

Moab Valley Fire Protection District Commission Meeting

45 South 100 East, Moab Utah 84532

July 16, 2024 - 4:00 p.m.

A. Call to Order:

1. The meeting was called to order by Chairman Archie Walker at 4:00 p.m.
2. Commissioners Present: Chairman Archie Walker, Commissioner Jim McGann, Commissioner Charlie Harrison
3. Staff Present: Chief TJ Brewer, Administrator Cathy Bonde
4. Others Present: Ryan Rasmussen-Smuin Rich & Marsing, Mike Kelso

B. 2023 Financial Audit Presentation-Ryan Rasmussen:

1. Ryan Rasmussen of Smuin Rich & Marsing presented the highlights of the District's 2023 Financial Audit. He stated that within the Auditor's standards we are in good standing.
2. The District's net position increased \$228,335 as a result of the year's operations. This is a 6.84% increase in net position in 2023. Tax revenue increase from \$1,119,733 to \$1,133,870, which is a 1.26% increase over the prior year.
3. Total expenses increased \$288,260, an increase of 23.81%. The largest increase in expenditures occurred because of increases in purchases made for new equipment. Payroll also, to a lesser extent, saw an increase. With a 5.84% decrease in revenues compared to a 23.81% increase in expenditures, net position still increased 6.84% from operations over the prior year. The District's financial position has increased over the last year.
3. Charges for service increased by about \$140,000.
4. Unrestricted investment earnings saw a large increase mainly due to a large balance in the PTIF account and increase in interest earned.
5. Total asset value at the end of 2023 was \$2,468,315, a net increase of \$9,529 after acquisitions and depreciation.
6. Long-term debt was \$463,968 which included four capital leases, net pension liability, and compensated absences. The District's debt decreased by \$91,394 or 16.46% over the prior year.
7. Net position ending December 31, 2023 was \$3,565,182.
8. Internal controls are sound as to general accepted audit standards.
9. Auditors opinion on compliance is that the District complied in all material respects with the state compliance requirements in the areas of audit including budgetary compliance, fraud risk assessment, Utah retirement systems, fund balance, special and local service district board members, and open and public meeting act.

C. General Business:

1. Approval of Minutes – Commissioner Harrison motioned to approve minutes from the June 18, 2024 meeting. Commissioner McGann seconded, and the motion passed unanimously.
3. Citizens to be Heard – None wishing to speak.
4. Approval of Bills – Commissioner McGann asked which engine equipment from national Fire Fighter Corp. was purchased for. It was the new Type 6, Engine 161. Cathy stated additional invoices from LN Curtis will be coming from equipment for the new pumper engine. Commissioner McGann also asked about the bill from Colorado Diesel Repair and Fabrication. Cathy stated it was for work to Engine 466. Commissioner Harrison motioned to approve bills. Commissioner McGann seconded, and the motion passed unanimously.

C. Chief's Report

1. Chief Brewer reported 62 calls to service since the last regular Commission meeting. There have been some difficult calls involving fatalities.
2. The Department currently has 32 members.
3. Engines 466 and 6-3 are back and in service.
4. Our new Type 6 Engine is on the Silver King fire in central Utah, and our water tender is stationed on the Arizona strip.
5. We have removed equipment from Engine 10 with the intent of selling the engine.
6. We received some hail damage to Engine 1 and the Chief's truck and will inquire with insurance to see if we should file a claim.
7. We finished the seasonal job interviews and will be making job offers.
8. We went to a triple fatal incident on Sunday. We are keeping close tabs on our firefighters and will be having a debriefing on July 17.
9. There was a structure fire on Holyoak on July 2. The State Fire Marshal's office did the investigation.
10. Commissioner Walker asked what we can do for our firefighters in relation to the difficult incidents. Chief Brewer stated the mental health resources we have in place from the grant have been valuable, and he has concerns for when the grant expires. We signed a 5 year contract for the CORDICO app, but funds are starting to dry up for bringing Stuart Palmer, the therapist, to Moab.

D. Old Business:

1. Major Equipment Purchases – Chief Brewer said there was nothing new to report at this time.
2. Salary Survey/Job Descriptions – Chief Brewer recommended coming back to this issue in closed sessions as it may include discussion on professional competence.
3. Procurement Policy – Cathy stated she has not had time to work further on the written aspect of the policy. Annexation is taking a lot of time.
4. Annexation – Commissioners were presented with a draft MOU with Grand County in relation to annexation. Cathy stated the MOU originally sent to Commissioners on Friday needed several corrections. She said Cristin Hofine with the County Attorney's Office has

been fantastic to work with in drafting the MOU. Cathy went over the changes that were made as well as some other aspects of the agreement:

- II. Purpose D. – Moab Fire asked for the ability to tap into County resources such as IT, legal, and roads department on occasion if needed and the resource was available. Cristin Hofine stated the County’s liability insurance would not allow that detail, so the statement here was left vague.
- IV. A. MVFPD Roles and Responsibilities – The previous version of the MOU stated Moab Fire would take over ARFF. This is a separate discussion and not part of the annexation, so that statement was removed.
- IV. A. MVFPD Roles and Responsibilities 4. And B. Cooperating Agency Roles and Responsibilities 3. – Corrected to reflect Grand County will be responsible for the CWS agreement for all of unincorporated Grand County and Moab Fire will be responsible within Moab City limits. Chief Brewer asked if Moab Fire’s role even needs to be in the agreement as it has no reflection on the County’s responsibilities. Moab City may take over the CWS responsibility in the future which would void Moab Fire’s participation. Because we have no CWS obligation with the County in our CWS agreement, Commissioners also questioned if Moab Fire’s CWS agreement needs to be in an MOU with Grand County. Cathy stated the Grand County Commission is also approving this MOU today, and time is of the essence. If we make changes now, the Grand County Commission will have to approve the changes, and it will delay the process. We do have the ability to amend the MOU in the future.

Commissioners discussed our responsibilities in the proposed annexation areas of the County and increased need for response. The conversation included need for employees, and Commissioner McGann added the need for an assistant or deputy chief.

- IV. Roles and Responsibilities B. 1. – Financial contributions were corrected to the most recently agreed upon terms.
Commissioner Harrison asked about tax revenue. Cathy stated we anticipate approximately \$220,000.00 from general tax revenue. This is approximately \$100,000.00 less than if we had annexed last year due to our decrease in tax rate. Centrally assessed and personal property and fee in lieu, which we categorize as miscellaneous tax will go up some, but it is harder to calculate than the general tax revenue. We will not get the tax revenue until the end of 2025.
- IV. Roles and Responsibilities B. 4 – Grand County maintains the agreement with Lower Valley.
- There is an agreement for transfer of assets but it is not in this MOU as State law has very specific rules for disposal of assets. Transfer of assets will be a separate contract. Cathy has asked that the contract be in place, agreed to by both parties, by the time of our public hearing. We need to convey clearly to the public this aspect of annexation.

- IV. Roles and Responsibilities C.3. – States each party agrees to fund its own expenses associated with the annexation process. We are of the opinion that Grand County should pay for annexation as we are doing this at their request, but it has been clarified with the Grand County Attorney's office that this does not affect the balance of \$25,000.00 the County set aside for annexation previously. There is about \$6,000.00 remaining.
- V. Other Provisions E. – This has to do with public information releases being approved by both partners. It has been clarified to refer only to annexation.

Commission Harrison asked if the MOU needs to go to an attorney for review. Chief Brewer stated he felt the MOU was pretty straightforward. Cathy added we are in a time crunch to annex this year. The document was drafted by the Grand County Attorney's office, and the Grand County Commission is voting on the MOU tonight.

Commissioner Walker asked how close the asset exchange is to being done. Cathy stated it has not been drafted yet Cathy is meeting with the Cristin Hofine next week to discuss the asset transfer as well as the continued process to help prevent any unexpected surprises.

Cathy stated the following steps: approve the MOU, get a final draft of the map and written legal description, then hold a special meeting to approve the intent to annex resolution and set a public hearing. Ideally the public hearing will take place in September, but we have a tight timeline in which we need to get the mailing out to affected parcel owners. The mailings must go out no more than 60 days before the public hearing and no less than 20 days before the public hearing. Once we hold the public hearing, there is a 30 day protest period. After the 30 days, we meet to approve annexation. Then we petition the Lt. Governor to approve annexation.

Chief Brewer stated he has never felt the County was going to meet us where we need the financial obligation to be. We could continue to argue and negotiate for years, or just move forward. Commissioner Walker stated continuing to try to negotiate would cost us exorbitant amounts of money and time.

Discussion was had on the Thompson fire station, the County's need to make improvements to it, and how it would impact operations.

Chief Brewer said he is of the opinion we sign the MOU. It isn't perfect, and annexation is going to be a big headache and a lot more work to the District, but the subject is not going away and the process has been a huge drain on our current resources. We just need to do it.

Commissioner Harrison asked how long it will take for us to be comfortable with the annexation operationally and administratively. Chief Brewer stated he thought we could be there in 2 years. We are trying to look into the future.

Cathy suggested coming back to the agreement as approval is on the agenda under new business.

E. New Business:

1. Approve 2024 Certified Tax Rate - Cathy presented information on the 2024 certified tax rate. She noted the history of our tax rate. We increased our tax rate in 2022, and it has fallen each year since. The 2024 tax rate is very close to the rate it was at before our last

tax increase. The 2024 certified tax rate is .000398. We did see some new growth valued at about \$22,000.00.

Commissioner Harrison asked if the tax rate is going to continue to fall, and Cathy stated that is likely as we are locked into the amount of tax revenue based on our stated needs in our last tax rate increase. As property values increase, our rate decreases to meet that locked amount. The only new revenue we see is from new growth.

Commissioner Harrison asked when we would need to look at a tax increase. Chief Brewer said that would come next year after annexation. Cathy added that if we were to return to the rate of our last tax increase and applied that to all properties in the proposed new District boundaries, we would gain about \$500,000.00 in tax revenue.

Commissioner Harrison made a motion to approve form PT-693 showing a certified tax rate of .000398 for tax revenue of \$1,099,991.00. Commissioner McGann seconded, and the motion passed unanimously.

2. Approve Annexation MOU with Grand County – Commissioner Walker stated that with annexation, we will probably want an MOU with Green River Fire. Commissioner McGann added we could have an MOU similar to the one we have with Castle Valley Fire.

Commissioner Harrison made a motion to approve the MOU with Grand County in relation to annexation. Commissioner McGann seconded, and the motion passed unanimously.

3. Schedule Special Meeting(s) if Necessary – No action taken.

F. Closed Session:

1. Commissioner Walker motioned to enter closed session to discuss personnel and performance at 5:20 p.m. Commissioner McGann seconded, and the motion passed unanimously.
2. Commissioner McGann motioned to exit closed session at 5:48 p.m. Commissioner Harrison seconded, and the motion passed unanimously.

G. Adjourn:

1. Chair Walker adjourned the meeting at 5:48 p.m.

_____ **Date** _____

Archie Walker, Chair

Attest: _____

Cathy Bonde, Clerk