



**ARIZONA FIRE & MEDICAL AUTHORITY
BUDGET AND FINANCE COMMITTEE
MEETING MINUTES**

Tuesday, January 19, 2021

MINUTES

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS / AFFIRMATION OF QUORUM

Committee Chairperson Miller called the meeting to order on Tuesday, January 19, 2021, at 2:00 p.m. at the **Arizona Fire & Medical Authority Administrative Office, 18818 N. Spanish Garden Drive, Sun City West, Arizona 85375. The meeting was held virtually.**

Members Present: Committee Chairperson Dawn Miller and Committee Member John Crawford

Members Absent: Committee Member Diane Price

Staff Present: Fire Chief Rob Biscoe, Assistant Chief Mary Dalton, Assistant Chief Chris DeChant, Division Chief Brad Puckett, Finance Manager Diane Goke, Administrative Manager Deborah Musselman, and Authority Clerk Dusty Christopherson

Legal Counsel: None

Public Comment: None

Media Present: None

Guests Present: North County Fire & Medical District Board Members David Wilson and James Young; South County Fire & Medical District Board Members Bill Becker and Karen Gueltzow

2. REGULAR BUSINESS

A. Approve Budget and Finance Committee Meeting Minutes of December 8, 2020.

Committee Chairman Miller moved that the Budget and Finance Committee Meeting Minutes of December 8, 2020 be approved. Committee Chairperson Crawford seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller
NAYS: None
ABSENT: Price

Committee Member Price joined the meeting at 9:02 a.m.

B. Review South County Fire & Medical District, North County Fire & Medical District, and Arizona Fire & Medical Authority Financial Reports for December 2020.

Diane Goke, Finance Manager presented the December 2020 financial reports for the South County Fire & Medical District, the North County Fire & Medical District and the Arizona Fire & Medical Authority and answered any questions from Board Members.

Ms. Goke noted that the full Ambulance Membership Program financial report will be provided to the Governing Board at the full AFMA Governing Board meeting on January 26, 2021.

Committee Chairman Miller moved that the Budget and Finance Committee recommend that the South County Fire & Medical District Governing Board, the North County Fire & Medical District Governing Board and the Arizona Fire & Medical Authority Governing Board approve the Financial Reports for December 2020. Committee Member Crawford seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller, Price
NAYS: None
ABSENT: None

C. Review South County Fire & Medical District, North County Fire & Medical District, and Arizona Fire & Medical Authority Fiscal Year-End 2019/20 Annual Audit Reports.

Ms. Goke presented the Annual Audit Reports for the Fiscal Year-End 2019/20 Annual Audit Reports and stated that the auditors will be present at the AFMA Governing Board meeting on January 26, 2021 to provide a full presentation. Ms. Goke explained the auditors notes and opinions following the review of the financial section practices as they relate to the South County Fire & Medical District, the North County Fire & Medical District, and the Arizona Fire & Medical Authority.

Committee Chairman Miller stated that the Committee will hold any motion on this item, as the Committee Members are awaiting the formal presentation from the auditors directly.

D. Review South County Fire & Medical District and North County Fire & Medical District Fiscal Year-End 2019/20 Ambulance Revenue & Cost Reports.

Ms. Goke presented the Fiscal Year-End 2019/20 Ambulance Revenue & Cost Reports for South County Fire & Medical District and North County Fire & Medical District and

answered any questions from Board Members. Ms. Goke noted that each report shows the proportion of expenses for the ambulance services according to size of service for each District. South County Fire & Medical District is running at a loss of \$818,108, which is about the same as it was for Fiscal Year 2018/19. The North County Fire & Medical District is running at a loss of \$481,459, which has improved slightly from Fiscal Year 2018/19. Overall, the losses relating to providing an ambulance service to the residents has improved by about \$119,000 for the year. This improvement is partly due to the Ambulance Membership Program revenue that was generated.

In response to an inquiry, Ms. Goke stated that per State Statute, the District's cannot use tax revenue to offset these expenses, so other revenues are used such as cell phone tower leasing, operational permitting fees, and grant revenues. Ms. Goke clarifies that there is some bad debt expenses associated with this loss, and although we do utilize the services of a collection company, it was decided by the Governing Boards not to make a hard effort to collect on this bad debt.

Rob Biscoe, Fire Chief explained that this report is required to be submitted to the Department of Health Services (DHS), and as an Authority, it was decided to include all ambulance associated expenses in order to provide the most accurate financial reporting. Administration includes all expenditures such as ambulance apparatus, ambulance maintenance, personnel, supplies, and a portion of Administration costs as well. Although not required by DHS, the Administration feels this provides the most accurate picture of the cost of providing an ambulance service to the Community. Per State law, ambulance services must be non-profit. Since we cannot subsidize this cost with property tax dollars, we offset the cost using other revenues as best we can, including the Ambulance Membership Program. The rates of service are set by the DHS, the Authority has no ability to adjust the rates of service. The only options to offset this loss are to continue to market and advocate for the Ambulance Membership Program or reduce the services provided to the Community, there is no other way to cut costs on the ambulance services.

Committee Member Crawford moved that the Budget and Finance Committee recommend the South County Fire & Medical District Governing Board and the North County Fire & Medical District Governing Board approve the Fiscal Year-End 2019/20 Ambulance Revenue & Cost Report. Committee Member Price seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller, Price
NAYS: None
ABSENT: None

E. Discussion and Possible Action relating to Capital Improvement Plan (CIP) Expenditure – Mobil Cad Terminals.

Brad Puckett, Division Chief – Support Services, presented the Governing Board with a presentation on the Mobil Cad Terminal (MCT) and its use. Currently, all front-line apparatus have MCT's installed, with the exception of front line tankers and water trucks. Staff is requesting the use of CIP funding to install MCT's in those apparatus at a cost of approximately \$22,000, with an annual fee of \$4,100 to link to the City of Phoenix CAD System and reverse Global Positioning System (GPS). All GPS mapping and communications from the Phoenix Dispatch Center come through MCT's in the apparatus.

In response to an inquiry, Staff feels that adding the MCT to the water trucks and tankers will improve communications in those vehicles and equip the staff with the necessary tools and information they need to more easily find an incident location, which can be quite difficult at night and in a remote part of the desert.

Committee Member Price moved that the Budget and Finance Committee recommend that the Arizona Fire & Medical Authority Governing Board approve an amount not to exceed \$22,000 in Capital Improvement Funds for the purchase of seven MCT's and \$28,700 for the annual system expense. Committee Member Crawford seconded the motion.

Vote conducted. **MOTION CARRIED.**

AYES: Crawford, Miller, Price

NAYS: None

ABSENT: None

F. Review Fiscal Year 2021/22 Budget Development Schedule.

Diane Goke, Finance Manager presented the Fiscal Year 2021/22 Budget Development Schedule and answered any questions from Board Members.

G. Receive update on existing and planned grant applications.

Deborah Musselman, Administrative Manager provided an update to the Governing Board on the existing and planned grant applications and answered any questions from Board Members.

3. **SUGGESTED ITEMS FOR FUTURE BUDGET AND FINANCE COMMITTEE MEETING AGENDAS**

There were no suggested items.

4. **ADJOURNMENT**

The meeting adjourned at 2:52 p.m.

Dawn Miller

Dawn Miller (Feb 25, 2021 19:17 MST)

Dawn Miller, Committee Chairperson

Approved

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Final Audit Report

2021-02-26

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