



# TIMBER MESA FIRE & MEDICAL DISTRICT

The regular session of the Timber Mesa Fire and Medical District was convened on November 18, 2024, at approximately 3:00 pm at the Timber Mesa Fire and Medical District Administration Building, located at 3561 East Deuce of Clubs, Show Low, AZ 85901.

## BOARD MEETING

### 1. CALL TO ORDER

Chair Jamie Adams called the meeting to order at approximately 3:00 pm.

### 2. PLEDGE OF ALLEGIANCE

### 3. ROLL CALL OF BOARD MEMBERS

Chair Jamie Adams, Member Amy Kay, Member Jim Molesa, and Clerk Paul Wyatt.

### 4. APPROVAL OF MINUTES

#### a. Regular Session of October 28, 2024

Member Jim Molesa moved to approve the Regular Session minutes from October 28, 2024, as written, and Member Amy Kay seconded the motion. The vote was unanimously approved, and the motion passed.

### 5. CALL TO THE PUBLIC

None

### 6. EMPLOYEE RECOGNITION

Board Members Paul Wyatt and Amy Kay

### 7. REPORTS AND CORRESPONDENCE

- A. Fire Board Report – Chair Jamie Adams participated in the recent captain's academy. It was a good experience. He thanked Clerk Paul Wyatt and Member Amy Kay for their service to the District.
- B. Fire Chief's Report – Report included in the packet. Chief Chevalier gave an update on the recent Division/Battalion Chief testing. Both candidates tested very well. Dan Jerome has promoted to Division Chief. Gave a District tour to the incoming board members – Roger Brown and Joseph MacGregor. Gave an update on the changes at Vernon Fire District with the retirement of Chief Niehuis. There has been office movement in Administration to better accommodate job functions.
- C. Administrative Services Report – Report included in the packet. Chief Livermore out of the office. Chief Dan Jerome gave a brief overview of the Administration report. Former Assistant Chief Darren Cluff's disability retirement was approved by the Pension Board. He gave an update on the grants received.

The AFG cycle opened early this year. The District has moved to the PFFA Trust for health benefits. Reminder to respond to Trinity Guthrie for the upcoming Annual Appreciation Dinner.

- D. Operations, Medical Services, and Training and Report – Report included in the packet. Chief Heisler thanked Board Members Amy Kay and Paul Wyatt for their many years of service. Gave an update on the two recent fires. Type 6 Wildland deployment to California. Will be meeting with Dispatch to update alarm packages.
- E. Prevention Report – Report included in the packet. Fire Marshal Pepper thanked the Arizona Burn Foundation for the generous donation of the 53 smoke alarms that were provided/installed by TMFMD. Investigation report on the two recent fires.
- F. Logistic, Support Services and Fleet Maintenance report – Report included in the packet. Chief Clay Wood thanked Board Members Paul Wyatt and Amy Kay. He met with consultants to test for asbestos at Station 19. The report shows no asbestos detection. Working with DHS to inspect Type II ambulance. Received one quote for the soil testing at Station 13. Rescue boats have been pulled from the lakes. Chair Jamie Adams asked about the installation of the boat docks with Chief Wood saying once installed they will stay in the lakes.

## 8. ANNOUNCEMENTS and CORRESPONDENCE

Annual Appreciation Dinner is December 6, 2024

Community Fast held November 17-23. Letter received the Community Fast Committee

AFDA Conference in January 2025

## 9. BUSINESS

### A. Discussion and Possible Action: October 2024 Financial Reports

Sara Simonton, Accounting Manager for James Vincent Group, presented the monthly financials for October 2024. The following key points were reviewed: Revenue, Expenses, Fiscal Year revenue, Year-to-date Expense and Total Cash amount. The following were included in the board packet for review: Balance sheet as of October 31, 2024, Summary of Reconciled Cash Balances as of October 31, 2024, Income Statement of Revenues and Expenditures of General Fund for October 2024, including budget to actual and year-to-date balances, Fixed Asset Additions and Disposals Schedule FY24/25, Income vs. Expenses graph for October 2024, Monthly Disbursement report, and 12-month cash flow. Revenue for the month of October is \$6,268,234 which is \$288,051 over budget. Navajo County revenue for the month is \$5,456,036 which is under budget by \$83,455 related to timing of tax collections. We will see an increase in tax funds next month and in the April/May timeframe as well. Non-levy revenue is \$812,199 which is over budget by \$371,507 driven by ambulance revenue and wildland deployments. Ambulance revenue is over budget by \$257,112. Wildland revenue is over budget by \$110,115. Expenses for October total \$1,604,295 which is under budget by \$16,893. All categories were under budget with the exception of Travel and Training. Over by about \$7,000 due to wildland deployment costs and CEP training. Managerial costs are under budget by \$11,533 driven by timing of EMS billing. Vehicles & Equipment are under budget by \$4,858, driven by timing of EMS supplies offset by an increase in vehicle maintenance costs. Fiscal Year Revenue is \$10,225,514 which is \$1,652,952 over budget. Ambulance and Wildland have been performing very well. Navajo County revenue is \$51,131 over budget. Ambulance revenue is \$881,739 over budget. Wildland revenue is \$635,631 over budget. YTD expense is \$6,269,463 which is \$122,060 over budget due to slight increases to timing of the grants, EMS supply purchases and vehicle maintenance. Personnel costs over budget due to wildland deployments. Total Cash for October is \$9,017,758 which is \$1,636,051 higher compared to October 2023. Overall showing a good story with the management of expenditures. Discussion on Ambulance revenue. Trending very well and will be looking at possibly upstaffing early next year.

Chair Jamie Adams moved that we approve the financial reports for the month of October 2024 as presented, and Clerk Paul Wyatt seconded the motion. The vote was unanimously approved, and the motion passed.

**B. Discussion and Possible Action: Fiscal Year 2023-2024 Financial Audit Presentation. The Fire District's Independent Auditing Firm will be attending virtually to present the audit findings**

Chief Chevalier introduced Lydia Hunter and Dj Harris from BeachFleischman. They presented the 2024 Audit findings to the Board. Highlights included Unmodified opinion on financial statements, Required Communications, Summary of Financial Information, Consideration of Internal Control and the Annual Comprehensive Financial Report. Congratulations on an unmodified opinion, that is the highest rating. Key points in the required letter included accounting policies, estimates, disclosures are neutral, consistent & clear, sensitive disclosures, no significant disagreements with management, compliance with ARS 48-805.02, section G and adjustments. They don't believe that any transactions entered into that lacked authoritative guidance. Cutoff date for estimates was June 30, 2024. Two most significant estimates are ambulance and pension liabilities. Believe that the disclosures in the financial statements are neutral, consistent and clear and that no sensitive disclosures need to be communicated with the District. No disagreements with management and the District was ready for the auditors. The audit went very smoothly and appreciated the help given by staff. Opinion on compliance is included in the Internal Control report and believe the District is in compliance with the state statute. Adjustments included pre-audit balances and auditor adjusting entries. Statements that the Board receives are materially correct. Three years are showing in the Statements of Financial Position. Positive trend in the cash flow and capital assets. Current liabilities show nothing unique and non-current liabilities increased due to a loan taken. Net pension increased but can't really control that number, it is dictated by the actuary reports. Unrestricted net position has continuously increased, and this shows how diligent the District has been in building financial reserves. This is a very positive result. The revenue in the Income Statements showed an increase driven by property tax revenue. Also saw a \$1.3 million increase in ambulance revenue and about a \$350,000 increase in wildland revenue. Overall positive trend in total revenue. Total expenses show an increase driven by operating expenses of salaries. The District is paying about \$1.8 million into the pension plan. All three years show a positive net position. Had a very positive increase in cash throughout the year. Like to see a positive in the operating activities. Had no comments or significant deficiencies or material weaknesses to report for internal controls. Segregation of Duties is an important function in internal controls. The Board's review of the financial statements, fiduciary oversight and questions is an important part of the internal controls process. No specific concerns with internal controls and feels the District does segregate duties as best as possible. Explained the Annual Comprehensive Financial Report three sections, the Introductory, the Financial and the Statistical. Chief Chevalier thanked Ms. Hunter and Mr. Harris for the audit and thanked staff for facilitating and providing information. Grateful for receiving an audit. No questions from the Board.

Clerk Paul Wyatt moved that we accept the audit findings from the Fire District's independent auditing firm for fiscal year 2023-2024 and approve the Annual Comprehensive Financial Report as presented, and Member Jim Molesa seconded the motion. The vote was unanimously approved, and the motion passed.

**C. Discussion and Possible Action: Revision of Board Member Manual and Bylaws**

Chief Chevalier reminded the Board that the Bylaws were brought before the Board last month to discuss the election of officers and a general overall review. He referred the Board to the "redline" changes. Discussion on changes ensued amongst the Board and Legal. One item would be to have the board packets ready by the Wednesday before the board meeting on Monday. No further discussions or questions.

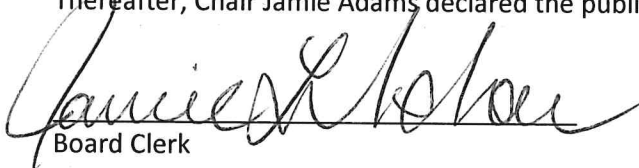
Chair Jamie Adams moved that we approve the November 2024 revision to the Board Member Manual and Bylaws as presented, and Member Amy Kay seconded the motion. The vote was unanimously approved, and the motion passed.

**10. NEW AGENDA ITEMS**

Seating New Board Members  
Election of Officer  
Update on Station 13

**11. ADJOURNMENT**

Thereafter, Chair Jamie Adams declared the public session adjourned at approximately 4:01 pm.

  
Board Clerk

12-16-24  
Date