

**Sunsites-Pearce Fire District Special Board Meeting Minutes (unofficial)**

February 11<sup>th</sup> 2013 at 1800 hours

Golf Course Club House  
1105 E. Irene Street, Pearce, AZ 85625

DRAFT

Acronyms

ARS.....Arizona Revised Statutes  
OML.....Open Meeting Law  
SPFD.....Sunsites-Pearce Fire District

**CALL TO ORDER**-Chairman Lance called the meeting to order at 1800 hours.

**DECLARATION OF CONFLICT OF INTEREST**- no conflict of interest was stated by any member of the Board.

**ROLL CALL**- Board Members present were:

- i. Chairman Roger Lance
- ii. Clerk Rebel Jones
- iii. Treasurer Cletus Frei
- iv. Board Member Candace Roll

DRAFT

Board Member Robert Fino absent

**PLEDGE OF ALLEGENCE**- led by Treasurer Frei

**Chairman Lance reminder of Conduct of Meetings per SPFD Bylaws:**

Article III, Section 2. Rule 2: Conduct of Meetings:

**“F. Limitation of Debate**

No member of the board or public shall be allowed to **speak more than once** upon any one subject until all board members have had an opportunity to speak. No member of the board or the public **shall be allowed to speak for a period longer than three (3) minutes** without the leave of the presiding officer. Citizen groups shall identify themselves and shall be represented in presentation to the board by one of the members of the group and cumulative or redundant speeches to the board on the same issue shall be terminated at the discretion of the presiding officer.”

**REPORTS:**

**Chairman Report**-given by Chairman Lance

“Martha Reynolds in Special District at Cochise County was notified our web page was down. She requested PDF of Minutes until it is on line. Kathryn Marquoit, Assistant Ombudsman for Public Access, was notified and she requested PDF of the Agenda until it is on line. PDF will be sent to both until the website is back on line.”

**Treasurer Report-** given by Treasurer Frei (see attached financials from 2010-2012)

**Treasurer Frei** gave a presentation to the Board explaining the following:

“The tax money received from the County goes into a warrant account for the District. As of now we have \$20,201. Our reserve account has \$19,471, but has restricted use. Current tax monies received from the County is \$3260. Our Chase payroll account has a balance of \$24,346. Tomorrow payroll will be made (almost \$19,000) which will leave a balance of \$5,346 in that account. The balance for the District will be \$25,534. This amount will have to last until March 30<sup>th</sup> 2013 when our tax money comes in. Tax money due to be received at the end of March is approximately \$170,000, however the County informed us not to count on this total amount coming in. Whatever is received of this \$170,000 will have to last the District until October 2013, when the next tax monies come in. Our credit line is \$97,000 and is clean. Any money that is borrowed from this line of credit must be paid back by the end of this fiscal year (June 30<sup>th</sup> 2013). Once the District has borrowed money from this line of credit any tax money received after that goes to pay off the line of credit first. The reason the County told us not to count on the full tax amount of \$170,000 coming in is there is a long list of delinquent taxes this year. If people don't pay their taxes, the District won't receive that tax money.

At a prior meeting, someone said that we need to have vision-let's look at reality: In 2010 the District did not use its line of credit, in 2011 again the District did not use the line of credit, in 2012 the District used the line of credit 7 times and in 2013, so far the line of credit has been used 11 times. Last year \$70,000 of our tax revenue was not received, combined with an expected \$170,000 would be \$240,000 due the District-but we can't count on any of it.

This is our current financial situation, these are the numbers that we have to work with. We have four months to go. You asked me to be the Treasurer and these are the numbers that are being used to make decisions. Please don't get mad because these are the numbers. We can make it work, but there will need to be some cuts made, be more conservative.”

**Clerk Report-** given by Clerk Jones

Upcoming Legislature for Special Taxing Districts

“There is a proposed Senate Bill (1292), that if passed would grant the Board Treasurer full access to financial books and records of the District. It will be interesting to see what happens when this bill passes.”

(Senate Bill 1292 attached)

**Treasurer Frei** said that it was his understanding that this legislation would be extended to include all members of the Board, not just the Treasurer.

**OLD BUSINESS-** none

**NEW BUSINESS**

- 1) Review, Discuss and possibly vote on: Posting in house for Interim Fire Chief at SPFD for 7 days

**MOTION:** **Treasurer Frei** made a motion that we post in house for the position of Interim Fire Chief.

**SECOND:** **Clerk Jones** seconded the motion.

**Clerk Jones** asked that the motion be clarified to state the dates the posting would remain open for-opening February 12<sup>th</sup> 2013 and closing February 18<sup>th</sup> 2013 at 1700 hours.

**Treasurer Frei** agreed to accept the clarification of the dates.

**VOTE:** all Board Members present in favor of  
**Motion Carried**

- 2) Review, Discuss and possibly vote on: Obtaining information and estimates to have someone keep website updated

**Chairman Lance** said that he would like to find someone who can keep the District's Web Site up-to-date and maintained.

**MOTION:** **Treasurer Frei** made a motion that Chairman Lance obtain information and cost estimates to have someone keep the District's website updated.

**SECOND:** **Clerk Jones** seconded the motioned

**Board Member Roll** asked if we knew how much it would cost to keep the website updated.

**Chairman Lance** said he did not have any numbers at this time.

**VOTE:** all Board Members present in favor of  
**Motion Carried**

- 3) Review, Discuss and possibly vote on: Resolution for Treasurer Frei to have unlimited access to SPFD premises to conduct any business of the District

**MOTION:** **Treasurer Frei** made a motion that the Board pass a resolution for Treasurer Frei to have unlimited access to SPFD premises to conduct any business of the District.

**SECOND:** **Clerk Jones** seconded the motion.

**Board Member Fino arrived at 1814 hours.**

**Board Member Roll** told Board Member Fino that we were discussing New Business, Item #3.

**Chairman Lance** stated there was a motion and had been a second and asked if there were any comments.

**Board Member Roll** stated that there has never been a Board Treasurer that has had unlimited access, that no Treasurer has ever just gone in at free will. Board Member Roll felt that this was just asking for trouble.

**Board Member Fino** stated that his vote would be negative due to previous counsel from the

Board's former attorney Ms. Donna Aversa, who recommended “not to allow anybody to have complete access outside of the Fire Board, the Fire District, that meant the Chief or the Secretary.” Board Member Fino went on to say that giving a Board Member unlimited access would be asking for a lot of legal trouble and endangerment for the District as far as finances and funds. He again stated that he would vote against this motion. Board Member Fino stated that Treasurer Frei has complete access to everything on record, he doesn't have the passwords or the ability to change anything. Board Member Fino said he did not know why Treasurer Frei wanted this information. Board Member Fino stated that Treasurer Frei did not need this information. He further stated that giving Treasurer Frei unlimited access to conduct any business of the District is doing business outside of the Board meetings. Board Member Fino said that anything that has to be done, has to be done at the Board Meeting. He then stated that giving Treasurer Frei unlimited access is violating Arizona statutes, Open Meeting Law and legal laws of Arizona. Board Member Fino ended by saying he would vote against this motion.

**Clerk Jones** addressed Board Member Fino, reading from his Clerk's report that the State Senate was currently looking at passing a bill that would allow the Treasurer (and potentially other Board Members) full access to financial books and records of the District. Clerk Jones said that he would keep the Board informed on what the outcome of this measure would be, if and when it passes in the Senate. Clerk Jones went on to say that if this is something that is important for the State to be considering that he would not have any issues with the Board considering the same.

**Board Member Roll** asked for clarification on the Senate Bill, if it was referring to the Board Treasurer or the House Treasurer.

**Clerk Jones** and **Chairman Lance** both stated it was the Board Treasurer.

**Board Member Fino** responded to Clerk Jones' comment by saying that possible review and resolution from the State has nothing to do with the law now, the law is as it stands. Board Member Fino said that he would not open himself or the community to liability until the laws are passed. He further stated that if the law is not passed he would not break the law.

**VOTE:** 3 in favor of (Chairman Lance, Clerk Jones and Treasurer Frei), 2 against (Board Members Fino and Roll)

**Motion Carried**

### **EMERGENCY AGENDA ITEM:**

**Treasurer Frei** stated that “an Emergency exists which permits us to review an item that was not put on the agenda. The reason for this emergency must be recorded in the minutes of this meeting and it must be stated publicly what the emergency is.”

**Board Member Fino** interrupted Treasurer Frei, and called a Point of Order saying that this was not on the agenda.

**Chairman Lance** asked Board Member Fino for silence.

**Board Member Fino** stated that he would not be silent and went on to say that an emergency meeting must be posted and that by not posting the emergency meeting it was breaking OML. Board Member Fino went on to say that it needed to be recorded properly.

**Chairman Lance** said that it was being recorded and told Board Member Fino to read the last page of the agenda (see attached).

**Treasurer Frei** went on to finish stating the reason for the emergency agenda item: “The problem is that payroll needs to be completed on Wednesday (February 13<sup>th</sup> 2013). Before payroll can be completed the time cards require approval. Since the Chief is not available to verify and approve the time cards the next highest on the chain of command is the District Board.”

**MOTION:** **Treasurer Frei** made a motion that Chairman Roger Lance go to the District office tomorrow and that Chairman Lance and Captain Josh Steinberg review all the time cards and approve them if appropriate, so that the payroll can be completed on Wednesday ( February 13<sup>th</sup> 2013).

**Treasurer Frei** then cited the ARS giving the Board permission to add an emergency item to the agenda without prior notice:

**A.R.S. 38-431.02. Notice of Meetings, section J:**

“Notwithstanding subsections H and I of this section, in the case of an actual emergency a matter may be discussed and considered and, at public meetings, decided, if the matter was not listed on the agenda and a statement setting forth the reasons necessitating the discussion, consideration or decision is placed in the minutes of the meeting and is publicly announced at the public meeting. In the case of an executive session, the reason for consideration of the emergency measure shall be announced publicly immediately before the executive session.”

**SECOND:** **Clerk Jones** seconded the motion.

**Board Member Fino** stated that he knew this would be an issue when the Board voted to fire the Chief, and asked why there wasn't a special meeting done today or the day after to discuss payroll. He asked why the Board was so behind on times, and stated that when you make one decision it's going to cascade to other situations. Board Member Fino felt this wasn't an emergency but was an emergency the day the Board fired the Chief.

**Chairman Lance** asked Board Member Fino if it was important to pay the Firemen or not.

**Board Member Fino** reiterated that it was an emergency when the Chief was fired and that an emergency meeting notice should have been posted at that time and the public notified instead of bringing it up at this meeting.

**VOTE:** 3 in favor of (Chairman Lance, Clerk Jones and Treasurer Frei); 1 against (Board Member Roll);

Board Member Fino abstained from the vote

**Motion Carried**

**Captain Josh Steinberg** asked for permission to address the Board since the motion that passed involved him and he was not asked prior to the meeting. He then stated that he respectfully declined to meet with Chairman Lance and help approve the time cards.

**Board Member Fino** addressed the Board saying that if this had been placed on a proper meeting then the people involved could have been asked. He then stated that they were sitting in a real bad dilemma. Board Member Fino suggested the Board conduct an emergency meeting as soon as possible, possibly tomorrow, with representatives from our Fire District. He went on to say that we have a Fire Chief who is our District representative and can give us the help we need, instead of doing this on our own without authorization. Board Member Fino stated we should utilize our people instead of walking blindly from one meeting to another. He stated the Fire Fighters have to get paid, that it was a state law not to delay their checks.

**Chairman Lance** asked if Board Member Fino was finished.

**MOTION:** **Board Member Fino** made a motion that an emergency meeting be held tomorrow contacting our district Fire representatives.

**Chairman Lance** addressed Board Member Fino stating that this was not on the agenda.

**Board Member Fino** ignored Chairman Lance and asked for a second.

**SECOND:** **Board Member Roll** seconded the motion.

**Treasurer Frei** said that there was a motion before the Board, prior to Board Member Fino's motion. He went on to say that since Captain Josh Steinberg declined to assist the Fire Department in reviewing the time cards, he wished to amend his motion, with himself accepting the responsibility of reviewing the time cards tomorrow with Chairman Lance so that the Firemen can be paid on time and in an orderly manner.

**Board Member Roll** asked if they were authorized to do that.

**Chairman Lance** stated that yes, the Board Members were authorized.

**Board Member Roll** asked, "Only two of you?"

**SECOND:** **Clerk Jones** seconded the amended motion made by Treasurer Frei.

**Board Member Fino** called a Point of Order, stating that his motion had not yet been voted on and was before the Board.

He then restated his motion: "Contact a District Representative, the Fire Chief from the Fry Fire Department to come down, give us advice and direction."

**Treasurer Frei** disagreed saying that it had not yet been decided who would be going to approve the time cards tomorrow and that was the motion before the Board.

**Board Member Fino** called a Point of Order stating that his motion was before the amendment made by Treasurer Frei and should be voted on first, since the previous motion had been voted on and a motion that was voted on couldn't be amended.

**Treasurer Frei** surrendered the floor to Board Member Fino.

**Chairman Lance** called for a vote on Board Member Fino's agenda item.

**VOTE:** 2 in favor of (Board Members Fino and Roll), 3 against (Chairman Lance, Clerk Jones and Treasurer Frei)

**Motion Died**

**MOTION:**

**Treasurer Frei** then restated his motion that Chairman Roger Lance and Treasurer Cletus Frei accept the responsibility of reviewing the time cards tomorrow (Tuesday, Feb 12<sup>th</sup> 2013) so that the Firemen can be paid on time and in an orderly manner.”

**SECOND:** Clerk Jones seconded the motion.

**VOTE:** 3 in favor of (Chairman Lance, Clerk Jones, Treasurer Frei); 2 against (Board Members Fino and Roll)

**Motion Carried**

**Meeting was adjourned at 1831 hours.**