Minutes to the Board of Directors Meeting

May 19, 2025

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

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

Chris Johnson, Ruth Ann LeFebvre, Eddie McArthur, Russ Kolsrud and Bob Garber are present at the meeting and 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. Members of the Board shall not discuss or take legal action on matters raised during an open call to the public, unless the matters are properly noticed on the agenda for discussion and legal action.
* No members of the public were in attendance.
1. **Approval of the Minutes from past meetings-**

The Board has no minutes to approve at this meeting.

**5. Reports from the Fire Chief or his designee may include the following topics:**

 **2024-2026 Strategic Plan Implementation**:

* **2024-2026 Strategic Plan**

• The Implementation Team met on May 9th.

• Apart of initiatives 2 (Staffing, Recruitment & Retention) and 6 (Community Engagement and Risk Reduction) we have begun rolling out the first phase of Fire Corps and starting internal benchmarking for the Community Risk Assessment (CRA) framework.

• We have transitioned to using Teams for our meetings

* **Administration/Budget:**

• Sentencing for the former SCC Treasurer is scheduled for June 18th in Tucson.

 • We will be asking the Board to tentatively adopt the FY25/26 budget today.

• SEFD is working collaboratively with Nogales, Rio Rico and Tubac on the SCC Future FF Summer Camps (June 2nd to 13th).

* **Operations:**

• We are updating both the “Red Shirt” and Probationary FF task books.

* Building/Grounds: the new windsocks, courtesy of Air Evac and LIFE Net have been installed. The short wall in the training room will be pushed out approx. three feet to increase the size of the workout room. Construction begins this afternoon.
* Apparatus: E823 is in Tucson for repairs and all other apparatus are in service.
* Neighboring Agency News & Developments: Town of Patagonia
* Total incidents for the month of March ended at 66 and here is the breakdown: FIRE-4, RESCUE & EMS-42, SERVICE-15, GOOD INTENT-5, HAZARDOUS CONDITION-0, and FALSE ALARM & FALSE CALL-0. Incident count by Zone: Zone 1 had 21, Zone 2 had 3, Zone 3 had 13, Zone 4 had 2, and Zone 5 had 27 for a total of 66. Under incident count by day, the busiest days of the week are trending at Tuesday, Thursday and Friday with most calls running during the day. There were 56 incidents during the day and 10 incidents during the night hours.
* Certificate of Necessity: M832 was inspected and passed its yearly inspection. SEFD received an additional 12-month waiver on GPS requirement under HB2609.

• **Legislative Update**: There are five bills in the House that could affect our industry: HB2197, HB2268, HB2384 (Is now dead), HB2457, and HB2942. There are three bills in the Senate: SB1149, SB1285 and SB1345 (Is now dead).

**6.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 Archer Clowes from James Vincent Group presents the financials for April. The districts cash is down, but all of the districts that JVG represents in the county are under budget on tax revenue, but slowly we are seeing more money that will help the cash position. An update on Ambulance Revenue, we are $22,000 over in Ambulance Revenue and if we out perform by that variance then we will end the year close to budget. Ben assures the Board that by this time next month we will have a clearer idea on Ambulance Revenue position and the SCCT revenue collection.
* *Russ Kolsrud moves to approve the financials for the month of April, 2025, Eddie McArthur seconds the motion and it’s approved unanimously.*

**7. Information, discussion and possible action- Update on Santa Cruz County** **Treasurer embezzlement matter, including status of litigation between the County and the State and the County’s proposed loss and recovery allocations between the affected school and fire districts.**

* Thomas Benavidez addresses the Board and recommends that the Board goes into executive session for this discussion.
* *Eddie McArthur makes a motion to enter into executive session, Robert Garber seconds the motion and the motion was adopted, with one member in opposition, Ann LeFebvre.*

*The Board enters into executive session at 9:02a.m.*

* *Eddie McArthur makes a motion to exit the executive session, Robert Garber seconds the motion and the motion was passed with a unanimous vote.*

*The Board exits the executive session at 9:48a.m.*

**8. Information, discussion and possible action- Review of preliminary fiscal year 2025-2026 budget. All anticipated revenues and expenses, as well as the anticipated secondary property tax rate and capital improvement plan, may be discussed and acted upon.**

* Ben Archer Clowes & Steven Rodriguez from James Vincent Group have a presentation for the Board on the FY25/26 Budget. They reviewed each budget line item with the Board, with some of the challenges that the current 3.1% tax rate would propose moving forward if it is not increased. One significant challenge as we move forward is the aging fleet and the cost of maintenance on aging apparatus. Another area where SEFD is spending more than what was budgeted is on overtime for personnel. Ben reviews with the Board that we did pay off B825 & B826 with NBAZ and that is reflected in the Capital Outlay and Debt Service. Ben continues to explain the projections on tax rate scenarios; we could stay at this tax rate this year but we will have to come back to you next year and ask to revisit the tax rate. Ben & Steven show an Assessed Value rate in the Net Income section as this year was 5.49% but next year could be 3% or even as low as 1% and would have to lower our reserve funding. Ben comments to the Board that we are in a healthy position for cash, but from the point we have limited control over expenses such as PSPRS and Assessed Value. Ben expresses that a 3.25% tax rate allows us to build our Reserve Funding and to plan for unexpected expenses and fleet allocation in the future. Robert Garber expresses that he feels SEFD should not increase the tax rate but rather control the overtime and work with the current tax rate. Chief addresses Roberts concerns and explains that with an increase tax rate there would be more flexibility with needs of the district that come up over the next few years with the fleet and building maintenance, and we are already behind for pay rates for our personnel and SEFD will need to keep revisiting compensation in the future to address the retention issue. Eddie McArthur expresses that she understands the need to increase the tax rate but the timing is bad with the Patagonia Proposal and the opinions of the public and we need to educate and express the need if we are asking for an increase. The next step is the proposed budget will be posted publicly and then open it up to the public during the next June Board meeting and then adopt the final budget at the June meeting.

* *Russ Kolsrud makes a motion to increase the tax rate to 3.25% for the FY25/26 Budget, Ruth Ann LeFebvre seconds the motion and the motion is carried with one Board Member, Robert Garber voting against.*

**9. Consideration of agenda items for future meetings.**

* Finalize the FY25/26 Budget in the June meeting.
* *Russ Kolsrud moves to adjourn the meeting; Ruth Ann LeFebvre seconds the motion and the motion is carried without opposition.*

Chris Johnson adjourns the meeting at **11:34 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