

Regular Meeting of Pinetop Fire Board
February 24, 2025
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 5:07pm

Roll Call of Board Members, Present John Rowlinson, Edie Webber, Ben Borrego, and Carla Bowen

Administration Attending: Chief Jim Morgan, Asst Chief Richard Wallace, Karen Robbins, and Attorney Bill Whittington and Sara Simonton. Lydia Hunter was available remotely.

1. Call 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 January Board meeting minutes for January 2025

2) Approval of December 2024 and January 2025 Warrants

Carla Bowen made the motion to approve the consent agenda as presented. Seconded by Ben Borrego. Motion passed unanimously 4-0.

III. Board Business *Several things were moved around for the meeting schedule.*

1. Discussion/Consideration/Possible Approval re: update on vacant Board Member Position.

There are two applicants for the Board Vacancy, Mr. Steven Voldal and Mr. Marcus Harding. The board was able to interview Mr. Voldal who was present at the meeting. Mr. Harding was not present. After some discussion concerning the two applications the board came to an agreement. Mr. Voldal's application will be kept on file in the event we have another vacancy. He would like to stay informed about upcoming district projects.

Ben Borrego made the motion to appoint Mr. Marcus Harding to fill Mr. Booher's Position as presented. Seconded by Carla Bowen. Motion passed 3-1.

2. Discussion/Consideration/Possible Approval re: Approval to purchase Fleet Capital Purchases authorized through the 2024/2025 budget. #6

Chief Morgan reviewed our Capital Replacement program. He explained that the vehicles on the lien hold were soon to be released. Once released we offer them for public sale, and we will be purchasing much needed replacements.

We are asking to purchase two Ford Rangers, like the two we purchased last year. Cory Esparza has prepared some bids, and our local Show Low Ford vendor has come through with extremely competitive prices. Ms. Webber asked about the warranty and the local vendor. Chief Morgan explained that we now have our own mechanic who can make repairs and anything major under warranty would be referred to the vendor.

Edith Webber made the motion to direct staff to move forward with the purchase of two (2) Ford Rangers from Show Low Ford not to exceed \$78,554.06 inclusive of taxes and shipping as presented. Seconded by Ben Borrego. Motion passed unanimously 4-0.

3. **Discussion/Consideration/Possible Approval re: Approval to purchase Fleet Vehicle Lifts**

Chief Morgan told the board about our new mechanic, Cole Estes. He is saving the district so much money by preventative maintenance, not utilizing other shops, service fees, shop fees and labor costs. Cole has already repaired our vehicles, got them on a schedule for regular servicing and is training our Engineers how to spot problems before they become key issues. He is a great asset to the district.

Cole needs to be able to inspect the vehicles and apparatus from all aspects which require high reach lifts. These will be portable and allow Cole to maintain our fleet at a higher level.

Carla Bowen made a motion to direct staff to move forward with the purchase of four (4) high reach jackstand vehicle lifts not to exceed \$60,704.42 exclusive of taxes and shipping. Ben Borrego seconded. Motion passed unanimously 4-0.

4. **Discussion/Consideration/Possible Approval re: Summary of District Wildfire Preparedness**

Chief Morgan - Current wildland fire updates for our area. There are many things we have done to help mitigate some of the worries for wildland preparedness in our area. There has been a notable change in the area culture as far as mitigation goes, this is exceptional because many people bought homes for the trees all around the home and in some cases-built homes around trees.

He told the board about the new "Springer Mountain" escape route by ST 10 and how we are actively seeking other evacuation routes.

There are documents included in the packet concerning the draught and the current wildfire conditions. He mentioned that we would be looking at Stage 1 restrictions if we do not see some measurable moisture soon.

The discussion went to water again and the chief explained they had a meeting with the local companies and talked about ways to obtain grants for hydrants and infrastructure. How to work together to provide a safer environment and ongoing discussions about service in case of wildland fire. It is a fantastic opportunity to start a mutual dialogue.

Informational discussion only – no board action.

5. **Discussion/Consideration/Possible Approval re: Presentation of the December 2024 and January 2025 Financial reports**

Sara Simonton presented the January 2025 Financial Reports
Some highlights

Navajo County Tax Revenue, Non-Levy Revenue, Wildland and Ambulance are all over budget this month. Grant revenue was under \$19,500.

Total Expenses for January were over budget driven by wildland expenses and wages, including personnel, training, and travel. Managerial was under driven by timing of liability insurance.

Year to date total Revenue is \$6,753,051 which was over budget by \$1,299,954.

Which includes Wildland and Ambulance Revenue

Year to date Expenses were also over budget, driven by additional wildland deployments – with income comes expenses.

Total Cash is \$3413,768 which is \$1,173,661 less than this time last year.

Ben Borrego made the motion to accept the December 2024 and January 2025 financial reports as presented. Second, by Edith Webber. Motion passed 4-0.

6. **Discussion/Consideration/Possible Approval re: 2023-2024 Annual Audit Presentation from Beach Fleishman PLLC**

Lydia Hunter was remote for the presentation of the 2023-2024 audit. Once again Pinetop Fire District received an "Unmodified Opinion" which is the best position they can offer. She went over the audit packet. She discussed the findings letter. She said there were no disagreements, everything was in order.

Mrs. Hunter relayed a couple of payroll items that had both already been corrected- at the time of the payrolls' in question (time sheet vs check stub)- (a PAF was missing) – pay was completed at the time of the merit increase, no employees were shorted any pay or increases. Chief Morgan told the board employees are remarkably busy and with limited positions, we all work extremely hard to make sure everything runs smoothly and as accurately as possible.

Our audit system is the best form of transparency for the public, our citizens, and communities. Since PFD is the recipient of many grants, we have a higher level of transparency than most other fire districts.

PFD, however, does currently have a negative net position, she is hoping to see it on a more positive trend next year. Everything was good with the overall audit- this is another successful positive audit.

Carla Bowen made the motion to accept the annual 2023-2024 financial audit for the Pinetop Fire District as submitted. Seconded by Ben Borrego. Motion Passed 4-0

7. **Discussion/Consideration/Possible Approval re: Update to bond sale process**

Chief Morgan: Mr. Nick Dodd was present to give the update. Documents were included in the packet; he gave a summary of the current events relating to the bond. He told the board that they needed a resolution to authorize bond sales. The Resolution will authorize staff to move forward and sell bonds to investors. Our favorable credit rating is an A+.

We have the **financing schedule**, our **working group distribution list**, and our **preliminary position statement**. Mr. Dodd will send the bid out for the required bond registrar and paying agent services.

Mr. Dodd explained the Insurance cost – It is an IRS requirement, so our taxpayers will not be responsible for interest cost. Many factors are in play including being next door to area wide demographics. Once everything starts moving – the district will have money in the bank to start utilizing project expenses.

There was discussion about knowing who the purchasers are, taxpayers from primary or secondary residents and business, or larger investors. Mr Dodd told the board, we could get a generalization but not individual names or other demographic information.

Chief Morgan: Perlman is engaged; PFD is hoping for about five bids. Mr. Whittington will review them and then we will proceed- select the design and then the product and cost. We will have a committee with board, district members and labor to start the process.

One of the Firefighters had questions about purchasing bonds, and Mr. Dodd explained the process.

He explained that once we filed the Resolution it would lock in our investor amount at 4.4%.

Chief Morgan: The USDA accepted our grant application for the \$3.3 million dollars for our wildland response station, we are lacking some additional information from the architect.

Carla Bowen made the motion to provide all matters relating to the sale and issuance of general obligation bonds of the district, including delegation, to the Fire Chief of the district to determine certain matters related thereto. Seconded by Ben Borrego. Motion passed unanimously 4-0.

IV. Summary of Current Events

1. **Fire Chief Report** – Included in the packet.

2. Chairman report – thank you to Staff and Beach Fleishman, for another successful audit 2023-2024.

V. Announcements.

Chief Morgan told the board we may be going into Stage 1 restrictions very soon, after the Wildland Fire Advisory meeting.

Next Board Meeting is March 17th, 2025.

Meeting adjourned at 18:50 pm

Respectfully Submitted

Karen Robbins