

**MINUTES OF A REGULAR MEETING OF THE
MESCAL-J6 FIRE DISTRICT GOVERNING BOARD
HELD ON Wednesday, May 31st, 2017 at 6:30 PM**

The meeting was called to order at 1831, by Board Chair Mark Lee. Present at roll call were Board Members Mark Lee, Jerry Conrad, and Sue Dupee. Absent at roll call were Board Members Mary Bowen, and Owen Kieley. A quorum was confirmed and the meeting was continued.

Item 1: Minutes: Minutes from the Regular Board meeting held on April 26th, 2017 were reviewed by Chief Moran and the Board Members. Jerry Conrad made a motion to approve the April minutes with Incidents on item 3 underlined. Sue Dupee seconded the motion. Motion carries 3-0.

Item 2: Financial Report: Chief Moran gave an update on the financial status of the District. He stated that in the cash flow projection on the bottom it stated that these reports include the projected \$60,000 carry over. As instructed by the districts CPA Lorna Peterson we will no longer have that statement in the bottom of the Cash Flow Projections. Chief Moran referenced the cash flow projection, and bank register (both attached). Chief Moran also stated that he anticipates that the District will have enough money to make it through the summer. Sue Dupee made a motion to approve the April financial reports and Jerry Conrad seconded. Motion carries 3-0.

Item 3: Fire Chiefs Report: Chief Moran stated that Mescal-J6 Fire District responded to 42 incidents during the month of April with an average turnout time of 4 minutes and 51 seconds and an average response time of 11 minutes and 27 seconds. He also stated that the turnout time and response time is higher this month then previous months because of staffing constraints.

Training: Chief Moran advised the board that the firefighters have been training on basic firefighter skills, hose loading, ladders and other skills. HCI the local ambulance service also held a King Airway training May 17th to train the EMT's on the updated system. Chief Moran stated that having the EMT's trained with this airway will help save lives in the district.

Apparatus Maintenance: Chief Moran reminded the board that Tender 171 and Command still both need new tires and that the tires for Tender 171 will cost the district approximately \$4,000. He also noted that Tender 171 sustained damage to its front suspension during the structure fire by the railroad tracks but that the repairs had been finished. Chief Moran also stated that Tender 171's alternator needed to be replaced and when they went to replace it, it had one day left on the warranty so the alternator did not cost the District anything.

Billing: Chief Moran advised the board that the District had received \$12,000 in incident payments from the Districts billing company Covenant and stated that those funds were deposited into the payroll account.

Ludwig and Klewer: Chief Moran stated that the company that conducts the Districts financial review's is drafting the engagement letter for the fiscal year 2017 financial review. He hopes that we will be able to sign the engagement letter at the next Regular Meeting.

Credit Card: Chief Moran stated that Leigha Woolums the District's Administrative Assistant has received her District credit card. In that process, he

noticed that National Bank still hasn't cancelled Amy Stites credit card so he stated that he will have them do that soon.

AARP Tax Aide: Chief Moran advised the board that the AARP Tax Aide people that used our facilities from January to April helped 60 retirees with their income taxes this year, an increase from last year.

Trump's Proposed Budget: Chief Moran outlined some things that will change financially for our District and Districts around the country if President Trump's proposed budget goes through as proposed.

Credit Card Expenses: Chief Moran addressed the heightened expense on the credit card this month. He stated that there were 2 large charges to the card one being the \$743.52 at Lowes that is for the new SCBA building, and the other is \$443.82 for the SSVEC payment.

Item 4: Banking Controls: Chief Moran requested that the board add another security contact for the National Bank of Arizona payroll account. Board Chair Mark Lee nominated Sue Dupee as the additional security contact for the National Bank of Arizona payroll account, in his nomination he noted Sue Dupee's years of knowledge in the banking field; no other nominations were submitted. Mark Lee made a motion to accept Sue Dupee as the additional security contact for the National Bank of Arizona payroll account. Jerry Conrad Seconded. Motion carried 3-0.

Item 5: Standard Operating Procedures: Chief Moran presented the board with his changes to Standard Operating Procedures (SOP's) 090, 092, and 094. In the agenda 091 and 103 were noted as SOP's that were up for possible action but he requested to table them at that time.

090 Disposal of Assets: Jerry Conrad made a motion to approve the proposed changes to policy 090 Disposal of Assets (attached). Sue Dupee seconded. Motion Carried 3-0.

092 Bidding for goods and services: Jerry Conrad made a motion to approve proposed changes to policy 092 Bidding for Goods and Services (attached). Sue Dupee seconded. Motion carried 3-0.

094 Emergency Community Water Use: Jerry Conrad made a motion to approve the policy 094 Emergency Community Water Use with proposed changes Sue Dupee seconded. Motion carried 3-0.

Item 6: Incident Billing: Chief Moran advised the board that the current practice of the incident billing company Covenant that the District uses to bill for their billing, by past direction from us, has not been sending unpaid invoices to collections. He requested that the board consider sending unpaid invoices to collections. He also noted that he didn't feel comfortable ruining someone's credit over an accident.

Board Chair Mark Lee stated that everyone that drives in Arizona is required by law to carry insurance, and if the people don't file a claim with their insurance then they are accepting the fiscal responsibility for the incident. He also recommended that after the second invoice has been sent, and the invoice remains unpaid, then we should direct Covenant to send that invoice to a collections company. Sue Dupee made a motion that after the second invoice is issued, and remains unpaid we will send the invoice to

collections. Jerry Conrad made a seconded. Motion carries 3-0.

Item 7: Call to the Public: Mary McCool of the CDO, voiced her concerns about the “transparency” of the District’s financial practices. She stated that she believed there was a discrepancy in the profit and loss reports, and advised the board that she had hired a CPA out of Tucson to help her and the CDO make more sense of what the reports are saying.

Greg Radzykewycz addressed the board and stated that if the District is going to stop putting the notice that the \$60,000 is the expected carry over amount in the Cash Flow Projection then the \$60,000 should be removed from the Cash Flow Projection. Chief Moran acknowledged that Mr. Radzykewycz was correct and that the District will consult with the Districts CPA to resolve the problem.

Item 8: Adjourn: Jerry Conrad made a motion to adjourn the meeting at 1912, Sue Dupee seconded. Motion Carried 3-0.

Minutes compiled and submitted by:

A handwritten signature in cursive script that reads "Leigha Woolums". The signature is written in dark ink on a white background.

Leigha Woolums, Administrative Assistant

DATE 6-2-2017