

Regular Meeting of Pinetop Fire Board
Monday January 11, 2021
Pinetop Fire District Station 12
Video & Conference Available
1845 S. Pine Lake Rd, Pinetop AZ 85935

Call the meeting to Order: John Rowlinson Called Meeting to order at 5:00 pm

Roll Call of Board Members, John Rowlinson, Carla Bowen, Brad Baker, Dr. Doug Wright, and Ernie Lawes were attending by gotomeeting video conference.

Present Gabe Buldra and Ben Archer from James Vincent Group, Attorney William Whittington by phone

I. Call to the Public: None

II. Consent Agenda Board Business

The items on the consent agenda are considered routine and will be adopted in one motion unless a board member, staff, or member of the public in the audience requests, before the vote on the motion, to have the item considered separately. If any item is removed from the Consent Agenda, the Board Chairman will indicate when it will be discussed in the regular agenda.

1. Approval of Minutes of Board Meeting held in December 2020
2. Approval of Warrants paid in December 2020

Due to a few of the board members not able to view their board packet because of technical issues with their new tablets, the board tabled the consent agenda until the next board meeting on February 22, 2021 with the following correction for last sentence of the minutes for item number 7, brought to attention by Brad Baker concerning the word Dodge, should be Ford. Those changes will be reflected in the consent agenda for December 2020 and voted to approve at the next meeting.

IV. Personnel

1. Swearing in and Badge Pinning Ceremony for Firefighters, Manuel Cooley Jr. and Jarret Jensen.

Manuel Cooley Jr. and Jarret Jensen were sworn in as new firefighter/EMT's – and Firefighter/CEP. Manny's grandmother-Leona Endfield, pinned his badge, Jarret Jensen's wife Destiny pinned his badge, both families were proud of them as were the fire dept crews. Congratulations to both new full-time firefighter/EMTs we are proud to have you join our fire family.

V. Board Business

1. Discussion/Consideration/Possible Action re; Presentation of December 2020 Financial Reports
Gabe Buldra and Ben Archer were available for the presentation. All documents are included in the packet.

Financial highlights Navajo County revenue was under budget trending around \$88,000.00 Non-Levy Revenue was also under budget by \$57,163, again timing of receivables.

Including Grant income which was under by around \$117,419, Wildland revenue was over by \$67,329. Grant receivables are being billed with the overdue billing a priority.

Expenses for the month of December were over budget, included in that is the wildland wages And travel to and from wildland along with lodging and meals. We should see some of that money begin to roll in soon. We know the State Fund is depleted so it becomes a waiting game.

Fiscal year revenue was over budget by \$660,675. Wildland invoices were at a record high this year putting us \$1,397,206 over budget. Right along with the revenue are the expenses and those are also over budget by about \$598,297. This should balance out nicely when we see that revenue come through.

Total Cash is less than November of 2020 and \$208,352 less than this time last year, keeping in mind the outstanding receivables from our wildland fire endeavors.

82% Personnel, 12% ops, 4% administration and 2% communications

There was little discussion and no questions.

Carla Bowen made the motion to approve the December 2020 financial reports as presented, seconded by Brad Baker, motion carried unanimously 5-0.

2. Discussion/Consideration/Possible Action re; 2021/2022 Board Budget Objective Considerations
Discussion

Gabe Buldra and Ben Archer wanted to update the newer board members and provide an overview of the budget process for PFD. He gave a brief summary about the process and objectives concerning the budget for upcoming year. Mr. Buldra explained that the driving force in our budget is our Personnel Expenses, after that major expense projection we can see what we have for our operational funding. He explained how the tax base really affects everything, in our area we have limited growth, our tax rate is capped at 3.25% per 100 of assessed value properties. There was discussion about ATRA (Arizona Tax Research Association) and the bills they are sponsoring or against. Gabe explained how the Marijuana bill or Prop 207 would send some money our way to earmark for the Pension Liability. Carla Bowen gave a warning to the district to not expect anything from the bill, it is supposed to go to the districts, but you are talking about POLICE, FIRE and Public Safety, by the time the money trickles down it won't be very much and we should not count on it, at all. Everyone was in agreement, if we get any of it, and put it away.

Chief Morgan mentioned C.O.P.S. and how we could use that as an option for the Pension Liability. A comment was made that we are not allowed to utilize a special account for the pension money, Mr. Buldra noted that we can have "committed funds" as we do now. Carla Bowen remarked that we should not even count the marijuana money, we need to just count on ourselves and be conservative about the pension fund. Brad Baker asked if we were immune from the state procuring the money in the fund. Mr. Buldra said no, that is why we want to eliminate the need for money and not rely on extra funding-, Carla Bowen stated that is why we should never "count on the money" it will just be there if it is. Chief Morgan reiterated that we should at least earmark it and not use it for anything but the Pension, if we get some great and if we don't we aren't relying on it.

Gabe said we have two major revenue funding generators and several smaller ones- the Tax Levy and the Non-Levy revenue- consisting of the fees we charge from our two biggest receivables; Wildland revenue and Ambulance Service revenue, the smaller receivables are the grant/tree mitigation, plan reviews/ building fees, CPR classes, and possibly in our future- non-tax payer fires and accidents.

Mr. Buldra said that our biggest expense is our Personnel Cost- 80% of the budget is personnel. Included in personnel is the pension liability, PSPRS and ASRS. PSPRS went down slightly from 31.95 to 31.9% this is based on experience and no swings such as new hires or retirees which will change slightly in the coming months and years. We have new personnel this year and possibly some retirees in the coming years. We also need to think about growth changes in salary and step increases as well as Cola and health insurance increases. This year for health insurance we planned on 6% but only utilized 4.4% so that left us some wiggle room.

Mr. Buldra told the board that another big-ticket item to consider is the Worker's Comp Trust. He explained the pull out of Copperpoint and huge increase in 7710, hence the formation of the Trust for Fire Districts – self funded pool that we are participating in currently. There was a small discussion.

Chairman Rowlinson asked if we were any closer to maybe doing interfacility transports. Chief Morgan told the board that TMFMD was extremely busy with theirs – and incidentally creates more transports for us, when we cover their district for them. Chief Morgan explained that Arrowhead just shut its doors and are no longer doing transports which helped TMFMD out. Then there is Whiteriver Fire and medical– we are aware they are currently having difficulties and debating shutting down the substation, which would give us back our C.O.N. (certificate of necessity) but we would have to work out some sort of billing with them again. We had an agreement in place years ago, but when they opened their own station at Hondah the funding was no longer an option. In order to do those interfacility transports we would have to amend our C.O.N. A couple of weeks ago, TMFMD did two calls to banner within 15 minutes of each other, these are definitely cost effective. We surely could benefit from that as another funding program. This led to discussions about billing non-residents. Chief Morgan said it is a hot topic right now, we are watching other districts with problems. Mr. Buldra mentioned that when you start thinking of doing more transports either on the reservation or interfacility then we have to also look at more expenses, more use to the vehicles, more maintenance, more fuel, and more repairs. As in everything else there must be a balance, revenue vs cost.

Capital purchases and replacements along with the needs of the district. Restructure the Capital replacement program. Chief Morgan has a good replacement plan in place with a point system that lets us know when a vehicle or apparatus is approaching its life span in the district. If we replace them before they get too worn and start costing us more than they are worth, then we are doing well.

Big things to think about are facilities. We need space– at the moment we have a desk in the bay for the fuels crew, we have our joint training person in the conference room also sharing space with fuels crew and our light duty personnel. We do not have enough room in our Bays for all apparatus and vehicles. We have options to increase our space, we are looking at properties and building costs. We have reached out to Perlman who were involved in both builds at set 11 and 12, we have at least a half an acre towards 260 to increase room. These are just some things we need to consider in the future in our budget meetings. We will be meeting with our program managers to see what they are interested in this year and where their budgets are or need to be. Mr. Buldra said that these are some things to consider when doing the budget or voting on the budget, questions to ask or answer and things to think about in the future. We just need to be conservative and responsible.

January through March start thinking about the process, meet with program managers, receive the AV numbers from County and begin meeting. The Board will adopt preliminary Budget numbers at the May meeting and finalize by the June meeting to have available before the

July 1 Fiscal 2021-22 year. Chief Morgan added that the board could appoint two members for the budget committee. Carla Bowen said that she would like to see Chairman John Rowlinson as the senior member and Ernie Lawson as the new member. Everyone agreed, no board action necessary as this is a board appointment.

3. Discussion/Consideration/Possible Approval re: Purchase of 2 Type 2 IA Fuels Crew Support Vehicles not to exceed \$108,452.00.

Chief Morgan began the discussion by addressing the huge Wildland Success this season, which is still ongoing. He explained that we had to turn down assignments due to one problem - failing vehicles. With the 1 ton we approved for purchase last month and the approval of these vehicles we will have 4 vehicles for wildland season 21-22, we need to now discuss the need for a supervisory vehicle. The actual crew buggy is a lot more expensive to purchase in the realm of \$350 to \$400,000, we really need 2 of those which would just be shy of 1 million dollars. However, we can do the lighter version which would cost about ½ million instead. These vehicles would be Dodge.

The purchase of these vehicles will also help with the expansion of the hand crew teams. We have hired and will be hiring new members for our hand crew which will be similar to the "Bear Jaw Crew" from Flagstaff. We will be purchasing with some of the profits from the 20-21 fire season, we know we will be needed for the new season and as an example the Bear Jaw Crew generates approximately 1 million just off of themselves. This is a new local resource we haven't had before, with the upcoming wildland fire season looking a little grim with the moisture we have or haven't had so far, we may be looking at a real need locally- we hope not, but we do need more moisture. There was discussion about the maintenance question, Chief assured the board the local Dodge-Jeep-Chrysler can do the maintenance on these particular vehicles. A question came up about outfitting the vehicles, Chief Morgan told them to expect to see the equipment purchases and the emergency lighting package.

Carla Bowen made the motion to authorize the fire chief to execute a purchase agreement with Ken Garff West Valley Chrysler, Jeep, Dodge, Ram for the purchase of two (2) 2021, Dodge RAM 3500, 4x4, basic crew trucks not to exceed \$10/8,452.00 excluding taxes and shipping. Seconded by Dr. Doug Wright, motion passed unanimously 5-0.

4. Discussion/Consideration/Possible Approval re: Covid 19 Updates

Chief Morgan – Data from last week in the packets. Keep in mind this is last week and the numbers are still rising. We all know there is an exceptional amount of media hype. There is a significant amount of ICU beds being utilized but we have to realize that those aren't all due to COVID. Dr. Wright noted that he had not been updated lately but wanted to point out that they had not seen the amount of flu that they normally see. He suspected this is due to social distancing, washing hands, and wearing masks. Chief Morgan told them that some of our employees have had the 1st vaccine and scheduling for the second, we still have minimal number of Covid positive in our collective employ. It seemed like there was a vaccine shortage and it was becoming harder to even get the first vaccine. This is informational only no board action.

5. Discussion/Consideration/Possible Approval re: 2020 Wildland Fire Season

Information and ERCs are included in the packet. Nationally we are at PL1 and regionally we are at PL1. California is at a PL2. All of our crews are currently back from deployment. There was some discussion about the lack of moisture and how we needed to get folks to start cleanup earlier this year. Chief said we will be having our annual Firewise Block Party – we

canceled last year due to the pandemic, but with the vaccines out we are hopeful we can do it this year – so we are actively planning it.

VI. Summary of Current Events

- 1. Fire Chief Report:** All reports are included in packet. No additional discussion.
- 2. Board Chair Report:** Nothing to report.

VI. Future Meeting Dates:

February 22nd 2021 at 5:00pm

VII. Announcements

Again, there are statutory classes with dates coming up although there aren't locations yet. We should have information soon. Navajo County should have some options by march, and some online videos options.

Chief Morgan and Chad Berlin will be going to Water Company Board Meetings to discuss their importance in the ISO program and how it affects home owners as well as their budgetary development.

Carla Bowen would like a Hydrant report and maybe an update on the Water Main system in Pinetop, she said it was in their 2-5 year plan and she wants to know what is going on. Chief Morgan told her the hydrants were being tested annually.

Mr. Whittington wanted to discuss open meeting Law towards the beginning of the meeting.

VIII. Adjournment

Meeting adjourned at 6:42.

Respectfully Submitted

Karen Robbins