



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

**May 18, 2020**

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## MINUTES OF THE RIO VERDE FIRE DISTRICT BOARD OF DIRECTORS GENERAL SESSION

May 18, 2020

**COMMISSIONERS PRESENT:** Marty Bowin and George Kattermann (in person); and Jeanne Finney and Nancy Sewell (via telephone)

**COMMISSIONERS ABSENT:** None

**ALSO PRESENT:** Chief Jay Ducote, Fire Marshal Chris Cavanaugh, and Administrative Manager Jennifer Jacobs, Rio Verde Fire District; Resident Scott Thiss; Bond Attorney Tyler Cobb, Ballard Spahr (via telephone); and Bond Underwriter Mike LaVallee, Stifel (via telephone)

### I. CALL TO ORDER

The Monday, May 18, 2020, General Session of the Board of Directors was called to order by Chairperson George Kattermann at 9:00 a.m. in the RVFD Administrative Board Room, Rio Verde, Arizona 85263.

### II. ROLL CALL OF BOARD MEMBERS

All commissioners were present, either in person or by telephone.

### 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

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

April 27, 2020, General Session

**Commissioner Sewell moved to approve the April 27, 2020, General Session minutes. That motion was seconded by Commissioner Bowin and passed unanimously.**

## VII. CLERK'S REPORT

### Future Meetings

Clerk Commissioner Finney listed the following meeting dates:

- Monday, June 22, 2020 – 9 a.m.
- Monday, July 27, 2020 – 9 a.m.
- Monday, August 24, 2020 – 9 a.m.

All meetings will be held at the Alexander Building Board Room.

## VIII. FINANCIAL REPORTS

Commissioner Bowin reviewed the financial report for the April 2020 meeting:

<b>Financial Report – April 2019</b>	
Revenue	\$575,471.23
Expenses	\$267,114.40
Other Income (Expense)	\$550.00
Net Income (Loss)	\$308,906.83
Transfers to (from) Capital Fund	-0-
Adjusted Net Income	\$308,906.83
Monthly Budgeted Net Income (Loss)	\$94,279.09
YTD Actual Net Income (Loss)	\$768,037.89
Borrowing from Capital Fund	-0-
YTD Adjusted Net Income	\$768,037.89
YTD Budgeted Net Income	\$201,783.27
General Fund Operating Cash	\$814,048.27
Capital Fund Cash	\$1,191,593.78
Capital Fund Advances to General Fund	-0-
Capital Fund Equity	\$1,191,593.78

An additional PSPRS payment of \$39,647.35 was made in April, as well as the payment for credited service of \$18,136. By the end of June, the complete budgeted PSPRS item of \$550,000 will have been paid. After the May financials are received from the County, Commissioner Bowin, Chief Ducote and Administrative Manager Jennifer Jacobs will determine the manner in which to disperse the contingency funds.

**Commissioner Bowin moved that the Board accept the April 2020 Financial Report. That motion was seconded by Commissioner Finney and passed unanimously.**

**Commissioner Bowin moved that the Board accept the April 2020 Monthly Transaction Report. That motion was seconded by Commissioner Sewell and passed unanimously.**

**Commissioner Bowin moved that the Board accept the April 2020 bank reconciliations as submitted. That motion was seconded by Commissioner Finney and passed unanimously.**

Commissioner Bowin is authorized to automatically transfer an additional \$250,000 from the Capital Fund to the General Fund to cover upcoming expenses if needed, though no transfer is anticipated through fiscal year end.

#### EMS Reports

Commissioner Finney noted that there were 11 surveys returned, all rating service as "Outstanding," with the exception of one (rating of "Good). There were no negative comments.

Commissioner Bowin mentioned that one resident called to inquire as to why he was being billed an ambulance fee. (There had been no ambulance billing prior to the time the District acquired its own ambulance.)

#### Chief's Report

##### *Vacant Board Position*

The vacant Board position has been posted on all three District sites, on the website, and on the Trilogy website. There were a few interested residents of Trilogy, but none met the qualifications. The posting now has expired, and it will be reposted. A new Board member should be sworn in at the June 22 Board meeting.

Those commissioners who will run for an additional Board term (Commissioners Finney and Kattermann) need to have their paperwork filed with Maricopa County by July 6, 2020.

## Fire Marshal Report

Fire Marshal Chris Cavanaugh reported the following for the month of April 2020:  
Permits issued:

<b>April</b>	<b>2020</b>	<b>2019</b>
Sprinklers	3	20
Propane Tanks	4	14
Others	0	0
YTD (All Types)	99	102

<b>Other Prevention Activity (April)</b>	
Sprinkler Plan Review	1
Propane Plan Review	4
Total Inspections (Fire Marshal and Inspectors)	50

Cavanaugh also reviewed the District's activity and average response times for April 2020:

<b>Call Type</b>	<b>Response Time</b>
In-District EMS	4:26
South District/North District EMS Response Time (Avg)	4:13/8:28
Out-of-District EMS Non-Corridor (Fountain Hills, Fort McDowell)	12:42*
Out-of-District EMS Corridor	N/A
In-District Non-Emergency	6:44

<b>Call Type</b>	<b># Occurrences</b>	
	<b>April 2020</b>	<b>April 2019</b>
EMS In-District Calls	20	32
EMS Out-of-District Calls (Non-corridor)	1	1
EMS Out-of-District Calls (Corridor)	0	2
Non-EMS In-District	101	98
Transports	14	29
• Out of District Transports	0	3
Outside Rescue Used Within District	0	1
Fire-related Calls**	1	1
BP/Information Services	11	41
Station Tours/Walk-in First Aid	0	2
Child Seat Install	0	9

\* Rescue near Fort McDowell

\*\* Smoke Investigation – Out-of-District Brush Fire

In the recent past, response times have been based on the time the 9-1-1 call was received, not when the firefighters were dispatched. That has now been corrected to reflect the proper response times. However, another issue was found with the software where personnel were assigned prior to their vehicle assignment. The Minnesota company responsible for this software issue is working to correct the error.

Recently, an underground propane tank was leaking in the middle of the night, and AmeriGas was called to burn off that fuel (the safest way to handle the situation). Immediate neighbors were alerted of the gas leak.

## **IX. ADMINISTRATIVE MANAGER'S REPORT**

Administrative Manager Jennifer Jacobs noted that there were no new changes to the wildland report.

The Board was provided with the most recent ambulance write-off report. Due to billing company and staff changes, the remaining \$19,888.59 from the past two (2) years must be written off, as it is now over two (2) years old.

Ten thousand, four hundred seventy-seven dollars and 19 cents (\$10,477.19) is the balance within the past two (2) years, reduced from approximately \$20,000.

Complete ambulance receivables total \$30,365.78. Commissioner Bowin noted that the District has improved its ambulance receivables practices from the past, though hard collection is never used. Chairperson Kattermann noted that since the District's accounting system is on a cash basis, this receivables balance would not affect its bottom line.

**Commissioner Bowin moved that the District write off the amount of \$30,365.78 for ambulance receivables. That motion was seconded by Commissioner Sewell and passed unanimously.**

## **X. FIRE STATION BOND**

Bond Attorney Tyler Cobb from Ballard Spahr, and bond underwriter, Mike LaVallee from Stifel, called into the Board meeting at 9:30 to discuss the fire station bond.

Tyler Cobb from Ballard Spahr will legally represent the District in the November 3, 2020, election and subsequent bond offering. Documents for the Call to Election and the Company's Resolution have been prepared. Postings will begin in July and continue through the election.

*Resolution No. 2020-1*

*The Resolution calls for a special bond election to be held on November 3, 2020, in and for the Rio Verde Fire District to submit to the qualified electors thereof the question of issuing and selling not to exceed \$5,000,000 principal amount of general obligation bonds of Rio Verde Fire District to acquire, construct, equip, and improve a public safety building.*

The bond would mature over a period of not-to-exceed 20 years and carry an interest rate of not-to-exceed 10% per annum.

The District will be able to reimburse themselves for expenditures relating to the bond project, even though the expenses were incurred prior to the issuance of the bonds.

Chairperson Kattermann questioned the 10% per annum interest rate and wondered if it would make the bond issue more difficult to pass. Mike LaValley of Stifel responded that this higher rate was largely instituted, because in the 70s, when elections specified rates of 6% and 8%, interest rates actually went higher. The issuers were then unable to borrow money without returning to the electors for a new bond issue. LaVallee stated that he had not seen an election where the not-to-exceed interest rate caused an uproar with voters.

Messrs. LaVallee and Cobb both responded that the bond interest rate could be lowered to 9% if the District wished to do so. Ultimately, no Board member was against the 10% rate.

Cobb informed the Board that mail ballots had been considered – but only if they could be facilitated by the Maricopa County Elections Department. The County, however, could not accept that responsibility during a general election year. The District could conduct a “mail ballot only” election itself, but it would incur additional administrative expenses.

The type of election noted in the Resolution is a traditional general election. District voters can request an early ballot or to be put on a permanent early voting list, and then ballots would be sent out in the mail. Those who do not request an early ballot, or request that they be placed on the early-voting list, would have to go to their precinct in order to vote on this bond issue. The bond issue will be on the same ballot as every other matter up for election on that day.

Land owners are being encouraged to obtain a vote-by-mail ballot in order to avoid having to vote in a precinct (complete with sanitizing and space rules) and navigate through what could be a very lengthy ballot. Staff will confirm the District’s voting location.

Commissioner Bowin asked if the election result would be based on the majority of those returning ballots or the majority of landowners within the District. Mr. Cobb confirmed that it would be a majority of qualified electors in the District who voted at the election.

**Commissioner Sewell moved to approve the Resolution and attached materials as written. Commissioner Bowin seconded the motion and it passed unanimously.**

Commissioner Finney will sign the document as District Clerk, and George Kattermann will sign as District Chairman.

## **XI. ADJOURNMENT TO EXECUTIVE SESSION/RECONVENE TO GENERAL SESSION**

**Pursuant to ARS §38-431.03(1), at 9:53 a.m. Commissioner Bowin moved that the Board move to Executive Session for the purpose of discussing of employee compensation. That motion was seconded by Commissioner Finney and passed unanimously.**

At 10:14 a.m. the Board reconvened to General Session.

**Commissioner Sewell moved to: (1) accept the healthcare benefits as discussed in the Executive Session, (2) accept the COLA increase as discussed, and (3) accept the executive salary proposals for the fire marshall, administrative manager, and the fire chief. That motion was seconded by Commissioner Bowin and passed unanimously.**

## **XII. BUDGET WORKSHEET FY 2019/2020 AND FY 2020/2021**

**Commissioner Finney moved that the budget worksheet (with noted amendments) be approved. That motion was seconded by Commissioner Bowin and passed unanimously.**

The amendments to the budget will be updated, and it will be posted within the appropriate timeframe as dictated by the County.

## **XIII. UNFINISHED BUSINESS**

There was no unfinished business.

## **XIV. BOARD COMMENTS**

Commissioner Bowin advised the Board that he had received a letter from ATLAS CPAs indicating that the District's past auditor (Kay Green) had been replaced by Andrew Wendt.



Potential Board members who might fill the open position from Jerry Fickes's departure were discussed.

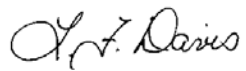
#### **XV. CHAIRPERSON COMMENTS**

There were no additional comments from Chairperson Kattermann.

#### **XVI. ADJOURNMENT**

**Commissioner Bowin moved that the meeting adjourn at 10:22 a.m. That motion was seconded by Commissioner Finney and passed unanimously.**

Respectfully submitted,



Libby Floyd Davis  
My Personal Secretary  
(From Voice Recording)