

MINUTES

**Central Arizona Fire and Medical Authority
Central Arizona Fire and Medical Authority Board of Directors
CA Regular Meeting
Monday, February 26, 2018, 5:00 pm - 7:00 pm
Town of Chino Valley, Council Chambers,
202 N. State Route 89, Chino Valley**

In Attendance

Darlene Packard; Dave Dobbs; Dave Tharp; Jeff Wasowicz; Julie Pettit; Laura Mowrer; Matt Zurcher; Nicolas Cornelius; Scott A Freitag; Susanne Dixon

NOTICE OF MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Central Arizona Fire and Medical Authority Board of Directors and the general public that the **Central Arizona Fire and Medical Authority** will hold a meeting open to the public on **Monday, February 26, 2018 at 5:00 p.m.** The meeting will be held at the **Town of Chino Valley, Council Chambers, 202 N. State Route 89, Chino Valley, Arizona.** The Board may vote to go into Executive Session on any agenda item, pursuant to A.R.S. §38-431.03(A)(3) for discussion and consultation for legal advice with Authority's Attorney on matters as set forth in the agenda item. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS

Board Chair Pettit called the Central Arizona Fire and Medical Authority (CAFMA) Board of Director's meeting to order on Monday, February 26, 2018 at 5:00 p.m. at Chino Valley Town Council Chambers, 202 N. State Route 89, Chino Valley. Director Dave Dobbs attended telephonically.

2. PLEDGE OF ALLEGIANCE

Board Chair Pettit led the Pledge of Allegiance.

3. PRESENTATIONS

A. Chino Valley Town Council Report

Chino Valley Town Manager Cecilia Gritman provided an update on current Chino Valley activities including their community outreach, citizen's academy and scheduled strategic planning session.

B. Board Members' Reports

i. Prescott Regional Communications (PRCC)

Director Wasowicz informed the Board that he and Chief Polacek reviewed the monthly PRCC invoice and it is inline as expected, and they are using the new software. He mentioned that PRCC received 232,059 calls in 2017 with CAFMA making up about 17%; 98.5% of the 911 calls were answered within 10 seconds. The new software will assist with the call volume.

ii. Public Records Requests

Director Zurcher had nothing more to add.

iii. Legal Fees

Director Zurcher had nothing more to add.

iv. Labor/Management

Director Dobbs stated that Labor is reviewing how far they are behind in wages, but they understand the financial standing of the Agency. It's a work in progress to get them to where they need to be.

C. Analysis of Fiscal Year Ending June 30, 2017 Audit and Review of Equity of the Respective Agencies

Chief Tharp introduced Stephen Crandall and explained that he assisted the Agency in preparing for the audits.

CPA Stephen Crandall with SC Audit & Accounting Solutions, LLC, provided an overview of the accounting structure that he assisted in creating for the fire agencies. He explained that he consulted with other CPAs, fire district auditors, GASB authors, and the Auditor General's office and presented a joint venture accounting structure to make sure it was appropriate for CAFMA. This was designed so that two organizations could create a third entity and then measure the results within the third entity. The previous year's audited financial statements were used to transfer assets and liabilities in detail to CAFMA. Transactions from each side were tracked to measure the proportions of contribution. In subsequent years, there will be operating results. Mr. Crandall explained that Page 53 of the CAFMA audit shows the detailed information for each District. He understood that this information was important to management, the Board, and the public.

Mr. Crandall stated that since CAFMA was created, there have been similar models, but he does not believe the others have worked so hard to get it right. He stated that he feels that there has been a lot of attention to detail and he is proud to be part of the accounting aspect.

Chief Tharp encouraged the Board to read the Management Discussion and Analysis that is located at the beginning of the CAFMA audited financial statements. He mentioned the Budgetary Highlight in the audit where it states that during Fiscal Year 2017 there were no modifications to the General Fund's originally adopted budget. The total actual revenues were \$1,222,606 greater than the budgeted revenues while total actual expenditures were \$3,813,887 less than budgeted expenditures. Chief Tharp stated that the report explains why, and this is important information for the Board members to understand and be able to communicate to the public. He described the detailed information contained in the report, and stressed the importance for each board member to review and understand it.

Attorney Cornelius stated that there have been a lot of discussion related to CYFD subsidizing CVFD; he asked if there was any evidence of that.

Mr. Crandall stated that the accounting system was structured to avoid any type of subsidizing between the two fire Districts. There is a formula in place so that if one organization costs more than the other, their investment in CAFMA would be reduced. Mr. Crandall explained that on Page 14 of CAFMA Audited Financial Statements the total net position is \$49,632,229; the investment from CVFD is \$10,618,235 and when you add CYFD's investment, it equals 100% of CAFMA's net position. If one organization costs less, their investment increases.

D. Letters from the Public

Chief Freitag mentioned positive feedback he received Sunday in emails regarding tax reductions.

E. Monthly Division Reports from the Fire Chief and staff in regard to current activities of the Fire Authority and the status and progress relating thereto

Chief Freitag explained that he attended the Governor's preseason wildfire briefing which was held early this year due to already seeing fire activity around the state. Chief Freitag stated that there has been some precipitation; however, it has not made up for the 120 days of drought. They anticipate this season's conditions will be similar to 2000, 2005 and 2011, and he recommended the public take precautions as most fires are human caused. He encouraged residents to create defensible space around their homes.

Chief Tharp explained that there was a significant increase in the net assessed value (NAV) -- anything above 4% is significant. Chino Valley's increase was about 6 % and Central Yavapai's increase was 7%; new construction made up almost 2% for both organizations. He mentioned that the Boards have always been fiscally conservative and that there can't be an expectation of continual NAV increases.

Fire Marshal Chase explained that there was a local stakeholder's meeting and this year's public focus will be on the READY, SET, GO! Program; information will be distributed soon. He mentioned that construction is booming with an apartment complex in Chino Valley, the Talking Glass apartments in Prescott Valley, Orchard Ranch expansion, a lot of stand-alone buildings, and a fuel station in Dewey.

4. CALL TO THE PUBLIC

A.R.S. §38-431.01(H) states: A public body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

In accordance with A.R.S. §38-431.01(H) and as a matter of policy, the Central Arizona Fire and Medical Authority Board has decided to allow public comments as time permits. Therefore, those wishing to address the Board regarding an issue within the jurisdiction of this public body may do so in an orderly manner that includes completing a Call to the Public Form and submitting it to staff for the record. If a written statement is being read, please provide a copy to ensure it is entered into the record accurately. Individuals will be limited to speak for three (3) minutes and Call to the Public shall not exceed 30 minutes per meeting.

Chair Pettit opened the meeting for public comments.

Chris Kuknyo voiced appreciation for the meeting with Director Wasowicz and the two chiefs regarding PSPRS, and stated he feels the Board should be doing more. He thanked the Board for moving Call to the Public to the beginning of the meeting. Mr. Kuknyo asked how much of the Chino Valley's debt and expenses are being paid by Central Yavapai Fire District. He understood that Chino Valley was in dire straits and thought Central Yavapai was doing better. He asked if there were savings, why do the budget tax rates keep climbing. He stated that the 2017 and 2018 Chino Valley and Central budget tax rates increased, not including the property value increases or the new construction that Chief talked about. He voiced concern that the tax rate was \$1.48 in 2010 and today it's \$2.56. He asked why tax rates was increasing and how Chino was getting money if Chino were maxed out.

Lynne LaMaster expressed concern that the Board was going to vote on Policy 190 Public Records Requests; however, since it was not on the agenda the Board cannot vote on it today.

Chris Jensen stated that the documents included in the Board packet provided some history of the problem of Spence Springs Road and 523 petitioners requested a resolution. He stated that they are no longer requesting signs on Spence Springs Road. He requested that the Board confirm that the 16' wide private road violates the fire code. He also asked that while the fire code violation continues, there should be no commercial activity or new construction at Emanuel Pines Camp. He stated that through zoning regulations, the County is stopping new commercial activity. He acknowledged that the fire district does not have jurisdiction over

the road width or anything about roads. He stated that the joint powers agreement was founded on enforcing the fire code and protecting the public from fire danger. He asked the Board to consider enforcing the fire code.

ViciLee Jacobs, as a Central Yavapai Fire District Director, requested that the CAFMA Board consider pulling Policy 190 Public Records and the Fire Board Policy amendments from the agenda so that all Board members could be part of the process. She asked the Board to consider holding a special joint meeting next month prior to the CAFMA meeting to discuss those items.

5. CONSENT AGENDA

All matters listed under consent agenda are considered to be routine by the Central Arizona Fire and Medical Authority Board and will be enacted by one motion. There will be no separate discussion on these items. Any item may be removed by a board member and will be considered separately for motion, discussion and action.

- A. Approve Regular Session Minutes - January 22, 2018
- B. Approve Executive Session Minutes - January 22, 2018
- C. Approve General Fund Financial Statements
- D. Approve Fire Protection Agreements - Levy, McRoberts

Motion to approve the Consent Agenda as written.

Move: Matt Zurcher Second: Darlene Packard Status: Passed

Yes: Dave Dobbs, Darlene Packard, Julie Pettit, Jeff Wasowicz, Matt Zurcher

6. VOTE TO GO INTO EXECUTIVE SESSION

- A. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Policy 190 Public Records Requests
- B. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Fire Board Policy Amendments
- C. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Spence Springs Road
- D. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Personnel Issue-Underpayment of Retirement Contributions Re: Freitag
- E. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Technical Services Reorganization

Motion to adjourn into Executive Session at 5:40 p.m. Chief Bliss was invited to join the Executive Session for the relevant agenda item.

Move: Darlene Packard Second: Matt Zurcher Status: Passed

Yes: Dave Dobbs, Darlene Packard, Julie Pettit, Jeff Wasowicz, Matt Zurcher

7. OLD BUSINESS

Chair Pettit reconvened into Public Session at 6:41 p.m.

- A. Motion, Discussion, and Action on Amended Policy 190 Public Records Access
Board consensus was to pull this item from the agenda for further legal review.
- B. Motion, Discussion, and Action Regarding Fire Board Policy Amendments
Board consensus was to table the amendments for further work by CAFMA Board members. There will not be any joint meetings as this is strictly related to CAFMA and the

CAFMA Board members are the appropriate conduit to their respective Boards.

8. NEW BUSINESS

A. Motion, Discussion, and Action Regarding Spence Springs Road

Board Chair Pettit explained that because the Spence Springs Road easement is on private property and was created long before any codes were in place, it is not within the jurisdictional authority of this agency to do anything further; therefore, a resolution on this issue is unnecessary and the current fire code is being fully enforced.

Motion to consider this matter closed by this Board.

Move: Darlene Packard Second: Matt Zurcher

Attorney Cornelius advised the Board that Fire Marshal Chase, Yavapai County Development Services Manager Dave Williams, and representatives from Emanuel Pines were present and available to answer any questions. Attorney Cornelius noted that the Emanuel Pines representatives were present during the Call to the Public and completed a form to speak; however, they did not turn it in.

**Yes: Dave Dobbs, Darlene Packard, Julie Pettit, Jeff Wasowicz, Matt Zurcher
Status: Passed**

B. Motion, Discussion and Action Regarding Personnel Issue-Underpayment of Retirement Contributions Re: Freitag

Board Chair Pettit instructed staff to make the proper calculations and resolve the underpayment.

C. Motion, Discussion and Action Regarding Technical Services Reorganization

Chair Pettit stated there is no Board action; the Board has been briefed; and staff can move forward as they planned.

9. ADJOURNMENT

Motion to adjourn at 6:44 p.m.

Move: Darlene Packard Second: Jeff Wasowicz Status: Passed

Yes: Dave Dobbs, Darlene Packard, Julie Pettit, Jeff Wasowicz, Matt Zurcher

Clerk / Date

Signature indicating approval on next page.

Signature Page For: 2018.02.26_CAFMA_Minutes_Approved.pdf - Central Arizona Fire and Medical Authority Board of Directors - CA Regular Meeting - 3/26/2018

A handwritten signature in black ink, appearing to read "Darlene Packard". The signature is fluid and cursive, with a large initial "D" and a distinct "P".

Darlene Packard , Board Clerk 03/27/2018