



## BUDGET WORKSHOP MINUTES

Thursday, March 9, 2023

Station 32, 8905 Koch Field Road, Flagstaff AZ

1. **CALL TO ORDER**

Chair Timney called the Budget Workshop to order at 4:02 pm.

2. **ROLL CALL OF BOARD MEMBERS / AFFIRMATION OF QUORUM**

Members Present: Board members Robb Faus, Rick Parker, Scott Walton, & Jim Duskocil

Members Absent: None

Administration: Fire Chief Gaillard, Deputy Chief Mark Wilson, Deputy Chief Chris Fennell, Battalion Chief Chris Zambeck, Labor rep Casey Robinson, Administrative Officer Vivian Fennema, and Administrative Assistant Tammy Schieffer.

3. **Pledge of Allegiance**

4. **DC Chris Fennell gave a presentation on the "Attrition at Summit Fire"**. His report covered the numbers of employees we have lost to attrition, their reasons for leaving, our concerns for the future hiring needs of our organization, etc. This is not abnormal in today's reality. People aren't staying with a department for their entire careers. Much discussion on why staff are choosing to leave. Cost of living in Flagstaff, opportunities for advancement, participating in other programs within fire departments (Special Ops, SWAT medic,

5. Every year during the budget workshop the Board reviews the following policies for possible updates or changes: Policy # 223, "Public Participation at Public Meetings, #503, "Compensation" and #504, Capital Planning and Budgeting". The only change noted this year was that on policy 504 there was an administrative change that occurred in a prior year that was not updated on the policy document. The change was that "capital purchases have been defined as having a cost that is greater than or equal to ~~\$5000~~, **changed to \$15,000** and a useful life of greater than three years. That change has since been updated in our current policy.

6. **DC Mark Wilson** reviewed the upcoming budget process timeline, last year's accomplishments for the department, Labor goals for this next year, and budgetary realities and expectations for the upcoming budget year. There was also a discussion on looking at changing mill rate to 3.50. Board goals were reviewed.

- Chair Timney questioned whether they need to continue to have goal #4 on there. (Establish a sustainable and functional fire station in the Fort Valley/180 corridor of the district.) can we reassign some of the money in the Westside account to go towards salaries? Chief Wilson pointed out that the money in that account would be deemed One-time money and should not be used to fund salary increases which would impact our budget from here on, not just one-time. The board is free to use those funds tomorrow if they want to, but it once it is gone, its gone. Chair Timney suggested using the Westside funds for capital purchases and reallocating

capital funds to salaries. -Still not ongoing revenue.

- Chief Wilson reiterates that we want to know if the board wants to continue to show #4 as a goal or maybe modify the verbiage on it. (ie. Maintain instead of establish) BM Parker is concerned about the time we have kept the Westside money in an account for a long time, it isn't doing us any good. He thinks we need to use it for something in the near future versus leaving it there indefinitely. BM Duskocil thinks we should leave that money set aside in case in the future we can build a more centrally located station off of 180. He asked how much we owed on #37, DC Wilson advised it is paid off. BM Parker stated "Sell that, then with the Westside funds we could build out there." DC Wilson stated we cannot; that is not enough money to build a station. BM Duskocil does not think we should change the #4 goal as he doesn't believe Sta #37 meets the "functional" part of the goal. It was identified that there would be a better location for a single station out there (Snowbowl Rd), however our efforts to attain land in that location have not been successful. The consensus of the board was to get this 33/32 station decision made, then in 9 months or so relook at the situation out off 180. Goal #4 will remain the same for now.
7. Labor rep Casey Robinson reported that Labor's top 3 goals for this upcoming year are:
- 1) Market Adjustment (compensation)
  - 2) Increase medic pay.
  - 3) SFMD to cover increased cost for family medical coverage.
8. DC Wilson reviewed the known increases on our budget this year, and also possible support to cover those cost. Inflation is currently at 6.5% and even with our current increase to pay plan we are already out of market. Good news is we have a 5 year projected budget that is stable. With our attrition situation we are not in a place to be able to send out any staff on wildland callouts right now. That cuts our possible income by 50k. DC Wilson also reviewed the 5 year proposed budget. The one thing we have control over is the mill rate. If we went to 3.5% we could address a few of the known issues: i.e. Compensation, program budgets, purchase of type 3 in 3 years instead of 10 years, increase our contingency fund faster & medic pay increases.

#### **BOARD COMMENTS**

Walton- Five year plan is very helpful, is there any fat that can be cut? DC Wilson, No

Duskocil- What is this going to cost our taxpayers if we go to 3.50? Staff can pull that info.

Faus- Appreciate all the hard work on this. We need to do something solid to keep our dept where we need it. Our main focus is taking care of our people on the line. Doesn't see any way around not raising the rate.

Parker- Is there something that they as the board can do different to help support the line? Chief Gaillard said he believes that the board is doing all they can for the department staff. Any criticism about lack of leadership, we will take that on. The board has done everything they can. C Robinson said the local has no concerns about who is sitting on the board. They support all the members we have.

Timney- 3.5% is the only way we can go with this. We need to put more in the pockets of the guys out there if we want to retain our folks.

9. Chief Gaillard – has been checking with the County, got a legal opinion on doing an excise sales tax in order to help fire districts. They are scheduling a meeting later this month with all interested parties to look at this possible source of revenue. He will let admin know when the meeting is scheduled, and we will pass that on to the board so they can be involved. (possible quorum posting needed)

10. DC Wilson asked for feedback on the comment cards that have been designed to go on the website for the Community Meeting. Change card to read “My preference would be to leave #32 / #33 OPEN and why. (choose one)
11. Facilitator will reiterate that the comment cards are for your preference. IT is not a ballot. It is one of the things that the board will consider when making the decision which station to close.

#### **ADJOURNMENT**

Motion to adjourn by Board Member Parker, seconded by Board Member Duskocil.

#### **Vote Conducted. MOTION PAST ALL IN FAVOR**

AYES: Timney, Faus, Parker, Duskocil, Walton

Regular Board Meeting Adjourned at 7:20 pm

Respectfully submitted by:

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Robb Faus, Board Clerk