

**Minutes of a Regular Meeting of the Board of Directors of the Verde Valley Fire District  
Meeting Held May 26, 2020**

A Regular Meeting of the Verde Valley Fire District Board of Directors was held electronically on May 26, 2020 at 3:00p.m. due to COVID-19 restrictions.

Board of Directors (all attended via Zoom):

Ken Bishop, Chairman  
Donald Peck, Board Clerk  
Thomas Rhodes  
Coleen Gilboay  
Gary Svider

Staff Present (all attended via Zoom):

Joe Moore, Fire Chief  
Lisa Elliott, Administrative Manager  
Kyla Rolfes, Fire Inspector  
Matt Robertson, Captain  
Ivan Anderson, Firefighter  
Joyce Driscoll, Administrative Assistant

Others Present (all attended via Zoom): None.

**CALL TO ORDER** - The meeting was called to order at 3:00 p.m. by Chairman Bishop.

**ROLL CALL** – All members were present via Zoom; a quorum was present.

**PLEDGE OF ALLEGIANCE TO THE FLAG** – Those present stood and recited the pledge of allegiance to the American flag.

**MOMENT OF SILENCE – A moment of silence for firefighters who have lost their lives.**  
A moment of silence was observed for the 16 U.S. firefighters who lost their lives last month. It was noted that 10 of these deaths were due to COVID-19, 1 injury, 2 vehicle accidents, and 3 other medical causes.

**ORDER OF THE AGENDA** – Discussion and consideration of changing the order of the agenda. No action.

**MINUTES** – Discussion and consideration of the minutes of a Regular Meeting held April 28, 2020, the minutes of a Special Meeting held May 7, 2020 and the minutes of a Budget Committee meeting held May 12, 2020. Board Member Gilboay made a motion to approve the minutes of the Regular Meeting held April 28, 2020. Board Clerk Peck seconded. The motion passed unanimously. Board Member Rhodes made a motion to approve the minutes of the Special Meeting held May 7, 2020. Board Clerk Peck seconded. The motion passed unanimously. Board Clerk Peck made a motion to approve the minutes of a Budget Committee meeting held May 12, 2020. Board Member Gilboay seconded. The motion passed with Chairman Bishop, Board Clerk Peck, Board Member Gilboay and Board Member Svider in favor and Board Member Rhodes abstaining.

**CALL TO THE PUBLIC – None.**

**FINANCIAL REPORTS – Discussion and consideration of the financial report for the previous month (including ambulance billing).** Administrative Manager Elliott reviewed the written financial reports:

- The District is 83% through the fiscal year.
- Interest revenue received for April (which was lower than usual) was \$949.98 for the General Fund and \$1,700.68 for the Capital Fund.
- Total cash at the end of April: \$2.4mil.
- Total cash in Capital Fund: \$2.6 mil.
- Transferred \$57,863.44 to Capital fund for repayment of PSPRS contribution loan.
- Positive cash flow of \$888,357 for April and 810,184 year to date.
- \$1,222,561.41 of Property Tax Revenues received in April.
- \$99,032.13 of Fire District Assistance Tax (FDAT) revenues were received in April.
- Some of the individual expenditures in April.
- Total expenditures are 22.24% under the year to date allocation.
- Total operating expenditures-only are 3% less than the year to date allocation.
- Collected 90.86% of total Property Tax revenues through the month of April.
- Ambulance collections and call volume.
- Changes made to the wildland assignments report.

Board Member Gilboy made a motion to approve the Financial Report. Board Member Rhodes seconded the motion. The motion passed unanimously.

**CHAIRPERSON'S REPORT – A report from the Chairperson on his activities for the District.** No report given.

**BOARD MEMBER REPORTS – Reports from the members of the Board on their activities for the District.** No reports given.

**UNION REPORT – A report from the District representative of the Sedona-Verde Valley Firefighters Association on current events and activities for the past month.** Vice President Ivan Anderson stated that they have leadership training coming up in June which is a coordinated effort between Chief Moore and the Sedona-Verde Valley Firefighters Association. It was also reported that Dave Rodriguez is currently serving as the Interim President until November when elections are held.

**CHIEF'S REPORT – A report from the Fire Chief on current events and his recent activities including, but not limited to: Public relations, meetings and events attended, incident call volume, specific incidents and training.** Chief Moore highlighted the following from his written report:

- Meetings he attended during the month of April.
- He worked with the Sedona Verde Valley Firefighters Association to bring training to the District for the Battalion Chiefs, Captains and some administration personnel.
- Various community businesses brought food to the station for the crews; this was very much appreciated.

- A new air bag lift system was purchased through funds received from the Arizona Governor's Office of Highway Safety.
- An Autism awareness parade circled Station 31 on April 22<sup>nd</sup>; the crews showed support by pulling out apparatus and turning on lights.
- The District was awarded funds from the Arizona Community Foundation to help defray COVID-19 costs.
- Justin Sandoval was promoted to Engineer.
- Six out of the eight new Reserve Firefighters have been shift qualified.
- The station and shift bid process was completed.
- Six Lexipol policies have been sent to the Board for review.
- He is waiting for attorneys to complete a contract with the Arizona Department of Transportation (ADOT).

Board Member Rhodes inquired about the Cottonwood Community Task Force and the meeting held on April 16<sup>th</sup> with a local construction company. Chief Moore explained that the Mayor and City Manager of Cottonwood invited him to attend the Task Force meetings which are about working collaboratively to reopen from the COVID-19 isolation. Chief Moore stated that he met with a local contractor to get an idea of how much it would cost to construct an administration building.

**FIRE INSPECTOR REPORT – A report from the Fire Inspector on current events and recent activities, including, but not limited to: Public education, fire prevention, meetings and events attended, training, permits issued/closed and inspections.** Inspector Rolfes, referencing her written report, noted the following:

- Site visits to businesses were discontinued due to COVID-19 unless they were absolutely necessary.
- Burn restrictions were implemented; burn permits are not being activated.
- She will work with schools when they reopen regarding safety measures.
- Since she had downtime, she entered data and updated documents in the District's permit program, ER; she now has two years of data entered into the program.
- Car seats have not been installed due to COVID-19.
- She processed 5 residential permits, completed 4 and has 2 commercial plan reviews.

Board Member Rhodes inquired as to citizen complaints listed on her report. Fire Inspector Rolfes explained that one was a complaint about brush being piled-up on a property and the other was about overgrown weeds; both potential fire hazards.

## OLD BUSINESS

**APS CONTRACT – Discussion and possible action regarding a proposed ingress/egress contract with APS to allow APS access across District-owned property to a future electrical substation to be located at 1591 State Route 89A (tax parcel #406-27-053B).** Chief Moore reported that the attorneys do not have the contract ready for consideration. Board Member Rhodes made a motion to table this agenda item to the next regular meeting. Board Clerk Peck seconded. The motion passed unanimously.

## NEW BUSINESS

**CALL OF ELECTION – Discussion and possible adoption of Resolution 2020-04 calling for an election on November 3, 2020.** Administrative Assistant Driscoll explained that this is part of the normal election process. She noted important dates related to the election and that election packets are available on the Yavapai County website. Board Member Gilboy made a motion to adopt Resolution 2020-04 calling for an election on November 3, 2020. Board Clerk Peck seconded the motion. The motion passed unanimously.

**WORKERS' COMP POOL AGREEMENT – Discussion and possible approval of Resolution 2020-05 authorizing the District to enter into an Agreement with Securis Insurance Pool, Inc. for workers' compensation coverage and authorization for the Fire Chief to execute required documents.** Chief Moore noted that this is the agreement for joining the workers' compensation pool as discussed at the previous meeting.

Board Member Gilboy made a motion to approve Resolution 2020-05 authorizing the District to enter into an Agreement with Securis Insurance Pool, Inc. for workers' compensation coverage and authorization for the Fire Chief to execute required documents. Board Clerk Peck seconded the motion. The motion passed unanimously.

**CONFLICT OF INTEREST/PURCHASING POLICY – Discussion and possible approval of the Conflict of Interest section of the District's Purchasing Policy which is required to be approved annually to allow the District to make limited purchases from Board Members pursuant to Arizona Revised Statutes §38-503.** Chief Moore stated that this is an annual action taken per A.R.S. §38-503, which states: Political subdivisions, other than school districts, may purchase through their governing bodies, without using public competitive bidding procedures, supplies, materials and equipment not exceeding three hundred dollars (\$300.00) in cost in any single transaction, not to exceed a total of one thousand dollars (\$1,000.00) annually, from a member of the governing body if the policy for such purchases is approved annually.

Board Member Rhodes made a motion to approve the Conflict of Interest section of the District's Purchasing Policy allowing limited purchases from Board Members as authorized by A.R.S. §38-503. Board Member Gilboy seconded the motion. The motion passed unanimously.

**PURCHASE ORDER – Discussion and possible approval of a purchase order to Tyler Technologies for the purchase of a financial software system and authorization to exceed the FY2019-2020 budget for account 8140-03 by \$2,391.** Administrative Manager Elliott stated that at the May 7, 2020 Board meeting the Board approved a contract with Tyler Technologies. She explained that the cost approved by the Board at their February 25, 2020 meeting included a discount. She stated that the amount of the discount was based on the District purchasing all of the modules included in the quote; however, when the Board removed some of the modules, some of the discount was no longer applicable. Therefore, the contract amount ended up being more than anticipated, and the cost exceeds the amount budgeted by \$2,391. Administrative Manager Elliott noted that the conversion and implementation should take 10-11 months.

Board Member Gilboy made a motion to approve the purchase order to Tyler Technologies for the purchase of a financial software system and authorization to exceed the FY2019-2020 budget for account #8140-03 by \$2,391. Board Clerk Peck seconded the motion.

Further explanation of the misunderstanding regarding the amount of the discount was given by Administrative Manager Elliott in response to questions from Board Member Rhodes. She noted that the District has budgeted to purchase the additional modules in the coming fiscal year, and at that time the additional discounts will apply.

The motion passed unanimously.

**DIVISION BUDGET OVERTAGE – Discussion and possible approval of the Building Maintenance Division FY2019-2020 budget overage.** Chief Moore stated that this year there were a number of emergency purchases in the Building Maintenance Division, such as a propane gas line repair and the replacement of a refrigerator. He stated that he is asking for approval for the overage. He stated that he does not anticipate any other expenses. Administrative Manager Elliott noted that earlier in the day she was made aware of a possible problem regarding an air conditioning unit at Station 31. Captain Robertson stated that the air conditioner has worked off and on during his shift. Chief Moore noted that there may be more costs.

Board Member Rhodes made a motion to approve the FY2019-2020 budget overage in the amount of \$4,235.35. Board Member Gilboy seconded the motion.

Board Member Rhodes stated that it would be nice to know where the District is for the year and if there is an item that runs over, to know what other line item the funds are being taken from to cover it. Administrative Manager Elliott stated that the total expenses of the District are 3% under budget; therefore the overage will be flexed out over the entire budget. She stated that this item was brought to the Board because the Board has a policy that Staff must stay within the amounts of the set division budgets. Board Member Rhodes requested that if there are future overages he would like included in the information provide to the Board the status of the total budget and where the funds will come from to cover the overage.

The motion passed unanimously.

**TENTATIVE BUDGET – Discussion and possible adoption of the FY2020-2021 Tentative Budget.** Chief Moore stated that this needs to be adopted to move forward with the public hearing and consideration of the final budget in June. He noted that the FY2020-2021 Tentative Budget includes a 5% increase in Limited Assessed Value for Property Tax Revenues, a Mil Rate of 3.21, a 2.5% wage increase and that operating revenues equal operating expenses. He noted that the Board needs to make a decision on how to allocate of the carryover funds. Several options were presented in the Agenda Report:

- Allocate \$188,399 to the Capital Fund to pay the FY2021-2022 Debt Service payment in FY2020-2021 (to pay off the engines) and allocate the remaining amount to PSPRS to pay down the unfunded liability.
- Allocate ½ of the carryover funds to the Capital Fund and the remaining ½ to PSPRS.
- Allocate \$188,399 to the Capital Fund to pay the FY2021-2022 Debt Service payment in FY2020-2021 (to pay off the engines) and allocate ½ of the remaining amount to PSPRS to pay down the unfunded liability and the remaining ½ to the Capital Fund.
- Allocate \$188,399 to the Capital Fund to pay the FY2021-2022 Debt Service payment in FY2020-2021 (to pay off the engines), allocate \$50,985 of the remaining amount to PSPRS to pay down the unfunded liability (as calculated using the PSPRS actuarial modeler) and the remaining funds to the Capital Fund.

Discussion followed regarding the PSPRS actuarial modeler and the \$50,985 Administrative Manager Elliott has determined using the modeler that the District needs to pay, in addition to the normal contribution, to maintain the District's PSPRS liability.

Discussion took place regarding the District's Capital Fund and that with purchasing the items as scheduled and without funds being added to the fund, it will be depleted in approximately two years.

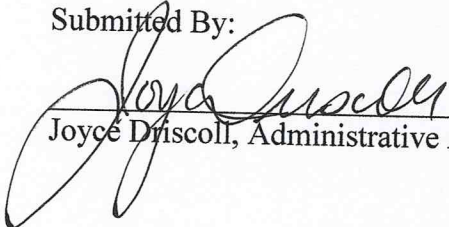
Board Member Gilboy made a motion to allocate approximately \$188,399 to the Capital Fund to pay the FY2021-2022 debt service payment for the fire engines; allocate half of the remaining funds to PSPRS to pay down the unfunded liability and the remaining half to the Capital Fund. Board Member Rhodes seconded the motion. The motion passed with Chairman Bishop, Board Clerk Peck, Board Member Gilboy and Board Member Rhodes voting in favor and Board Member Svider voting against.

**FUTURE AGENDA ITEMS – A listing of items to be placed on a future agenda.**

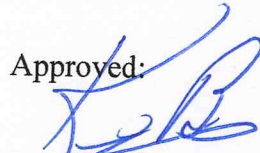
- VVAC / VVFD service discussions.
- APS Contract.

**ADJOURNMENT.** With no further business before the Board, the meeting adjourned at 3:57 p.m.


Submitted By:

  
Joyce Driscoll, Administrative Assistant

Approved:

  
Ken Bishop, Chairman

Attest:

  
Don Peck, Board Clerk