



Copper Canyon Fire & Medical District

26B Salt Mine Road, Camp Verde, AZ 86322
www.ccfmd.az.gov Phone (928) 567-9401

REGULAR BOARD MEETING
Station 81 – 494 S. Main Street, Camp Verde
Tuesday, June 16, 2022 / 9:00 am
~ MINUTES ~

1. **Call to Order:** Pursuant to notice, a Regular Meeting of the Copper Canyon Fire & Medical District was called to order by Chairperson Linda Welsch at 9:00 am on Thursday, June 16, 2022. Payroll/Benefits Assistant Kerrie Tarver recorded the minutes. A quorum was present, and the meeting, having been duly convened, was ready to proceed with business.

2. **Roll Call of Board Members** Linda Welsch – Chairperson; Brandi Bateman – Clerk; Carol Keeton; Steve Darby (9:45 am) - Members; **Not Present** - Justin Largent - Members.

Staff Present: Fire Chief Terry Keller; Battalion Chief Daniel Elliott; Administrative Manager Robyn Cook; Captain Tyler Rezzonico; Engineers Tanner McDonald, Jake Fitzgerald; and Nic Dubs; Firefighters Chad DeWitt, Brady Elliott, Shane Gage, Taylor Hammond, Randy Justus, Lane Moxon, Jackie Pickering, and Jake Spleiss; Payroll/Benefits Assistant Kerrie Tarver – Recorder.

Others Present: Dayna Quinn; and Debbie Roulette

3. **Salute to the flag of the United States of America and Moment of Silence to Honor all American Men and Women in service to our Country, Firefighters, and Police Officers.**
Chairperson Welsch led the pledge of allegiance followed by a moment of silence.

4. **Call to the Public:** There were no requests to speak

5. **Approval of Minutes**

A. **Executive Session Minutes for April 19, 2022**

Board Member Keeton made a motion to approve the Executive Session Minutes for April 19, 2022. Clerk Bateman seconded. There was no further discussion and the motion passed unanimously.

B. **Regular Meeting Minutes for May 19, 2022**

Board Member Keeton made a motion to approve the Regular Meeting Minutes for May 19, 2022. Clerk Bateman seconded. There was no further discussion and the motion passed unanimously.

6. **Reports:**

A. **Fire Chief**

- a. **Rosenbauer Pumper Update**
- b. **2022 AZ Legislative Update**
- c. **Congressionally Directed Spending Update**
- d. **Reserve Firefighters Update**
- e. **Cherry Road Vineyards Update**
- f. **MRFD Auxiliary Updates**
- g. **Baby Update**

Chief Keller briefed the Board on the items as provided in the written Chief's Report, there was no additional news to discuss. Board Member Keeton disclosed details regarding the MRFD Auxiliary hosting the Fourth of July parade and events.

B. Operations

Battalion Chief Elliott provided the operations report. He discussed incident information, number of transports, and training.

C. Fire Marshal

Chief Keller provided updates on new commercial development in the area and discussed the article in the Verde Independent regarding the land agreement between the Town of Camp Verde and Yavapai Apache Nation. The discussion included potential impacts on the fire district.

D. Financial/Administrative

i. Reconciliations

ii. Financials

Administrative Manager Robyn Cook informed the board about a \$177,000 error made by the county. A reversal will occur in June. The ambulance revenue was lower than expected, but it was still over budget for May. The rate increase was issued effective June 1st, which will generate approximately an additional \$200 per transport.

The overtime will be closer to \$300,000 over budget versus \$275,000 as previously anticipated. Other wage categories that are under budget will offset that overage.

The budget was 87% expended.

There was a discussion about issues of obtaining reports from the Department of Public Safety (DPS) for out-of-district billing. Administration is working on resolving the issue.

7. Discussion and possible action on the approval of the financials for May 2022.

Clerk Bateman made a motion to approve the financials for May 2022. Board Member Keeton seconded, there was no further discussion and the motion passed unanimously.

8. Possible vote to go into Executive Session:

A. A.R.S. §38-431.03(A)(7): re: Discussion or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property; re Howard's Road, Arena del Loma, Salt Mine Road, and Cliffside Trail

Clerk Bateman made a motion to go into Executive Session for A.R.S. §38-431.03(A)(7): re: Discussion or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property; re Howard's Road, Arena del Loma, Salt Mine Road, and Cliffside Trail. Board Member Keeton seconded, there was no further discussion and the motion passed unanimously.

The Board requested Chief Keller and Robyn Cook attend to provide information and Kerrie Tarver to record the minutes.

The public session reconvened at 9:57am.

9. Discussion and possible action from the Executive Session.

The Board directed Chief Keller to proceed as discussed in Executive Session

10. Budget Workshop – Revenue and Expenses

Three versions of the budget were provided. Chief Keller and Administrative Manager Robyn Cook made a recommendation to approve publishing the budget that included the increased mil rate and balance billing.

There was no consensus among the Board Members. It was noted that the Balance Billing is not guaranteed revenue, but the funds received from the mil rate adjustment are guaranteed. Board Member Keeton was against balance billing due to the problems it will cause with citizens. Chairperson Welsch refuted the public comment

made in May and stated that there was not a written agreement in place to not switch to balance billing and Board Member Keeton concurred.

There was some discussion about the possibility of decreased revenue from real estate sales and how the budget is adjusted over the year. Board Member Keeton asked about the necessity of balance billing if there was a balanced budget with an increased mil rate. Administrative Manager Robyn Cook explained the budget cuts in the expense categories that offset the difference. Board Member Keeton expressed concerns about balance billing affecting minimum wage class citizens and the political consequences. Administrative Manager Robyn Cook explained that balance billing is the collection of an insured party's copay based on their insurance plan. Chairperson Welsch noted that if the district chooses not to balance bill, it will have to forego \$47,500 in contingency funds for unanticipated expenditures as one of the budget cuts.

There was some discussion about the extent of the property tax increase. Based on property values of \$1,200,000 the increase would be about \$120 per year. Homes valued in the \$300,000 - \$400,000 range would realize a \$30 - \$40 increase. Further discussion included ways the district is seeking financial assistance and reducing costs. These options include grant funding and the Montezuma Rimrock Fire District Auxiliary purchasing items or equipment for firefighters based on the Fire Chief's input.

Chairperson Welsch remarked that if the advice is to publish the budget with the balance billing and mil rate increase, the Board should do so, and she liked the notion of putting some money aside for contingencies.

Board member Keeton underlined her opposition to balance billing. She suggested that it might lead to political unrest. One of the deciding elements during merger discussion was the decision not to balance bill. Board Member Keeton voiced concern about the impact on lower-income residents, claiming that the mil rate increase will not be a significant financial burden.

Board Member Darby indicated that he supports balance billing and that collecting co-pays is industry standard. He opposed the mil rate increase because he was concerned about entering a recession, and the last thing people needed was to pay more taxes. Taxes are already rising, adding to the burden of inflation. Clerk Bateman was opposed to raising taxes and that balance billing makes sense.

The Board solicited feedback from attendees. Chief Keller noted that balance billing will not impact those on Medicare and Medicaid/AHCCCS (Arizona Health Care Cost Containment System). Individuals with insurance co-pay requirements will be affected. Other issues raised included the SAFER grant's expiration and the cost burden the district must bear, the county's line of credit, and the requirement to explore consolidation if the district's spending exceed its revenue. There was debate about the mil rate, how many districts are maxed out, and how many agencies balance bill.

The Budget Workshop concluded at 10:48 am.

11. **Discussion and possible action to publish the proposed FY 22 – 23 budget for a public hearing and approval on July 21, 2022.**

Clerk Bateman made a motion to publish the balanced budget with a 5% COLA (Cost of Living Adjustment) increase, and balanced billing. Board Member Darby seconded. Chairperson Welsch called for a roll call vote. The vote was 2-2. Clerk Bateman and Board Member Darby – Aye. Chairperson Welsch and Board Member Keeton – Nay. The motion failed.

Chairperson Welsch made a motion to publish the budget with a 5% COLA, increased mil rate, and balance billing. Board Member Darby Seconded.

Chairperson Welsch considered the possibility of raising the mil rate but not to the maximum limit. The discussion covered the decreased amount in revenue, budget categories to cut, the lag time in receiving revenue from new commercial development and ensuring fiscal responsibility.

Chairperson Welsch withdrew the motion.

Chairperson Welsch made a motion to publish the budget with a 5% COLA, increased mil rate to 3.30, and include balance billing. Board Member Darby Seconded. Chairperson Welsch called for a roll call vote. The vote was 2-2. Chairperson Welsch and Board Member Darby – Aye. Clerk Bateman and Board Member Keeton – Nay. The motion failed.

The item closed with the direction to hold a special meeting with all five Board Members present.

12. **Discussion and possible action to surplus the 1961 Ford Fire Engine and the 2007 Chrysler Mini Van for sale.** Chairperson Welsch made a motion to surplus the 1961 Ford Fire Engine and the 2007 Chrysler Mini Van. Clerk Bateman seconded. There was no further discussion and the passed unanimously.
13. **Discussion and possible action on changing the following Human Resource Policies:**
 - A. **400.03 – Vacation**
Clerk Bateman made a motion to approve the changes to the Human Resource Policy 400.03 – Vacation. Chairperson Welsch seconded There was no further discussion and the motion passed unanimously.
14. **Future Agenda Items**
Introduction and Badge Pinning of new firefighter Loretta McKenney
Resolution to Adopt the 2022-2023 Budget
15. **Adjournment**
Chairperson Welsch made a motion to adjourn the meeting at 11:03 am. Clerk Bateman seconded. There was no further discussion and the motion passed unanimously.

Original Signed by Brandi Bateman

Brandi Bateman, Clerk