

Pinetop Fire District Station 12  
Regular Meeting of Pinetop Fire Board  
Monday November 29, 2021  
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**

**1. Roll Call of Board Members: John Rowlinson, Carla Bowen, Ernie Lawes, Brad Baker was excused**

**Present by video conference, Chief Jim Morgan, Gabe Buldra from JVG, Attorney Bill Whittington, and Attorney Chris Thomas.**

**II Call to the Public: None**

**III. 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 October 2021
- 2) Approval of Warrants paid in October 2021

Carla Bowen made the motion to approve the July 2021 consent agenda, as presented, seconded by Ernie Lawes, motion carried unanimously 3-0

**V. Board Business**

**1. Discussion/Consideration/Possible Action re: Appointment of Vacant Board Member Position**

Dr. Wright resigned from the board leaving a vacancy for appointment. He had served on PFD Board for a period of about 13 years. He will be missed.

The ad for an additional board member ran for two additional weeks and we received 2 letters, we were expecting a third, but the gentleman did not submit a letter. Both Candidates; Mrs. Joan Merrit and Mr. Ben Borrego both stood up and gave a summary of qualifications and accomplishments. Both are highly qualified.

Chief Morgan reminded everyone that whomever was elected would be required to take the online class for open meeting law and the oath of office at the next board meeting.

Carla Bowen made the motion to appoint Mr. Ben Borrego to fill Dr. Wright's position as presented. Seconded by Ernie Lawes. Motion carried 3-0

It was suggested by Captain Green that we maintain contact with Ms. Merrit as she is familiar with fire department activities and could possibly do some volunteer work. She agreed and thanked PFD for consideration.

**2. Discussion/Consideration/Possible Action Presentation of October 2021 Financial Reports**

Gabe Buldra was present by video conference to present the October 2021 Financial reports. Some highlights were;  
Navajo County Revenue for October was over budget by \$17,840

Non-Levy Revenue was over budget by \$227,950

Wildland Fire Revenue was over budget by \$290,765

Fuels Reduction income was over budget by \$30,662

Miscellaneous income is also over budget by \$26,975

Grant income was under budget by \$125,080.

Expenses for October totaled \$615,986 which was over budget by about \$103,758.

Personnel expense was over budget by \$117,659 driven by wildland fire deployments.

Travel, Meetings, Trainings, were over by \$28,789 which also is driven by wildland fire

deployments. Managerial Costs were also over budget slightly under 20,000 which is timing I the receipt of invoices for completion of financial statement audit.

Lastly, grant expenses are under budget by \$61,077 which is also due to timing.

Year to date total Revenue is \$3,996,626 which is \$808,821 over budget

Wildland land income is \$1,224,172 over budget

Grant income is \$521,653 under budget

Year to date expenses were over budget by \$476,047 driven primarily by wildland fire assignments.

Total Cash is \$4,936,166 which is \$2,010,282 more than September 30, 2021 and more than this time last year. We are in excellent position at this time.

There was some discussion about the gurney and zoll monitor grants, and wildland fire expenses with fuel increases.

Ernie Lawes made the motion to approve the October 2021 Financial Reports as presented, seconded by Carla Bowen. Motion carried unanimously 3-0

3. Discussion/Consideration/Possible Action re; Update on Waste Management Land Sale Purchase agreement

Executive session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice regarding purchase of property for district operations.

Attorney Chris Thomas was present to provide information to the board. There was an immediate suggestion for executive session.

5:25pm - Carla Bowen made the suggestion to go into executive session for legal advice, seconded by Ernie Lawes. Motion Carried 3-0

The board reconvened into regular session at 5:58Pm, no further board action at this time.

4. Discussion/Consideration/Possible Action re; PSPRS Unfunded liabilities Pension Debt Restructuring

Chief Morgan gave a brief reminder about the unfunded pension liability and the potential savings we could have if we decided to find alternate funding. He included information in the packet from Stifel who are also providing an evaluation with potential savings for the district. Gabe Buldra added that he has several clients who have used this type of funding and has had good results upon looking at their history with Stifel. He concluded that they are an excellent source and could potentially capture great savings at a low rate. Stifel has agreed to come to a

future meeting and do a presentation for district board as there are risks and benefits to consider.

Chief Morgan told them to look over the info in the packet and see what they think. He included an email from PAR with more information.

There was discussion about the savings to the district and where the district board would have control of administering the funds. Chairman Rowlinson agreed they should look into it and have Stifel come and do a presentation so they could have all the facts before they look to a decision.

Informational only, no board action at this time.

5. Discussion/Consideration/Possible Action re; Chief Morgan 457 contribution Limits and routing to other deferred compensation products

Chief Morgan, explained to the board that his 10% 457 District Employer contribution (unfunded liability) had reached the IRS limit of \$19,500.00 due to his wildland deployments and we were holding the funds for him. He explained that we needed to deposit the money some where so it wasn't accumulating over time. The suggestion was to invest the money into his district funded 457 plans, we cannot put the money as income or it would have tax implications. He explained we had the problem last year but we had gone a different route. Gabe Buldra suggested that we should put this money into his HSA fund, not to exceed the HSA limit.

Carla Bowen made the motion to amend the agreement for Chief Morgan's contract to modify the 457retirement item 3.6/3.1, for funds to be directed to his HSA account upon reaching the limits as permitted by IRS. Seconded by Ernie Lawes, motion carried 3-0.

**IV. Summary of Current Events**

1. **Chief Report** included in packet
2. **Chair Report**

**Mario Dopazo was nominated for firefighter of the year and Manny Cooley for EMT of the year, both will be recognized at a meeting by VFW- congratulations JD Ottman also received his BA in Natural Resources - congratulations to him.**

***Future Meeting Dates:***

December 20, 2021

**VI. Announcements**

Winter AFDA Conference moved from Laughlin to Tucson, please reserve Rooms as soon as possible

**VII. Adjournment**

John Rowlinson adjourned the meeting at 6:30pm

Respectfully Submitted

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Karen Robbins