



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

February 24, 2025

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I. CALL TO ORDER

The Monday, February 24, 2025, General Session of the Board of Directors was called to order by Chairperson George Kattermann at approximately 9:00 a.m. in the RVFD Fire Station #442 Community Room, located at 17619 E. Rio Verde Dr., Rio Verde, AZ 85263.

COMMISSIONERS PRESENT: Marty Bowin, Jeanne Finney, George Kattermann, Nancy Sewell, and Pete Sturman.

COMMISSIONERS ABSENT: None

ALSO PRESENT: Chief Scott Krushak, Deputy Chief Kelvin Bartee, Deputy Chief Chris Stewart, Fire Marshal Chris Cavanaugh (via telephone), Administrative Manager Jennifer Jacobe, and Tatum Heinrich, Rio Verde Fire District; and Residents David LeMoine and Harold Tabor

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 Verde River website.

IV. CALL TO THE PUBLIC

There was no response to the Call to the Public.

V. APPROVAL OF MINUTES

January 29, 2025 – General Session

Commissioner Sewell moved that the Board approve the January 29, 2025, General Session minutes as submitted. That motion was seconded by Commissioner Finney and passed unanimously.

VI. CLERK'S REPORT

The following meeting dates were listed:

- Monday, March 24, 2025, 9 a.m.
- Monday, April 28, 2025, 9 a.m.
- Monday, May 19, 2025, 9 a.m. (Early due to Memorial Day)

All meetings will be held in the Community Room at F/S #442, 17619 E. Rio Verde Drive, Rio Verde, AZ 85263.

VII. FINANCIAL REPORTS

Commissioner Sewell reported on the January 2025 financials:

| Financial Report | |
|---------------------------------------|----------------|
| Revenue | \$171,248.47 |
| Expenses | \$494,511.23 |
| Other Income (Expense) | (\$180,184.69) |
| Net Income (Loss) | (\$503,447.45) |
| Transfers to (from) Capital Fund | (\$250,000.00) |
| Adjusted Net Income | (\$253,447.45) |
| Budgeted Monthly Net Income | (\$303,925.74) |
| | |
| YTD Net Income (Loss) | \$1,477,027.67 |
| Borrowing from Capital Fund | \$750,000.00 |
| YTD Adjusted Net Income | \$727,027.67 |
| YTD Budgeted Net Income | \$586,397.05 |
| | |
| General Fund Operating Cash | \$1,352,720.38 |
| Capital Fund Cash | \$631,430.26 |
| Capital Fund Advances to General Fund | \$750,000.00 |
| Capital Fund Equity | \$1,381,430.26 |
| | |
| YTD Funds Borrowed from Capital Fund | \$1,250,000.00 |
| YTD Funds Repaid to Capital Fund | \$500,000.00 |

| | |
|--|----------------|
| Funds Owed to Capital Fund | \$750,000.00 |
| | |
| Total Bond Fund Authorization* | \$5,101,858.64 |
| Total Expenditures to Date | \$4,956,107.47 |
| Total Interest to Date (Interest Earned) | \$47,802.52 |
| Current Month Expenditures | -0- |
| Remaining Bond Equity | \$66.11 |

*The "Total Bond Fund Authorization" includes the \$5,000,000 bond, plus the cost of issuance.

Commissioner Sewell moved that the Board accept the January 2025 Financial Report as submitted. That motion was seconded by Commissioner Bowin and passed unanimously.

Commissioner Sewell moved that the Board accept the January 2025 Transaction Report as submitted. That motion was seconded by Commissioner Finney and passed unanimously.

Commissioner Sewell moved that the Board accept the January 2025 bank reconciliations as submitted. That motion was seconded by Commissioner Sturman and passed unanimously.

Two hundred fifty-thousand dollars (\$250,000) will be moved from the general fund back to the capital fund during this month.

The following line items were discussed:

1. We have found a way to shift personnel, allowing us to be able to use the second (backup) ambulance when there are back-to-back calls. Thus, we see an increase in in-district ambulance calls. This usage of the backup ambulance and personnel shifting is not a sustainable plan as the district increases in size, but it keeps the district from using outside ambulances at this time.
2. Fulltime/overtime increased in January, but several firefighters have graduated from the Phoenix Fire Academy and have now joined our staff. Chief Krushak indicated that fulltime/overtime should drop significantly in the coming months.
3. Engine #441 repairs caused that line item to appear higher than anticipated. Commissioner Bowin asked at what point a major overhaul becomes a capital expense as opposed to a general expense. The Board will need to have a discussion on this issue in the near future.

VIII. COMMISSIONER OVERSEEING EMS

Commissioner Clerk Jeanne Finney reported the following:

Twelve (12) surveys (out of 32) were returned, all claiming "Outstanding" service with only positive attributes and comments. One patient requested that blankets be used to transport

individuals from their homes to the ambulance, and one patient indicated that her spouse was directed to a different hospital than she was sent to. (This happens due to rerouting the patient while en route. Rerouting happens when a hospital is full or if a different hospital is more appropriate for that type of illness/injury.)

IX. ADJOURNMENT TO EXECUTIVE SESSION/RECONVENE TO GENERAL SESSION

Pursuant to ARS §38-431.03(1), at 9:23 a.m. Commissioner Bowin moved that the Board move to Executive Session for discussion purposes. Commissioner Sewell seconded the motion, and it passed unanimously.

At 10:38 a.m. the Board reconvened to General Session.

Commissioner Bowin moved that the Board select Harold Tabor as the new Board member replacing Commissioner Martin Bowin, effective March 24, 2025. Additionally, he moved that Dave LeMoine be selected as the new Board member replacing Chairperson George Kattermann, effective May 19, 2025. That motion was seconded by Commissioner Sewell and passed unanimously.

Once the new Board is operational (May), votes will be taken to assign Board positions.

X. CHIEF'S REPORT

Tax Levy Limit Worksheets

The district has received the 2025 Tax Levy Limit Worksheet. The net revenue increase for the fire district due to new properties and valuation changes is 9.3%. The tax rate is currently 3.75%, the maximum allowable.

Budget Timeline

Chief Krushak distributed the budget timeline, a template which indicates what steps have to be completed to approve the budget.

Commissioner Sewell commended the Jennifer Jacobe and staff for their work on the budget each year.

Legislative Update

There are 1,678 bills currently on the legislative floor. Those bills pertaining to the fire district are several bills about wildfire/fuel mitigation, grant appropriations toward wildfire suppression, and readiness. Other bills deal with ambulance regulation/response, being pushed by the ambulance lobby and private industry/hospitals in an attempt to deregulate ambulance laws and increase income.

District Activities

Staff attended a public safety power shutoff exercise at Salt River Project. Discussion was held on cutting off the power in portions of the fire district and Rio Verde Corridor should there be certain environmental conditions that exist (ambient air temperature, relative humidity, fuel moisture, and wind speed). The major issue for the district is what to do when the power has been turned off. A meeting will be held at 1 pm on February 26, 2025, where staff will meet with County Emergency Management to discuss this mitigation.

This shutoff plan would affect roughly 600 homes in our district and 200 homes west of the district but does not affect F/S #442. Though having all the environmental conditions has not occurred yet, it does not mean that (in this time of unprecedented weather events), it cannot happen. The district is working on ways to diminish the possible incident and will work with County Emergency Management to take care of the community in case it should happen.

Salt River Project will come to the community to explain how this will aid the community and are looking for agencies to support their plan. Chief Krushak indicated that he would not support their plan of doing an elective measure that would harm the community.

Essentially, Salt River Project is presenting legislation (HB 2201) that would alleviate liability from a power company/provider if there is a wildfire or the power is turned off. Chief Krushak advised that this legislation will most likely pass.

New Flooring – F/S #441

Station #441 has a new floor and showers, and in the process of that maintenance, the garage door was repaired. Station #442 lost their hot water heater, and that was repaired as well. Repairs were completed within budget.

Wildland Fire Training

A class was held on structural triage – evaluation of community structures – which will be protected and which structures will be forfeited to the fire.

There was a wildland fire deployment to California in January, bleeding over through the beginning of February. The crew was gone for seven days, and that billing is currently pending.

XI. DEPUTY CHIEF'S REPORT

District Annexations

The project manager for the commercial development (WLD Group) updated Deputy Chief Kelvin Bartee, indicating that they are in the final plan review stages with the County for the

underground of the infrastructure work for the property. There is no definite anchor for the property at this time.

The West 36th property will most likely be sold in the beginning of 2026 to Toll Brothers and Shea Homes. We will work toward having that property annexed into the district prior to that time.

An individual with property off Rio Verde Drive has asked that his property be annexed to the fire district. He has tried to transition that property from residential to commercial property and is currently looking for a use permit. His company provides water services for the Rio Foothills area, assists in wildland training, and provides Type 6 apparatus deployed in wildland fires throughout the United States. He is researching the possibility of putting in a water line to his property from EPCOR, as well as hydrant. The property would consist of storage for his apparatus, as well as a facility that would be temporary housing for employees to respond to wildfires.

Response Data

Deputy Chief Chris Stewart presented the January response data for Board members.

There were 50 responses from F/S #441 and 21 responses from F/S #442 in the month of January.

The district responded to two Scottsdale construction fires (within 24 hours) in January.

Recruiting/Staffing/Training

We are facilitating a new hire/recruitment/testing process. Acceptance of applications will start on February 24, 2025, and continue through March 21, 2025. We don't currently have an eligibility list of candidates, nor a specific opening for a job, but one employee is eligible to retire in April.

An orientation will be held on March 12, 2025, and then interviews will tentatively be scheduled for April 7, 2025.

Fourteen new members have been brought into the RVFD in the past 18 months. The last two members began the Phoenix Fire Academy this past Monday and are scheduled to graduate on the second Friday of May. Two individuals who are now in paramedic training will graduate in April. At that time, all positions will be fully trained and staffed, 33 members in place, six on probationary status.

The structural triage class identified an opportunity to bring the Department of Forestry and Fire Management back to do an additional "attack class." State representatives will come out

later this month, and they will work on strategic level tactics for wildfires that either start in or outside the community.

The district received an “Assistance to Firefighter” grant for incident command certification training in December, and six company officers and Chief Bartee are now certified instructors inside the district.

Physicals

Yearly compliance physicals were completed by Heartfit for Duty, a local occupational medicine provider catering to public safety. The vast majority of their business is for fire departments and firefighters, and our results in using them have been positive. There have been no medical issues to date.

XII. FIRE MARSHAL’S REPORT

Fire Marshal Chris Cavanaugh reported the following for the month of January:

| Permits Issued: | 2025 | 2024 |
|------------------------|-------------|-------------|
| Sprinklers | 0 | 10 |
| Propane | 1 | 9 |
| Other | 0 | 0 |
| YTD (All Types) | 1 | 19 |
| Plan Reviews: | 2025 | |
| Propane | 1 | |
| Sprinkler | 2 | |
| Total Inspections | 33 | |

Trilogy

One thousand and fourteen (1,014) homes have been closed by Shea Homes as of the end of January.

Miscellaneous

Last month, construction was stopped on one house in Tonto Verde due to a lack of a sprinkler installation. That sprinkler system has been installed, but they are awaiting a new water meter. (Plans cannot be approved and construction cannot be initiated until installation of that water meter.)

Calls have been received from Rio Verde Foothills homeowners asking if they need to install fire sprinklers in their homes. Fire Marshal Chris Cavanaugh that these homeowners are not in our district and referred them to the county for their requirements.

One Trilogy homeowner who held insurance through what was called “Westwood Insurance Agency” now called “Millennial Specialty” contacted Cavanaugh regarding his insurance. Cavanaugh wrote a letter indicating that the district’s ISO rating was a “2” as opposed to a “9.” No reports have been received of any refusals to provide insurance.

XIII. ADMINISTRATIVE MANAGER’S REPORT

Wildland Expense Update

Administrative Manager Jennifer Jacobe advised that the district had invoiced and received \$93,299.39 for wildfire services. Billing data for the last fire are in process.

XIV. UNFINISHED BUSINESS

There was no unfinished business.

XV. BOARD COMMENTS

There were no further Board comments.

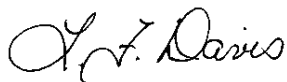
XVI. CHAIRPERSON COMMENTS

Chairperson Kattermann declared his pending retirement.

XVII. ADJOURNMENT

At 11:35 a.m. Commissioner Sewell moved that the Board adjourn. That motion was seconded by Commissioner Finney and passed unanimously.

Respectfully submitted,



Libby Floyd Davis

My Personal Secretary (From Voice Recording)