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LAKE MOHAVE RANCHOS

FIRE DISTRICT

16126 Pierce Ferry Road | P.O. Box 611

Dolan Springs, AZ 86441

Phone: (928) 767-3300 | Fax: (928) 767-3301

www.lmrfd.org



MINUTES OF THE SPECIAL MEETING OF THE LAKE MOHAVE RANCHOS FIRE DISTRICT GOVERNING BOARD

The Governing Board of the Lake Mohave Ranchos Fire District met in Special Session on **12/07/2020** at **10:00 a.m.** The Meeting was held at **Dolan Springs Community Council located at 15195 N. Pierce Ferry Rd. Dolan Springs, AZ**). The Board may vote to go into Executive Session on any Agenda item, pursuant to A.R.S. §38-431.03(A)(3) for legal advice and A.R.S. §38-431.03(A)(4) for legal direction with the District's Attorney on matters as set forth in the Agenda item. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

1) CALL TO ORDER.

- Director Susan De Lara called the Meeting to order at approximately 10:05 a.m.

2) ROLL CALL OF BOARD MEMBERS.

- Board Members present: Director Joe Campbell, Director Mike Karash, Director Douglas Braaten; Director Phyllis Aitken, and Director Susan De Lara
- Director De Lara conducted the Meeting.

3) PLEDGE OF ALLIANCE & MOMENT OF SILENCE. *(To honor those who serve our Country and within Public Safety and to those we've lost).*

- Recited & Acknowledged.

4) APPROVAL OF MINUTES.

- a. No minutes Special Meeting.

5) Organizational Meeting

- a. Vote for Board Chair.

- Director Phyllis Aitken nominated Director Susan De Lara. Director Joe Campbell nominated Director Mike Karash. Director Phyllis Aitken voted for Director Susan De Lara, Director Joe Campbell voted for Director Mike Karash, Director Mike Karash voted for Director Mike Karash, Director Susan De Lara voted for Director Susan De Lara, and Director Douglas Braaten voted for Director Susan De Lara. Director Susan De Lara was named Board Chair 3/2.

- b. Vote for Board Clerk.

- Director Phyllis Aitken nominated Director Douglas Braaten. Director Douglas Braaten nominated Director Mike Karash. Director Phyllis Aitken voted for Director Douglas Braaten. Director Joe Campbell voted for Director Mike Karash, Director Mike Karash voted for Director Mike Karash, Director Susan De Lara voted for Director Mike Karash, Director Douglas Braaten voted for Director Mike Karash. Director Mike Karash named Board Clerk 4/1.

Call to Public: *(The Fire District Board is not permitted to discuss or take action on any item(s) that are not on the Agenda that are raised in the call to the public. However, individual Board Members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The Fire District Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restriction of the Opening Meeting Law).*

Walt Kieffer 7288 W. 9th street, Dolan Springs; concerned about loss of revenue with the Ambulance calls. Doesn't buy the issue is related to Covid lock down. He handed out a graph that is attached. This is based on Chief's reports in the minutes. The medical calls increased dramatically from September 2018 to October 2020. Revenues depicted are 2 to 3 months earlier than date listed. In the past minutes of March 2020 however the lockdown didn't happen till March so the record still shows higher number of transport. If you consider the considerable lag time it appears that something else is going on with the billing. The US 93 column has not changed either. Not all the data is available because all the data is not on the website. I am hoping the Board takes a hard look at the ambulance revenue. The minutes are inconsistent month to month as to the data. Director De Lara asked for clarification on the N/A and Mr. Kieffer replied Not Available.

Close call to order.

6) REGULAR BUSINESS.

- a. Discussion and possible action regarding: Budget shortfall and possible action regarding Budget shortfall.
 - Director De Lara discussed the issue of the set aside funds from beginning of Budget \$625,000. Review of July, August, September, October, and November revenue, expenses, and total each month. When we subtract the tax revenue, expenses (which rose each month) from the total set aside shows a possible loss of at least \$100,000 from the beginning of this budget year. The use of the Accounting firm was discontinued in February 2020 and we went to using a person at \$12 per hour 5 hours a week and we purchased our own Quick book program with subscription fees. The Fire Department became responsible and liable for any issues with the accounting. When the FD used the Accounting Firm, we had the protection of their Liability Insurance if a mistake was made whereas the FD would be on the hook for any mistakes made by our staff. Director De Lara acknowledged that she is not an accountant and there could be reasonable explanations for this issue of a potential short fall of \$100,000.

Director Karash noted that the cost of \$18,000 a year was the cost of the Accounting Firm and we went to paying \$3,000 per year by hiring a Financial Clerk. The change was instituted to be a cost savings. It was noted that when the District was insolvent, the Financial Manager paid the debt of over \$400,000 and when he turned the FD back to the community he had developed a set aside fund of over \$250,000. He had set the district up with the Accounting Firm that over the next 4 years helped that set aside fund to grow another \$400,000 while continuing to pay the bills. This was the same firm that was let go in February 2020. Since that time the set aside appears to be dropping to around \$525,000 which is alarming if we cannot find a reasonable explanation. The financial clerk might have saved some money in the short run but it looks like funds are being reduced in a quick fashion. The Financial Clerk's forms are very confusing and hard to understand. The difference is the Accounting Firm is Certified Accountants in comparison to a staff person who is not certified. They are insured. They are the firm that assisted in bringing this FD out of insolvency and in the position of having a set aside fund. I think it is prudent and fiscally responsible for the Board to act quickly to get answers and resolve the question of is there a short fall or is spending just out of control. Recommend we contact the James Vincent Group for pricing and ask any questions they might have. Director Karash would like a local and less expensive firm if possible. Director De Lara checked on finding experienced firms that work with Fire Districts and unfortunately Phoenix area would probably be the closest area near to us. Discussion regarding how much money is being spent to handle all the tasks in-house that were being handled by that firm. Karen Jackson commented she is tired of being accused of stealing and thinks the FD should go for this option. The Fire Chief asked what protections would be get from this firm? The protection is the Firm would be required to have insurance and carry the FD as additional insured. There are incidents of stealing from places and if that happened the Accounting Firm's insurance

would be our protection. The Good Business Judgement rule comes into play when the Board uses experts to assist in tasks like this since it is our Fiduciary responsibility to ensure the budget is protected.

Director De Lara motioned to discontinue using the private employee and re-hire James Vincent Accounting Firm to handle pay roll, paying bills, monthly reporting, review of current budget to ascertain whether a revised budget needs to be submitted to Mohave County, and attendance monthly in person or by phone. Director Aitkens seconded. Discussion Director Braaten would like to see the FD look at other firms down the road and possibly start utilizing committees. Director De Lara doesn't want to wait on committees to make this decision. No further discussion. Director Susan De Lara votes Aye, Director Douglas Braaten votes aye, Director Phyllis Aitken votes aye, Director Joe Campbell abstained, Director Mike Karash abstained. 3 aye and 2 abstained. Motioned passed.

b. Discussion and possible action regarding: Re structure of staffing based on budget. (Board)

• **Director De Lara** introduced a new organizational chart. Based on hiring James Vincent Accounting Firm there is no longer a need for a Financial Clerk. We need a Customer Service Clerk at a part time rate of no more than 25 hours a week. I also recommend eliminating the Administration Manager position as the Fire District can no longer afford the monies to support this position. The customer Service Clerk will work in the Dolan Station four days a week and one day a week in Meadview. Many of the duties of the Administration Manager position are a duplicate of the Fire Chief. This is a budgetary decision that looks at the equipment and facilities that need to be repaired and replaced as we look at the budget. The restructure does eliminate the Office Manager position but I'm proposing that we recognize that the Customer Service Clerk would be providing more direct service to the community and remove the duplication of job duties. Chief Winn stated there is not a Fire Chief out there that works by themselves. They have support personnel.

Director De Lara motioned that we accept the organization chart as presented deleting the Administrative Manager position and Financial Clerk position replacing them with the Customer Service Clerk at 25 hours per week, \$12.15 per hour with no benefits. Director Aitken seconded. Discussion. Audience member asked for a copy of the Organizational Re Structure that the Board had received. No further discussion. Director Aitken votes aye, Director Joe Campbell votes no, Director Mike Karash votes no, Director Susan De Lara votes aye, Director Douglas Braaten votes aye. 3/2 Motion Passed.

Director De Lara motioned the Board eliminate the Financial Clerk position of five (5) hours per week effective immediately. Director Phyllis Aitken seconded. No discussion. Director Phyllis Aitken voted aye, Director Joe Campbell voted no, Director Mike Karash voted no, Director Susan De Lara voted aye, Director Douglas Braaten voted yes. 3/2 Motion Passed.

Director De Lara motioned the Administrative Manager position be eliminated with a transition time period of a minimum of two (2) weeks to a maximum of four (4) weeks. Director Douglas Braaten seconded. Discussion. Director Phyllis Aitken voted aye, Director Joe Campbell voted no, Director Mike Karash voted no, Director Susan De Lara voted aye, Director Douglas Braaten voted aye. 3/2 Motion Passed.

At this point, Director Joe Campbell stated he was quitting. He then said he was leaving. He was asked what that meant. He stated don't you understand no. Director Mike Karash stated Director Joe Campbell has a sick wife and he was going to leave for now to take care of her and that was all. Quick recess was called to assist Director Joe Campbell to vehicle.

Meeting was recalled to order.

c. The handout for the job description for a Customer Service Clerk was distributed to the Board. A discussion of how the tasks could be performed. It was noted that the Clerk would not have access to sensitive or HPPA protected items. The Chief would be responsible for hiring and adjusting the description as necessary. The Chief could also utilize a different Clerk description the only items that cannot be changed without Board direction would be hours, rate of pay, and days worked. The job description is very limited in authority to make decisions. This is to provide the Chief with the tools to do his job. There are no requirements as to having to be local or hiring internally; this is the prevue of the Chief. A transition period of a minimum of two weeks to thirty days to allow to find and bring them on board. Chief says two weeks is too short. The Board is not opposed to adding additional time if it is clear the Chief is doing a reasonable search.

Director De Lara motioned that the elimination of the Administrative Manager would allow for a minimum of two weeks and up to 30 days transition period. This will be reviewed at the December 17, 2020 meeting in Meadview to see if there is a need for additional time. Director Phyllis Aitken seconded. Discussion. Director Douglas Braaten voted aye, Director Phyllis Aitken voted aye, Director Mike Karash voted aye, Director Susan De Lara voted aye. 4/0 Motion passed.

Director Phyllis Aitken motioned that the job description should be placed out in the community within 24 hours. Director Douglas Braaten seconded. No further discussion. Director Susan De Lara voted aye,

Director Mike Karash voted aye, Director Phyllis Aitken voted aye, Director Douglas Braaten voted aye, 4/0 Motion carried.

d. The discussion and possible action of the reinstatement of the volunteer Scott Aitken. Spoke with the Attorney this morning. He is aware that Scott Aitken is a volunteer. Scott Aitken receives no pay or things of monetary nature in exchange for performing this service. What did Scott Aitken turn in; radio, pager, and gear. No cellphone, computer, or items that would be considered pay. No monetary items and the Board member would need to agree to recuse themselves if any item or discussion arose about the volunteers. It needs to be understood clearly that the Board of Directors is not telling the Chief what to do with this information; he is in complete control of the decision as to whether Scott Aitken is brought back or not. Chief requested information from Attorney in writing. No action required.

e. Discussion about the Monthly meeting day, time, and locations for the year 2021. It was determined the 3rd Thursday of each month will be what the Board has agreed to. The MCA office will be contacted to confirm this will be good for reserving the space. Director Aitkens pointed out that the Chamber of Commerce should be the main place we hold the Board Meeting at since this facility is built on land owned by the Fire Department. This has been one of the regular meeting places historically. No objection was had. It was noted that the Chamber of Commerce has a space that is limited so if the issue of Social Distancing is of concern we will consider that when making the decision. No action taken at this time.

f. Discussion and possible action regarding Attorney. No action is necessary.

g. Discussion and possible action regarding Lake Mohave ranchos fire District Local Public Safety and Retirement Pension Board. A Board Chairperson needs to be placed on this committee that is part of the Retirement system for the staff. Director De Lara asked Director Karash if he would be willing to serve as the Board Chair of the PSRPB. Director Karash said he would.

Director De Lara motioned to appoint Director Mike Karash as the Board Chair. Director Aitken seconded. Director De Lara voted aye, Director Braaten voted aye, Director Karash voted aye, and Director Aitken voted aye. 4/0 Motion Passed.

h. Discussion and possible action regarding Annual renewal and Acceptance of the VFIS Policy. This is the General Liability Policy for the Fire Department. The cost is \$25043 and the increase this year was the \$43. This company has represented the Fire Department for many years.

Director De Lara motioned to accept this renewal and processing of payment. Director Karash seconded. No further discussion. Director Braaten voted aye, Director Aitken voted aye, Director Karash voted aye, and Director De Lara voted aye. 4/0 Motion passed.

8) CALL to the PUBLIC. *(The Fire District Board is not permitted to discuss or take action on any item(s) that are not on the Agenda that are raised in the call to the public. However, individual Board Members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The Fire District Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restriction of the Opening Meeting Law).*

- Charlotte Kieffer
 - Mohave Community College – again requesting a follow –up
- Theodor
 - Talked about Peccard who falsified his timesheets for over a year. He has been convicted of a felony. I am hoping the changes we heard about today will hopefully be alert to these kinds of issues. There are consequences to these kinds of actions and in this case the consequences are shown in the recent

Election. I urge the Board to be vigilant going forward.

- i. Discussion and review of duties as relates to by Budget with Chief Winn. Chief Winn chose the public option to discuss these matters. Director De Lara asked Chief Winn if he had any concerns or questions regarding the Restructuring process. Director Aitken we need all passwords, logins, financial institutions, software etc. These should be listed and placed in a secure lockbox or filing cabinet for safety and emergency. Director De Lara stated that as the Accounting Firm will be in place this afternoon and requires all the above passwords and logins and financial institutions by end of day. Director Aitken is asking for all information on all programs to be on that list. All things located outside of the District office should be returned to the District office.

Director Aitken motioned that all systems that require a login, password, or security question plus physical equipment, supplies, and documents be returned to the Fire District office located in Dolan Springs within 48 hours and to be reviewed on December 17, 2020. Director Braaten seconded. Discussion about how much time will be allowed. Chief Winn was concerned about how much time; he stated 24 hours is not enough time. The Dell laptop was discussed and its whereabouts. Karen Jackson stated all files are on flash drive. Compromise to 48 hours which will make it Wednesday, December 9, 2020 by 5:00 PM was agreed upon. Director De Lara voted aye, Director Aitken voted aye, Director Braaten voted aye, Director Karash voted aye. 4/0 Motion passed.

Director Braaten noted he has is having difficulty with login on his District email. Director Braaten also requested that he get the dates Piccard claimed to have worked and also what medical calls came in on those dates. Chief Winn agreed to have that information available by December 17, 2020 at the Board meeting in Meadview.

Director De Lara would like to get a copy of the monthly schedule and list of employees. Chief Winn that is Difficult since the schedule is “fluid” with call offs. He was reassured he did not have to update daily unless it was a huge change. Director De Lara sending it to at least the Chair would be helpful. Director De Lara asked for a breakdown of the leave times he has accrued. The Chief was asked what other leave times have been given to other employees. It was asked if there was a policy that was made about PTO. Chief Winn stated he did not know and agreed to bring that to the meeting on December 17, 2020. Chief Winn clarified that he did not collect any additional pay for working shifts and that PTO is personnel time off.

The recent evaluation Chief Winn had no input from three of the current Board members so we are going to do at least a 3/6 month evaluation.

The Police Report indicated that a witness observed Chief Winn, Karen Jackson, and Karen Jackson husband at the office removing things from the office. Please be prepared on December 17, 2020 or sooner would be appreciated. Chief agreed.

9) CONSIDERATION OF FUTURE AGENDA ITEMS.

- Specified tabled items will move to following month’s Regular Meeting, unless noted otherwise and/or pending additional information.

10) NEXT REGULAR BOARD MEETING DATE & LOCATION. (Subject to change, notice/announcement will be posted via District Website, if any changes occur.)

- 12/17/2020 at 10:00 a.m. – MCA in Meadview, AZ

11) ADJOURNMENT.

- Director Karash motioned to adjourn the Meeting, Director De Lara 2nd. Directors Braaten, Karash, De Lara and Aitken voted, “Aye.” Motion carried, unanimously.

- Director De Lara adjourned at approximately 2:00 p.m.

MINUTES prepared by: Director De Lara
2020 (This is a working draft, until Board approval)

Date: 12/07-12/13/2020

DRAFT