

Mayer Fire District
Regular Meeting Minutes
Wednesday, March 15, 2023 4:30 PM
Mayer Fire Administration

1 Call to order

Acting Chairman Tang called the meeting to order at 4:35 P.M.

2 Pledge of allegiance

3 Roll Call of members

Present were Acting Chairman Tang, Acting Clerk Baca, Member Junkins, Member Lundeen. Member Thurman was present telephonically. All present.

Agenda Item #8 was addressed at this time in the meeting.

4 Call to the public (The Fire Board can only respond to items on the Agenda, Comments limited to two minutes each.)

Acting Clerk Baca commented that she would like everyone to know that our fire department is absolutely wonderful. She is very proud to be a part of our fire department. She has attended multiple events with the firefighters over many years and they are phenomenal. They arranged a firefighter birthday party for her grandson and the firefighters involved the whole group, kids and adults. It was another amazing example of how patient our firefighters are, how kind they are, and how community-minded they are. And while it was her grandson, she knows that the same courtesy would have been extended to anyone who asked.

Acting Chairman Tang added that the field trip he arranged for his children was professionally done.

Member Junkins remarked on the change in morale over the past year, as well.

Member Lundeen remarked that he sees and appreciates the non-stop training.

5 Chief's Report:

a) Monthly and year-to-date financials

Chief Smith reviewed his monthly report with the Board.

Because we had extra money at the end of last fiscal year, as the auditor has already mentioned, we moved forward with an ambulance remount. It should be inspected and in service very soon.

We put in for several grants, one for \$1.5 million for a fire station in Cordes Lakes.

The solar company still needs to submit their bid before we can annex the parcel. The State assesses the centrally assessed value of the land for utilities versus the County. Tax income to Mayer Fire District from this project is one to two years out.

We put in for the SAFER grant for three new full-time personnel. If awarded the cost of three full-time firefighters would be covered for three years.

We put in for a regional grant for recruitment and retention for training.

We are looking into taking out a loan to cover the debt liability for PSPRS (Public Safety Personnel Retirement System)

A good portion of the department is attending Wildland Academy this week.

There were 145 calls for service in February which puts us at almost 1,900 calls for the year. Chief Smith referred the board members to a graph to illustrate call volume and location within the district and outside the district involving mutual aid, and year over year comparison of volume and other call statistics.

To be fully staffed with the current demands, we need 6 more full-time firefighters. The plan is to add staff when the solar farm is in production.

Copper Canyon Fire is in debt. Their chief has resigned. They have a state-mandated special master to oversee the fire department currently. They may have to lay off firefighters. Their board is trying to figure out what to do.

b) Current event report

6 Mayer Chapter of the International Association of Firefighters (IAFF) Local #3066 (the Union) report.
Nothing to report.

7 **Consent Agenda**

Member Lundeen motioned to accept the consent agenda.

Member Baca seconded. The vote was Aye-5, No-0. All voting Aye. Motion carried.

8 **June 30, 2022 Audit presented by Lisa Parke with Walker & Armstrong, LLP**

Lisa Parke presented the financial performance of the district.

There was a significant increase in cash receipts, an increase of 19%, about \$530,000.00. Of that, there was more money from the Smart& Safe Fund, a grant from Gila River Indian Community for turnouts, and revenue from IGA's (Intergovernmental Agreements) for personnel services.

Also, there was a significant increase in ambulance transports, which also resulted in some increased expenses in dispatch fees, fuel and overtime costs.

Due to the increase in cash receipts, the district was less reliant on the line of credit. Cash flows were better managed.

Expenses increased overall by about \$140,000.00. This was due to additional ambulance costs, personnel costs under the IGA's, and purchases of cardiac monitors and vehicles.

Debt service costs were down in FY21-22 (fiscal year 2021-2022). This was because the district had paid off an ambulance in the previous fiscal year.

The year ended with an increase of \$127,000.00 more in cash, which means more income than expenses.

The year ended with about \$400,000.00 in cash total. That is about 13% of the overall expenditure for the year. If the number is 10% or less, then there is concern that short-term obligations may not be met. The previous year figure was 9%. A figure of at least 25% is recommended.

Debt service was about 4% of total expenditures, which is fairly consistent with other districts.

Ms. Parke referred board members to prepared audit reports and explained the sections of the reports.

The IGA amount of \$207,000.00 has increased \$170,000.00 from the previous year.

Charges for services are up 21%, \$317,000.00 from the previous year due to 20% increase in ambulance transports.

Cash disbursements of 2.3 million is up 14% or \$276,000.00. This is related to the additional costs for ambulance dispatch fees, fuel, and overtime.

Administrative and support services is \$568,000.00, up due to IGA charges paid out to the other districts, as well as for the fire chief's management fees.

The \$140,000.00 capital outlay is for the cardiac monitors and a couple of trucks purchased.

Ms. Parke directed the board's attention to the line of credit item of \$12,000.00 under debt service. Last year this number was \$180,000.00. She commented that the district was doing a great job of managing money and not drawing on the line of credit.

Under Policies, a new accounting standard was implemented in the audit process which had no effect on the district's audit.

Long-term liabilities were presented in table form showing debt off-set by bond income through year 2039.

Notes payable were presented in table form. This will be changing due to the refinance of station #22 in FY 2022-23.

Line of credit available is \$400,000.00 but only \$12,000 was borrowed and repaid.

Terms under the IGA's list services and management fees.

The next item on the audit report was a standard disclosure of risks.

There is a lengthy retirement note. The district contributed \$350,000.00 to the plan for FY 2022, an increase of \$100,000.00 from the previous year. This was due to added full-time personnel and increased contribution rates.

The net pension liability is \$1.5 million, down \$500,000.00 from the previous year.

Subsequent events were noted as grants and capital purchases after year-end, and the refinance of the USDA (United States Department of Agriculture) loan. The refinance will result in paying out about \$900,000.00 more per year, however the debt will be paid off about 5 years sooner.

Ms. Parke directed board members to the next report, Communication with Those Charged with Governance and explained the sections of this report.

An item for consideration that has been on the audit for many years is the timeliness of bank reconciliations.

In addition to that there are a lot of old items from previous years that have not been cleared. Timely follow up is recommended for more accurate information. The resulting wait for accounts to be reconciled increased the audit expense significantly due to items that went through the bank but did not get recorded in the accounting software. The information was not accurate. Accounts need to be reconciled monthly to correct errors or misappropriations as they occur.

Member Lundeen motioned to accept the audit report as submitted. Member Junkins seconded the motion. The vote was Aye 5, No-0. All present voting Aye. Motion carried.

Ms. Parke added that the district is doing a good job, improvements are a process, and we are on the right track.

9 *Approval to close the USDA (United States Department of Agriculture) Reserve bank account at Bank of the West*

Chief Smith explained the account was required by the USDA when the original loan was taken. The loan has been refinanced so we no longer need to keep the account. The majority of funds have already been transferred to the general fund.

Member Junkins motioned to close the USDA Reserve Bank account with Bank of the West. Acting Clerk Baca seconded the motion. The vote was Aye-5, No-0. All voting Aye. Motion carried.

10 *Mayer Fire Governing Board Policies*

Member Lundeen commented that, overall, the policies are good, but he had noticed typographical errors that need to be addressed.

Acting Clerk Baca motioned to accept the current governing board policies with proposed typographical edits. Member Junkins seconded the motion. The vote was Aye-5, No-0. All voting Aye. Motion carried.

Chief Smith added that he hopes to have a draft for the new board member handbook by the next meeting.

11 *Pie chart for budget mid-term*

No action taken.

12 *Hazmat response*

Acting Chairman Tang had asked for the board to be oriented to the hazmat response capabilities of the district firefighters.

Chief Smith presented information. There are three levels: awareness, operations, and technician. Awareness is just that you know enough not to go near. Operations-level allows you to work up to the hot zone. Technician-level allows you to suit up, go in the hot zone, and mitigate the problem. As of two years ago, this department had operations level only. We had a state grant funded course in Mayer about 1.5 years ago. We now have 10 technician-level firefighters in Mayer. We also have acquired a multi-purpose truck for hazmat response and technical rescue. We also acquired, through a grant last year, a Chem Pro 100, a gas monitor to classify unknown aerosol gasses. We are still putting in for a grant for a Raman to classify unknown liquids and solids. We will be able to identify the chemical or class of chemical for almost anything.

With I17 going through the district, there could be almost anything. Bags of fentanyl has been the biggest problem, so far.

Mayer hazmat technicians are also part of the regional response group.

No action taken.

13 *State of Arizona Mutual Aid Compact*

This allows an agency to travel outside its boundaries to assist another agency.

Member Lundeen motioned to authorize Chief Smith to finalize the mutual aid agreement as presented by the State of Arizona. Acting Clerk Baca seconded the motion. The vote was Aye-5, No-0. All voting Aye. Motion carried.

14 *Future Agenda items*

Emergency beacon signs

15 *Future meeting dates.*

The next regular board meeting is scheduled for Wednesday April 15, 2023 at 4:30 P.M.

16 *Adjournment*

Acting Clerk Baca motioned to adjourn the meeting. Member Junkins seconded the motion. The vote was Aye-5, No-0. All voting Aye. Motion carried.

Acting Chairman Tang called the meeting adjourned at 6:08 P.M.

 4/19/23

Clerk Tang

Date