minutes of December 17, 2014, as written. Mr. McMurtrie seconded the motion.

VOTE: 5-0  
MOTION CARRIED

#### **BUSINESS AGENDA**

A. Arizona Fire District Association Report

Chief Miller reported on the following:

More than 500 board members and fire chiefs participated in the annual conference, which exceeded every other conference representing over 105 fire districts. The biggest draw was the mandatory class for newly, and re-elected, fire board members.

Representative David Stevens will introduce HB 2406 this week, which will give fire districts local control to determine service levels and costs. This bill will amend Arizona Revised Statutes 48-807. Thus far there are over 600 bills being introduced and many more are forthcoming.

SB 1057 will have hearings this week on the PSPRS system to include health benefits and retirement benefits. This bill is really just a language clean-up bill, but like most bills it will mostly like change some before being finalized. For the real changes to PSPRS it will take a voter change to the Arizona Constitution.

IIB2141 is a bill designed to keep fire districts from annexing areas that are within the planning areas of cities and towns without using other resources that are not your own. In other words, you must have resources that are closer than an automatic aid station.

PSPRS is currently underfunded and the increase to the employer rate will be costly for fire and police agencies across the state.

PSPRS rates are certainly affecting fire district in the state:

41 fire districts (26.5%) are at the \$3.25 tax rate cap

20 fire districts (13%) have a tax rate of \$3.00 or greater

Total of 61 fire districts (39%) are at immediate risk of continued service reductions heading into next fiscal year.

AFDA will also be watching several other issues and bills.

#### B. SWOT report

Chief Miller presented the board with the results of the SWOT analysis he recently sent out to District personnel. The report gave the top five in each section. Less than 8% of our members responded. Mr. McMurtrie asked if there is anything we are planning to do with the results to try and mitigate some of the weaknesses. Chief Miller stated that we will wait until the feasibility study comes back, approximately mid-February, before looking in-depth at the limited responses received.

### **OLD BUSINESS**

- A. Executive session. Discussion of pending or contemplated litigation with the Copper Queen Hospital regarding patient transports. No action will be taken during the executive session.

Chief Miller stated that he did not feel a need to enter into executive session as there is nothing new to report.

### **ACTION ITEM**

- A. Table item from December 17, 2014: Nomination and election of Board Chairperson.

Chief Miller handed a ballot to each board member. Maria tallied the votes and Mr. Nash was elected as the new Chairperson.

B. Tabled item from December 17, 2014: Nomination and election of Board Clerk

Chief Miller handed a ballot to each board member. Maria tallied the votes and Mr. Barnett was elected as the new Clerk.

C. Review, discuss and possible action to accept the audit report presented by Mark Heidenreich with Heidenreich & Heidenreich, CPAs, PLLC

Mr. Heidenreich Skyped in with the board and audience to present his findings during the audit for fiscal year ending June 30, 2014. He explained that the District is modified-cash basis, as opposed to accrual, but that there is not any issue with it from his perspective. The District will not have to state the outstanding PSPRS liability on our financials as a result of not being on accrual basis. The one recommendation made by Mr. Heidenreich is for any changes to approved purchase order amounts be documented as to why the amount changed and have both our accounts payable division (Linda), and the approving authority (Chief Miller or Maria), sign off on the new amount.

Mr. Barnett asked if there was any verbiage that could be listed to state that the District did everything correctly. Due to the scope of the audit, the only verbiage used is that there were no issues. Mr. Heidenreich stated that the District has met all standards and that there were no issues encountered, and all of the District's financials looked to be in good order and clearly stated. Mr. McMurtrie asked that Maria include such language in the minutes to reflect what Mr. Heidenreich stated verbally.

Mr. Barnett made a motion that the board approves the audit as presented by Heidenreich & Heidenreich CPAs. Ms. Banister seconded the motion.

VOTE: 5-0  
Motion Carried

D. Discuss and possible action to have Chief Miller continue to look into the annexation of one property off Escapule Road between Sierra Vista and Tombstone, as requested by Jim McBee.

Chief Miller explained to the board that Mr. McBee would like us to annex his residence off of Escapule Road. Chief Miller does not recommend this as the location of the residence is too far out of our area. He asked that the board take no action on this item at this time.

Mr. Barnett made a motion that the board not address this item, unless the resident shows up at a future meeting and requests that the board consider his request. Mr. McMurtrie seconded the motion.

VOTE: 5-0  
Motion Carried

### **REQUESTS FROM BOARD MEMBERS FOR FUTURE AGENDA ITEMS**

Mr. McMurtrie asked that Chief Miller contact Cochise County and see if there is anything available, such as a GIS map of the District's taxing area, to ensure the we are receiving all tax revenue that we are entitled to

There were no additional requests from the board for future agenda items.

### **ADJOURNMENT**

Mr. Barnett made a motion to adjourn the Regular Meeting at 8:15 p.m. Motion seconded by Mr. McMurtrie.

Meeting adjourned at 8:15 p.m.

DATED THIS 23<sup>rd</sup> DAY OF JANUARY 2015.



~~James Barnett~~ Gilbert Gil  
Board Clerk  
Fry Fire District Board

Acting