

**Minutes of a Regular Meeting of the Board of Directors of the Verde Valley Fire District Held
October 22, 2024**

A Regular Meeting of the Verde Valley Fire District Board of Directors was held on October 22, 2024, at 5:00 p.m. in person at Station 31, 2700 E. Godard Road, Cottonwood, Arizona and electronically (via Zoom).

Board of Directors:

Donald Peck, Chairman
Coleen Gilboy, Board Clerk
Kenneth Bishop
Robert Brummett
Timothy Bishop (absent)

Staff Present:

Danny Johnson, Fire Chief
Lisa Elliott, Administrative Manager
Ashley Hammond, Administrative Specialist
Cody Harkey, Battalion Chief (via Zoom)
Louis Newell, Captain (via Zoom)
Station 36 (via Zoom)
Dustin Chambliss, Battalion Chief
Seth Murphy, Captain

Others Present:

Mark Reader, Stifel Managing Director

CALL TO ORDER – The meeting was called to order at 5:00 p.m. by Board Chairman Peck.

ROLL CALL – Board Member T Bishop was absent; a quorum was present.

ORDER OF THE AGENDA – Discussion and consideration of changing the order of the agenda. There was no change to the order of the Agenda.

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 46 U.S. firefighters who lost their lives in the line of duty in 2024 to date and Copper Canyon Fire and Medical District's Firefighter Shane Gage.

CALL TO THE PUBLIC

CONSENT AGENDA – DISCUSSION AND POSSIBLE ACTION.

- A. **Minutes** – Discussion and consideration of the minutes of the Regular Meeting held on September 24, 2024, and the Executive Session held on September 24, 2024.

Board Member K Bishop made a motion to approve the Consent Agenda. Board Clerk Gilboy seconded the motion. The motion passed unanimously.

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

- The District is 25% through the fiscal year.
- Bank Transaction Report
 - Administrative Manager Lisa Elliott stated that the interest revenues were not posted by Yavapai County in September due to staffing changes.

Administrative Manager Lisa Elliott stated that the District encountered a problem with a bank account with Yavapai County, managed by Chase Bank. She stated the issue was discovered after one of our vendors contacted us to report that a check they sent had been returned. Administrative Manager Lisa Elliott stated that she contacted Yavapai County, and they stated that they had an issue with Chase Bank and were working to resolve the matter and would update the District on the findings of their inquiry. She stated she received an email from Yavapai County stating that the checks would be reissued to the vendor to avoid further delay and requested the correct mailing address for the replacement checks. She stated that she has received replacement checks for the three (3) vendors who were involved including, Big O Tires, Tire Pro, and VFIS. Administrative Manager Lisa Elliott noted that Yavapai County stated the issue stemmed from the Positive Pay system that Yavapai County uses with Chase Bank. She stated that Yavapai County has stated they will reimburse any additional charges incurred due to the returned checks.

Board Clerk Gilboy asked if the District has contacted the three (3) vendors involved. Administrative Manager Lisa Elliott stated yes.

Chief Johnson stated that Verde Valley Fire District was not the only district affected by this mistake.

- Total cash in the General Fund is \$1,653,113.71 (does not include the PSPRS COP Contingency Reserve Fund.)
- Payroll liabilities will be corrected through the payroll process.
- Decrease in cash of \$345,982 for the month of September.
- Negative cash flow of \$1,076,040 for the fiscal year.
- Cash flows show that they are adequate to fund the fiscal year's operations.
- FY2024-2025 Property Tax Revenues received: \$46,172.25.
- Fire District Assistance Tax (FDAT) Revenues received: \$4,987.69.
- The following account explanations are for items occurring within the month of September 2024:
 - Page 1 Account 01-475000 Arizona State Grant Revenues – Fire Incident Management Grant reimbursement and final COVID grant reimbursement.
 - Board Clerk Gilboy asked if that will have to be a back journal entry. Administrative Manager Lisa Elliott stated no.
 - Page 2 Account 01-5100-512202 PSPRS Defined Contribution – Credit for forfeited employer contributions.
 - Page 5 Account 01-6300-637132 Misc Repairs & Maintenance – Station 32 – Includes ice machine repair, water filtration system, generator service, and bay door repairs.
- Total operating-only expenditures are 6.98% lower than the year-to-date allocation.
- Total General Fund expenditures are 11.49% lower than the year-to-date allocation.
- \$47,172 (1%) of the total FY2024-2025 budgeted Property Tax revenues have been collected. This is because the Yavapai County Assessor's Office does not issue the tax bills until the end of September of each year.
- Ambulance Billing Report

- For the month of September there were 110 billable calls in the month. This is a decrease of 8 billable calls from the prior month and a year-to-date increase of 19 calls from the same timeframe in FY2023-2024. Cash collections have decreased \$70,380 compared to the same timeframe in FY2023-2024. This is due to the delayed billing process for commercial payors.
- Ambulance cash collections of \$51,723.31 were received.
- Total Ambulance Billing Receivables were \$734,080.03, an increase of \$53,478.16 from the prior month.
- Crews have been deployed on ten (10) assignments in FY2024-2025 to date.
 - Invoices have been submitted for all the assignments and payment has been received for four (4) of the invoices.
 - Board Clerk Gilboy asked that all wildland assignment invoices have been submitted. Administrative Manager Lisa Elliott stated yes, at the time she was creating the report all invoices had been submitted but Arizona State Department of Forestry and Fire Management had not accepted all the invoices, they were still under review.
 -

Board Member K Bishop made a motion to approve the Financial Reports. Board Member Brummett seconded the motion. The motion passed unanimously.

REPORTS AND CORRESPONDENCE

CHAIRPERSON'S REPORT – A report from the Chairperson on their recent activities for the District.

None

BOARD MEMBER REPORTS – Reports from members of the Board on their recent activities for the District.

None

UNION REPORT – A report from the District representative of the Sedona-Verde Valley Firefighters Association on current events and activities for the past month.

Chief Johnson stated a Union representative was not present, and they have a Labor Management meeting scheduled next week.

FIRE INSPECTOR REPORT – A report from the Fire Inspector, discussion, and possible action regarding current events and activities, including: Public education, fire prevention, meetings and events attended, training, permits issued and closed, significant projects, and inspections.

Chief Johnson presented the monthly statistics:

New Permits: 4
 Complaints: 4 total 0 – Invalid, 4 – Referred to County
 General and Final Inspections: 5
 General correspondence including site visits, emails, phone calls and letters: 25+
 Plan Reviews: 5
 Preliminary Code Reviews: 4
 Variances for Hot Work and Burns Outside Regulation – Awarded – 0
 Knox Box Installs - 0
 Car Seats: 11 Installs

Chief Johnson stated significant projects pending include Clarkdale Apartments, Highlands at Clarkdale, Clarkdale News Stand, Tuzigoot Storage, U-Haul, and Circle K. He stated that Fire Inspector Lopez attended the Fire Wise event in Jerome, LAFS meetings and is at the Arson 1 class in Tucson. Chief

Johnson stated that the MOU of the Community Risk Reduction between Verde Valley Fire District, Copper Canyon Fire and Medical District, and Sedona Fire District has been very beneficial. He stated that Copper Canyon Fire and Medical District had a large commercial arson recently that was a three (3) day investigation and was very helpful having all agencies available to assist in the investigation.

FIRE CHIEF REPORT – A report from the Fire Chief, discussion and possible action regarding current events and his recent activities, including: National Line of Duty Firefighter deaths; meetings and events attended; human resource updates; finance and grant updates; special projects/other updates; wildland assignments and mutual aid; out-of-District calls; County and State updates; AFDA updates; and other potential updates.

Chief Johnson reported on items from his report including:

- Meetings Attended
 - Sedona Leadership Academy
 - Shane Gage Funeral Service Planning
 - AFDA Monthly meeting
 - Fort Verde Days
 - National Night Out Camp Verde
 - Monthly AFSI
 - ESCI Site Visits
 - Meetings scheduled October 23 – 24, 2024.
 - Copper Canyon Fire Board meeting
 - Copper Canyon Staff meeting
 - CEOP Round Table discussion
 - Meeting with Clarkdale leadership
 - Timber Mesa Captain Academy
 - Verde Valley Fire Board meeting
 - Verde Valley Staff meeting
 - AZFCA Presidents forum
- Human Resources
 - Station visits with the crews have been taking place to explain their EAP resources.
- Finance / Grants
 - VVFD was the lead agency in submitting a regional AFG grant for cardiac monitors.
 - Regional partners are Verde Valley Fire District, Sedona Fire District, and Copper Canyon Fire and Medical District. We have not received any updates.
 - Chief Johnson stated that we have been informed that we did not receive the AFG grant.
 - Submitted a Congressionally Directed Spending Grant for an ambulance.
 - We have been included in the draft appropriations bill.
 - FY 23/24 Audit is underway.
- Special Projects / Other
 - The JPA study has begun, and we are in the data collection phase with site visits scheduled for October 23-24, 2024.
 - We will begin the process of researching and preparing our organization for NERIS, this will replace the current system of NFIRS.
 - We are in the process of reaching out to community leaders for individuals who may be interested in the Bond Advisory Committee.
- Wildland Assignments / Mutual Aid
 - Captain Matt Roberston was deployed with his Incident Management Team to North Carolina for hurricane relief.

- Total OOD responses for October: 0
- County and State Updates
 - Chief Johnson stated Arizona is projecting a \$425M budget surplus this fiscal year.
- AFDA Updates – Legislative updates.
 - AFDA Board meeting scheduled for November 7, 2024.
 - AFDA Board meeting scheduled for December 3, 2024.

OLD BUSINESS - None**NEW BUSINESS****Bond Presentation – Presentation and possible discussion on the bond process and the District's bonding capacity.**

Chief Johnson stated that Stifel Managing Director, Mark Reader is present to give the Board information on the bond process and discuss the District's bonding capacity.

Mr. Reader presented a General Information Related to a Potential November 2025 General Obligation Bond Election presentation. He stated that fire districts are primarily funded through property taxes. When significant capital projects are needed, it is common for Special District's to seek voter approval through a ballot measure.

Mr. Reader stated that Verde Valley Fire District's Net Full Cash Value is over four (4) million dollars, growing every year and is up twenty-three percent (23%) in Yavapai County's Full Cash Value. He explained that property taxes are calculated determined by the Net Limited Assessed Property Value. He stated that the 2024/2025 Net Limited Assessed Property by Property Classification is \$218,315,700 containing 83.6% residential, 9.1% commercial and industrial, and 7.0% agricultural and vacant.

Mr. Reader explained general obligation bond limits and that capacity can grow as Net Limited Assessed Property Value increases and as the General Bond principal is retired. He stated that Verde Valley Fire District's bonding capacity is \$13,098,942. He explained that with a maximum election ask, 120% of current capacity, the bonding capacity would equate to \$15,718,730.

Mr. Reader presented historical tax rates of Verde Valley Fire District and explained that Verde Valley Fire District is currently at a \$3.31 MIL rate.

Mr. Reader presented a list of Arizona fire district G.O. bond elections from 2004-2023. He stated that Timber Mesa Fire District did not pass in November 2021. Chief Johnson stated that during the time Timber Mesa Fire District was seeking a G.O. bond there was a large organized, funded group against the G.O. bond that funded a large NO campaign against the bond.

Mr. Reader stated that he believes all bonds can be passed with a reasonable purchase plan and tax rate. He presented multiple bond election scenarios showing the estimated debt service requirements and projected impact on the secondary bond tax rate.

Chief Johnson stated that he and Captain Murphy are in the process of reaching out to community leaders for individuals who are interested in being on the Bond Advisory Committee.

Mr. Reader asked the Board if they had any questions.

The Board had no questions for Mr. Reader and thanked him for his presentation.

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

ADJOURNMENT. With no further business before the Board, the meeting adjourned at 5:49 p.m.

Submitted By:

Approved:

Ashley Hammond, Administrative Specialist

Donald Peck, Board Chairman

Attest:

Coleen Gilboy, Board Clerk

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