

**MINUTES OF REGULAR MEETING OF THE
RINCON VALLEY FIRE DISTRICT GOVERNING BOARD MEETING
HELD January 24, 2019**

A public meeting of the Rincon Valley Fire District Governing Board was convened on **January 24, 2019 at 6:00 P.M.** at RVFD Station 2; 14550 E. Sands Ranch Rd. Vail, AZ 85641. Present at the meeting were the following members of the Rincon Valley Fire District Governing Board: Chairperson Michelle Harrington, Clerk Mark Tate, Member Jennifer Spears, Member Terry Newman, Member Christopher Klasen.

The following matters were discussed, considered and decided at the meeting:

1. Call to Order at 6:01 P.M by Chairperson Harrington

A. Roll Call - Clerk Michelle Harrington	present
Member Terry Newman	present
Member Mark Tate	present
Member Jennifer Spears	present
Member Chris Klasen	present

- Also attending – Fire Chief Jayme Kahle, Administrative Manager Laura Bucklin. RVFD Attorney Donna Aversa was present at 6:11 pm. (See hand written sign in sheet attached for others present).

2. Pledge of Allegiance – RVFD Firefighter Christopher Heady lead the pledge of allegiance.

3. Date of next meeting re-scheduled for February 19, 2019 at 6:00 P.M.

- Confirmed by five board members.

4. Call to the Public

- District residents were present to thank the C Shift Station 291 Crew Members, Aaron Brown, Richard Graham, Kenny Quinn, Wayne Davies, and Captain Jim Tucker for responding to an incident regarding their 3-week old child, and wanted to show the crew members their appreciation for taking care of their family.
- Chief Kahle also mentioned a district resident had notified him wanting to thank the firefighters for responding to a carbon monoxide incident.

5. Consent Agenda

Approval of Consent Agenda – Motion by Member Tate, second by Member Spears to approve all items on the Consent Agenda. Motion passed 5 to 0.

- A. Approval of the Minutes of the December 20, 2018 Regular Board Meeting.
- B. Approval of Resolution #19-013 Iniquez Annexation (13655 E Blue Cactus Lane).

- C. Approval of Resolution #19-014 Hanshaw Annexation (10,065 S Calle Rinconado).
- D. Approval of Resolution #19-015 Crane Annexation (13556 & 13665 S. Hound Dog).

6. Reports and Correspondence

A. Fire Chief's Report – Reviewed by the Board. Report on file.

- Chief Kahle filed the annual Ambulance Revenue and Cost Report (ARCR) with the Arizona Department of Health Services. He presented the Board with a detailed explanation regarding the Total Ambulance Service Operating Revenue vs the Total Ambulance Service Operating Expense. The difference resulted in a Net Operating Loss (NOL) of (\$616,540). Member Spears had some concerns regarding the NOL and wanted to know what other fire districts are doing to recuperate some of the cost. Chief Kahle stated some fire district's charge district residents a percentage of the difference not paid by insurance companies, and some fire districts do not seek payment from district residents. Member Klasen also had some concerns regarding the possibility of the district growth in the future, resulting in an increase of the Net Operating Loss. The Board requested this item to be added to next month's meeting for further discussion. No action taken, discussion only.
- Operational Work Plan Tracking – Chief Kahle provided a Strategic/Operational Plan Performance Report and attached a tracking sheet for Board review. All goals are in compliance.
- A letter from the Arizona Department of Forestry and Fire Management was attached regarding a delay in wildland payments as a result of the government shutdown.

B. December's Financial Reports – Review, discussion and possible action, of the district's financial status including monthly summary reports.

- Monthly Financial Report for the month of December 2018.
- Monthly Expense Report for the month of December 2018. Member Spears asked for clarification regarding expenses for the Pima County Recorder's Office, and the VUSD TSW Program. Chief Kahle provided an explanation of each expense in detail. The Pima Co. Recorder's Office was for additional district election fees, and the VUSD-TSW Program is for monthly landscaping services for both fire stations.
- Monthly Bank Reconciliations and Balance Sheet for the month of December 2018.

-Motion by Member Spears, second by Member Newman to approve the district's financial reports for the month of December 2018. Motion passed unanimously 5 to 0.

7. Unfinished Business

A. 2019-036 – Review, discussion and possible action regarding the November 2018 Election.

- There has been no activity on this issue in December. We will continue to work on this. Please note that all current annexations, since February 2018, are meeting all count agency reporting requests. I believe our goal is to have an accurate voter registration role prior to our next election (2020). Member Spears asked if the annexations submitted prior to February 2018 are not part of the Voter's Registration. Chief Kahle stated at this time there is no way to determine if those annexations have been included or not. Chief Kahle will continue to work with Pima County Recorders. This item will be kept on the agenda until resolved. Discussion only. No action taken.

8. New Business

A. 2019-019 – Review and discussion regarding the District Fee Schedule.

- At the last meeting, the board directed Chief Kahle to provide area fire department rates. I believe the intent was to compare Rincon's rates to those of area fire departments. Chief Kahle received a total of ten responses and those agencies include: 1) Avra Valley, 2) Corona de Tucson, 3) Drexel Heights, 4) Golder Ranch, 5) Green Valley, 6) Picture Rocks, 7) Rural/Metro, 8) Three Points, 9) Northwest, and 10) Tucson Fire. Please note that four agencies also provided the methodology behind the fee calculation. All fee schedules and responses are provided. General discussion regarding Rincon Valley Fee Schedule in comparison to other fire district's fees. Board members had concerns regarding how RVFD should base our fees, options for Fire Marshal position, and Cost Recovery fees. Board would like to keep this item on the agenda for future review and discussion. Board also thanked Chief Kahle for providing the information from the above mentioned fire agencies. No action taken.

B. 2019-020 – Review, discussion and possible action regarding the FY 19/20 Budget Process.

- Chief Kahle attached the draft budget schedule for FY 2019/20. In accordance with the schedule, Chief Kahle hopes to present the first draft budget at the March meeting and a final budget by May meeting. Fortunately, we already know the status of our assessed valuation numbers for FY2019/20. Our new assessed valuation is \$130,921,671 which translates to a 10.37% increase. This is amazing news in that we have finally reached our previous high assessed valuation of \$125,509,973 from FY 2009/10. As part of the first draft, Chief Kahle is considering the following financial implications: funding to maintain benefits, provide a merit increase (2.5%), cola (2.8%), reinstate the fire marshal position/function, and maintain our capital replacement plan. We will also incorporate any budget requests submitted from the

membership and board. Chief Kahle would also ask that the board provide a budget advisor for this year's process again. He has included two charts showing our current tax rates relative to area fire districts.

Member Spears volunteered to serve as the budget advisor for the Fiscal Year 2019/2020 Budget.

-Motion by Chairperson Harrington, second by Member Klasen to have Member Jennifer Spears serve as the budget advisor the FY 19/20 Budget process. Motion passed unanimously 5 to 0.

C. 2019-021 - Review, discussion and possible action to regarding the FY 19/20 Capital Replacement Plan.

- At the beginning of every annual budget process, the Logistics Manager, Danny Lawson and Chief Kahle get together to review the status of our fixed assets and predict the needs for the next ten years. The plan also provides a budgetary baseline for the annual budget. Attached is our latest capital replacement plan that covers Years 2019-2029. We are fortunate that we do not have any capital items scheduled for replacement in FY19/20. The lack of expenditures will allow us to bank funds for future anticipated needs, such as new pumper in 2022/23 at \$550,000. This plan does allow us to surplus our fourth ambulance, Shop 0603, if staff determines it is not needed. Please note that this plan does not include any new capital needs. The capital budget is predicted to have a beginning balance of \$251,000 and \$200,000 is estimated to be transferred in July 2019 for a total of \$451,000. The current annual cost of capital replacement is estimated at \$218,000 per year. We have no gaps in predicted expenses to funding.

-Motion by Chairperson Harrington, second by Member Spears to approve the Fiscal Year 19/20 Capital Replacement Plan. Motion passed unanimously 5 to 0.

D. 2019-022- Review, discussion and possible action to approve an IGA with the Golder Ranch Fire District for Information Technology Services.

- We currently receive our IT services from two different entities. TCR, a private entity, has maintained our servers and PC's since December of 2016. Those services costs us \$18,000 per year, paid \$1,500/ month. They have provided great service. However, they are not able to maintain our fire department specific mobile equipment such as mobile routers, mobile data terminals, and electronic patient care reporting (epcr) laptops. Our second provider is Golder Ranch Fire District and they have managed our record management systems since January 2018 for \$3,000/year. They have done an excellent job and are especially skilled with mobile devices. I believe we could improve IT services by going with Golder only. We currently pay \$21,000/year for IT services. The new agreement is for \$18,000 per year, to be paid in four quarterly payments of \$4,500 each. We would save a total of \$3,000/year.

-Motion by Chairperson Harrington, second by Member Klasen to approve the IGA with Golder Ranch Fire District for Information Technology Services. Motion passed unanimously 5 to 0.

9. Future Agenda Items (no discussion)

- Annexations
- Election Ballots – Voter Registration
- Fee Schedule - Plan Reviews, Cost Recovery
- ARCR – Total Ambulance Operating Loss.
- PSPRS House Bill 2097 – Policy Statement

10. Adjournment - Motion by Clerk Tate, second by Member Spears to adjourn. Motion passed 5 to 0. Meeting adjourned at 7:31 p.m.

Dated this 25th day of January 2019.

Rincon Valley Fire District Governing Board

Chairperson Harrington

Clerk Tate

Member Newman

Member Spears

Member Klasen