



SUNSTITES-PEARCE FIRE DISTRICT

SERVING RESIDENTS OF THE SUNSTITES-PEARCE FIRE DISTRICT,
AND NEIGHBORING COCHISE COUNTY

Mailing Address: PO Box 507, 105 TRACY ROAD PEARCE, AZ 85625
PHONE: (520) 826-3645; FAX: (520) 826-3586

Sunsites-Pearce Fire District Budget Work Session March 26, 2013

1. **Call to Order** – The meeting was called to order at 10:30 a.m. by Mr. Schelling. Mr. Schelling indicated that this was to be an informal work session whereby he would be requesting ideas from the public.
2. **Call to the Public.** Mr. Frei spoke regarding the Engine 308 repair in the amount of \$4700. He further inquired as to the Medicare receivables from the Audited Financials. Interim Chief Steinberg responded to the inquiry, explaining that the District is currently over budget in the approximate amount of \$60,000 due to the back Medicare payments being received in July of 2012.

Mr. Frei suggested that the District use Compu Pay for payroll matters as well as have an accountant come in twice a month to complete the financials. He further stated that the part-time personnel should be eliminated as well as have the full-time personnel pay their own health insurance to help save the District funds.

Lastly, Mr. Frei suggested that revenues be set aside for PTO in addition to cutting costs.

Mr. Fino spoke regarding volunteers vs. Part time employees. He indicated that volunteers cannot be compensated, and inquired as if worker's compensation on behalf of a volunteer was considered a benefit.

Mr. Fino further stated that 75 to 80% of all revenue goes toward wages and that is true for most of the Districts in the area.

Mr. Fino also indicated that dipping into the line of credit was acceptable to the smaller districts. He did mention that the overtime wages should be reduced.

Mr. Fino spoke of the Zero Base Budget used by Willcox Hospital and suggested that the District contact the Hospital as to how it works and explore the possibility of using the Zero Base Budget. Mr. Schelling indicated that the Hospital was aware of the amount of revenue they would be receiving, whereas the District does not.

Mrs. Ford spoke regarding cutting back expenses.

Ms. Rydzak inquired as to increasing the rates for services the District provides. Mr. Schelling agreed. He further stated that the Arts & Crafts and Lapidary Club would be responsible for their own insurance and utility costs.

Mr. Fino spoke regarding the matters Mr. Frei brought up in his presentation and indicated that the information he had was not correct. Mr. Fino further stated that it may be beneficial to the District to assist Willcox in patient transports. Mr. Jones responded that the Community set up the District and that members of the District should come first prior to providing mutual aid to other entities. Ms. Lance spoke and indicated that Willcox used HCl.

Ms. Lance further stated that she had heard that the ambulance at the Richland Station was being parted out.

Mr. Hooker explained the Zero Base Budget. Ms. Rydzak inquired as to how a Zero Base Budget would work should a truck or a pump breaks down. She suggested maintaining a contingency fund for those types of repairs.

Ms. Roll stated that the Zero Base Budget worked well for VTC.

Once again, the Ambulance Revenues and collection matters were brought up by Mr. Hooker. Interim Chief Steinberg indicated that Fry Billing is our collection agency and that they were providing a good service.

Mr. Schelling indicated we needed to obtain a fee schedule for Medicare in order to project the next fiscal year's receivables.

Mr. Schelling further explained the property tax situation and how the District collects taxes as well as the tax repercussions on foreclosures and tax sales.

Mr. Jones inquired as if the District could collect on unpaid parcels and delinquent tax collections.

Mr. Hooker inquired as to the Worker's Compensation Insurance requirements. He questioned as if it was mandatory to carry the Insurance on all personnel. Mr. Schelling indicated that it was mandatory.

3. **Adjourn** – There being no further business, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,

Jill Schultz