

Regular Meeting of Pinetop Fire Board
April 17, 2023 5:00pm
Pinetop Fire District Station 12
Video & Conference Available
1845 S. Pine Lake Rd, Pinetop AZ 85935

Call the meeting to Order: Chairman John Rowlinson called meeting to order at 5:04 pm

**Roll Call of Board Members; Present- Carla Bowen, Wayne Booher and Ernie Lawes
John Rowlinson was present electronically and Ben Borrego was not present**

Administration present; Chief Jim Morgan, Asst. Chief Richard Wallace, Attorney Bill Whittington and Karen Robbins

1. Call to the Public: None

III. Possible Vote to go into Executive Session

Discussion/Consideration/Possible Action re: possible vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice regarding purchase of property for district operations agenda item 2.

Note: Executive Session was postponed until after the Consent Agenda and Financial Reports

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 for Executive Session Minutes for January and March 2023
- 2) Approval of March 2023 Meeting Minutes
- 3) Approval of Warrants paid in March 2023

Carla Bowen made the motion to accept the Consent Agenda as presented. Seconded by Wayne Booher. Motion passed unanimously 4-0

IV. Board Business

1. Discussion/Consideration/Possible Action re: Presentation of January 2023 Financial Reports.

Gabe Buldra (JVG) was present to discuss the March 23 Financial Reports – all documents were included in the packet. Some highlights included;

Navajo County Revenue for March is \$221,675 which is \$22,031 over budget.

Non-Levy Revenue was under budget by \$29,301,

Ambulance revenue is over by \$13,461

Grant revenue is under budget by \$32,178 – Chief Morgan has billed all outstanding invoices- we will see an increase of revenue next month.

Expenses for March were over budget by \$71,420 Totaling \$486,808.

Personnel expenses were over budget by \$48,048, dept physicals and OT were both factors Buildings and Land were under by \$11,736 due to timing of the COP interest payment.

Managerial costs were over budget by \$34,261 driven by Uniforms and purchase of Wildland Firefighting clothing.

Year to date total revenue was \$5,673,509 which is over budget by \$502,636

Wildland Fire was \$858,823 over budget

Grant income was under budget at \$358,188

Chief Morgan gave a brief summary of the grant process and what we are expecting with grants for Ambulance, Water Tender, Staff and Wildland Facility.

There was discussion about the USDA congressional spending process and the current state of ARPA funding.

Year to date expenses were \$5,270,011 which was over budget driven by personnel expenses, at \$528,942 for wildland fire, and training travel and meetings which were also over budget, all influenced by prior wildland expenses.

Wildland revenue and expenses are very relevant to our finances, it affects income and expenditures, but we do not include on our bottom line with budgeting.

Total Cash is at \$3,623,143 which is \$421,518 less than this time last year. Capital projects and paying off long term debt all factor into the total.

There was some discussion about the DFFM and SHSGP and FEMA upcoming grants.

Percentages; Personnel 77%, Ops at 13%, managerial at 6% and Communications at 3%

Carla Bowen made the motion to approve the March 2023 Financials as presented.

Seconded by Wayne Booher. Motion carried 4-0

III. Possible Vote to go into Executive Session

Discussion/Consideration/Possible Action re: possible vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice regarding purchase of property for district operations

IV. *Postponed from beginning of meeting: Vote to go into Executive Session*

The board voted to go into executive session to consult with the attorney about legal advice considering the purchase of property from Mr. Martinez or Mr. Larson. The executive session began at 5:54 pm and ended at 6:11pm.

Ernie Lawes made a motion to enter into executive session at 5:54pm for legal advice about land purchase. Seconded by Carla Bowen.

Motion passed 4-0

2. Discussion/Consideration/Possible Approval re; Updates on Martinez Group Land Purchase and Larson Land Options.

Wayne Booher made a motion to authorize Chief Morgan to proceed as discussed in Executive Session for the ongoing property purchase. Seconded by Ernie Lawes. Motion passed unanimously 4-0

3. Discussion/Consideration/Possible Approval re; 2023/2024 Budget Committee Report

This item was moved the last item in meeting to coincide with the Executive Session.

Sara Simonton was present to discuss the budget committee process.

She outlined the timeline with the tentative budget approval set for the May Board Meeting and final vote in June. She said that one of the goals for the budget is always to have a balanced budget and currently we are at a \$928,000 deficit.

Sara Simonton told the board that we need to really carefully construct the budget this year. As of now we are in a deficit and not balanced. Everything needs to be considered carefully and responsibly.

She reiterated the Wildland Fire Revenue is not counted towards our budget numbers is not a stable-reliable estimate and therefore is not counted as income.

The labor group is requesting an 8.7% COLA increase this year and a merit step up for those who are eligible. Requested also is a couple of stipend requests and a general paramedic stipend increase to \$10,000 each medic, in order to be competitive with other districts. All total the personnel request is an estimated increase of about \$800,000.00. We also are losing the SAFR grant for 3 employees in this fiscal year and thus we will begin funding them on our own.

PSPRS contribution rate is at 18.06% and ASRS went up slightly to 12.29%

Suppression employees are requesting an additional uniform amount - an increase of \$300.00 per employee for required safety clothing.

Health insurance is flat again this year, a small increase to dental and vision. There are some new enhancements at no cost to the employee for firefighters.

Worker's Compensation has not come in yet, we could be looking at about a 52% increase, reason being the proposed changes in pay with 8.7% COLA which shows an increase in wages -which then increases workers compensation.

Ops Expenditures;

Buildings and Land are sitting at a \$42,158.00 increase, there are some improvements and maintenance requested, such as a new bench for the Val memorial garden at Station 12 and some maintenance needed at both Stations. Asphalt repair for St 11, a new ice machine and masonry work to fix the ST 12 sign, ST 11 duct cleaning and doors for training tower.

Vehicle maintenance-requesting an increase of \$95,100. Fuel costs remain high and EMS supplies are still increasing, we have continuing requests for noncapital items for REM team and SCBA servicing tools, keeping this in mind- with all of our newer vehicles and apparatus we should see repair costs lowering this coming year. Next year we should also see a decrease in EMS due to capital items purchased this year.

Communication and IT has an increase of about \$46,000 due to dispatch increases and increase in station surveillance costs, requests for computer software and ongoing maintenance.

Travel and Training increase \$86,141- deployments and Training and the Rope Rescue program.

Chief Morgan told the board, we need to weigh our critical needs with those of the -wish needs that maybe can wait until next year.

There was discussion about raising the tax rate - something we have not had to do in six years, but with inflation and prices as they are we probably will need to do that this year. There was

discussion about justification to the public, we have held the rate stable for so many years it is evident we should probably do it this year and it should be understandable with inflation as it is currently. Gabe Buldra told them that the increase would give us approximately \$1600 for every penny, which be very helpful. Sara Simonton added currently we are sitting at \$7.5 million.

Discussion about PSPRS Pension funding/paydown and how it shows double this year due to PSPRS reporting, but next year it would reflect differently when the pay downs are correctly applied.

Carla Bowen would like a comprehensive report on the impact of increasing the tax rate and how the numbers march out respectively.
This is informational only – no board action.

V. Summary of events

1. Chief Report

Chief Morgan told the board we have two new Captains. We had the captain assessment there were 2 outside candidates who did not even pass the testing process, but our 2 in house candidates did. He made a point about our employees having confidence in themselves and the process. Congratulations Greg Chavez and Ben Altop for the hard work.

Carla Bowen thanked Chief Morgan for the Wildland Fire Report

2. Board Chair Report

Congratulations to the two promoted Captains. Nothing notable to report this month.

VI. Future Meeting Dates: April 17, 2023

VII. Announcements

AFDA training in July in Glendale, Chief is asking anyone who wants to attend please let him know so they can reserve rooms. Carla Bowen and Wayne Booher have so far expressed interest.

Agenda Items;

1. Property-
2. Budget committee/tentative approval
3. Formal Badge Penning, Captains and Firefighter
Welcome new fuels crew members.

VIII. Adjournment

Meeting was adjourned at 6:43 pm

Respectfully Submitted

Karen Robbins