Minutes to the Board of Directors Meeting

April 22, 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, Eddie McArthur, and Ruth Ann LeFebvre are present at the meeting, the Board has a quorum.

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.**
* SEFD FF/PM Jeffrey Binder speaks to the Board: Jeffrey introduces himself; he has been at SEFD for about 4 years. Talking with members about their salaries, and fortunately his colleague helped him a lot and pulled up some salaries for neighboring or nearby districts. The reason he feels that is important is we have a lot of great people here, who just at a certain point can’t afford to work here and they have to leave. We know we can’t compete with Golder Ranch necessarily but if we just start to get close where it just is comparable, people would be willing to trade that for all the great things that are here. Jeffrey used to work for AMR, one of the really great things about AMR is you get the chance to work with a lot of different departments and you see a lot of different things. Jeffrey impresses upon the Board that he really likes being here, and so do the people. He explains that he has other things going on and he is a business owner and if he wasn’t, he could not afford to be here. Jeffrey continues with a very quick rundown of the other nearby starting: Tucson Fire start at 48,00-50,000, Rincon Fire starts at 50,000, Rio Rico $45,000 based on 2022 fiscal year step plan, North West $53,000, Green Valley $50,000 and going up $1800.00 each year. And each of these departments as well have a step plan, which is really common and really standard in fire, which is just staying in the district and not leaving. Jeffrey continues to point out that our district did a one-time fifty cent pay raise for members that were with the district for over a year last year, but was not guaranteed for any other members that finished a year recently. Each of these members have thought about leaving and have told him that they have to work 7 days a week to work here. Just because SEFD is smaller, we have the same standards as everyone else and he explains that he did the exact same 60 hours to refresh as a paramedic, so there is no difference in the standards. He also feels that the level of care is exceptional, one of the good things. Jeffrey explains that his review of the financials from last time, he was looking at the overtime and PPE for those who left and I did some calculations and if we could shift our overtime to an aggressive pay bump then you would have a different level of loyalty. Jeffrey feels that a fifty cent pay raise would not get this accomplished, but at $16.00/hour, that would make the difference. He wanted to impress upon the Board that he is here to tell the Board how much we want to be here but it is so sad that people can’t afford to be here.
1. **Approval of the Minutes from past meetings.**
* No minutes from March 25th, 2024 as there was not a quorum.

*Russ Kolsrud makes a motion to approve the minutes from April 8, 2024 Board Meeting and Robert Garber seconds the motion and it approves unanimously*.

1. **Reports from the Fire Chief or his designee may include the following topics:**
* **Administration/Budget:**  Chief just returned from Fire Department Instructors Class FDIC in Indianapolis and the county had money topay for the course. The district received a Hero Fund Grant and is a matching funds grant will pay for 50% of the cost of some TRT equipment.
* **PSPRS Local Board:** The local board will be meeting by June and Ben from JVG will be giving you an update on contributions.
* **Operations:** We did not have anyone new start the process, Cory Motzkin competed his task book and is now a volunteer with the district. Both positions on “C” shift have been filled by individuals who were members of the department Michael McGonigle, a longtime volunteer FF/EMT and Tim Hart, another volunteer paramedic that finished fire academy. We are working on EVOC planning. E822 has gone back in for repair, the seals in E822 are getting replaced. U819 was placed into service during the AZHSRA rodeo last weekend. All other units in normal operation. Stats for March was 25 EMS calls, 11 Fire calls and 10 Service calls. Zone 1 had 26 calls, Zone 2 had 6 calls, Zone 3 had 12 calls, Zone 4 had 3 calls and Zone 5 had 15 calls. “A” Shift had 28 incidences, “B” Shift had 18 incidences and “C” Shift had 16 incidences. Our Zoll monitors had annual inspections and maintenance last week and are in good working order. Our HB2609 GPS waiver was approved for 12 months and we are looking for compliance solutions. Chris Johnson asked if U819 is required to have GPS and it is not required, only transport capable units. Every year everyone with a CON can apply for an increase and our application got approved so our rate for transport did increase.
* **Legislative Update:** Almost done for the year, HB2012-DFFM continued funding for forestry and management was passed. HB2066- behavioral health transports and HB 2148- fire inspection systems certification requirement is still being worked on.
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 the March financials to the Board.
* For the month of March, we were about as close to the budget as we can get. Ambulance revenue was under budget by $500.00 not a concern. The septic tank repairs was not budgeted for but approved expense, still . Managerial expense was over budget as there was some insurance payments, not a big concern. Total revenue for the month of March we were $95,000 over what we budgeted. Tax revenue is trending slightly under budget but will get back to zero and non-tax revenue we are trending over budget on Ambulance revenue. Trending over on overtime and some of that due to vacancies.

*Eddie McArthur moves to approve the March financials as presented and Ruth Ann LeFebvre seconds the motion and it gets approved unanimously.*

* Ben addresses the Board on the upcoming 24/25FY budget. Proposed revenue update includes an update to tax revenue, specifically property tax revenue with assessed valuation this year. Pima County had a 4.66% increase, which provides an additional $6,456 to the district at the current rate. Santa Cruz County had an increase of 7.15% which provides an additional $76,468 to the district at the current rate. Each 1 cent equates to $4,700 and the FDAT at $85,667, which is an increase of $5,100.
* Robert Garber brings up the issue of salary increases for the members and looking at these values it is safe to say we will need to increase the tax rate.
* Ben addresses the Board with the proposed expense update looking at Personnel Expenses: Step increase for all eligible members, COLA, PSPRS contribution rate for members increased from 14.16 to 14.53% and the worker’s comp had a slight decrease of prior year. Social Security COLA (Cost-of-Living Adjustment) is 3.2% for 2024, which is a good starting point.
* Ruth Ann LeFebvre asks, how does that happen, do we increase the tax rate? Chris Johnson answers that as a Board with the guidance of JVG makes the decision of how much to increase the tax rate.
* Ben explains that in May as a Board you will tentatively adopt the budget and when you tentatively adopt the budget and have to post it for twenty days for the public to see it and then in June you will adopt the budget and send it to Santa Cruz County
* Ruth Ann LeFebvre asks about what part of the budget will we be looking at to be able to increase member salaries.
* Ben explains the we will be reviewing the operational expenses looking at historical trends and operational needs of the district. The debt service is $22,816, which is a decrease from $155,886 the prior fiscal year and the funding reserve is at $100,000, which is an increase of $50,000.
* Robert Garber comments that with a tax rate increase being proposed to the public, we have to prepare the public for this and they need to understand why their taxes are increasing.
* Supplemental financial report is for bill.com, moving forward it will be in the monthly report. Ben explains how the process of bill.com pays the bills, no additional fees. Chris Johnson comments about the ease of use of the bill.com software.
* Chief asks the Board to pick a day in May to hold a 24/25FY budget workshop before the end of the meeting today.
* Moving to item #13 on the agenda.
1. **Review, discussion and possible action- renewal of NBAZ CD (next maturity date 04-25-2025)**
* The $100,000 CD in NBAZ is maturing and the Board can decide to roll it over or pull it out of the CD.
* Chris Johnson states he is comfortable rolling it over. Chief comments we could look at something with a more favorable vehicle or roll it over.

*Robert Garber makes a motion that with the discretion of the Chief roll it over and get a better rate, if not roll it for another year and Russ Kolsrud seconds the motion and it gets approved unanimously.*

1. **Information Item-update on new website since launch.**
* Website is getting an average of 20,000 page views and it shows that the content is more substantial and updated on a regular basis**.**
* Ruth Ann LeFebvre would like to know, which pages are getting the most views. We will obtain that information on views.
1. **Information item-Strategic Planning Process 2023-2026: Update following external meetings, Draft plan for review and comment, next steps in planning timeline. November to December-internal stakeholder meetings, December to March-planning, and April to May-plan finalized produced and distributed.**
* Chief comments to the Board that we were waiting on an updated GIS map of our district and our CON. Chief will be presenting the Board with the Strategic Plan booklet at next month’s Board meeting.
* Eddie McArthur would like to get a copy of the Strategic Plan Booklet for the PRT.
1. **Review, discussion and possible action-Resolution 2024-04/call to election for Board Members.**
* Board member terms will be ending for three Board members in the fall and that Santa Cruz County is made aware of the election by a call to election as in Resolution 2024-4.
* Resolution 2024-04 is read aloud by Ruth Ann LeFebvre. Edit the year at the end of the resolution from 2022 to 2024.

*Eddie McArthur makes a motion to accept the Resolution 2024-04 with the updated year and Ruth Ann LeFebvre’s last name corrected, and Ruth Ann LeFebvre seconds the motion and it passes unanimously.*

1. **Review, discussion and possible action-plan for increased compensation for members in fy23-24.**
* To increase compensation for the members, it will be necessary to increase the tax rate.
* Eddie McArthur comments that it does not seem it is a good idea to do anything during the 23/24FY but wait for the 24/25FY.
* Brian Jackson comments that what the members would really like to know the amount for the wage increase before the start of the 24/25FY.
1. **Review, discussion and possible action-ambulance billing payee discounts.**
* Chief requests that we table this item number until the next meeting. AMB would like us to consider discounts for certain types of payments.
1. **Review, discussion and possible action-PSPRS contributions corrections.**
* Chief explains the PSPRS process, the district contributes to PSPRS and the member also contributes to PSPRS and at any point they leave the district then they are eligible to withdrawal for retirement.
* James Vincent Group came in on October 1, 2023 and we realized there was mistakes made by our previous bookkeeping firm. All of the mistakes have been identified and they are being fixed.
* Kristin Gaines from JVG presents the details of the findings:

Summary page includes the results of three members that were at the wrong rate and then not being submitted for a period of time: Breeding, Glasser and Hilliard. These members were paying social security taxes during that time and so was the district. The district will owe (before the Social Security Refund) a total of $52,097.06, with the Social Security Refund that amount will go to $44,148.82. Once the district pays the money into PSPRS for 2023, the employees that will owe money is: Hardcastle $420.29, Marine $287.34, Breeding $2,939.84, Glasser $1,704.84 and Hilliard at $2,121.08.

* Robert Garber asks who is still employed of the three larger amounts, and Chief remarks that Hardcastle and Hilliard are no longer with us. He continues that it is the intention of the district to pay the money into PSPRS and if the member owes money, we will work with the member to pay the money back to the district. The district will be working with members on a payment plan and on a one-by-one basis.
* Brian Jackson asks about the interest and dividends lost on the money, we can research the rates and then make adjustments.
* Robert Garber comments that we can only payback at this stage and just look at the interest lost. He comments that it is a good plan to get it off the books and then take a look at what it takes to get it paid back.
1. **Consideration of future agenda items for future meetings.**
* Arizona Office of Administrative Hearing Update, with the presence of Sonoita-Elgin Fire District attorney.

*Russ Kolsrud makes a motion to adjourn the meeting and Robert Garber seconds the motion and it passes unanimously.*

Chris Johnson adjourns the meeting at 10:45 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