

MINUTES OF THE
BUCKSKIN FIRE DEPARTMENT DISTRICT FIRE BOARD

August 12, 2015 – Regular Session

Minutes to be approved at open public meeting on September 16, 2015.

A public Open Meeting of the Buckskin Fire Department was convened on August 12, 2015 at 6:03 p.m. in the training room of the Buckskin Fire Department located at 8500 Riverside Drive, Parker, AZ., 85344.

The following matters were discussed:

1. **Call to Order:** Chairman Jeff Daniel called the Regular Session to order at 6:03 p.m.
2. Roll Call:
Members Present: Chairman Jeff Daniel, Robert “Monty” Rust, Glenda Gerson, Robert Gory
Absent: Greg Bachmann
Staff Present: Chief Chambers, Administrative Assistant Pattie Lonnee
Public Present: Luanne & Bill Brown
3. (Action Item) **Approval of Minutes** submitted for Public Hearing and Regular Session on July 8, 2015. Glenda Gerson makes a motion to approve minutes of July 8, 2015 and seconded by Robert “Monty” Rust. Approved unanimously.
Ayes: 4
Nays: 0
Absent: Greg Bachmann
4. (Action Item) Discussion & possible action: **Acceptance of monthly expense report 07/01/15-07/31/15.** All transactions approved by Administrative Fire Chief; documentation for these expenses were reviewed and authorized by a minimum of two Fire Board Members whose signatures are on the warrants issued to vendor(s), as per Buckskin Fire District policy and procedures. Motion made by Robert “Monty” Rust to approve the monthly expense report 07/01/15-07/31/15, seconded by Glenda Gerson. Approved unanimously.
Ayes: 4
Nays: 0
Absent: Greg Bachmann
5. (Discussion and possible Action): Requested by Fire Board Chairman Jeff Daniel and Fire Board Greg Bachmann; **Discussion and update from Pension Board.** Chairman Jeff Daniel turns it over to Robert “Monty” Rust. Monty Rust: Unfortunately we will have to table this one more time. I did however talk to Fire Fighter Dustin Fernandez this afternoon and we have set up a meeting for August 24, 2015 at 9:00 a.m. Chairman Jeff Daniel: We are going to table this to our next Regular meeting.
6. (Action Item) Update from County Treasurer’s office on options **to pay Castle Rock Tax Refund of \$14,225.43 (from tax years 2012 and 2013.) Discussion and possible action to determine department’s course of action.** Chief Chambers: We have to pay it; we do not have a choice in the matter. We need to figure out how we are going to pay it. If we want to take it out of the Reserved Fund or write a check out of our regular account. Bob Gory: When you negotiate, are we negotiating with the county or are we negotiating with Castle Rock? Chief Chambers: We found out we cannot negotiate. We owe the tax and we have to pay it. Bob Gory: I understand that but when it came to paying them and we say we’ll give you (x) amount down and so much. Chief Chambers: No, the county said no. Monty Rust: Where do you think we should take it

from? Chief Chambers: That is what you need to discuss. On our line of credit we are paying a very low percent. Somewhere during the year we will have to put it back. If we pay it out of the Reserve Fund that is just more money coming out of the Reserve Fund. It is out of those two accounts. The sooner we pay it we don't have to pay the 7% interest. If we pay it we are paying less than 0.5%. It may be 3.5% but it is a lot more than what we can be paying. Chairman Jeff Daniel: Is there a consensus that you want to take it out of which fund? We have to pay it all at once, we can't pay half and half. Glenda Gerson: Why don't we take it out of the cheapest place we can? Chief Chambers: I would say just write a check. We are still on warrants so it is still out of our tax year. It is just money we haven't budgeted for. We will just write a warrant for it. That will be our cheapest interest. Motion made by Monty Rust to take the \$14,225.43 for Castle Rock Tax Refund out of the General Fund, seconded by Bob Gory. Approved unanimously.

Ayes: 4

Nays: 0

Absent: Greg Bachmann

7. (Action Item) Discussion & possible action: To approve **filling open positions**. Chief Chambers: I would like to make a decision on filling one of the two open spots. Chairman Jeff Daniel: What is the status on the Safer Grant? Chief Chambers: We will find out Friday. Each week they release the rounds that made it. We are absolutely still in the running. They have already released millions and millions but I believe it was a \$300,000,000 grant. We have not received anything stating we are out. Every year we receive a letter stating "sorry, we were unable to basically further your grant." Chairman Jeff Daniel: Where is he at with his training? Chief Chambers: He has everything. He's up to date on everything. He has been working full time shifts for a year and a half now. He is an EMT, Fire 1 & 2, Dive Rescue. Once he is hired and put on full time, he will but put on his probationary year. All the Captains are on board with it. Chairman Jeff Daniel: Are you going to start him out as a new employee? Chief Chambers: Yes. Motion made by Monty Rust to approve filling one open position with Brandon Quinn, seconded by Glenda Gerson. Approved unanimously of those present.

Ayes: 4

Nays: 0

Absent: Greg Bachmann

8. (Discussion): **Worker's Compensation update**. Chief Chambers: We have excellent news on our worker's compensation. Pattie Lonnee: Initially when we were budgeting our premium was based on what we had been paying in years passed, which was the \$152,954.00. When we received our renewal from Travelers it came down to \$129,548. Our saving we thought was \$23,000.00. I received a revised renewal and our premium is \$113,092.00. The net savings on what we paid last year and this year is almost \$40,000.00 but what we budgeted and what our new renewal is actually \$16,400.00. A significant saving with the \$40,000.00 and just now within our budget saving us another \$16,000.00. Pattie Lonnee: I had a phone call from another person in Arizona that would like to pitch a sale for workers comp. I told them not now because I am currently in the yearend but please call me back. If you have something to offer like another company that we spoke to, who actually just wants to do an administration of a worker's comp. I am not interested. Bob Gory: What is the deadline Pattie? Pattie Lonnee: We have already renewed. Our policy period is July 1st though June 30th. We have already gone into our new policy with Travelers as of July 1st. It does not mean we cannot get out of our policy, should we

find another carrier that is willing to pick us up. Chief Chambers: We continued when we were shopping because we had to pay the premium by June 15th. Pattie Lonnee: I had to write the check because for some reason it takes so long to get to them, I did have to write the deposit check in June. That was about \$32,000.00. The good thing now is with the deduction in our annual premium, even though we paid a higher deposit, it is lowering our monthly expense. Chairman Jeff Daniel: What was the total amount again? Pattie Lonnee: The actual revised premium is \$113,092.00. Chief Chambers: Over last year we saved \$39,862.00. If we can hold everything now with our workman's comp and keep everyone healthy then it should drop even more.

9. (Discussion & possible Actions): **Discussion on Health Insurance cost.** Chief Chambers: We budgeted the \$180,000.00 this year for all of our health insurance. What we didn't take into account was someone getting married and having a baby. With that we had an increase and luckily for us workers comp had the decrease. Pattie Lonnee: Our net savings is \$5,400.00 between the two. Chairman Jeff Daniel: On our medical we had \$177,000.00. Pattie Lonnee: We started out at \$177,000.00 and then we increased it to \$184,099.00 because that was to include the life insurance and the adjustment to the dental. That was to take care of all employees and open positions. Again, what we didn't realize, accounted for, or even consider, was in the event that an employee would add on dependents. With that expense plus what we didn't also realize when we were discussing budget is that we were going to have to pay a PPACA fees or administration fees for the insurance; which is almost \$2,000.00 a year increase in our budget. The net effect with the increase is less the savings that we are realizing is a net savings of \$5400.00. Pattie Lonnee: We need to reallocate funds. With our worker's comp we had on our budget the \$129,000.00 and the \$113,000.00 and then our medical was \$180,000.00 and it is going up. We need to reallocate those funds. Chairman Jeff Daniel: You said EMI was at \$180,000.00 and some change. What is it going up to now? Chief Chambers: \$193,201.00. The PPACA fees is \$1915.00. Chairman Jeff Daniel: Did we know that coming into EMI? Pattie Lonnee: Not exactly. It was kind of brushed over. I was a very upset with them. Then I realized it was the PCORI fees that they said we would be billed later in the year. I was not aware of the admin fee. I was told the admin fee was a onetime fee to set up our account but it is actually a monthly fee of \$20.00. The difference is the PPACA fees which is based on the coverage. It is \$3.67 for a single employee. It is \$10.00 and change for an employee with children; it is \$15.36 for a family. It is not a lot but when you add them up at the end of the year it ends up being another \$1,900.00 that was not accounted for. Chief Chambers: He had told us about them but we did not know it was going to be monthly. Then add it to every billing. Glenda Gerson: So all together it is \$1900 extra for fees for the year. Chairman Jeff Daniel: We went to EMI under the understanding they were going to be the best and the least of cost. Chief Chambers: They are because of our deductibles are still going to save us a ton of money. Pattie Lonnee: With not having to have the gap insurance. He did tell us about the fees, we should have had them be more specific with the fees. When the rate was calculated it was calculated per person. Monty Rust: We are just looking to reallocate funds from workman's comp to insurance. Pattie Lonnee: Yes. Motion made by Monty Rust to reallocate money from Workman's comp to health insurance to cover additional expenses and fees, seconded by Glenda Gerson. Approved unanimously.

Ayes: 4

Nays: 0

Absent: Greg Bachmann

10. (Action) **Adopt new policy on Health Insurance for Dependent coverage paid by the department;** employee only for 0-4 years of service; at 5 years of service department will pay for partial coverage for dependents per current policy in place. Chairman Jeff Daniel: Questions about this item? Chief Chambers: This is when we hire new people we don't have budgeted to fill those positions with family with our health care. In order to cut cost and set up a policy in the future until the district either starts getting a lot of money in or levels out. We need to adopt a policy for a 0-5 year of work is the employee only and at the 5 year mark they are able to add on their family. Spouse or dependents. It is like a long-term incentive for someone to stay. Without doing this, it could add up to a considerable amount of money if we fill both of these positions. Bob Gory: Is someone going to pay a portion? What is the percentage? Pattie Lonnee: Currently the department pays 100% of the employee's portion of benefits, which is medical and dental. In addition the department pays 80% of dependent coverage and the employee has a payroll deduction of 20% of that cost that is a contribution to the expense. What it is in actuality it is saving us is 80% of the dependent coverage. If the employee is hired and is unable to add dependents until their 5th year at least we know in advance and we can budget for that knowing what the coverage is going to be. Right now we are in the dark and we do not have funds available to cover the medical and dental expense for any dependents. Bob Gory: Say we do this and let's say all of a sudden our health insurance just goes bananas, are we going to be locked into this same issue as we go on? Then we will be doing it for everybody because everybody will be over 5 years. Chief Chambers: Every year you are going to have to decide what we can do with coverage but what this does is set a standard instead of being hired here and having full coverage from day one, you are going to have to work a certain amount of time before you get it. Bob Gory: I would just like to know approximately how much we're talking about? Pattie Lonnee: It varies with the coverage. If you look at what is cost for a single employee per year, which is \$7,174.00 and that is for their medical and dental coverage. That is what the company pays for 100%. When you start talking about different coverage for dependants it varies. It depends upon if it is a parent with their children, if it is a family, if it's a spouse. They have different rates based on that. Chairman Jeff Daniel: The first four years the individual that comes on board the dependants will not be covered. Pattie Lonnee: Right, and not paid for by the department. Chairman Jeff Daniel: At the 5th year we are going to know by my 5th year if I have kids or if I am married and we are going to be able to budget or not be able to budget, what Chief Chambers is trying to say. Pattie Lonnee: It gives us the opportunity knowing in advance what changes could go into effect. It gives us the opportunity to shop and to adjust our policies based on what we actually know. If we can find a different coverage that is going to cost us less or maybe the board decides to make a different policy on the amount that they actually contribute. Whatever the fact may be, there is options available and gives us better planning ability in the future. Bob Gory: I just like that you said the board could do another policy, they could remove this policy. Chief Chambers: Sure, at anytime. It will be written down for the employees. They know coming in and believe me we do not what to do this. As an employer, you want to give your employees benefits; we just cannot afford it at this point. In order to budget to be able to hire somebody, that is what we are going to have to do. Pattie Lonnee: We need some control, some measures in place that gives us the ability to forecast a little and plan a little bit better. Luanne Brown: For the first 5 years the dependent, is there a plan in place for the employee to self insure

and pay for it? Obviously, you can't have a family and not have insurance. Chief Chambers: We would pay 100% of the employee. They can add their dependant onto our policy and pay for it though payroll deduction, if they want to, which is a lot cheaper than Obama Care. Bob Gory: Do they actually come by here and make a list of people that are actually getting policies? What are their illnesses, or do they have any pre-existing? Chief Chambers: That is how we were able to get the cheaper rates. We had to prequalify for this one. Motion made by Monty Rust to adopt the new policy on health insurance for dependant coverage paid by the department as per item# 10, seconded by Glenda Gerson. Approved unanimously.

Ayes: 4

Nays: 0

Absent: Greg Bachmann

11. (Action): **Sign engagement letter** for Henry & Horne for the annual audit. Chairman Jeff Daniel signed the engagement letter for Henry & Horne for the annual audit.
12. (Report) **Chairman's Report:** Jeff Daniel: Glenda Gerson needs to be added to the Chase account.
13. (Report) **Fire Chief's Report:**
 - a. We had a very busy month; it was extended as it went from 7/1-8/5. We had a total of 82 calls. 33 of the calls were medical aids. Year to date calls, we had 401 last year and were at 436 this year. It went up 9%. This month we are up quite a bit.
 - b. Monthly Activities: IMD has a new person. They just put on the 12-week class. They are putting CE's up on the website so it is easier to make up if someone misses the class.
 - c. We are doing a Blood Borne Pathogens class. This is an OSHA required class. There are several OSHA classes required each year.
 - d. The Captains and I talked about hiring and making a list for the future. We will talk about next meeting if we are just going to do a testing process and have the candidates come in and go through physical agility. First, the written testing and the ones that pass that will move on to the physical agility and the oral board. So we have a list besides just the few that we have here as P.O.C.s. We need to make a list in case we get that Safer Grant. We are going to need to find people quick.
 - e. There have been quite a few changes at La Paz. Maria that was head of ER is now moving to Head of Nursing. The lead ER director Dr. Runion is leaving and Dr. Kidd is taking over. The project manager of Arizona is going to come down this month and talk about suicide prevention and twelve lead placement classes. I bring that up is because our EMT's already do that. With IMD we are ahead of the curve as far as what we are learning. We are learning stuff as it is coming out. The new CEO seems to be doing very good and has an EMS background. Vickie did such a good job building up the hospital but she did not have the background in EMS. The new CEO is pro EMS and is bringing people in the help teach at the hospital.
 - f. Fire Fighter Weatherford has been doing excellent with the P.O.C.s and he is out on that Wildland fire right now. He has been doing a lot of diving. His guys have come a long way. So much better and so much more enthusiastic.
 - g. Parker Indian Health are having an active shooter exercise in December. The exercise is an active shooter in a hospital and how the EMS should respond.
 - h. Fire Chief's had our bi-monthly monthly meeting and Buckskin Fire hosted it. IMD paid for the food. The best thing that came out of that was Arizona's new acting director is Russ Shumate who used to come to our meetings. We have worked with him for 10 years. He is really helping us out and allowing Jason Weatherford or any of our guys trying to make that engine boss, to go ride with them.. The state will pay their wages for

