

Minutes of the Regular Meeting of the Elected Officials
of Rio Rico Medical & Fire District held July 30th, 2019

1. Meeting called to order by Mike Vohland at 5:30 p.m.
2. Pledge of Allegiance.
3. Call to the public.
 - None
4. Roll call for board members
 - Present: Mike Vohland, Frank Bejarano & Dean Davis. Michael Carlson present telephonically
 - Absent: Brad Beach
5. Approval of minutes for the District Meeting and Executive Sessions held on June 27th, 2019 and the Special District Meeting held on July 8th, 2019.
 - Motion to approve minutes of the District Meeting and Executive Sessions held on June 27, 2019 made by Dean, second by Frank Bejarano
 - Motion passed unanimously by verbal vote
 - Motion to approve minutes of the Special District Meeting held July 8, 2019 made by Dean Davis, second by Frank Bejarano.
 - Motion passed unanimously by verbal vote
6. Fire Chief's Reports and Staff Reports:
 - a. Call Summary – Presented by Deputy Chief Johnson
 - Through July 29th, 2019 Total number of calls 1,678 with shifts running 31%, 34% and 35% of calls
 - Monthly run totals averaging 200+
 - IFTS 51%; EMS/911 28%; Public Assist 9%; Cancelled/False 5% HazMat, MVAs & Fire 7%
 - Implemented Fire Skills Assessments for all fire personnel
 - Turnout Time; SCBA Donning (timed), Basic Knot knowledge and Ladder Technique Turnout Time and SCBA Donning goal time – Goal less than 60 seconds for each
 - Beginning August 6th, weekly training for fire technical rescue – Nick Quiroga will be the lead
 - Module 1 testing completed by Guillermo Velasco, Carlos Morales and Marlon Posada
 - Clint Quiroga and Alfonzo Cortinas currently working on modules
 - b. Operational Reports
 - i. Equipment, vehicle, station
 - Repeater tower has been put up and tested, improving coverage
 - Still doing some testing; hoping to combine to one frequency and share with Tubac, Rio Rico and Nogales Suburban Fire Districts creating a single dispatch source with all districts hearing the dispatch for the I19 corridor. Create a North frequency which would dispatch Tubac, and the South frequency would be Nogales Suburban. Initial dispatch to all and then the area (North/South) switches to their frequency
 - Mike Vohland questioned why RRMFD was not getting back on an independent frequency to avoid hearing other department's calls/chatter and on scene chatter. If Nogales Suburban doesn't play in to this system, then it may go back to each department having their own frequency.
 - Nothing set in stone; work in progress; meetings with shifts; working on details
 - Second meeting with City of Nogales Dispatch; discussed needs and wants; proposing leaving the Santa Cruz County Sheriff dispatch. City of Nogales dispatch is willing to take the county with all fire districts removing themselves from the Sheriff's office dispatch. Logistical stuff, political stuff, personnel changes, City Manager proposing unrealistic expectations and requesting RRMFD give up some of their IFTS to Nogales in lieu of dispatch service. Chief Amezaga has addressed this with Police Chief Roy Bermudez; we will not go forth with plans if that; not a shared service, this is a paid for service. City of Tucson currently charges \$27.00 per 911 call dispatch; oversees communications and radios. Reaching out for advice to Cochise county and City of Tucson
 - City of Nogales wants to make this happen and improve. Dean Davis is concerned with having an agreement with current regime and having to renegotiate with a new regime – would prefer to have a long term agreement.

- Following special Board meeting, a 2014 Dodge Ram V6 Eco Diesel Truck with 78,000 miles purchased for command vehicle for Deputy Chief Johnson. Radios have been ordered and the truck will be taken for striping on July 31st. Johnson's vehicle will be given to George Cluff, Fire Marshal.
 - July pump testing done on all engines; all passed. Tenders had some issues but pumps were concerned with the testing company testing the tenders at an engine level. Chief Amezaga will have Andy work on a couple of issues (suction from water source; primer not working; part needed and ordered for Andy to fix). Will run through self-test upon completion of repairs. Michael Carlson asked how often are these tested – daily regular testing and annually for certification. Feels this issue should have been known before drafting/testing. Will review testing schedule and adjust for monthly/quarterly.
 - Station 3, trees and bushes planted; painted lights, carpets cleaned at stations 2 & 3
- ii. Training
- AFDA Conference attended by Deputy Chief Johnson, Brad Beach, Adam Amezaga & Ana Holman. Great networking and bonding. Frank Bejarano will need to do online classes or one day class in October
 - Haz Mat Training – Tanker & Hwy Emergencies July 9th, 17th & 25th
 - Albert Ibarra sent to Fire Inspector I training. All Captains will be certified as Fire Inspector I. This will train them on inspector plans and what to look for
 - Module 1 testing – Guillermo Velasco and Clint Quiroga
- iii. Personnel
- First Medical Wildland assignment – Hart Fire in Happy Jack, Az. CEP Jeff Little and EMT Jorge Hernandez out for 7 days. Dean Davis acknowledged job well done in utilizing equipment; Chief Amezaga acknowledged Mark South and James Sheldon for their work on the project
 - Failed to mention last meeting, Oscar Berrellez was nominated for the Nogales Rotary Public Safety Officer Award
 - Reserve Alfonzo Cortinas hired full time July 14th, 2019
 - Promotional Badge pinning of Fire Marshall, George Cluff by his wife. George will be based at Station 1. Raul from Dr. Construction has been contacted for remodeling of office and new furniture has been ordered
- c. EMS – presented by Tangey Beckham
- Training offered: Cadaver Lab; LZ training by Airmethods, CPR refresher for all shifts and iGel training for shifts (RRMFD transitioning to the iGel)
 - Upcoming classes: EPIC refresher, EKG Interpretation and cross training with NSFD
 - Meeting highlights: Santa Cruz County sub regional meeting; PDR Committee meeting, AZMIH Network Meeting and Area Agency on Aging meeting
 - Attended the AFDA/AFCA Conference: EMS Meeting: ET3 discussion and workgroup; leadership track; Vendor Fair and Networking event
- d. Fire Marshall – presented by George Cluff
- i. Inspections and Plans
- Inspections completed at VIP Tire Shop, Nickel's Diner, Subway, Hendrix Restaurant, El Sabroso, Joe's Mexican Food and Las Trankas
 - Burn permit issued for area behind Garrett's for the car wash and Little Caesar Pizza
 - GRG Construction completed burn behind Station 1; winds reignited
 - NFIRS reports for June were not uploaded due to Mediview and ER.com programs having communication issues. Still in compliance with National Data Base
- ii. Community Events
- RRMFD participated in the Nogales 4th of July parade
 - Rio Rico Library Fire Safety, Fire Demonstration and hose fun
 - Attended: Arizona Fire Marshal's Association meeting in Glendale, Az., Arizona Fire Sprinkler Association meeting in Phoenix, Az. and Advanced Fire Investigation Seminar in Prescott, Az. (T-shirt created this year by AZIAAI remembering the fallen – 19 stars for the 19 firefighters)

- Participated in the annual Back to School Blitz July 27th – attended by 3500 kids

7. Administrative Report:

- a. Presentation of monthly Financial Reports up to June 30, 2019 by Ana Holman
 - Fiscal year ended June 30, 2019
 - Bank of America account slowly fading away – some medical billing companies still depositing
 - Debt service bond redemption paid
 - June was our highest month billed - \$397,000
 - Collected FDAT tax
 - UTV Trailer purchased
 - P & L – fees for service over what was projected
 - No Grant expense or income
 - Operational balances ended at \$1,500,000; calculation of expenses until October leaves approximately \$500,000 which the Board needs to decide where funds should be designated.
 - Proposal from Chief Amezaga and Ana Holman recommend transferring \$500,000 in to the Capital Purchases account and decide in the future where to place the fund
 - Michael Carlson mentioned information coming up later in the meeting regarding GAAP recommendation for a contingency fund is between 5% to 15%; at 10% that would take most of the funds for the contingency fund. Feels it is reasonable to put the excess funds in the Capital account until the Board finalizes what is needed for a contingency fund versus what will be needed for the pension fund as well as capital. Need to get people together on how to comply with the other AFDA recommendations and requirements.
 - Michael Vohland referenced more research by the Board regarding the contingency fund and restrictions
 - Ana Holman will transfer funds to the Capital Reserve account for now – no motion, just an agreement that we have for transfer of funds (fluid funds)
- b. Updates from AFDA Statutory Compliance Training:
 - i. HB 2572; A.R.S. 48-805 (D) Warrants Drawing
 - All checks/warrants drawn from the county warrant account were never signed by a board member. It is a requirement to have two members of the Board sign the check/warrant. The two currently authorized are Mike Vohland and Brad Beach. This requirement will be implemented immediately.
 - ii. Contingency Account: GAAP Recommendation
 - Michael Carlson has previously mentioned the contingency account. We have asked other fire departments/districts who were also unaware of this. The GAAP recommendation is to create a contingency account, we must have 5%-15% of our budget which represents \$260,000 up to \$785,000
 - Mike Vohland has an issue regarding the contingency fund. As a small department, it will take a lot of our capital out of the Fire Department and put it in a very restrictive fund, to where you can do little to nothing with it unless there is an actual emergency, as he understands it. The Board needs to look long and hard at this before going down that road. This is a recommendation only, not a house bill, not a requirement, not an Arizona Revised Statute; Ana couldn't find anything from other departments regarding this fund. Mike Vohland believes that is due to the account being so restrictive.
 - iii. PSPRS 38-863.01 Pension Funding Policies
 - New statute regarding PSPRS pension funding. Presented by the auditors in December, there was a liability balance of \$466,000 at the end of last fiscal year. PSPRS wants the Board to adopt a pension funding policy for the system to say how we are going to maintain and fund all this liability we have. They are not telling us for how long we have to pay, but we need to put it in our policy how we are going to pay it, and how and when the government bond funding requirements of the system will be met. All of this has to be posted on the website. Came out July 1, 2019 and will require Board to come up with a plan to maintain adequate assets to fund the benefits.
 - Dean Davis asked if there was a time frame for paying within. No specifics. We can choose number of years when people start retiring. Want to make sure it is funded properly-many

districts have very large liabilities and no way to fund. We are a small district and don't have that large of a liability, but want everyone aware of the liabilities

- Frank Bejarano questioned if we hadn't been paying and getting a reimbursement. We are paying every time we run a payroll and are up to date. Feels the auditors should review and inform the Board where we are at now.
- Dean Davis believes this is for moving forward. Should consider a line item in the annual budget to address plan for payment of pension liabilities. A moving target.
- PSPRS has now provided a tool to calculate liability. Balance Sheet - Other Current Liabilities includes the PSPRS liability. PSPRS wants to see the district making an effort; adopt a policy for the fire board; amortization schedule for pay down; planning for future. Wants the District to be aware and have the conversation.
- We also have an ASRS liability as well; approximately \$600,000. This is a big problem across the state
- PSPRS & ASRS liabilities need to be addressed at the next budget meeting as this has been an ongoing situation for 10-12 years
- Michael Carlson suggests we take Ana's recommendation, get some people together to understand what it means, what the impact is and how we need to deal with it for each budget year. Think it is easier than we think it is since we don't need to come up with all the money at one time; our population is relatively young and we won't be paying out a lot of pension any time soon, we have a window to get this together. Group can come up with a recommendation so that it can be addressed in the budget or maybe if even necessary, take a bit of the extra \$522,000 we have, believes we can come up with a reasonable solution.
- Dean Davis doesn't believe it is insurmountable; it's just surprising as he thought the pension system got upside down and it was necessary to pay in additional dollars which we did and were reimbursed a portion; thought that put this issue behind us. We need to seriously address this issue; surprising to see the \$1.1 million out there we need to cover.

8. Old Business

- a. Discussion and possible action regarding service providers for updating policies and training
 - Still reviewing information and options and waiting for additional information

9. New Business:

- a. Discussion and possible action to approve monthly financial reports.
 - Motion to approve monthly financials made by Dean Davis, second by Frank Bejarano
 - Motion passed unanimously by verbal vote
- b. Discussion and possible action to adopt GAAP recommendation regarding Contingency Account
 - Mike Vohland thinks we should take a good hard look at this before making any decision. Funds are allocated to one account, without any access by the fire department unless there is some type of disaster
 - Ana Holman gave the example if the tax revenue hadn't been collected; the Board members are the ones who decide when to use the money. It's allocated to one account, contingency fund, funds set aside on a separate line account for unseen emergencies, expenditures or poor tax collections.
 - Dean Davis questioned the need for a contingency fund when we have a recovery fund (Capital Reserve account); doesn't see the necessity in having a contingency fund.
 - Frank Bejarano agrees we don't need the contingency fund if we have a certain account and amount set aside which we have access to without restrictions
 - Michael Carlson stated sound physical management would suggest we do have some level of contingency fund. But believes the Board has the say in how and when the funds can be used; for late tax revenues, unexpected expenditures, this that and the other. Should look into the restrictions and usage of accounts; do some research; see what is logical and rational. If the AFDA is recommending a GAAP procedure and suggests a contingency fund be established, it would be potentially short sided not to do so. How much of that and how to choose, is up to us, we should take consideration of that.
 - Mike Vohland said none of the fire departments he contacted had a contingency fund at all. Not that it's not sound practice.

- Michael Carlson stated there was an article in the paper not too long ago about a fire department somewhere around Phoenix that was short funded and said without their contingency fund, their firefighters would not have been paid. There may not be any departments in southern Arizona who have contingency funds, but at least one in the Phoenix area does and felt it was critical for them.
 - Dean Davis asked Michael Carlson when we already have a recovery fund in place, and know it's there and can transfer it in any direction we need to, based on the availability of funds, why is another contingency fund necessary other than a recommendation we should have one in place. What is the reason for duplication?
 - Michael Carlson's understanding of GAAP, the fund Dean Davis is referring to is a capital replacement fund used very specifically in many places where you have a schedule of major expenditures- equipment, vehicles, etc. earmarked for that. Funds are there, simple approval. A contingency fund is simply for something that we didn't foresee – rainy day fund, not planned and does not hinder us from doing other things. From a business point of view, it is a sound physical management process
 - Dean Davis doesn't understand the difference in the availability of funds and the usage of the funds for what the contingency fund would cover that our recovery fund doesn't do for us. We've, in the past, transferred funds where tax income has come in late, etc., for short term basis, we're using it as a contingency fund (Capital Reserve account) in many regards when need be.
 - Michael Carlson-essentially using the Capital Reserve for an unexpected expense, we shall not be able to do a replacement of the capital funds, so you are taking away a fire engine to pay salaries. Typically identified for specific use (large items). Contingency fund can be used as needed for any expenditure. Combining the two accounts is probably not necessarily a bad thing, although it is not transparent to our communities.
 - Dean Davis pointed out the past 5-6 years, even with Capital Purchases, we have been maintaining a balance of \$700,000. Even though we are using the Capital Reserve fund for Capital Purchases there are still contingency dollars there for whatever need be. As a Board, and a District, as long as we know those dollars are there, don't see the necessity for another account that restricts us in how we use those funds.
 - Mike Vohland would like to table the GAAP Contingency Fund recommendation item for 60 days and have Michael Carlson, Ana Holman, Dean Davis and Chief Amezaga study the issue and report back to the Board.
- c. Discussion and possible action to adopt a pension funding policy for the system as part of the governing body's financial policies.
- Mike Vohland suggests we table this item and incorporate the pension funding policy in with the GAAP Contingency Fund to be included in the study and return report to the Board.
- d. Discussion and possible action to approve purchase of a 1996 4 X 4 Utility Truck and sell Utility Truck U522
- Utility truck we currently have is not a 4 x 4 and not functional for what we need for a TRT and up in the hills
 - Chief Amezaga would like to purchase the 1996 4 x 4 Utility Truck for \$7,500 and sell RRMFD Utility Truck U522, costs offset each other
 - Dean Davis asked if we would want to spend more and purchase a newer used unit
 - Frank Granados and Chief Amezaga checked out the vehicle; runs well, good shape
 - Does not need Board approval, but wanted the Board to know
- e. Discussion and possible action to purchase a Ford Transit Ambulance
- Sprinters are in good in condition, but we have little maintenance issues that causes them to be out of service (hoses, balancing, tire). To keep fleet operating, Frank Granados suggests we have 2 vehicles for back up – currently have 6 in service and one back up.
 - Spoke with vendors at AFDA and found Ford came out with a Transit Ambulance, V6, eco boost gasoline engine for \$67,000
 - Requesting Board permission to start the research put an apparatus committee together and come back with information and recommendation to purchase additional vehicle.
 - AMR just bought a fleet and 3 of our firefighters reserve with them. After one year, they feel they are holding up real well and worth looking into for purchase

- f. Possible Executive Session – The Fire Board may vote to go into Executive Session pursuant to A.R.S. 38-431.03(A)(1) for personnel matter
- i. Notice: Executive sessions are confidential pursuant to A.R.S. section 38-431.03(C)
 - ii. Notice: No action is taken during an executive session. Any action taken by the board will take place during an open meeting
 - Motion to enter Executive Session made by Frank Bejarano, second by Dean Davis
 - Motion passed unanimously by verbal vote
 - Entered Executive Session at 7:21 p.m.
 - Exited Executive Session at 7:45 p.m.
- g. Discussion and possible action for personnel matter
- Mike Vohland reminded everyone Executive Sessions are confidential pursuant to A.R.S. section 38-431.03 (C) and anything discussed in Executive Session stays within Executive Session
 - Motion made by Michael Carlson to invite Thom Cope to discuss potential labor issues that we can consider him for future involvement with the District; second by Dean Davis
 - Motion passed unanimously by verbal vote
- h. Possible Executive Session - The Fire Board may vote to go into Executive Session pursuant to A.R.S. 38-431.03(A)(1) for discussion or consideration for the Fire Chief’s annual evaluation.
- i. Notice: The Chairperson will confirm Chief Amezaga received at least 24 hours notice
 - ii. Notice: Executive sessions are confidential pursuant to A.R.S. section 38-431.03(C).
 - iii. Notice: No action is taken during an executive session. Any action taken by the Board will take place during an open meeting.
 - Motion to enter Executive Session made by Michael Carlson, second by Dean Davis
 - Motion passed unanimously by verbal vote
 - Entered Executive Session at 7:47 p.m.
 - Exited Executive Session at 8:06 p.m.
- i. Discussion and possible action to approve Chief Amezaga’s annual evaluation.
- Mike Vohland reminded everyone Executive Sessions are confidential pursuant to A.R.S. section 38-431.03 (C) and anything discussed during Executive Session stays within Executive Session
 - Mike Vohland and Eva Barreda will be working on documentation for Chief Amezaga’s evaluation form. Once we come up with the documentation based on what was discussed in the meeting, it will be sent to all Board members for further input or corrections. At that time, we will schedule an Executive Session at the August meeting to complete the Chief’s evaluation
10. Upcoming meeting discussion:
- a. Monthly Board Meeting – August 27, 2019
 - b. Dean Davis reemphasized Ana setting up committee meeting for the Contingency Fund and PSPRS pension funding policy
 - c. Dean Davis notice walking in, Station 3 building showing checking in stucco and is due a paint job. Dean Davis will take an afternoon to do an assessment of Station 3 and give Chief Amezaga a list.
11. Adjournment:
- Motion to adjourn made by Michael Carlson, second by Mike Vohland
 - Motion passed unanimously by verbal vote
 - Meeting adjourned at 8:09 p.m.

Dated this 27 day of August, 2019

Rio Rico Medical & Fire District Elected Official

Michael Carlson,



Clerk of the Board