



Rio Verde Fire District
25608 North Forest Road
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**MINUTES OF THE
RIO VERDE FIRE DISTRICT
BOARD OF DIRECTORS GENERAL SESSION**

February 21, 2017

Table of Contents

I. CALL TO ORDER.....	2
II. ROLL CALL OF BOARD MEMBERS.....	2
III. CERTIFICATE OF POSTING.....	2
IV. RESOURCE SPECIALISTS REPORT.....	2
V. CALL TO THE PUBLIC.....	2
VI. APPROVAL OF MINUTES.....	3
VII. STANDING AUTHORITY TO TRANSFER FUNDS.....	3
VIII. LETTER OF DECLARATION FOR POSSIBLE LINE OF CREDIT, 2017.....	3
IX. REPORTS AND CORRESPONDENCE.....	3
Clerk's Report.....	3
Finance Report.....	3
Chief's Report.....	5
Deputy Chief's Report.....	6
Administrative Manager's Report.....	6
X. UNFINISHED BUSINESS.....	6
XI. BOARD PERSON COMMENTS.....	7
XII. CHAIRPERSON COMMENTS.....	7
XIII. ADJOURNMENT.....	7



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February 21, 2017

COMMISSIONERS PRESENT: Marty Bowin, Jerry Fickes, Jeanne Finney, and Cate Hayne

COMMISSIONERS ABSENT: George Kattermann

ALSO PRESENT: Chief Jay Ducote and Administrative Manager Jo Lewis; Rio Verde Fire District

I. CALL TO ORDER

The Tuesday, February 21, 2017, General Session of the Board of Directors was called to order by District Clerk Jerry Fickes at 9 a.m. in the Rio Verde Community Center Conference Room, Rio Verde, Arizona 85263.

II. ROLL CALL OF BOARD MEMBERS

All commissioners were present, with the exception of Chairperson Kattermann.

III. CERTIFICATE OF POSTING

The District's Certificate of Posting was presented, certifying that the meeting's agenda had been posted at least twenty-four hours prior to the meeting. This certificate was posted at the fire station, Rio Verde Post Office, Rio Verde Community Center, the Tonto Verde Community Center, and on the District's website.

IV. RESOURCE SPECIALISTS REPORT

There was no Resource Specialist report.

V. CALL TO THE PUBLIC

There was no response to the Call to the Public.

VI. APPROVAL OF MINUTES

January 23, 2017, General Session

Commissioner Hayne moved the approval of the January 23, 2017, General Session minutes as submitted. That motion was seconded by Commissioner Bowin and passed by unanimous vote.

VII. STANDING AUTHORITY TO TRANSFER FUNDS

Commissioner Bowin moved that the Board treasurer be provided with the standard authority to transfer up to \$250,000 between the General and Capital Funds as needed. That motion was seconded by Commissioner Finney and passed unanimously.

It was noted that Administrative Manager Jo Lewis had previously been given the authority to move funds between accounts within the General Fund (specifically the Ambulance Account and the Payroll Account) monthly in normal business operations.

VIII. LETTER OF DECLARATION FOR POSSIBLE LINE OF CREDIT, 2017

Commissioner Finney moved that the Board authorize the Board treasurer to sign a Letter of Declaration to obtain a revolving line of credit with JP Morgan Chase in case such is required during the year. The motion was seconded by Commissioner Hayne and passed unanimously.

A similar letter has been signed the past two years, though that line of credit has not yet been needed. In the event that a line of credit were needed, however, the treasurer would return to the Board for approval.

IX. REPORTS AND CORRESPONDENCE

Clerk's Report

Future Meetings

Commissioner Fickes noted the following meeting dates:

- Monday, March 13, 2017 – 9 a.m.
- Monday, April 24, 2017 – 9 a.m.
- Monday, May 22, 2017 – 9 a.m.

Commissioner Hayne will attend the March 13, 2017, Board meeting by telephone.

Finance Report

Commissioner Bowin submitted the following financial report for the month of January 2017:

Financial Report – January 2017	
Revenue	\$50,825.10
Expenses	\$249,476.70
Other Income (Expense)	(\$89,094.07)
Net Income (Loss)*	(\$287,745.67)
Monthly Budgeted Net Income (Loss)**	(\$142,607.80)
YTD Budgeted Net Income (Loss)	\$85,230.10
YTD Actual Net Income (Loss)	\$177,706.47
General Fund Operating Cash	\$301,687.35
Capital Fund Cash	\$1,045,507.30
Capital Fund Advances to General Fund	\$125,000.00
Capital Fund Equity	\$1,170,507.30

* Includes \$89,563.45 principal and interest lease payment for Engine 441. The offset, by Capital Fund transfer, will be made in February.

**Due to low revenue income, possibly caused by assessed valuation appeals

The following items were discussed:

1. "Ambulance Revenue" will continue to run short each month.
2. "Payroll Expense" is over budget but will be addressed by Chief Ducote in his Chief's Report.
3. "Other Income" is over by approximately \$90,000 due to wildland equipment reimbursement, a positive for the District.

Commissioner Bowin moved that the Board accept the January 2017 Financial Report as presented. That motion was seconded by Commissioner Hayne and passed unanimously.

Commissioner Bowin moved that the Board accept the January 2017 Monthly Transaction Report (formerly called the Cleared Warrant Report). That motion was seconded by Commissioner Finney and passed unanimously.

Commissioner Bowin moved that the Board accept the January 2017 bank reconciliations as submitted. That motion was seconded by Commissioner Finney and passed unanimously.

Administrative Manager Jo Lewis explained that the Grant Account had originally been set up to receive grant funds from either the state or federal governments, prior to their being moved to the General Account. Since grant funds now go into the Payroll Account (pass-through or REFT account), costing less money, the Grant Account was closed.

EMS Survey Report

Commissioner Finney indicated that twenty-five (25) survey responses had been received, twenty-four (24) listing their service as "Outstanding" and one (1) listing that person's service as "Good." There were no concerns or complaints, and five (5) requests for follow-up contact. No surveys are provided for walk-in visits, unless a resident is transported to the hospital.

Chief's Report

Shea Homes Meeting

Chief Ducote informed the Board that he, Commissioner Bowin, and staff members held a very productive meeting with Shea Homes recently. Shea Homes noted that they have been very pleased with Fire Marshal Chris Cavanaugh's fire protection service. Additionally, they did not anticipate needing a higher percentage of inspections for the next couple of years but would indeed alert the District if more work force were required.

Shea Homes indicated that the prospective fire station is a selling point for them. Chief Ducote is creating a timeline to outline each step of the process, i.e., architectural, county, election and bonding processes. After this timeline is complete, their attorneys will then expedite the legal deed to the property. (Nothing can be initiated until the District has legal possession of the land.)

Chief Ducote anticipates a period of approximately two years before ground can be broken.

2017 Levy Limit Worksheet

Chief Ducote indicated that the 2017 Levy Limit Worksheet had been received. The current year's allowable levy limit is \$2,350,019, an increase in the available tax revenue of \$189,543 from 2016.

Commissioner Bowin commended Deputy Chief Eric Merrill and Fire Marshal Chris Cavanaugh for identifying homes that were occupied but not showing as occupied on the tax rolls.

Resignation/Retirement

Chief Ducote informed the Board of a firefighter resignation (due to a move out of state), as well as the retirement of Engineer/Fire Marshall Ed Price as of March 31, 2017.

Budget

Chief Ducote explained that the full-time overtime payroll overage would be balanced out with the wildland reimbursements. However, the part-time reserve program is still over budget, partially due to overlap with Captain John Heinz's retirement, holiday benefits, sick leave, or vacations). Two hundred eighty hours (280) of benefits were used during the holiday season in 2016, as opposed to one hundred hours (100) used in 2015.

When the District slows down in March for the summer, backfill of staff will decrease in an effort to reduce the budget overage. Additionally, the two positions that are being vacated will not be filled immediately.

Deputy Chief's Report

Activity Report – District Response Times – January 2017

In Deputy Chief Eric Merrill's absence, Chief Ducote reported the following response times for the month of January 2017:

Call Type	Response Time	
In-District EMS (Average)	2:47	
Out-of-District EMS (Average)	15:00	
Out-of-District Corridor (Average)	16:53	
In-District Non-Emergency (Average)	3:18	
Call Type	# Occurrences	
Year	2017	2016
EMS In-District Calls	20	16
EMS Out-of-District Calls	1	1
EMS Corridor Calls	8	1
Non-EMS In-District	17	11
Transports	24	12
BP/Information Services	38	61
Station Tours/Walk-in First Aid	12	0
Child Seat Install	1	1
Outside Rescue Used Within District	0	0
Fire-related Calls	3	2

Administrative Manager's Report

Administrative Manager Jo Lewis noted no additional comments.

X. UNFINISHED BUSINESS

- District Clerk Fickes withdrew his request for an Executive Session to discuss the recording of Executive Sessions. With information shared by Commissioner Bowin and through Fickes's own investigation, his query was resolved. He noted that if Executive Sessions are recorded, the recording must be kept for one year. Also required is that something must be prepared within three days after the meeting in the event that an official government inquiry were made. Fickes has prepared a template for his use (as District Clerk) for recording Executive Sessions that will serve that purpose.

- District Clerk Fickes revisited Commissioner Finney's budget inquiry last month on why the PSPRS showed under budget. He informed the Board that the difference was that one firefighter had gone to DROP, and the District no longer was required to pay a percentage of payroll for those in DROP. Fickes continues to keep track of what the District would have paid, \$16,000 at this time—the same amount as the overage. The actuarial requirements include this amount, since the actuarial report is normally two years behind in adjusting the District's expected payroll.

XI. BOARD PERSON COMMENTS

District Clerk Fickes reminded the Board that when a firefighter retires, the Local PSPRS funding ratio therefore goes down.

Commissioner Bowin requested that a Local PSPRS Board meeting be held in order to provide staff with a recommended and required contribution amount for use in the budgeting process. Local PSPRS Board Chair Fickes indicated that a meeting would be held as soon as Commissioner Kattermann is available. Chief Ducote was asked to issue a memo to firefighters regarding the need for a replacement member to fill the remainder of PSPRS Member Ed Price's term ending June 30, 2018. This Local Board meets approximately three times per year.

It was noted that the District's funding ratio is now down to 67.2% due to our reduction in extra funding, the number of firefighters currently in DROP, and the remaining cost of the pension increase incurred due to the legal appeal of the increased retirement fund. The District is currently underfunded at market value by \$2,548,000, approximately 32.8% of the plan's needed assets for 100% funding level. Some relief could arrive when interest rates rise on non-rate bearing assets and when we have less retiring members.

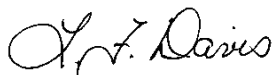
XII. CHAIRPERSON COMMENTS

There were no additional chairperson comments.

XIII. ADJOURNMENT

Commissioner Bowin moved that the meeting adjourn at 9:56 a.m. That motion was seconded and passed unanimously.

Respectfully submitted,



Libby Floyd Davis
My Personal Secretary
(From Voice Recording)

lfd