

Minutes to Meeting of the Board of Directors of the Sonoita-Elgin Fire District
Board of Directors
Monday July 26, 2021 at 9:00 am

1- Call to Order & Roll Call

Dorney, Garber, Johnson, Kolsrud, Webber present. Note: SEFD District Attorney D. Aversa joined meeting (telephonically) with the start of the Executive Session

(Note: Governing board members and/or attorney may attend telephonically/digitally)

2- Pledge of Allegiance

3- Approval of the minutes:

- April 26, 2021, June 28 Regular Board Meetings
- June 21, 2021 Special Meeting

Motion by Dorney to approve the minutes, seconded by Garber, motion carried unanimously. Webber noted that minutes have more information than is usually recommended by the state statutes and guidelines but that it may be necessary to have the additional information for the public due to the past investigations and the outcome. In time the minutes can return to a more approved format, but should be left alone for the time being. The Board concurred.

Note: Recordings are available should a public member request minutes that have not been posted to the website, which meets open meeting law requirements.

4- Call to the Public – Members off the public are invited to submit written statements for inclusion in the minutes. No statements were submitted. Acting Chief Buonaccorsi Chief noted that all public records requests should be directed to him for resolution.

5- Report from the Fire Chief: Key points noted by acting Chief Buonaccorsi:

- Review of Service calls by zone and shifts
- Status of vehicles: he noted no current maintenance issues, and crews are being cautious taking equipment off road during current weather conditions.
- Status of new ambulance: Decals being installed and then inspection will be scheduled.
- Report on personnel: Operations Chief Marc Meredith noted an addition of 2 new recruits with 1 who has reclaimed their EMT status and has worked for Banner, and 2 returning very experienced volunteers. He noted that the Recognition and Swearing In Event for members will be held on Saturday, July 31st at 10 am in the bay of the Fire Station. The community and the Board members are invited. Mike Wright is no longer the District Chaplain, and the Operations Chief continues to reach out to the community to find a replacement Chaplain.
- The Administrator from Palominas, Brittany Archer, continues to assist in organizing the District office and files and is making significant progress, and provides monthly updates to acting Chief Buonaccorsi. No date for hiring a new Administrator was identified at this time.
- The District continues to be involved with the Community Response Team (CRT). The Team is currently in the process of identifying roles, responsibilities, and procedures. An article on the Team will be published in the Patagonia Regional Times to update the community members.

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6- Monthly financials: Vicki Rutter presented monthly financial reports for June 2021 to include: reconciled balance sheet accounts; updated cash flow projections; month-end fund statements, and month-end reports of financial institutions in which the SEFD maintains an accounts. General Ledger and PSPRS information was also included in the package. Motion to approve monthly financials by Kolsrud, seconded by Garber, motion carried unanimously.

7- Review, discussion, and possible action to consider hiring a CPA/bookkeeping firm to provide bookkeeping services to SEFD, and process for selecting a CPA/bookkeeping firm.

Operations Chief Marc Meredith provided a review of the cost/benefit analysis of contracting the bookkeeping services as opposed to having an employee assigned the responsibility. The investigation of bookkeeping processes that lead to the salary and benefits errors for former Chief De Wolf recommended obtaining an independent contractor for bookkeeping services. The investigation was completed in conjunction with the District's Insurance Company in order to determine liability insurance claims. The results of the Operations Chief's report was that the costs of having the overhead of an employee in a bookkeeper role, as opposed to an outside contractor, were about the same amount. That estimate was \$17K to \$21K annually for a part-time position (i.e. 20 hours), which could include other employee overhead costs, or up to \$24k for an independent contractor.

The Benefits noted for keeping the bookkeeper as an employee were: more control by the department, the current QuickBooks software could be used, and the work would be completed on the Fire Station premises. Negatives noted for this approach were: pressure on the employee from superiors *, the challenge of managing a part time employee, lack of liability insurance, any additional overhead costs for the new employee. Benefits noted to having an outside contractor were: liability insurance, lack of the same pressure from the District leadership as noted in the investigation*, and additional CPA experience history. Negatives noted would be final cost and purchasing a newer version of software.

The Operations Chief will finalize the report and distribute to the Board and Acting Chief Buonaccorsi with a recommendation that the District should proceed with an RFQ in order to hire an Independent Bookkeeping Contractor. Leadership will be responsible for selection of an applicant.

** It was noted that the investigation identified the fact that the former Chief's orders to make changes in the bookkeeping process were executed without proper documentation and/or justification for the changes to the those processes. It was noted that the current leadership has made improvements to the salary and benefit processes that should eliminate the type of issues that were discovered in that investigation providing the employee is not under the same pressures.*

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NOTE: PRIOR TO ACTIONS ON ITEMS 8,9,10, THE BOARD VOTED TO GO INTO EXECUTIVE SESSION TO CONFER WITH THE DISTRICT'S ATTORNEY, D. AVERSA, WHO WILL ATTEND TELEPHONICALLY. MOTION BY DORNEY TO GO INTO EXECUTIVE SESSION, SECONDED BY WEBBER, MOTION CARRIED UNANIMOUSLY AT 10:12 AM. BOARD BACK IN REGULAR SESSION AT 11:32AM. CHAIR REMINDED EVERYONE THAT THE DISCUSSIONS OF EXECUTIVE SESSION ARE CONFIDENTIAL AND CANNOT BE DISCUSSED OUTSIDE OF THE SESSION.

8- Review, discussion, and possible action to initiate the search process for a full-time SEFD Fire Chief including approving a Request for Qualifications for professional recruitment firm.

Garber has been working on obtaining information in preparation of developing a DRAFT RFQ for a new Fire Chief. Garber distributed some of that information to the Board members for their reference. After a lengthy discussion the following key points were noted:

- An outside Firm will be used to assist in the RFQ and selection of best candidates, and Kolsrud offered to assist Garber with this item
- The Draft RFQ was distributed to Board members for review
- After review of the RFQ, it was noted that the Board will not have a selection committee but will have all Board members involved in the selection process for the Chief position. And Chair Johnson suggested that Garber be the point of contact for responses to the RFQ, and/or updates to the RFQ. Chair Johnson recommended that some community members should be part of the Chief selection process, and this will require additional discussion at the next meeting
- The RFQ will have a 30 day response time since the District needs to fill this position as soon as possible
- Applicants to the Chief position will be accepted from in and out of the area, as well as qualified personnel of the District
- All applications for the Chief will be opened and reviewed at the same time, at a Board meeting
- Garber will provide status on the Firm RFQ at the next Board Meeting in August

Motion by Dorney to direct the District's Attorney, D. Aversa, to edit the RFQ with the input from the Board review, seconded by Webber, motion carried unanimously.

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9- Review, discussion and possible action regarding status of pending insurance claim for financial loss.

Per Attorney D. Aversa, the Board was told that the insurance company has offered the District a settlement of \$25K, if the District will not pursue the additional claim for employee failure to do their job. This additional claim was due to the investigation noting that the Chief's orders for bookkeeping changes were executing without proper documentation and validation. This additional claim would be added expenses for the District, and may not be successful, since the investigation noted the employee and bookkeeper did not intentionally perform their work independently but based on the direction of the former Chief.

After a lengthy discussion, motion was made by Garber to take the \$25K offer and to direct the District's Attorney, D. Versa, to communicate that to the Insurance Company, and follow up with the Board for final approval, seconded by Kolsrud, motion carried unanimously.

10- Review, discussion and possible action regarding referral to Santa Cruz County and Sheriff's Office. There were no updates to report on this item.

11- Future agenda items. The Board may request items to be placed on a future agenda for discussion and consideration at the regular board meeting or future date.

Board suggested that PSPRS, Board Policies, and RFQ for the Chief position be added to the agenda. Acting Chief Buonaccorsi will send out the agenda prior to the Board packet each month to allow additions to the agenda if needed.

12- Adjournment.

Motion by Kolsrud to adjourn, seconded by Garber, motion carried unanimously.

NOTICE: The Sonoita-Elgin Fire District Board of Directors may go into executive session for the purpose of obtaining legal advice from the fire district's attorney(s) on any of the above agenda items pursuant to A.R.S. §38-431.03(A)(3).

Minutes approved by Reba Webber, Board Clerk, on 8/23/2021
Reba Webber date