



# TUBAC FIRE DISTRICT

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## TUBAC FIRE DISTRICT BOARD MEETING MINUTES

Special Meeting

April 4, 2019

1. Call to order and Pledge of Allegiance: The meeting was called to order at 9:00 a.m. by Mary Dahl. The Pledge of Allegiance was recited.
2. Roll call of Board Members: Board Members present were Herb Wisdom, Mike Connelly, and Mary Dahl. Candy Clancy and Bill Kirkpatrick were present via telephone. Melissa Tomlinson also attended telephonically. Also present were Chief Horvath, Asst. Chief Rivera, Captain Guerrero, Captain Lujan, Darrell Miller, Mike LaVallee, and Mike Cano.
3. Report from Board Members: None
4. Call to the Public: None
5. Consideration and possible adoption of Resolution No. 2019-002 authorizing the sale and issuance of General Obligation Refunding Bonds of the District including delegation to the Fire Chief and or her designee of the District to determine certain matters related thereto: Mike LaVallee from Stifel presented the process in which his agency enters into agreement with and provides the leg work necessary to refinance the General Obligation Refunding Bonds of the District. He explained that the first step is to approve Resolution No. 2019-002 that provides for the sale and issuance of Tubac Fire District General Obligation Refunding Bonds and for the annual levy of a tax for the payment of the bonds; delegating authority to the Fire Chief or her designee to determine certain matters and terms with respect to the foregoing as well as certain matters with respect to certain bonds being refunded with the proceeds of the sale of such bonds; approving the form and authorizing the execution and delivery of necessary agreements, instruments and documents related to the sale and issuance of such bonds; adopting post-issuance tax compliance procedures in connection with issuance of obligations of the District; and authorizing the taking of all other actions necessary to consummate the transactions contemplated by this resolution and ratifying all actions taken to further this resolution. Candy Clancy asked if the District's lawyer reviewed the resolution and accompanying agreements to which Mary Dahl replied that the documents were drawn by a lawyer. Candy Clancy asked if the minimum net present value debt service savings of \$375,000 provided for in the resolution was net of fees imposed by Stifel to which Mr. LaVallee replied that the savings to the taxpayers will not be less than the \$375,000 net of all costs. Candy Clancy expressed her concern in delegating the Chief or her designee in determining matters related to the sale and issuance of the District's bonds and feels the decisions should be made by the Board. Mr. LaVallee explained that it is very common for dialogue to exist between staff and Stifel and then forwarded

on to members of the Board. Mike Connelly asked if the sale and reissuance transpired on this day, what the estimated All-in TIC would be, to which Mr. LaVallee replied between 2.2 – 2.7%. Bill Kirkpatrick commented that he was in favor of delegating staff to move forward with the process of sale and issuance of the bonds. Mary Dahl added that the Board should not micromanage the Chief and feels the resolution covers that the minimum savings of \$375,000 would be the floor and that the Chief would make the decision to cancel the transaction if it were below that amount. Mike Connelly stated that he feels the Board should micromanage this decision, but also feels comfortable with the Chief making the appropriate decision. Candy Clancy requested that the Board be informed of the terms and the process as it moves forward. With no further discussion, Mike Connelly made a motion to approve Resolution 2019-002, authorizing the sale and issuance of General Obligation Refunding Bonds of the District including delegation to the Fire Chief and or her designee of the District to determine certain matters related thereto and Herb Wisdom seconded the motion; all were in favor, the motion passed.

Candy Clancy commented after the motion passed that she would like to make a proposal that the savings from restructuring of the bonds be deposited into the reserve account. Mr. Connelly reminded her that the savings from restructuring of the bonds is a reduction in property taxes residents of the District pay and that it is not part of the operational cash tax revenues the District receives.

6. Discussion and possible action regarding employee benefits for FY 19/20: Mike Cano from Mahoney Group provided the Board with the proposals he received from several health insurance providers. After comparing the rates, Blue Cross Blue Shield of Arizona and Cigna were the most competitive. He explained to the Board that his experience in dealing with Cigna is that they come in low only to increase rates substantially in subsequent years. Mr. Cano's recommendation for the District is to remain with Metlife PPO for dental and life coverage and VSP for vision coverage as neither group increased their rates and to give the employees the option of two BCBSAZ plans:

- A. Blue Preferred PPO \$1,500 – 80% - Balanced Funding
- B. Blue Preferred HAS Plus \$3,000-100% - Balanced Funding

Chief Horvath explained to the Board that the savings to the District will be determined during the FY 19/20 budget development process. She further stated that staff would be meeting with the Mahoney Group on April 8-10<sup>th</sup> to review the plans available and discuss their options. Chief Horvath explained to the Board that an additional coverage she requests they approve for the staff is an employee assistance program that provides assessments and counseling for individuals affected by episodes faced in their job and home life. Mike Connelly thanked Mr. Cano and the staff for providing the Board with acceptable options. Mike Connelly made a motion to approve the FY2019/20 benefits package as proposed by staff to include the Jorgensen Brooks Group Employee Assistance Programs and Herb Wisdom seconded the motion; all were in favor, the motion passed.

7. Future Agenda items: None
8. Call to the Public: None
9. Next Meeting: April 18, 2019, at 9:00 a.m. at Tubac Fire Station #2, 1360 W. Frontage Road, Rio Rico.
10. Adjourn Meeting: Mike Connelly made a motion to adjourn the meeting at 10:15 a.m., and Herb Wisdom seconded the motion; all were in favor, the motion passed.