Minutes to the Board of Directors Meeting

April 28, 2025

**Chair of the board Chris Johnson calls the meeting to order at 9:02 a.m.**

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

Chris Johnson, Ruth Ann LeFebvre, Eddie McArthur and Bob Garber are present at the meeting, Russ Kolsrud is absent 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 reviewed minutes from March 24th, 2025 meeting.

* *Ruth Ann LeFebvre moves to approve the Board minutes from the March 24th meeting, Eddie McArthur seconds the motion and it is carried without opposition.*

**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 March 10th .

• Gary West is going to work with Bill Bruyn on completing a Community Risk Assessment (CRA) which will lay the groundwork for developing a Community Risk Reduction (CRR) plan. This is a key element of strategic initiative six

• We have transitioned to using Teams for our meetings

* **Administration/Budget:**

• We have researched security/access/id systems and have multiple bids; we are evaluating what our first and future needs will be

• We are moving health/dental/vision renewal from 01-01 to 07-01 to better manage the budget. We are also changing the lowest tier plan to encourage additional member participation.

* **PSPRS [Public Safety Retirement] Local Board**:

They have not met yet this year but will be meeting in the spring to early summer.

* **Operations:**

• New Recruits

• Two new recruits started the process since the last Board meeting

• FF/EMT Roberto Herrera completed his redshirt task book.

* Apparatus: E823 is in Tucson for repairs and all other apparatus are in service.
* Neighboring Agency News & Developments: Town of Patagonia Workshop this Wednesday. Sonoita-Elgin Planning Committee will be meeting Tuesday night.
* Total incidents for the month of March ended at 62 and here is the breakdown: FIRE-3, RESCUE & EMS-45, SERVICE-8, GOOD INTENT-5, HAZARDOUS CONDITION-1, and FALSE ALARM & FALSE CALL-0. Incident count by Zone: Zone 1 had 29, Zone 2 had 5, Zone 3 had 7, Zone 4 had 0, and Zone 5 had 21for a total of 62. Under incident count by day, the busiest days of the week are trending at Tuesday, Saturday and Sunday with most calls running during the day. There were 42 incidents during the day and 20 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 March. Ben reports that on page two of the balance sheet that we have seen a decrease in $172,000 for the year over year. We do not want to see a decrease in cash unless we are buying capitol on buildings or equipment that is outside of the operational budget. To that point we are $80,000 under on the Ambulance revenue so this time last year we received significantly more than this year. Then we are also under on our tax revenue by $6,619.00, and those are big reasons why we are under from a cash perspective on the balance sheet. Ben feels confident that we will get caught up on the Ambulance revenue now that Chief and AMB discovered the glitch in the system, with over 90 incidences not getting exported to AMB and now they are, and AMB is now billing for those. SEFD has used some of the cash to pay expenses, Ben reviewed with the Board members the accounts and the cash in each account, explaining that the cash has decreased by $172,000. When we are looking at a year over year comparison, there is a small variance under tax revenue, but a larger variance is the timing on the Ambulance revenue. In conclusion Ben addresses the Board with a message that we are suppose to increase our reserves each year but haven’t done that this fiscal year due to expenses.
* *Eddie McArthur made a motion to pass the financials for March 2025, Ruth Ann LeFebvre seconds the motion and it passes unanimously.*

**7. Information, discussion and possible action- Request for establishment of an Auxiliary Services Division and updated organizational chart.**

* Chief addresses the Board about the existing organizational chart and the need for a change with the start of a Fire Corps Auxiliary Division. It will branch off the chart similar to the Administrative Assistant. There are three levels within the Fire Corps program in the future: 1. Administrative Support, 2. Operational Support and 3. Field Work. Initially we will start with the Administrative Support by June of this year, then roll out the Operational support and finally the Field Work support. These are volunteer, not paid positions so the impact to the district financially is minimal. Ruth Ann LeFebvre asks who will head up the Fire Corps and Chief responds that it will probably by Bill Bruyn.
* *Eddie McArthur made a motion to update the SEFD organizational chart to add the Auxiliary Services Division, Ruth Ann LeFebvre seconds the motion.*

**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 with JVG has prepared a presentation for the SEFD FY25/26 budget and presents that in detail to the Board. The presentation covered the current position in the budget process, an overview of proposed 2026 district revenues, an overview of the proposed 2026 expenses and then open up for discussion. Ben continues to explain the timeline: February we get the AV from the county, February to May there was a meeting with Chief and staff to discuss goals and JVG analyzed current and historical numbers. , from March to May there were meeting with vendors to determine renewal dates, in April we had our first discussion about the budget with the Board, in May the Board tentatively adopted a budget and was the start of the 20 day posting to the public and finally in June during the Board meeting there is a public hearing and final adoption of the FY25/26 Budget by the Board.

Ben explains that once the Board tentatively adopts the budget, we can decrease the budget but you can not increase your budget.

* Ben continues to discuss the assessed valuation of $50,073,126 for 2025, which is an increase of 5.49% or $80,781 increase at the current rate of 3.1000%. The FDAT increase of $6,644 in line with AV trend at total of $98,216. SEFD is not caped on the tax rate yet, as the cap is at 3.75%.
* Moving on to the personnel expenses, Ben explains that they are proposing a step increase for all eligible employees, a proposed COLA of 2.5%, which follow the Social Security COLA increase. The PSPRS contribution rate is going to increase from 14.53% to 24.91%. And the final point refers to the increase to the overtime budget for FY25/26 from $14,904 to $175,000 to be in line with the current operating trend.
* Operational Expenses is the next section covered, where Ben explains that JVG reviewed historical trends and discussed operational needs of the district with Chief and staff. Vehicles and Equipment increased from $58,000 mainly due to increasing vehicle maintenance line to be in line with the budget.
* Ben & Steven from JVG gave the Board a view of different tax rates and how it affects the budget and with both FY24/25 AND FY25/26 with a view of the money variance and the % variance. They first showed the current tax rate of 3.1 and how that affects the budget, then they reviewed the same data with a potential tax rate increase to 3.25 to allow the Board to see budget projections, showed a five-year average time frame for all the budget categories. The budget can be balanced at 3.1 with some limitations for future reserves. The difference of the 3.1 and 3.25 had mostly to do with being able to secure the future financial stability of the district with the ability to put funds into reserve funding and capital fund. Ben requests a direction from the Board on moving forward with a tentative budget to propose.
* Chief speaks to setting up the district for the next 5 years and getting out of the past trend of not planning past the current fiscal year.

**9. Information item- changing department insurance providers from VFIS to Provident, effective for Fiscal Year 2025-26.**

* Chief addresses the Board about our insurance on buildings and fleet, we have had VFIS for years with no evaluation of other options in many years. A representative from Provident spent multi days with Tricia combing through the existing policy and increasing our coverage for a slight increase in cost.

**10. Information, discussion and possible action- authorization to spend up to $50,000 for the acquisition of a Ford or Ram pickup truck (4x4, full crew cab, shell) for use as a multi-purpose utility vehicle**

* Chief addresses the Board about needing to acquire a used diesel utility vehicle for the district. Chief requests to table this until next month, to look into possible state funding and the best options.

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

*Ruth Ann LeFebvre moves to adjourn the meeting; Eddie McArthur seconds the motion and the motion is carried without opposition.*

Chris Johnson adjourns the meeting at **10:58 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