

MINUTES

**Central Arizona Fire and Medical Authority
Central Yavapai Fire District Board of Directors
Regular Session**

Tuesday, February 21, 2017, 4:00 pm - 4:30 pm

Central Arizona Fire and Medical - Station 61 - 1133 W Road 3 North - Chino Valley

In Attendance:

Darlene Packard; Dave Tharp; Jeff Wasowicz; Laura Mowrer; Matt Zurcher; Nicolas Cornelius; Scott A Freitag; Susanne Dixson; Tom Steele; ViciLee Jacobs

NOTICE OF MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Central Yavapai Fire District Board of Directors and the general public that the Central Yavapai Fire District will hold a meeting open to the public on Tuesday, February 21, 2017 at 4:00 p.m. The meeting will be held at the Central Arizona Fire and Medical Authority, Station 61, 1133 W. Road 3 North, 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 Packard called the Central Yavapai Fire District (CYFD) Board of Director's meeting to order on Tuesday, February 21, 2017 at 4:00 p.m.

2. PLEDGE OF ALLEGIANCE

Board Member Steele led the recitation of the Pledge of Allegiance.

3. CALL TO THE PUBLIC

Those wishing to address the Central Yavapai Fire District Board need not request permission in advance. However, we ask that you complete a Call To Public Form for the record. The Board is not permitted to discuss or take action on any item raised in the Call to the Public due to restrictions of the Open Meeting Law; however, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct the staff to review the matter or the matter may be placed on a future agenda. Individuals may be limited to speak for three (3) minutes with a total of 30 minutes allotted for Call to the Public per meeting.

Board Chair Packard opened the meeting for public comments.

There were no public comments.

Attorney Cornelius arrived during the Call to the Public.

4. CONSENT AGENDA

All matters listed under consent agenda are considered to be routine by the Central Yavapai Fire District Board and will be enacted by one motion. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately for discussion and possible action.

- A. Approve Regular Session Minutes - January 17, 2017
- B. Approve Executive Session Minutes - January 17, 2017
- C. Approve General Fund Financial Statements
- D. Approve Bond Debt Service Financial Statements
- E. Transfer January Revenues from Central Yavapai Fire District to Central Arizona Fire and Medical Authority in the Amount of \$384,430.29

Approve Consent Agenda.

Move: Tom Steele Second: Matt Zurcher Status: Passed

Yes: ViciLee Jacobs, Darlene Packard, Tom Steele, Jeff Wasowicz, Matt Zurcher

5. NEW BUSINESS

- A. Discussion Related to Prescott Regional Communication Center (PRCC) Tours

Chief Freitag stated that there have been some requests to tour PRCC. Chief Black would prefer that a tour be conducted as a group to reduce interruptions. Chief Freitag will send an email to Board Members with available dates and times.

- B. Discussion and Direction to Staff on Board Meeting Time Schedule

Chief Freitag stated that we originally anticipated the CYFD meeting lasting about 30 minutes; however, with the ACE situation and budget items, the meeting will be a little longer. The original recommendation was to start the meeting at 3:30; he asked for direction from the Board.

Board Member Jacobs stated that there may be more community involvement if the meetings are held later in the day. She suggested 5:30 or 6:00.

Board Member Wasowicz asked if CYFD had to be the first meeting.

Chief Freitag explained that Chino's Board Chair had a conflict with holding their meeting earlier.

Board Member Wasowicz mentioned that the Board of Supervisor meets in the morning, and he stated that if the public has concerns, they will show up. He voiced concern with starting the meetings at 6:00.

Board Member Steele voiced concern that enough time was allotted for the meeting.

Board Chair Packard explained that we need to be considerate of the other Boards that meet after CYFD. She stated that she is willing to meet at 3:30 and would like to try and keep the meeting to 30 minutes if possible.

Motion to change meeting to 3:30 p.m.

Move: Matt Zurcher Second: Jeff Wasowicz Status: Passed

Yes: ViciLee Jacobs, Darlene Packard, Tom Steele, Jeff Wasowicz, Matt Zurcher

- C. Discussion Regarding Funds Transfer and Overview of CAFMA

Chief Freitag explained the budget development process.

Staff develops a line item budget for the operation of Central Arizona Fire and Medical Authority and then develops the funding portions for Central Yavapai and Chino Valley Fire Districts.

Staff recommends the budget schedule to the Boards.

All Board Members attend a joint workshop in April to review all three budgets and ask questions. He explained that if the CYFD Board does not sign off on the line item budget, then they are not going to sign off on the revenue side, and we need to go back to the drawing board. The Board will make recommendations to staff and changes will be made.

Once CYFD agrees to the line item budget and agrees with their portion of the funding, the Chino Valley Board does the same. CAFMA cannot approve the line item budget until the other two boards approve the funding.

Chief Freitag explained that the budget workshop is open to the public. It is held at the Training Academy due to extra space required.

Yavapai County collects the taxes for Central Yavapai and Chino Valley Fire Districts. He explained that a large portion of tax revenue is collected during October/November; July/August revenue is less. Many districts use warrants to offset the low revenue months; however, interest is charged for using warrants. CAFMA is using capital account to pay expenditures until the revenue is received.

Chief Tharp stated that only Fire Authorities in Arizona are not able to tax or bond; all other joint powers authorities (irrigation, sanitation, etc.) have taxing and bonding capabilities.

Chief Freitag explained that the County collects the tax revenue for the Districts and the funds are transferred monthly to CAFMA with Central Yavapai and Chino Valley Fire District Board's approval. CAFMA then pays all expenses including payroll.

Board Member Jacobs asked for clarification on how the two tax levies are combined.

Chief Freitag explained that CAFMA is managing the funds that the District Boards approved in their budget at the beginning of the fiscal year.

Board Member Steele verified that the CYFD Board approves their tax rate that is used for CAFMA's budget.

Chief Freitag mentioned that all members are employed by CAFMA; CYFD employs the attorney for specific issues. He explained that the Public Safety Personnel Retirement System (PSPRS) is a joint account under CAFMA; the net result is a savings of \$230,000 for CYFD.

Attorney Cornelius stated that Board Members may contact him if they have additional questions. He explained that the joint management agreement was created instead of a merger in order for neither agency to support the other. He also mentioned that if at any point during the fiscal year there is a question regarding an expenditure, the Board may ask for clarification.

Chief Freitag explained that current joint powers authorities were reviewed prior to establishing CAFMA to determine how they set them up, what worked, what didn't. The agreement was based on successful authorities that were already in place. There are other power authorities being created in Arizona following similar models.

D. Budget Update

Chief Tharp provided the Board with the net assessed value (NAV) report and indicated that the values were favorable. Chief Tharp verified the numbers as they seemed high. Prop 117 states that the assessed value cannot increase more than 5%; however, CYFD's NAV was 6.68%; the projection was 3%-4%. He explained that there are several legal classifications with different assessment ratios. Commercial property accounts for \$5 mil increase and residential property accounts for \$4 mil.

We had forecasted 3% increase, and we were looking to increase the tax rate if required. We may not need to increase the tax rate with the increased values. There are still PSPRS and other expenses that are increasing though. Chief Tharp explained that individual property taxes may still increase due to the increased value of the parcel, not necessarily an increased tax rate. Chief Tharp explained that these funds will be used wisely with the anticipation that these increases will not continue.

Chief Freitag explained that an existing parcel cannot increase more than 5%; however, new construction value is added at the new assessed amount. With the increases, we are still below the 2008 values; however, we are seeing improvements and new construction.

6. VOTE TO GO INTO EXECUTIVE SESSION

- A. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) and Instruction to District Legal Counsel Pursuant to A.R.S. §38-431.03(A)(4) Re: Training Center Drainage

Executive Session was not required.

7. OLD BUSINESS

- A. Discussion and Possible Action Related to Training Center Drainage Issues

Attorney Cornelius stated that we are continuing with disclosure and expert opinions and the process is moving forward.

8. ADJOURNMENT

Motion to adjourn at 4:49 p.m.

Move: Matt Zurcher Second: Tom Steele Status: Passed

Yes: ViciLee Jacobs, Darlene Packard, Tom Steele, Jeff Wasowicz, Matt Zurcher

Clerk _____ Date 3/21/17