

Regular Meeting of Pinetop Fire Board
April 18, 2024
Pinetop Fire District Station 12
Video & Conference Available
1845 S. Pine Lake Rd, Pinetop AZ 85935

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

Roll Call of Board Members; Present-John Rowlinson, Wayne Booher, Carla Bowen, Ben Borrego and Edie Webber.

Administration present; Atty Bill Whittington. Chief Jim Morgan, Asst. Chief Richard Wallace, and Karen Robbins. Virtually present Gabe Buldra (JVG), Nick Dodd, and JD Ottman,

1. 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 March 2024 Meeting Minutes
- 2) Approval of March 2024 Warrants paid

Wayne Booher made the motion to accept the Consent Agenda as presented. Seconded by Edith Webber. Motion passed unanimously 5-0

III. Board Business

1. Discussion/Consideration/Possible Approval re; Presentation of the March 2024 Financial Reports

All reports were included in the board packet. Gabe Buldra (JVG) gave a quick summary of the March 2024 financial reports. Some highlights were;

Navajo County Revenue and property tax collection were slightly under budget for March. Non-Levy Revenue and Grant revenue were slightly under, due to timing and ambulance billing. Probably due to the AHCCCS renewal process. The problem is resolved and retro money will start showing in the next few weeks.

Expenses for March were slightly under budget by \$13,958 probably timing on Annual Physicals.

Year to date Revenue was over budget driven by wildland deployments which were very successful during the recent season.

Year to date Expenses were over as well – also coinciding with wildland deployments.

Total Cash was \$4,114,352 which is \$489,747 more than this time last year.

Percentages; Personnel 77%, Ops 14%, Admin 6%, and Communication 3%.

Carla Bowen made the motion to accept the March 24 financial reports as presented. Seconded by Ben Borrego. Motion passed unanimously 5-0

2. **Discussion/Consideration/Possible Approval re; Update on seeking bonding opportunities for District fixed capital project.**

Nick Dodd provided some valuable information on the bonding issue for the board. He went through some new information concerning the forecast of the economy, tax payer cost and 3 updated scenarios for board consideration. There was discussion about the voter information pamphlet.

Questions/discussion about the upcoming election and stock market, what the impact could have on a bond election, they are factors to consider.

Mr. Dodd also explained the maximum amount of \$11.6 million allowable for voter approval- which would see probable 5% interest at a 20-30 yr. plan, depending on which scenario the board chooses. All information will be emailed to the board members.

Discussion about the ISO rating as it pertains to a possible bond vote and insurance providers on the mountain. Chief Morgan told the board that he is engaging the public at the city council and chamber meetings to check with their insurance agents and find out if there would be a positive impact/premium reduction for both residential and commercial with ISO rating at a 3 or 2.

Chief Morgan told the board he is having a meeting with area fire chiefs and they would be discussing the Firewise impact on wildland fire in the area and possibly involving insurance companies, which also could impact the bond vote. Mrs. Bowen felt that this also would help bridge the gap between Insurance and fire district for future discussions.

Discussion also about maybe having a call to election at the May 20 board Meeting.

This is informational only no board action

3. **Discussion/Consideration/Possible Approval re; 2024-2025 Budget process**

All documents were included in the packet. Gabe Buldra from JVG advised the timeline and summary for the **preliminary** board budget process.; he summarized the financial impact and told the board we were effectively in a deficit of approximately \$160,000.00, noting - it is still early in the budget process. We would find a way to balance our budget, we have had some increases such as FDAT increase of \$43,858. Currently our tax rate sits at \$3.3500- our AV shows an increase of \$170,023,122 or 5.49%. There is substantial grant income, and including our other income, such as fuels reduction, interest and donations and Prop 207 money.

Tentative Schedule as follows, board meeting with possible adoption of a draft tentative budget could occur at the May 20th board meeting or possibly the June 17th board meeting. There would be a Public Hearing on budget and with final adoption.

Personnel costs \$6,166,309 or an increase of \$196,566 – 3.29%

Requested is a possible 3% COLA and merit increase step for eligible staff.

Discussion about the cost-of- living increase, this year it is 3.2%, Mr. Buldra; we could push or phase the COLA out to a later date implementation date. Chief Morgan asked not phase the COLA if possible. The board agreed the COLA should remain as planned.

Board members and Chief all agreed that we also would **not** be increasing the tax rate.

Mr. Buldra explained for the newer members that we do not use the wildland fire projection as part of our operating budget, it is not consistent, we can project that we will possibly receive 1 million dollars, but exactly what the income and expenses would be- is hard to predict, we do plan for it – we just don't use it as part of the process.

He also explained that we probably shouldn't increase the Ambulance Revenue projection even with the IFTs and AHCCCS coming in, we are keeping it at a conservative amount of \$800,000.00. The IFTs should relate a substantial increase. He reiterated that the AHCCCS money will start showing in the next few weeks since we were approved for the renewal and retro payments. It is just more prudent to be conservative in our budget.

There is an increase Worker's Compensation to \$234,697 or 26.42% inc. This is likely due to Firefighter Cancer benefits that were added legislatively this year. We also see a correlation to WC premium increases when there is an increase in workers. We had retained seasonal longer this year.

Supplies increased across the board. Everything, office supplies, utilities, fleet maintenance, EMS supplies, fuel all are substantially higher this last year and continuing to rise. All of these things should be considered during budget time.

A slight increase in PSPRS to \$18.98. Healthcare trust increase \$1300 per employee. Employee health Insurance increase of 5% and realignment of employee benefit selections.

Ongoing discussion about hiring a mechanic to keep our costs at current or maybe decreased expenses if we were doing things in house or contracting with a vendor. We are actively working on this.

Discussion about communications; IT costs and new software costs – noting that combining all of our vendors into 1 would save money, we are actively working on this. The new software company is called First Due for fire and EMS.

There is a proposal to train 3 new paramedics next year, as well as continuing education and training across the board.

Mr. Buldra told the board that we will work with the numbers and fund the budget, without touching COLA or Tax Rate.

Mr. Buldra and Chief Morgan told them we would have more for them at the next meeting flowing the board direction to the budget committee.

This is informational only – no board action.

4. **Discussion/Consideration/Possible Approval re; Board action regarding executive session pending personnel matter; possible appointment of investigator.**

Carla Bowen made a motion to enter to Executive Session for legal advice concerning an investigation of complaints made by an employee against the fire chiefs. Seconded by Edith Webber. Motion carried unanimously 4-0.

Note: Ben Borrego left prior to #4 for a scheduled event.

Executive Session began at 6:27pm
Returned from Executive Session at 7:49pm

No further discussion.

Carla Bowen made a motion to utilize third-party, Stacey Gabriel to conduct the investigation to determine the basis of claims lodged against the fire chief alleging “a complaint about workplace retaliation, workplace harassment, unsafe work practices and a hostile workplace”.

Seconded by Edith Webber. Motion passed 3 -1.

IV. Summary of Current Events

1. Chief Report

Chief Morgan told the board that Fire Marshal Berlin was on vacation so his reports were limited for the chief's report. There will be more next meeting

Chief Morgan advised the board that he had written approximately 8 million dollars in congressional spending grants including a ROW road improvement 2.4 million, the fire station 5 million, and EMS equipment .6 million dollars.

V. Future Meeting Dates: May 20, 2024

Mrs. Bowen would like Pinetop Water on the agenda next month.

VI. Announcements;

None

Meeting was adjourned at 7:54 pm

Respectfully Submitted

Karen Robbins