

Blue Ridge Fire District

BLUE RIDGE FIRE DISTRICT BOARD OF DIRECTORS

Minutes of Public Meeting held October 15, 2022

1. **MEETING** was called to order at 10:05 a.m. by Chairperson Bourne.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL OF BOARD MEMBERS**

Mike Bourne	Present
Alma Seward	Present
Sylvia Meakin	Present
Laurie Hawke	Present
Judy Varns	Present

4. **CALL TO THE PUBLIC**

5. **REVIEW OF AGENDA**

Chairperson Bourne asked for any issues or changes to the Agenda. There were none.

6. **REVIEW AND ADOPTION OF SEPTEMBER FINANCIAL REPORT**

Chairperson Bourne commented as to the budgeted items being managed well, judicious, frugally by Chief Paine and this is appreciated. Board Member Seward thanked the staff for coordination and organization. Chairperson Bourne asked re: any requirement to maintain a balance in the Reserve Account. Chief Paine responded that a minimum \$500K Reserve Account was self-imposed by the previous Board. The purpose of the Reserve is to ensure operating capabilities should economic downturns, such as a recession, devalue property tax revenues. Additionally, the Reserve Account is used for Capital Expenditures and Cash Flow required in between property tax revenues.

Board Member Varns asked if the County has the authority to tap into our Reserve Account. Chief Paine responded that the County has stated that they won't but they do have the authority to sweep accounts, although the Reserve Account is less likely to be swept than the Operations Account.

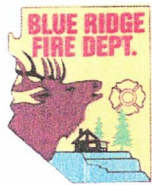
Board Member Hawke agreed that a \$500K balance is a good idea and should be continued. Chairperson Bourne explained that the purpose of his query was that BRFD is paying 7.2% on unfunded liability at PSPRS, and should it make sense and we're able to replenish the Reserve Account, we might consider paying down the unfunded liability in the future.

Chairperson Bourne asked for a Motion to approve the September Financial Report. Ms. Hawke so moved; Ms. Varns seconded. All voted yes.

The Motion passed.

7. **ANNOUNCEMENTS**

- The next Board Meeting will be held November 19, 2022
- The Board Election is November 8th and the new Board Members will be installed on December 1, 2022.



Blue Ridge Fire District

- c. Chief Paine reminded the Board that before new Board Member are installed, they must complete training re: Open Meeting Laws. Chief Paine will research the best option for this training.

8. REPORTS AND CORRESPONDENCE

- a. Chairperson's Report – Mr. Bourne is working with the Alternate Pension Plan Board of Trustees as some terms of those Members have expired or resignations have been received. This means, that at the moment, there is no quorum for the Board of Trustees, but through Brandon Sewell and Linda Hammers' efforts, elections are in the works to fill seats and reestablish the Board.

Finally, Chairperson Bourne encouraged all to vote in the November election.

- b. Fire Chief's Report -

Staff: 14 Volunteers, 14 Paid Reserves, 6 Full Time and 2 Part Time

Apparatus: All in service

Incidents: September call volume was 18; 10 EMS, 4 Vehicle, 4 Service Calls

Training hours: 226 including 4 Members attended Az State Fire School

We've been awarded the AFG Grant for fire fighter cancer screening for \$51,014

The locks on the Bay Doors have been replaced

Chief Paine reminded the group re: Proposition 310 that is a temporary tax that will generate \$150M for Az. Fire Districts; i.e., if you spend \$10 the tax will be .01 Cent.

9. OLD BUSINESS –

- a. Discussion and possible action to review and approve Policies

Board Member Hawke stated that the policies are well written and thorough. There is some minor editing, but this should not preclude passing the Policies. The amount of information directed at the employees and their ability to fulfill their positions are impressive. The team effort by many is a point of pride of the Board.

Chief Paine noted that Chapter Four of the Policies should be reduced to the two pertinent policies as explained in his email. Chapter Four is about Fire Prevention and some of the functions stated do not exist, such as Fire Marshall or Inspections.

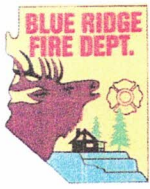
Chairperson Bourne asked for a Motion to Adopt the Policies as a package and have annual reviews to revise as needed. Ms. Hawke so moved; Ms. Meakin seconded. All voted yes.

The Motion passed.

Chairperson Bourne asked for a Motion to Approve Chief Paine's recommendation re: amending Chapter Four of the Policies. Ms. Seward so moved; Ms. Varns seconded. All voted yes.

The Motion passed.

Chairperson Bourne explained that minor edits are acceptable; that the Policies are a living document and will change as needed in the future.



Blue Ridge Fire District

10. NEW BUSINESS -

- a. Discussion and possible action to approve Minutes of September 17, 2022.
Chairperson Bourne asked for a Motion to Accept the Minutes of September 17, 2022. Ms. Seward so moved; Ms. Hawke seconded. All voted yes.
The Motion passed.
- b. Discussion and possible action to approve Minutes of October 7, 2022.
Chairperson Bourne asked for a Motion to Accept the Minutes of October 7, 2022. Ms. Seward so moved; Ms. Varns seconded. All voted yes.
The Motion passed.
- c. Discussion and possible action on Transfer Agreement between Participants and Sponsor re: 457b Alternate Pension Plan.

Chairperson Bourne explained that this Item pertains to the 457b Alternate Pension Plan. As background, the District Board approved the 457b Alternate Pension Plan in June 2022. As part of that plan, it allows Participants of that plan to move their money to another BRFD 457b Plan. As mentioned before, the Board of Trustees for the Alternate Pension Plan is not currently established. This Plan document specifically calls out the option of the Participant and the Sponsor, which is the Blue Ridge Fire District Board of Directors, to authorize the movement of funds from one plan to another.

Chief Paine explained that PSPRS and the 401(a) Pension Plan (managed by Nationwide) are for Full Time employees only.

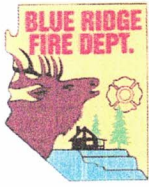
As an additional benefit for Volunteers, Paid Reserves, and Full Time; BRFD established a 457(b) plan. That original plan is through TD Ameritrade. The Independent Advisor is The Innes Associates, Ltd. through pre-tax contributions. That plan is managed by the 457b Alternate Pension Plan Board of Trustees.

The second 457(b) plan is through Payroll deductions, available to everyone, set up individually for Participants and is advised and managed by Nationwide Trust. This plan is pre-tax contributions or taxable (Roth) contributions.

The Innes Plan is working without a contract and the main element of the plan is that all contributions go into one fund and values of individual pensions are established at June 30th only.

Under the US Tax code, it is allowed that money may be moved from one BRFD 457(b) plan to another BRFD 457(b) plan. Although transfers can be approved by the District Board, the Board of Trustees would manage other distributions, rollovers and retirement distributions.

Chairperson Bourne added that the Participants should decide what is best for them and we honor those decisions accordingly. One of the District Board requests for the new Alternate Pension Plan Board of Directors will be to educate and present options to the Plan Participants. Basically, the Nationwide 457(b) is individualized so investment directives and values can be addressed daily. The Innes plan is a single fund that investment directives are determined by Mr. Innes only and distribution values are available once a year.



Blue Ridge Fire District

Concern was expressed that if Mr. Innes refuses to honor the transfer requests, what is the Board planning to do? Chairperson Bourne reiterated that this Board of Directors is here to assist in every way and if legal is needed, legal representation will be engaged.

Ms. Hawke commended Brandon Sewell for the responsibility taken and commitment given on the 457(b) Alternate Pension Plan Board of Trustees for facilitating education and cohesion.

Chairperson Bourne asked for a Motion to Approve the transfer for Robert Lashua, Phil Paine and Kyle Chambliss to transfer their pension money from 457(b) Alternate Pension Plan & The Innes Associates, Ltd. to the 457(b) Alternate Pension Plan & Nationwide Trust Co. Ms. Hawke so moved; Ms. Seward seconded. All voted yes.

The Motion passed.

Chief Paine stated that a specific document from the District Board of Directors to The Innes Associates, Ltd. would be necessary. Ms. Hawke volunteered to draft such a document.

11. AGENDA ITEMS FOR NEXT BOARD MEETING

12. ADJOURNMENT

Mr. Bourne asked for a Motion to adjourn at 10:53. Ms. Hawke so moved; Ms. Varns seconded. All voted yes.

The Motion passed.

Respectively submitted October 17, 2022:

Alma Seward, Clerk of the BRFD Board