Minutes to the Board of Directors Meeting

May 20, 2024

**Chair of the board Chris Johnson calls the meeting to order at 9:00a.m.**

1. **Roll call and confirmation of Quorum.**

Chris Johnson, Russ Kolsrud, Robert Garber and Ruth Ann LeFebvre are present at the meeting, the Board has a quorum. Eddie McArthur is absent.

1. **Pledge of Allegiance to the Flag.**
2. **Call to the public.**

**Members of the public are invited to address the Board and/or submit written comments for inclusion in the minutes.**

* No Public Today.
1. **Approval of the Minutes from past meetings.**

*Russ Kolsrud makes a motion to approve the minutes from April 22, 2024 and May 13, 2024 Board Meetings, Ruth Ann LeFebvre seconds the motion and it is approved unanimously.*

1. **Reports from the Fire Chief or his designee may include the following topics:**
* **Administration/Budget:** For the June 24th Board Meeting we will be swearing in members, several members being awarded distinguished action pins and then crew that delivered a baby, so stork pins will be presented. The FY24-25 budget will be presented today for consideration and preliminary adoption, to be followed by a public review and comment period. Ruth Ann LeFebvre asks about the pancake breakfast and Chief responds that it was a great success, it raised $1,000 for the members and had a great turnout.
* **PSPRS Local Board:** The local PSPRS Board will be meeting next month and Tricia is working to ensure that will happen.
* **Operations:** One new recruit started the process in April.Twonew members have started on “C” Shift are Firefighter Michael McGonigle and Firefighter/PM Tim Hart, both full-time. We hosted a multi-agency drill on extrication with firefighters from Whetstone Fire District, and Patagonia Fire & Rescue. It was a very successful exercise using 6 vehicles of different models that we received free from Border Patrol. Engine 822 is still waiting for parts for pump repair. T828 has ongoing issues and we are triaging while also working on a viable replacement option. All other units in normal operation. Total call volume last month was 51. Incidents by Service Type: Ems: 33 calls, Fire: 7 calls and Service: 11 calls. Zone 1 had 21 calls, Zone 2 had 4 calls, Zone 3 had 4 calls, Zone 4 had 0 calls, Zone 5 had 22 calls. “A” Shift had 20, “B” shift had 10, “C” Shift had 21.
* **Legislative Update:** We still have the waiver for the software required by HB2609, we are looking at compliance solutions and should have one in process by July 1.
1. **Presentation and Approval of Monthly Financial Reconciliation and Reports pursuant to ARS Sec. 48-807 including: reconciled balance sheet accounts, month-end statements, month-end balances at all institutions and county accounts, revenues and expenditures, and cash flow projection report.**
* Ben from JVG presents April financials**.** For the month of April, we were under budget from a revenue perspective, we are not receiving the tax revenue at the expected time. We are over budget on expenses, mostly due to overtime. We were trending over in overtime for the month of April. Currently we are $76,864 under budget, however we still have tax revenue coming in during the month of June. Nothing much has changed since last month.
* Robert Garber asks about how much and when can we expect the tax revenue and should we be concerned. Chief and Ben both reply that we should get what is expected and some delay is on the Santa Cruz County side as they have a new county treasurer.

*Russ Kolsrud moves to approve the April Financials and Robert Garber seconds the motion and all approve unanimously.*

1. **Review, discussion and possible action-preliminary adoption of FY24/25 budget.**
* Ben and Steven from JVG presents the budget with the effects of the tax increase on the average tax payer in our district. Ruth Ann LeFebvre asks about the effect and numbers. Ben displays for the Board that the 3.1 tax rate will affect the average tax payer with 3 examples: A property assessed LPV at $100,000 would be affected at a rate of an additional $38.00 for the year, A property assessed LPV at $150,000 would be affected at a rate of an additional $57.00 for the year, and a property assessed LPV at $200,000 would be affected at a rate of an additional $75.00 for the year.
* Ruth Ann LeFebvre asks how close the 3.1 tax rate gets the fire fighters to the $16.00 base rate they asked for. Chief responds that the rate will get us a way down the road and that all the members can expect a 6% step increase and 1% cost of living increase. Chief continues that this is a 7% increase, unheard of in the history of SEFD and we have opportunities in the future to increase salaries. There are other ways to contribute by increasing the contribution to insurance and we are also doing a fuel reimbursement in the form of a fuel allowance.
* Robert Garber speaks to the increases in tax rate and how long we can commit to not increasing taxes. Chief responds that with what we know today that is the case of not increasing taxes until 2030, but that could change in coming years.
* Chris Johnson speaks about the CON, that it is competitive but still low for the state. Chris asks about the DHS rate and the ability to increase that rate. Chief addresses the question, the DHS rate is approximately $1500.00 base rate and $21.50/mile, we just increased the rate and plan to continue to do so. Chief speaks to questions of increasing the size of the CON in the future.
* Robert Garber asks about SEFD debt service continuing through 2026 and then disappearing. Ben comments that we now have $182,000 going into reserves and then $22,000 in debt but that has now been paid and dropped off. Ben continues addressing the Board that you want to balance putting the excess money from increase in tax rate where some goes into expenses and some funds in reserve. Ben would like to work with the district on a Capital Improvement Plan, which would be a fantastic tool for the Board.
* Russ Kolsrud comments that he was hoping that the strategic plan would be done before looking at the budget. Russ is looking at the total increase of approximately $355,000 and about half of the increase is going to the members and then the remaining is spread throughout. Does this address the goals of the strategic plan? Chief comments that this budget addresses two of the six goals and this budget was created knowing about the six goals in the strategic plan.
* Ben comments about Wildland part of the budget, we do not budget to make revenue on Wildland so if we make money on Wildland that is a bonus. Wildland revenue tends to be risky and that is why it appear s in the budget the way it does.
* Chris Johnson comments that SEFD will be broadcasting the budget and putting it out to the public and then the Board will vote on it in June.

*Russ Kolsrud moves that we increase the tax rate to 3.1% and the budget of $2,010,557.00 for FY24/25 and Ruth Ann LeFebvre seconds the motion, there are three aye’s and one abstain.*

* Robert Garber explains his abstain in the motion: because of what he has been saying during his last 4 years as a Board member, he promised himself that he would not vote for increase in taxes.
* Russ Kolsrud comments that it is really important to increase the tax rate to benefit the members.
* Chris Johnson explains that the whole department is changing from a entry level training department to a full-time professional department and there are values to both and costs and benefits and it is just part of the process of how we are changing.
1. **Information item NBAZ CD rolled over to 04-25-2025.** Chief explains it is a very safe vehicle that will continue to earn us interest.
2. **Information Item-update on new website since launch.**
* Chief explains that our attorney reached out that the federal government is looking for ADA compliance on websites and we are compliant due to using Streamline.
* RuthAnn LeFebvre is requesting to know where are people looking on our website, when there are 20,000 page views.
1. **Review, discussion and possible action- replace diesel tank.**
* Chief explainsthatour diesel tank has sprung a leak and will need to be replaced, we will be replacing our 3,000-gallon tank for a 2,000-gallon tank due to usage and then will be using our existing pump. There is only one fuel station in our district so not having a tank does not seam viable. The tank is not leaking out to the environment as it is a double wall. Robert Garber asks about cost and Chief explains that replacement will cost approximately $20,000 for removal and placement of new tank. In discussion Robert Garber would like to address the generator situation for the building as we currently do not have one. Tricia addressed the Board about communication with Senergy Petroleum and the members to make this a smooth transition and we do not see a problem with waiting until July 1 for replacement.
1. **Information Item- Strategic Planning Process 2023-2026**
* **Plan is now ready for distribution to stakeholders in printed and electronic form.**  Chief comments that we were waiting on the printed version of the map for completion of the strategic plan. It took longer to get the printed plan than we thought. Gary West from Ironwood introduces himself and tells of all the folks hard work that went into it, from the external stakeholder to the internal stakeholders. Gary comments that there was every position in the district represented on the internal stakeholder team and met six times. Gary explains that it is a unique artistic style for the finished product that represents are area. He continues to explain that it is an aggressive plan but completely attainable.
* **Implementation team will now be activated.** Chief explains to the Board that we gave ourselves all of 2025 to complete the plan. The first meeting will be this week and we will need to find a replacement member to lead as the one that was going to be active left. Gary comments that many people were wanting to be involved, and it is to their benefit.
1. **Consideration of agenda items for future meetings.**
* Breakdown of page views on SEFD website**.**
* Diesel tank purchase**.**
* Generator discussion**.**

*Russ Kolsrud moves to adjourn the meeting; Robert Garber seconds the motion and all approve unanimously.*

Chris Johnson adjourns the meeting at 10:42 a.m.

A digital copy of this meeting is available to the public at the Sonoita-Elgin Fire District, located at 3137 AZ Highway 83 Sonoita, AZ 85637

**NOTICE: The Sonoita-Elgin Fire District Board of Directors may go into executive session for the purpose of obtaining legal advice from the fire district’s attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3)**

Minutes approved by\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Board Clerk, on \_\_\_\_­­­­­\_\_\_\_\_\_\_

 Ruth Ann LeFebvre Date