



HIGHLANDS FIRE DISTRICT

BOARD OF DIRECTORS
REGULAR MEETING MINUTES · 05/21/24

A regular meeting of the Fire Board of Directors was held on **Tuesday, May 21, 2024 at 5:00 PM** at Fire Station 23, Administration Board Room, 3350 Old Munds Hwy, Flagstaff, AZ. The meeting was also available through Zoom Video Conferencing.

1. **Call to Order.** Chairperson Hanecak called the meeting to order at 5:00 PM.

2. **Roll Call.**

Board members present were Chairperson Hanecak, Clerk Brad Bippus, Director Carl Nelson, Director Dan Stoffel, Director Jay Smith.

Administrative personnel present were Chief Todd Miller and Battalion Chief Chris Pond

Staff present included C- Shift and Captain Monreal*

*Attended through Zoom Video Conferencing.

3. **Pledge of Allegiance, Invocation, Mission and Vision Statements, and Board Responsibilities.**

The Pledge of Allegiance was recited, and a silent invocation was offered, and the district's mission, vision, and selected Board responsibilities were recited.

4. **Welcome Visitors.** Chairperson Hanecak welcomed Dominic Filosa from JVG.

5. **Call to the Public.** There were no public comments.

6. **Approval of Minutes.**

A. APRIL 16, 2024 REGULAR MEETING MINUTES WERE TABLED UNTIL JUNE 18, 2024.

7. **Finance**

A. WARRANTS – A **MOTION** was made by Director Stoffel and was seconded by Director Smith to **approve the warrants as presented**. The Board reviewed the District's warrants and credit card purchases paid for in April. The motion was unanimously **APPROVED**.

FINANCIAL REPORT – Mr. Filosa presented the Financial Report for April. The Board was provided Profit/Loss Budget Overviews, Bank Reconciliation, County's Fund Balance Summary, and Cash Flow Projection Reports. Mr. Filosa informed the Board that everything looks consistent with prior months with nothing of concern. Mr. Filosa said he added a couple schedules for the Board's review; specifically, a Profit/Loss Schedule for the Bond Fund. The District received \$3,576,607 Bond proceeds in March, and spent \$72,519 in March and \$2,364,742 in April. He reviewed the Summary of Reconciled Cash Balances. Mr. Filosa informed the Board that the Financial Report will be "revamped" beginning in July.

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8. Summary Reports & Correspondence.

- A. IAFF LOCAL CHAPTER 1505 SUMMARY REPORT – Captain Monreal reported Local 1505 participated in the Annual Fill-the-Boot Fundraiser for Muscular Dystrophy. HFD raised just over \$1,000; 1505 raised about \$10,000.
- B. BATTALION FIRE CHIEF’S SUMMARY REPORT – Chief Pond presented the Battalion Chief’s Report. There were 68 calls for service in April. Chief Pond described significant incidents, training events, and general activity. See the written report for detailed information reported.
- C. FIRE CHIEF’S SUMMARY REPORT – Chief Miller presented the Fire Chief’s Report. Chief Miller recognized Bear Jaw for their efforts cleaning up pine needles and green waste, and Engineer Reed and staff for completing the build out of the new Type 6 Engine. The Budget wrapped up FY 2025 Proposed Budget. We are moving toward transiting account payable to Bills.com and JVG. A used Type 1 Engine was purchased with Go Bond Funds. The Board discussed issues with homeowner insurance. See the written report for additional information reported.
- D. FIRE BOARD CHAIRPERSON’S SUMMARY REPORT – Chairperson Hanecak thanked the Budget Committee. He also thanked staff; specifically Chief Miller and the BCs for doing a lot of extra work due to temporary staff vacancies. He said, “For those who have never experienced the vacancy of key positions, the burden doesn’t go away, it gets distributed amongst the shoulders of a lot of other folks, and from the perspective of the Board, it’s been seamless.” Chairperson Hanecak is looking forward to the Pancake Breakfast.
- E. CORRESPONDENCE – The Board reviewed a thank you letter from Mt. Elden Middle School for accommodating Shelby Erickson in coaching the wrestling team.

9. Topics of Discussion and Possible Legal Action.

- A. CONSIDERATION TO APPROVE TO POST AND PUBLISH THE FY 2025 BUDGET. Chief Miller informed the Board that he seeks Board approval to post and publish the FY 25 Budget. The Budget is scheduled to be adopted at the June 18, 2024 Public Hearing. Chief Miller reviewed the budgetary goals, which support the Mission of the District. See HFD Fiscal Year 2025 Budget Information PowerPoint Presentation documents for details.

Mr. Filosa presented the Highlands Fire District Detailed Budget for Fiscal Year FY 2025. See Budget documents for details. Mr. Filosa reviewed the revenue expected; total revenues are **\$5,936,619**. Mr. Filosa reviewed the expenses. Personnel Costs include 3.2% COLA, an Administrative Assistant, a Rover, and overtime increased \$40,720, totaling \$4,331,036. Building and Land expenses total \$110,314. Vehicles and Equipment expenses total \$166,702. Communications/IT expenses total \$6,500. Tavel and Training total \$64,300. Managerial expenses total \$361,848. Other/Debt Service total \$889,600. Funding to/from Reserves and Capital total \$6,319.00. All expenses total **\$5,936,619**. Chairperson Hanecak reiterated his concern of the reduction in the Training Budget. Chief Miller said he was comfortable with the number, and he explained that

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staff training is about the same, and overtime was increased, partially for more in-house training. Management training for next fiscal year is not a concern.

Mr. Filosa presented a Five-Year Projection Report and reviewed the projection assumptions. He explained the Unrestricted Fund Balance represents the reserve funds in prior Budgets. Chief Miller informed the Board that mill rate increases will need to be considered in strategic planning discussions. Chairperson Hanecak stated, "...if we are proposing to increase the mill rate for the District, and we are reflecting almost a \$500,000 surplus of recommended cash reserves, it's going to be a conversation to have. How do we justify that?" Chief Miller responded, "That is a decision that Budget Committee and the Board need to think about." Chief Miller explained the assumptions used in the Fire-Year Projection document. Chief Miller and Mr. Filose discussed the importance of having reserve funds in case of unexpected expenses, and he reiterated that there are many variables for the Board to consider. Director Stoffel and Director Smith are satisfied with the Budget as presented. Director Stoffel recommends more in-depth strategic planning. Chief Miller thanked JVG for his work and for coming out to present the Budget. **A MOTION was made by Director Stoffel and seconded by Director Nelson to approve posting and publish the FY 2025 Budget;** the motion was unanimously **APPROVED**.

B. CONSIDERATION AND POSSIBLE ADOPTION OF A RESOLUTION PROVIDING DELEGATION TO THE FIRE CHIEF TO DIRECT JAMES VINCENT GROUP (JVG) TO TRANSFER FUNDS IN AND OUT OF OPERATIONS ACCOUNT. **A MOTION was made by Director Smith and was seconded by Director Nelson to approve the resolution providing delegation to Chief Miller to direct James Vincent Group (JVG) to transfer funds in and out of the operations Account.** The Board discussed the electronic bill pay process soon to be implemented. After discussion, the MOTION was unanimously **APPROVED**.

C. REVIEW BOARD TASK CALENDAR. Chief Miller informed the Board that in June, the Board will adopt the Budget and consider the Fort Tuthill IGA. Chairperson Hanecak said we have to talk about elections. Chief Miller replied that last month the Board Called the Election. The Board discussed candidate requirements.

10. **Board Member comments.** Chairperson Hanecak thanked members again for serving on the Budget Committee.

11. **Adjournment.** **A MOTION was made by Director Stoffel and was seconded Director Smith to adjourn;** the motion was unanimously **APPROVED**. The meeting adjourned at 6:21 PM.

For the record, I did not attend this Fire Board meeting; the minutes were produced from observing a video recording of the meeting.

Respectfully submitted,

Jayne Jones