



Rio Verde Fire District
25608 North Forest Road
Rio Verde, AZ 85263
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**MINUTES OF THE
RIO VERDE FIRE DISTRICT
BOARD OF DIRECTORS GENERAL SESSION**

April 30, 2018

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April 30, 2018

COMMISSIONERS PRESENT: Marty Bowin, Jerry Fickes, Jeanne Finney, George Kattermann, and Nancy Sewell

COMMISSIONERS ABSENT: None

ALSO PRESENT: Chief Jay Ducote, Deputy Chief Eric Merrill, Administrative Manager Jo Lewis, Captain Matt Oden, and Dennis Meyers (Resource Specialist), Rio Verde Fire District

I. CALL TO ORDER

The Monday, April 30, 2018, General Session of the Board of Directors was called to order by Chairperson George Kattermann 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.

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 and Trilogy websites.

IV. RESOURCE SPECIALISTS REPORT

Dennis Meyers informed the Board that there were enough Resource Specialist volunteers to continue their District support throughout the summer.

V. CALL TO THE PUBLIC

There was no response to the Call to the Public.

VI. APPROVAL OF MINUTES

March 27, 2018, General Session

Commissioner Fickes moved the approval of the March 27, 2018, General Session minutes as presented. That motion was seconded by Commissioner Finney and passed 4-0 (Commissioner Sewell abstaining) with the following correction:

Page 3, "Future Meetings"

- Tuesday, **Monday**, April 30, 2018 – 9 a.m. (Commissioner Finney will be unable to attend.)

March 27, 2018, Executive Session

Commissioner Fickes moved the approval of the March 27, 2018, Executive Session minutes as presented. That motion was seconded by Commissioner Finney and passed unanimously.

April 4, 2018, Special Session

Commissioner Fickes moved the approval of the April 4, 2018, Special Session minutes as presented. That motion was seconded by Commissioner Finney and passed unanimously.

April 4, 2018, Executive Session

Commissioner Fickes moved the approval of the April 4, 2018, Executive Session minutes as presented. That motion was seconded by Commissioner Finney and passed unanimously.

VII. REPORTS AND CORRESPONDENCE

Clerk's Report

Future Meetings

Commissioner Fickes listed the following meeting dates:

- Tuesday, May 29, 2018 – 9 a.m. (Commissioner Bowin will be unable to attend.)
- Monday, June 25, 2018 – 9 a.m.
- Monday, July 23, 2018 – 9 a.m.

All meetings will be held at the Rio Verde Community Center Conference Room.

Pension Committee Report

The PSPRS Local Board met on Friday, April 27th, to review the actuarial report and recommend a FY 2018/2019 pension contribution to the RVFD Board of Directors. Commissioner Fickes advised that in determining the pension contribution, it is always

necessary to begin with the actuarial figures (2 years old) but make adjustments to salary and personnel increases in order to provide current figures.

Following is the pension contribution recommendation motion from the Local PSPRS Board meeting:

Director Kattermann moved that the PSPRS Local Board approve the pension contribution of the larger of the required percentage of payroll or \$384,747.17, less \$20,000 for premium tax, plus \$20,000 for credited service, whichever is higher. That motion was seconded by Director Cavanaugh and passed unanimously (after the early departure of Director Nelsen).

Commissioner Fickes later noted that further adjustments needed to be made to the figures reported at the pension board meeting. Tier 3's A&H costs and the additional 1% of Tier 2's 401A had not been included, nor was a recent new hire included in Tier 3. These factors should be considered when voting on the pension contribution for the coming year.

Chairperson Kattermann clarified that with the newest adjustments, the recommended contribution would be approximately \$402,000. Administrative Manager Jo Lewis explained that her calculations showed that it should be \$414,950, reduced by the premium tax credit of approximately \$17,500, or \$397,000. Commissioner Fickes noted that he felt the figures need to be on revised actuarial salaries, not pure salary figures.

Commissioner Bowin recommended that more discussion of the pension contribution be held in conjunction with the overall budget discussion. Commissioner Fickes indicated that the purpose of the PSPRS Local Board was to discuss the figures and make the contribution recommendation to the RVFD Board for approval or modification if they saw fit. Only a motion on whether or not to approve the PSPRS Local Board's recommendation was needed. Further discussion on this subject was tabled until the budget discussion.

Finance Report

Since Maricopa County Treasurer's Office is undergoing changes, banking information was not available for the Board meeting. Commissioner Bowin will provide the financial report at the next regularly scheduled Board meeting.

VIII. ACCESS TO RVFD PROPERTY FOR MAINTENANCE/CONSTRUCTION OF NEW CELL TOWER

A new cell tower has been proposed in the maintenance yard of the Rio Verde Country Club. The proposed access route would require the replacement of a portion of the block wall on the south side of the fire station's property. The existing curbing would be replaced to allow vehicles to pass. An easement would start where the station's driveway and Forest Blvd. meet. It would proceed north around the building and then turn south along the back of the station until it met the RVCA's dumpster area. The tower would be approximately 70 feet high.

After discussion, Commissioner Fickes moved that the District deny the easement for the new cell tower. That motion was seconded by Commissioner Sewell and passed unanimously.

Among the reasons for denying the easement for the new cell tower were the following:

- **Safety/security** to the fire station and personal vehicles
- **Access** concerns for fire crews and staff (shift change)
- **Space** concerns for fire trucks and ambulances

IX. DISCUSSION OF WORKERS' COMPENSATION CONTRACT

Chief Ducote reviewed that the cost of workers' compensation insurance two years ago was \$182,000, and that amount has now been nearly cut in half, now at \$96,191. FY 2017/2018's premium was \$128,924. Factors affecting the change are an increased payroll but a decreased E-mod from 1.52 to 1.0.

Chairperson Kattermann and Commissioner Fickes noted that the anticipated additional payroll expense would need to be added to the \$96,191, so that must also be considered in budget conversations.

Commissioner Fickes moved that the Board accept the CopperPoint Workers' Compensation bid for \$96,191 for the upcoming fiscal year. That motion was seconded by Commissioner Bowin and passed unanimously.

X. DISCUSSION OF CINDY ELBERT INSURANCE RENEWAL

Commissioner Fickes moved to continue using Cindy Elbert Insurance Services for the next fiscal year. That motion was seconded by Commissioner Bowin and passed unanimously.

XI. DISCUSSION OF ADDITIONAL OFFICE SPACE LEASE

Chief Ducote explained that in the past two years, the District had been considering the rental of office space in the Alexander building. Alexander has now offered rental of three offices at 18934 Avenida Del Ray at approximately \$1,300 per month (all inclusive) for a one-year lease. Miscellaneous furniture rental would be an additional \$125 a month. These offices would house Chief Ducote, Administrative Manager Jo Lewis, and the new accounting employee.

Commissioner Bowin moved that the District accept the lease with the start date recommended by Chief Ducote. That motion was seconded by Commissioner Sewell, and it passed unanimously.

XII. DISCUSSION ON UPGRADED PHONE SYSTEM

Three quotes were obtained in order to upgrade and expand the District's current phone service: American Telephone, Cox Business, and Sunstate Technology Group.

After reviewing the quotes, staff recommended a standard three-year contract with Cox Business at a monthly expense of \$485.47 with a training fee of \$150. This service would provide additional Internet security, backup, and bandwidth, as well as improved voicemail features. There would be no capital outlay.

Commissioner Sewell moved that the District approve the three-year contract with Cox Business to upgrade and expand its phone service. That motion was seconded by Commissioner Finney and passed unanimously.

XIII. ADJOURNMENT TO EXECUTIVE SESSION/RECONVENE TO GENERAL SESSION

At 10:06 a.m. Commissioner Finney moved that the Board go into Executive Session for the purpose of discussing organizational restructure and land acquisition. That motion was seconded by Commissioner Bowin and passed unanimously.

At 10:48 a.m. the Board reconvened to General Session.

XIV. DISCUSSION FROM EXECUTIVE SESSION

Commissioner Bowin moved that the District accept the proposed fulltime fire marshal position, effective January 1, 2019. That motion was seconded by Commissioner Finney and passed unanimously.

Commissioner Sewell moved that the District approve the reorganization as presented in the Executive Session. Sewell then withdrew her motion.

Commissioner Bowen moved that the District reorganize the deputy chief position so that the fire marshal would take on the additional duties of the deputy chief. The chief would then become a line manager in operations, with the captains reporting directly to him. That motion was seconded by Commissioner Finney and passed unanimously.

Commissioner Fickes moved that the District grant the Chairperson Kattermann the authority to work on options for a possible land expansion to house a future fire station. That motion was seconded by Commissioner Bowin and passed unanimously.

XV. BUDGET DISCUSSION FY 2018/2019

Commissioner Bowin discussed the budget overage of approximately \$210,500 from the FY 2017/2018, indicating that the overage was not because the District was able to cut back on operational costs – rather, it was the receipt of unanticipated funds. The District had received \$53,000 in unbudgeted ambulance revenue, plus a SRP payment and back taxes of \$45,000. Additionally, the District's Contingency Fund held \$112,500.

An additional \$216,000 in revenues has been included in the FY 2018/2019 budget, but that revenue is earmarked for payroll, additional PSPRS contributions, and health insurance increases. Eight-five thousand dollars (\$85,000) had also been budgeted for the Capital Fund in the current FY, but nothing is currently allocated to capital in the FY 2018/2019 budget.

Discussion was held on pension contributions, and Commissioner Fickes stated that increases in pension contributions would be necessary to move toward a lower unfunded pension liability and a better funding ratio. Commissioner Bowin countered that important personnel and future station issues are also extremely important at this time as well. These are some of the many difficult decisions to be made during this budget season.

Chairperson Kattermann explained the impact of paying the premium tax refund in addition to the recommended pension contribution. Paying an additional (estimated) \$20,000 provides an

excess of \$759,000 into the pension, as compared to a shortage of \$190,000 (over 19 years) with not contributing the premium tax refund as an additional payment (legacy payment). Commissioner Fickes stated that the premium tax was paid by the insurance company for the firefighters' pension and should be paid into the pension when possible.

Wildfires serve as excellent training for District firefighters. However, even though wildfire costs are reimbursed, pension liability may always increase.

A special budget meeting was scheduled for 10 a.m. on Wednesday, May 9, 2018, in the RVCA Conference Room.

XVI. CONTINUATION OF REPORTS AND CORRESPONDENCE

EMS Survey Report

Commissioner Finney indicated that two (s) survey responses had been received, all noting "Outstanding Service." No one requested further contact, and no "out of the ordinary" comments were received.

Chief's Report

Trilogy HOA Meeting

Chief Ducote spoke with 35—40 of Trilogy's HOA residents, responding to questions about CPR, lockboxes, and snakes. Trilogy has proven to be a good support network for the District.

Deputy Chief's Report

Activity Report – District Response Times – March 2018

Deputy Chief Eric Merrill reported the following response times for the month of March 2018:

Call Type	Response Time
In-District EMS (Average)	3:58
Out-of-District EMS (Average)	17:30
Out-of-District Corridor (Average)	6:00
In-District Non-Emergency (Average)	4:33

Call Type	# Occurrences	
	2018	2017
Year		
EMS In-District Calls	27	25
EMS Out-of-District Calls	4	1
EMS Corridor Calls	1	6
Non-EMS In-District	42	89
Transports	19	18
Outside Rescue Used Within District	0	2
Fire-related Calls*	2	3

BP/Information Services	26	34
Station Tours/Walk-in First Aid	4	11
Child Seat Install	20	5

*Gas Leaks

Administrative Manager's Report

Wildland Fire Expense Update

	Invoiced Amount	Paid Amount
Encino Fire (Southeastern Arizona) June 21—22, 2017 Jeff Staples, Jamie Hughes, Josh Johnson	\$7,726.05	\$7,726.05
Frye Fire (Southeastern Arizona) June 26—July 10, 2017 Jeff Staples, Jamie Hughes, Josh Johnson	\$75,766.90	\$75,766.90
FY 2017 BDF Support San Bernardino National Forest, California July 26—29, 2017 Dave Bullard, Matt Oden, Josh Johnson	\$13,791.62	\$13,791.62
Orleans Complex San Bernardino National Forest, California July 29—August 12, 2017 Dave Bullard, Matt Oden, Josh Johnson	\$67,314.80	\$67,314.80
Nevada Fires Winnemucca and Reno, Nevada 7/19/2017—8/12/2017 Jamie Hughes, Engine Boss Training	\$10,859.38	\$10,859.38
Southern LNU Complex Napa Valley, California 10/11/17—10/24/2017 Joshua Johnson with Mayer Fire Department	\$9,206.66*	
Lilac Fire & Thomas Fire Southern California 12/6/2017—12/22/2017 Dave Bullard, Jeff Staples, Craig Dimerling	\$73,658.17*	
TOTALS	\$258,323.48	\$175,458.65
		\$82,864.83

The Board-set wildland accounts receivable maximum of \$150,000.00 was never exceeded.

*Lewis reported that crews would not be sent out without reimbursement from prior wildfires. Jeff Staples was present at a CART meeting where he was told that due to so many wildfires last year, all FEMA funds had been used. Further funding would be issued throughout the year, and the funds might be received during the month of May of 2018.

XVII. UNFINISHED BUSINESS

There was no Unfinished Business.

XVIII. BOARD COMMENTS

There were no additional comments from Board members.

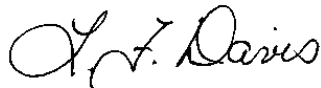
XIX. CHAIRPERSON COMMENTS

There were no additional comments from Chairperson Kattermann.

XX. ADJOURNMENT

Commissioner Finney moved that the meeting adjourn at 11:20 a.m. That motion was seconded by Commissioner Fickes and passed unanimously.

Respectfully submitted,



Libby Floyd Davis
My Personal Secretary
(From Voice Recording)