

Mormon Lake Fire District Board Meeting

January 21, 2025 @ 10:00 AM at the Mormon Lake Fire Station

Posted at the Post Office, Fire Station, and Website
At Least 24 Hours prior to the Fire Board Meeting

Agenda

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Fire Board and the general public that the Board will hold a meeting open to the public **Tuesday, January 21, 2025 at 10:00AM** at the Fire Station, 1067 Mormon Lake Road, Mormon Lake, Arizona.

This meeting will also be streaming live via Zoom, Link found on the Mormon Lake Fire District website,

With regard to any item listed in this Agenda below, the Board may, by motion, recess into executive session for discussion or consultation for legal advice with the attorney or attorneys of the public body in accordance with A.R.S. §38-431.03(A) (3).

The Board may change the order of the agenda at the time of convening the meeting or at any time during the meeting. The Presiding Officer may call on members of the public to speak on any item posted on the agenda. One or more members of the Board may attend either in person or by telephone, video or internet conferencing.

The Board may discuss, consider, approve, or take action on the following matters:

- 1. Call to order**
- 2. Roll Call** – Chairperson Lewis, Clerk Bowdler, Member Haupricht, Member Verdino, Member Nahass; Chief Western
- 3. Call to the Public** - *In accordance with A.R.S. 38-431.0 1(H), A public body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.*
- 4. Approval of Minutes**
 - A. December 17, 2024, Meeting Minutes
- 5. Finance**
 - A. Financial Report
- 6. Reports & Correspondence**
 - A. Department Report and Correspondence
- 7. Topics of Discussion and Possible Action**
 - A. Annual Review
 - B. Posting location for paperwork
- 8. Fire Board Comments** - *Board member's comments are meant to inform and clarify, and no legal action will be taken. Only Board members may speak.*
- 9. Adjournment**

In compliance with the American with Disabilities Act, if you need special assistance to participate in a meeting, please contact Chief Western at (928) 354-2231. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to assure accessibility to the meeting.

**Mormon Lake Fire District Board Meeting
December 17, 2024, Regular Meeting Minutes**

1. Call to order By Chairperson Lewis at 10:00am

2. Roll Call – Chairperson Lewis via Zoom, Clerk Haupricht, Member Verdino via Zoom, Member Nahass absent, Chief Western present, Community Members Hughes present and Bowdler present via Zoom.

3. Call to the Public - NO PUBLIC COMMENT

4. Approval of Minutes

A. November 19, 2024, Meeting Minutes- *Motion to approve by Clerk Haupricht, Seconded by Chairperson Lewis; All members present voted AYE; Motion Passed.*

5. Finance

A. Financial Report- *Chief Western presented the financial report from the accounting office. Motion to approve by Clerk Haupricht, Seconded by Member Verdino; All members present voted AYE; Motion Passed.*

6. Reports & Correspondence

A. Department Report and Correspondence- *Presented by Chief Western; Motion to approve made by Chairperson Lewis; Seconded by Clerk Haupricht; All members present voted AYE; Motion Passed.*

7. Topics of Discussion and Possible Action

A. Oath of Office- *New member Bowdler was sworn in for a 4-year term.*

B. Board Elections- *Member Lewis was nominated for Chairperson of the Board and elected by a 4-0 majority vote; Member Bowdler was nominated for Clerk of the Board and elected by a 4-0 majority vote.*

C. Letters of Annexation- *Two letters were presented to the board for annexation of property located on the north end of the fire district east of Forest Highway 3; Member Verdino made a motion to approve the annexation; Seconded by Clerk Haupricht; All members present voted AYE; Motion Passed.*

8. Fire Board Comments – *Comments by board members for clarification of financial projection and outstanding warrants. Chief Western stated that by the February Board Meeting these would be corrected.*

9. Adjournment *Clerk Haupricht made a motion to adjourn the meeting, Seconded by Chairperson Lewis. All Members present voted AYE; Motion passed.*

10. Meeting Adjourned at 10:28am



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

Mormon Lake Fire District

December 2024 - Bookkeeper's Report

Mormon Lake Fund		Mormon Lake Fund Fiscal Year 2024-25														
Budgeted FY 24-25		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	YTD	Difference	
REVENUES																
Unrestricted Fund Balance (GENERAL)	130,000													0.00	0.0%	130,000.00
Restricted Fund Balance (CAPITAL)	145,000													0.00	0.0%	145,000.00
Property Taxes (3.25 MIL)	292,000	1,847.02	2,941.40	2,483.91	88,051.12	83,895.24	20,703.08							199,921.77	68.5%	92,078.23
Fire District Assistance Tax	58,400	217.59	133.39	990.71		28,615.89	3,820.40							33,777.98	57.8%	24,622.02
Interest	4,800		306.32	1,089.49	2,143.53	412.12	1,212.29							5,163.75	107.6%	-363.75
Miscellaneous Income	5,000													0.00	0.0%	5,000.00
EMS State Billing	7,500													0.00	0.0%	7,500.00
Donations/ Other Income	5,000						12,700.00							12,700.00	254.0%	-7,700.00
State and Other Grants	400,500		402,260.88											402,260.88	100.4%	-1,760.88
Total revenue	1,048,200.00	2,064.61	405,641.99	4,564.11	90,194.65	112,923.25	38,435.77	0.00	0.00	0.00	0.00	0.00	0.00	653,824.38	62.4%	394,375.62
EXPENDITURES																
Salaries and Wages		12,167.32	11,880.73	11,490.85	17,168.66	14,965.77	13,277.78									
Chiefs Salary	73,600	6,123.20	6,123.20	6,123.20	9,656.91	6,123.20	6,123.20							40,272.91	54.7%	33,327.09
Volunteer/Reserve Salary	96,000	6,044.12	5,757.53	5,367.65	7,511.75	8,842.57	7,154.58							40,678.20	42.4%	55,321.80
Health Insurance	12,000													0.00	0.0%	12,000.00
Pension and Other Retirement Benefits	7,960	3,980.00												3,980.00	50.0%	3,980.00
Employee Benefits	32,460	8,134.56	1,200.00	2,400.00		1,200.00	1,200.00							14,134.56	43.5%	18,325.44
Employee Tax Liabilities	13,000	934.81	1,338.57	2,103.04	1,655.12	1,763.72	1,505.01							9,300.27	71.5%	3,699.73
Personnel Expenses Total	235,020.00	25,216.69	14,419.30	15,993.89	18,823.78	17,929.49	15,982.79	0.00	0.00	0.00	0.00	0.00	0.00	108,365.94	46.1%	126,654.06
Fuel and Oils	10,000	693.36	1,635.32	361.23	435.90	969.81	731.96							4,827.58	48.3%	5,172.42
Tools and Minor Equipment	10,000			370.37										370.37	3.7%	9,629.63
Contracted Services	8,340					1,053.15								1,053.15	12.6%	7,286.85
Supplies	8,000	215.00	268.80	55.56	47.04	232.04	383.89							1,202.33	15.0%	6,797.67
Vehicle Repair	12,000	158.53	1,256.72				786.09							2,201.34	18.3%	9,798.66
Training and Prevention	10,000	350.00	3,521.55	406.15	1,671.59	700.00	955.90							7,605.19	76.1%	2,394.81
Maintenance and Repair Operating	5,100	427.00	355.36	119.00		100.00								1,001.36	19.6%	4,098.64
Communications	1,000	150.00				490.00								640.00	64.0%	360.00
Contingencies and Emergencies	1,600			400.59	22.00									422.59	26.4%	1,177.41
Operating Expenses Total	66,040.00	1,993.89	7,037.75	1,712.90	2,176.53	3,545.00	2,857.84	0.00	0.00	0.00	0.00	0.00	0.00	19,323.91	29.3%	46,716.09
Administrative Equipment	1,800	442.55												442.55	24.6%	1,357.45
Insurance	18,000						17,513.00							17,513.00	97.3%	487.00
Utilities	18,400	753.18	189.56	6,089.53	1,144.77	886.76								9,063.80	49.3%	9,336.20
Professional Services	26,000	5,187.12	585.01		708.62	1,879.38								8,360.13	32.2%	17,639.87
Subscriptions, dues, fees	6,230		791.08	4,365.95	1,269.09	512.48	655.75							7,594.35	121.9%	-1,364.35
General Administrative Expenses	1,700	1,239.36	152.64		345.56	666.21	52.00							2,455.77	144.5%	-755.77
Reconciliation Discrepancies		1,454.54	-1,454.54		-2,311.31		2,036.40							-274.91		
Administrative Total	72,130.00	9,076.75	263.75	10,455.48	1,156.73	3,944.83	20,257.15	0.00	0.00	0.00	0.00	0.00	0.00	45,154.69	62.6%	26,975.31
Total Operating Expenditures	373,190	36,287	21,721	28,162	22,157	25,419	39,098	0	0	0	0	0	0	172,845	46.32%	200,345.46
Total Revenue - Total Expense	675,010	-34,223	383,921	-23,598	68,038	87,504	-662	0	0	0	0	0	0	480,979.84		
Capital Expenditures																
Vehicles	528,000			143,090.00										143,090.00	27.1%	384,910.00
Station Equipment	0				350.00									350.00	0.0%	-350.00
Turnout Gear	0				5268.03									5,268.03	0.0%	-5,268.03
Operations Equipment	0			32,668.62										32,668.62	0.0%	-32,668.62
Total Capital expenses	528,000.00	0.00	0.00	175,758.62	5,618.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	181,376.65	34.4%	346,623.35
999.300 Transfer from General Fund																0.00
Total Capital Revenue	-383,000.00	0.00	0.00	175,758.62	5,618.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	181,376.65	-47.4%	-564,376.65
ENDING FUND BALANCE		\$0.00													\$0.00	Ending Balance

Mormon Lake Fire District

Cash Flow Projections

Estimates	County Beginning Balance	Projections			Ending Cash Balance
		Revenues	Expenditures	Variance	
Month					
July	\$344,347	\$804	\$20,460	-\$19,656	\$324,691
August	\$324,691	\$1,858	\$18,581	-\$16,723	\$307,968
September	\$307,968	\$6,445	\$25,304	-\$18,859	\$289,108
October	\$289,108	\$92,278	\$25,304	\$66,974	\$356,082
November	\$356,082	\$92,542	\$21,640	\$70,902	\$426,984
December	\$426,984	\$19,991	\$45,604	-\$25,613	\$401,371
January	\$401,371	\$15,709	\$29,481	-\$13,772	\$387,599
February	\$387,599	\$8,576	\$21,273	-\$12,697	\$374,902
March	\$374,902	\$30,172	\$22,852	\$7,320	\$382,222
April	\$382,222	\$48,924	\$18,065	\$30,859	\$413,081
May	\$413,081	\$16,191	\$29,272	-\$13,081	\$400,000
June	\$400,000	\$10,520	\$13,755	-\$3,235	\$396,765

Actual	County Beginning Balance	Actual			Ending Cash Balance
		County Recorded Revenues	County Recorded Expenditures	Variance	
Month					
July	350,949.51	2,064.61	36,287.33	-13,432.46	316,726.79
August	316,726.79	405,641.99	21,720.80	383,921.19	700,647.98
September	700,647.98	4,564.11	203,920.89	-199,356.78	501,291.20
October	501,291.20	90,194.65	27,775.07	62,419.58	563,710.78
November	563,710.78	112,923.25	25,419.32	87,503.93	651,214.71
December	651,214.71	38,435.77	39,097.78	-662.01	650,552.70
January	650,552.70			0.00	650,552.70
February	650,552.70			0.00	650,552.70
March	650,552.70			0.00	650,552.70
April	650,552.70			0.00	650,552.70
May	650,552.70			0.00	650,552.70
June	650,552.70			0.00	650,552.70

Note: Per ARS § 48-807 (O) This is a report of the combined cash balances of *all* District Funds including the *General Fund and Capital Fund*.

Fund Balance Detail Report

Morman Lake Fire District Fund Range: 301000-301099 Date Range: 12/1/2024 - 12/31/2024

Account	Beginning Balance	Debits	Credits	Ending Balance
301000-11000 - Cash with Treasurer	\$219,502.81			\$221,072.22
Cash with Treasurer Totals		\$24,902.06	(\$23,332.65)	
301000-29000 - Fund Balance	(\$162,033.21)			(\$162,033.21)
301000-29050 - Warrants-Outstanding	(\$7,673.06)			(\$7,673.06)
Warrants-Outstanding Totals		\$8,681.37	(\$8,681.37)	
301000-31012 - OLD FDAT SOURCE CODE	-			-
301000-33001 - Deposits-Misc	(\$1,224.52)			(\$1,224.52)
301000-33002 - Investment Interest	(\$631.84)			(\$1,010.42)
12/11/2024 journal fund interest allocation - 11/01/2024 to 11/30/2024			(\$378.58)	
Investment Interest Totals		\$0.00	(\$378.58)	
301000-33101 - Line of Credit-Advance	-			-
301000-33303 - Property Tax-Current	(\$177,302.73)			(\$196,801.12)
12/02/2024 distribution			(\$2,126.45)	
12/03/2024 distribution			(\$960.34)	
12/05/2024 distribution			(\$128.71)	
12/06/2024 distribution			(\$312.30)	
12/09/2024 distribution			(\$616.10)	
12/10/2024 distribution			(\$265.25)	
12/12/2024 distribution			(\$1,431.40)	
12/13/2024 distribution			(\$1,513.82)	
12/16/2024 distribution			(\$913.90)	
12/17/2024 distribution			(\$3,197.29)	
12/18/2024 distribution			(\$250.24)	
12/19/2024 distribution			(\$3,122.47)	
12/20/2024 distribution			(\$1,127.52)	
12/23/2024 distribution			(\$736.47)	
12/24/2024 distribution			(\$293.57)	
12/26/2024 distribution			(\$198.37)	
12/27/2024 distribution			(\$1,842.23)	
12/30/2024 distribution			(\$257.79)	
12/31/2024 distribution			(\$204.17)	
Property Tax-Current Totals		\$0.00	(\$19,498.39)	
301000-33304 - Property Tax-Delinquent	(\$1,915.96)			(\$3,120.65)
12/05/2024 distribution			(\$0.06)	

Fund Balance Detail Report

12/06/2024	distribution			(\$22.53)
12/10/2024	distribution			(\$255.91)
12/12/2024	distribution			(\$666.35)
12/16/2024	distribution			(\$259.78)
12/18/2024	distribution			(\$0.06)
Property Tax-Delinquent Totals			\$0.00	(\$1,204.69)
301000-33307 - Transwestern Judgement		-		-
301000-33333 - Disbursements-FDAT		(\$29,957.58)		(\$33,777.98)
12/31/2024	fund collection			(\$48.05)
12/31/2024	fund collection			(\$26.82)
12/31/2024	fund collection			(\$3,745.53)
Disbursements-FDAT Totals			\$0.00	(\$3,820.40)
301000-70000 - Expense Transfer		\$35,000.00		\$35,000.00
301000-70001 - Wire Out		\$72,195.86		\$86,847.14
12/10/2024	JE 29899 / Mormon Lake FD - Payroll / aovermann		\$5,901.16	
12/10/2024	JE 29902 / Mormon Lake FD - Payroll Tax / aovermann		\$2,941.11	
12/10/2024	JE 29903 / Mormon Lake FD - Payroll Tax / aovermann		\$283.63	
12/26/2024	JE 30070 / MORMON LAKE FD - PAYROLL / aovermann		\$5,525.38	
Wire Out Totals			\$14,651.28	\$0.00
301000-78001 - Warrants-Redeemed		\$53,010.67		\$61,692.04
12/06/2024	Warrant 00825600057		\$1,879.38	
12/17/2024	Warrant 00825600062		\$5,601.99	
12/17/2024	Warrant 00825600063		\$1,200.00	
Warrants-Redeemed Totals			\$8,681.37	\$0.00
301000-78002 - Disbursements-Miscellaneous		-		-
301000-78007 - Tax Abatements		-		-
301000-78100 - Line of Credit-Interest Payment		-		-
301000-78101 - Line of Credit-Principal Payment		-		-
301000-78475 - Trustee Fee		-		-
301000-79999 - Warrant Clearing		\$1,029.56		\$1,029.56
Warrant Clearing Totals			\$8,681.37	(\$8,681.37)
301050-11000 - Cash with Treasurer		\$427,353.30		\$440,887.01
Cash with Treasurer Totals			\$13,533.71	\$0.00
301050-29000 - Fund Balance		(\$172,608.06)		(\$172,608.06)
301050-29050 - Warrants Outstanding		(\$5,075.27)		(\$5,075.27)

Fund Balance Detail Report

Morman Lake Fire District Fund Range: 301000-301099 Date Range: 12/1/2024 - 12/31/2024

Account	Beginning Balance	Debits	Credits	Ending Balance
301050-33001 - Deposits/Misc	(\$437,260.88)			(\$449,960.88)
12/30/2024 24-0002 MLFD 12/30/23			(\$12,700.00)	
Deposits/Misc Totals		\$0.00	(\$12,700.00)	
301050-33002 - Investment Interest	(\$3,247.56)			(\$4,081.27)
12/11/2024 journal fund interest allocation - 11/01/2024 to 11/30/2024			(\$833.71)	
Investment Interest Totals		\$0.00	(\$833.71)	
301050-33307 - Transwestern Judgement	-			-
301050-70000 - Expense Transfer	-			-
301050-70001 - Wire Out	-			-
301050-78001 - Warrants Redeemed	\$190,838.47			\$190,838.47
301050-78003 - NSF	-			-
301050-79999 - Warrants Clearing	-			-

Mormon Lake Fire District

1020 General (Unrestricted), Period Ending 12/31/2024

RECONCILIATION REPORT

Reconciled on: 01/10/2025

Reconciled by: Elizabeth Riopel

Any changes made to transactions after this date aren't included in this report.

Summary

USD

Statement beginning balance.....	219,502.81
Checks and payments cleared (20).....	-23,332.65
Deposits and other credits cleared (4).....	24,902.06
Statement ending balance.....	<u>221,072.22</u>
Uncleared transactions as of 12/31/2024.....	-23,322.12
Register balance as of 12/31/2024.....	197,750.10
Cleared transactions after 12/31/2024.....	0.00
Uncleared transactions after 12/31/2024.....	-22,668.60
Register balance as of 01/10/2025.....	175,081.50

Details

Checks and payments cleared (20)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
11/19/2024	Bill Payment	825600057	Municipal Accounts & Consulti...	-1,879.38
12/12/2024	Payroll Check	18192	William J. Shirley	-318.54
12/12/2024	Payroll Check	18189	Anthony Hughes	-784.90
12/12/2024	Payroll Check	18194	Shawn Western	-2,589.50
12/12/2024	Payroll Check	18191	Ronnie Norton	-542.65
12/12/2024	Payroll Check	18193	Hunter M. Weiler	-830.38
12/12/2024	Payroll Check	18190	Matthew I Kleman	-405.78
12/12/2024	Payroll Check	18188	Joseph Calhoon	-429.41
12/12/2024	Tax Payment		IRS	-1,404.15
12/12/2024	Tax Payment		AZ Department of Revenue	-136.76
12/12/2024	Tax Payment		IRS	-1,536.96
12/12/2024	Tax Payment		AZ Department of Revenue	-146.87
12/15/2024	Bill Payment	825600062	NATIONAL BANK OF AZ	-5,601.99
12/15/2024	Bill Payment	825600063	PS WESTERN, SHAWN	-1,200.00
12/26/2024	Payroll Check	18197	Anthony Hughes	-784.90
12/26/2024	Payroll Check	18199	Hunter M. Weiler	-434.11
12/26/2024	Payroll Check	18196	Joseph Calhoon	-1,008.83
12/26/2024	Payroll Check	18198	Ronnie Norton	-681.64
12/26/2024	Payroll Check	18195	Leonard Biehl	-26.40
12/26/2024	Payroll Check	18200	Shawn Western	-2,589.50
Total				-23,332.65

Deposits and other credits cleared (4)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/31/2024	Journal	Taxes		1,204.69
12/31/2024	Journal	Taxes		3,820.40
12/31/2024	Journal	Interest		378.58
12/31/2024	Journal	Taxes		19,498.39
Total				24,902.06

Additional Information

Uncleared checks and payments as of 12/31/2024

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
07/29/2024	Tax Payment		AZ DES-Unemployment Tax	-18.12
08/12/2024	Bill Payment	825600053	PS Mathias, Jay	-180.55
11/15/2024	Bill Payment	825600043	NATIONAL BANK OF AZ	-1,549.01
11/19/2024	Bill Payment	825600061	Waste Management	-214.14
11/19/2024	Bill Payment	825600045	APS	-320.46
11/19/2024	Bill Payment	825600046	AT&T Mobility	-131.31
11/19/2024	Bill Payment	825600047	GUARDIAN MEDICAL TRAN...	-490.00
11/19/2024	Bill Payment	825600048	JHTG INC. DBA ORKIN PEST...	-100.00
11/19/2024	Bill Payment	825600056	MCI Residential Service	-98.53
11/19/2024	Bill Payment	825600058	NATIONAL BANK OF AZ	-1,531.53
11/19/2024	Bill Payment	825600059	Niles Radio Communication	-1,053.15
11/19/2024	Bill Payment	825600060	TDS Telcom	-122.32
12/26/2024	Bill Payment	825600065	VFIS of Arizona	-17,513.00

Total -23,322.12

Uncleared checks and payments after 12/31/2024

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/03/2025	Bill Payment	825600066	GUARDIAN MEDICAL TRAN...	-240.00
01/03/2025	Bill Payment	825600067	JHTG INC. DBA ORKIN PEST...	-316.00
01/03/2025	Bill Payment	825600068	Kairos Health Arizona	-3,781.55
01/03/2025	Bill Payment	825600069	MES	-285.30
01/03/2025	Bill Payment	825600070	Municipal Accounts & Consulti...	-2,000.48
01/03/2025	Bill Payment	825600071	PS WESTERN, SHAWN	-7,538.40
01/03/2025	Bill Payment	825600072	TDS Telcom	-417.95
01/07/2025	Tax Payment		AZ Department of Revenue	-131.52
01/07/2025	Tax Payment		IRS	-1,319.68
01/07/2025	Tax Payment		AZ Department of Revenue	-129.02
01/07/2025	Tax Payment		IRS	-1,286.80
01/09/2025	Payroll Check	18204	Shawn Western	-2,592.61
01/09/2025	Payroll Check	18201	Joseph Calhoon	-1,010.93
01/09/2025	Payroll Check	18202	Anthony Hughes	-786.44
01/09/2025	Payroll Check	18203	Hunter M. Weiler	-831.92

Total -22,668.60

Mormon Lake Fire District

1010 Capital (Restricted), Period Ending 12/31/2024

RECONCILIATION REPORT

Reconciled on: 01/10/2025

Reconciled by: Elizabeth Riopel

Any changes made to transactions after this date aren't included in this report.

Summary

USD

Statement beginning balance.....	427,353.30
Checks and payments cleared (0).....	0.00
Deposits and other credits cleared (2).....	13,533.71
Statement ending balance.....	<u>440,887.01</u>

Uncleared transactions as of 12/31/2024.....	-5,075.27
Register balance as of 12/31/2024.....	435,811.74

Details

Deposits and other credits cleared (2)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/30/2024	Deposit		Donation	12,700.00
12/31/2024	Journal	Interest		833.71
Total				13,533.71

Additional Information

Uncleared checks and payments as of 12/31/2024

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
09/15/2023	Check	183480002	MES	-5,075.27
Total				-5,075.27



Mormon Lake Fire District

1067 Mormon Lake Rd. Mormon Lake, AZ 86038

Phone: 928-354-2231 Fax: 928-354-2334

mormonlakefire.com

Diane Lewis – Chairperson
Patricia Bowdler – Clerk
Ralph Verdino – Board Member
Patrick Nahass – Board Member
Jeff Haupricht – Board Member
Shawn Western – Fire Chief

Department Report January 2025

Meetings:

- Meeting with Coconino County Emergency Management
- Phone Meeting with Accounting Firm
- Phone Meeting with Audit Review Firm
- Attended AFDA Conference
- Attended AFDA Meeting
- Attended PFAC Meeting
- Attended CCC Meeting

Trainings:

- CE for EMS

Call Volume:

- Special Duty Assignment: 2
- MVA: 1
- EMS: 1
- Cancel: 1
- Fires: 0
- TOTAL YTD: 5

Vehicles:

- Command 61- In Service
- Rescue 61-
- Brush 61- In Service
- Brush 64- In Service
- Engine 61- Structure Engine, In Service
- Tender 61- Water Tender, In Service
- Tender 62- Water Tender, In Service
- Rescue 66- Polaris Ranger, In Service

Miscellaneous:

- Worked on Budget form
- Various minor repairs around the station
- WFCFA- Ignite Conference coming up in February 11 and 12.

Personnel:

- Active Full Time Residents- 3
- Active Summer Residents- 6
- Active Reserve- 5
- Active Chaplain- 1

Grant Requests:

- WILDLAND GRANT- DFFM- Brush Engine- \$400,000 with \$126,000 match

Mormon Lake Fire District

Financial Statement

Year ended June 30, 2024

Draft

Table of Contents

	<u>Page</u>
Independent Accountant’s Review Report	1-2
Financial Statement	
Statement of Cash Receipts, Disbursements and Change in Cash and Investment Balances – Governmental Fund	3
Notes to Financial Statement	4-8

Draft

Mormon Lake Fire District
Statement of Cash Receipts, Disbursements and Change in
Cash and Investment Balances - Governmental Fund
Year Ended June 30, 2024

	General Fund
Cash Receipts:	
Taxes:	
Property taxes	\$ 271,374
Fire district assistance tax	49,360
Interest income	9,200
Other	13,245
Total cash receipts	343,179
Cash Disbursements:	
Public safety-fire protection:	
Personnel expenses	174,546
Insurance	18,686
Utilities and communications	15,142
Repairs and maintenance	13,520
Professional services	20,463
Administration expense	11,788
Equipment and supplies	11,457
Fuel	5,822
Training and related	12,911
Miscellaneous	1,004
Capital outlay	61,346
Debt service - principal	4,857
Debt service - interest	95
Total cash disbursements	351,637
Change in cash and investments	(8,458)
Cash and investments, beginning of year	344,347
Cash and investments, end of year	\$ 335,889

See accompanying notes and
independent accountant's review report.

**Mormon Lake Fire District
Notes to Financial Statement
Year Ended June 30, 2024**

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The District is a local governmental unit formed as a political subdivision of Coconino County which is a political subdivision of the State of Arizona. The District was formed under the provisions of Title 48 of Arizona Revised Statutes. The District operates under the guidance of an elected board, comprised of five members, which is the policy making body of the District. The purpose of the District is to provide protection and emergency related services to the residents and guests of the District and surrounding area. The day-to-day operations are supervised by a chief and the chief's staff or volunteers.

The District has the power to issue bonds, levy taxes, bill for services and raise revenues with the power of the county government. The District has the power to expend public funds for any legitimate purpose required to further its needs. The District operates as an independent governmental agency directly responsible to the local taxpayers and voters.

Basis of Presentation

The accounts of the District are organized on the basis of fund accounting, each of which is considered a separate reporting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent. The *general fund* is the District's primary operating fund which accounts for all financial resources of the general government.

As required under Arizona Revised Statute, Title 48 §251.A(1), the District has prepared this financial statement in a manner sufficient to report beginning and ending fund balance and all revenue and expenditures for the year ended June 30, 2024, presented on a modified cash basis. Fund balance is equal to the cash and investment balances as reported on the statement of cash receipts, disbursements and change in cash and investment balances – governmental fund.

The financial statement is presented on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. In addition, all items including the acquisition of capital assets are expended as paid and receivables, prepaid expenses, payables, accrued expenses and long-term liabilities are not reported. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Notes to Financial Statement – Continued

Note 1 – Summary of Significant Accounting Policies – Continued

Cash and Investments

Cash and investments consist of cash on deposit with the Coconino County Treasurer. Amounts designated by the board for capital reserves are held in a separate account with the Coconino County Treasurer and require board authorization for transfer or use of the designated funds.

Budgetary Accounting

The District is required, under Arizona Revised Statutes, to adopt a budget each fiscal year and to submit it to Coconino County Arizona’s Board of Supervisors no later than the first day of August each year. The adopted budget is on the modified cash basis of accounting, which is a legally acceptable basis for budgetary purposes. All annual appropriations lapse at fiscal year-end. The District is subject to expenditure limitations under Arizona Revised Statutes which do not permit the District to incur unsecured debt in excess of property taxes levied and to be collected plus available and unencumbered cash.

Property Taxes

The District levies property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March and becomes delinquent after the first business day of May.

Subscription-Based Information Technology Arrangements

The District uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The District’s estimated incremental borrowing rate is 5% based on current credit terms available to the District.

Estimates

The preparation of the basic financial statement may require management to make estimates and assumptions that affect certain disclosures in the financial statements. Actual results could differ from those estimates.

Notes to Financial Statement – Continued

Note 2 – Cash and Investments

Arizona Revised Statutes authorize special districts to invest public monies in the Arizona State Treasurer's local government investment pool, interest bearing savings accounts, certificates of deposit and in accounts of any savings and loan associations insured by an agency of the government of the United States, up to the amount of such insurance or pledged collateral. All investments are stated at fair value based on market prices. The District does not have a formal investment policy with respect to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for investments. State statute requires collateral for deposits at 102 percent of deposits not federally insured.

Investments

As of June 30, 2024, the District's investments consisted of amounts held with the Coconino County Local Government Investment Pool totaling \$335,889.

The Coconino County Treasurer's investment pool is not required to register (and is not registered) with the Securities and Exchange Commission and there is no regulatory oversight of its operations.

The fair value of each participant's position in the Treasurer's investment pool approximates the value of the participant's share in the pool and the participant's shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

Credit risk – At June 30, 2024, all of the District's investments were in the Coconino County Investment Pool which is not rated by rating agencies.

Custodial credit risk – For all investments, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. External investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Interest rate risk – At June 30, 2024, all of the District's investments can be withdrawn from the pool at will and therefore, are not subject to a significant amount of interest rate risk.

Foreign currency risk – The District does not have a formal investment policy with respect to foreign currency risk because state statutes do not allow foreign investments.

Notes to Financial Statement – Continued

Note 3 – Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2024, are as follows:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
SBITA*	\$ -	\$ 23,105	\$(4,857)	\$ 18,248	\$ 4,226

*Subscription-based information technology arrangements

Subscription-Based Information Technology Arrangement (SBITA) – The District entered into a subscription-based information technology arrangement for its emergency reporting software through December 2027 at a total cost of \$23,105. The terms of the arrangement provide for annual payments of \$5,160.

The following schedule details minimum payments to maturity for the District’s subscription liability as of June 30, 2024:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,226	\$ 934	\$ 5,160
2026	4,443	717	5,160
2027	4,670	490	5,160
2028	4,909	251	5,160
	<u>\$ 18,248</u>	<u>\$ 2,392</u>	<u>\$ 20,640</u>

Note 4 – Employment Contract

The District entered into an employment contract with its Fire Chief, effective May 1, 2024, and extending indefinitely until terminated by either party. In exchange for fire chief services, the Fire Chief shall be compensated as follows:

- An annual salary of \$79,600, with annual cost of living increases of 3.5% and up to an additional 2.5% based on performance revenue.
- 100% premium payment for medical, vision and dental insurance, as well as accidental death and dismemberment.
- Ten percent of the annual salary as retirement compensation to be used at the discretion of the Fire Chief under a plan not administered by the District and for which the Fire Chief is responsible for any associated expenses.
- A cell phone paid for by the District, which can be used for personal use.
- An allowance for uniforms and clothing not to exceed \$850 per calendar year, with up to an annual increase of 3.5% for inflation.
- An allowance of \$1,200 per month to be used for residential expenses.

Notes to Financial Statement – Continued

Note 4 – Employment Contract – Continued

Employment is at-will, but if terminated, the District must pay three months of compensation and benefits. Accrued vacation and sick time will also be paid by the District upon termination of employment, unless the termination is the result of a criminal act.

Note 5 – Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and the public; and natural or manmade disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 6 – Subsequent Events

Management has evaluated subsequent events through January 15, 2025, the date the financial statement was available to be issued noting the following:

- The District was awarded a grant of \$402,261 for the purchase of a fire truck and subsequently made a downpayment of \$143,090. The District expects to receive the truck in September 2026, at which time the outstanding balance will be due in full.
- The District purchased equipment totaling \$31,619 in September 2024.
- The District received donations totaling \$12,700 in December 2024.

Mormon Lake Fire District

**Report on Internal Control and on
Compliance and Other Matters**

Year ended June 30, 2024

Draft

**Independent Accountant’s Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on a Review of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Governing Board
and Management
Mormon Lake Fire District
Mormon Lake, Arizona

We have reviewed, in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and the standards applicable to financial reviews contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statement of the major governmental fund of Mormon Lake Fire District (the “District”), as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the District’s modified cash basis financial statement and have issued our report thereon dated January 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our review of the financial statement, we considered the District’s internal control over financial reporting (internal control) as it came to our attention during the ordinary course of performing our review procedures. Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and generally accepted *Government Auditing Standards* applicable to review engagements do not require an understanding or testing of internal control over financial reporting. Accordingly, no testing of internal controls was performed as part of our review engagement and accordingly, we do not express an opinion or any other type of assurance on the effectiveness of the District’s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District’s financial statement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our review, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we reviewed its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our review, and accordingly, we do not express such an opinion. The results of our review procedures identified no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Compliance with Title 48, Chapter 5, Article 1 Applicable to Debt and Warrant Issuance Limitations

In connection with our review, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of Title 48, Chapter 5, Article 1 limiting the amount of certain debt and warrants that can be issued by the District and requiring certain certifications, insofar as such compliance relates to accounting matters. However, our review was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with Title 48, Chapter 5, Article 1, insofar as they relate to accounting matters.

The communication related to compliance with the provisions of Title 48, Chapter 5, Article 1 referred to in the preceding paragraph is intended solely for the information and use of members of the Arizona State Legislature, the Board of Directors, management, and other responsible parties within the District and is not intended to be and should not be used by anyone other than these specified parties.

Purpose of this Report

The purpose of this report is solely to describe the scope of our procedures on internal control and compliance and the results of those procedures, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of a review performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Phoenix, Arizona
January 15, 2025

**Mormon Lake Fire District
1067 Mormon Lake Rd
Mormon Lake, Arizona 86038**

Walker & Armstrong LLP
1850 North Central Avenue, Suite 400
Phoenix, Arizona 85004

We are providing this letter in connection with your review of the financial statement of Mormon Lake Fire District which comprise the statement of cash receipts, disbursements and change in cash and investment balances – governmental fund as of and for the year ended June 30, 2024, and the related notes to the financial statement, for the purpose of obtaining limited assurance as a basis for reporting whether you are aware of any material modifications that should be made to the financial statement in order for it to be in accordance with the modified cash basis of accounting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this letter, that we have fulfilled our responsibilities, as set out in the terms of the engagement, including the following representations made to you during your review.

- 1) We acknowledge our responsibility and have fulfilled our responsibilities for the preparation and fair presentation of the financial statement in accordance with the modified cash basis of accounting, as set out in the terms of the engagement.
- 2) The financial statement referred to above is fairly presented in conformity with the modified cash basis of accounting and includes all properly classified funds and other financial information required to be included in the financial reporting entity.
- 3) We have made available to you all:
 - a) Relevant information and access to information, as agreed upon in the terms of the engagement, including financial records and related data, of which we are aware, that is relevant to the preparation and fair presentation of the financial statement.
 - b) Minutes of the meetings of the Fire District Board, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c) Additional information you have requested from us for the purpose of the review.
 - d) Unrestricted access to District personnel from whom you determined it necessary to obtain review evidence.

- 4) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 5) All transactions have been recorded and have been properly reflected in the financial statement.
- 6) There are no uncorrected misstatements.
- 7) We acknowledge and have fulfilled our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.
- 8) We acknowledge our responsibility for designing, implementing, and maintaining internal control to prevent and detect fraud.
- 9) We have no knowledge of any fraud or suspected fraud known to management that may have affected the District involving management, employees who have significant roles in internal control, or others, including, but not limited to, when the fraud could have a material effect on the financial statement.
- 10) We have no knowledge of any allegations of fraud, or suspected fraud known to management that may have affected the District's financial statement communicated by employees, former employees, analysts, regulators, or others.
- 11) We have disclosed to you the identity of the District's related parties and all the related-party relationships and transactions of which we are aware and we have appropriately accounted for and disclosed such relationships and transactions.
- 12) We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 13) The following have been properly recorded or disclosed in the financial statement:
 - a) Related-party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.
 - b) Guarantees, whether written or oral, under which the District is contingently liable.
 - c) Commitments to purchase or sell investments or agreements to repurchase assets previously sold.
 - d) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB ASC 275, *Risks and Uncertainties*.

- 14) There are no:
- a) Known actual or possible instances of noncompliance with laws or regulations, whose effects should be considered when preparing the financial statement.
 - b) Pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statement in accordance with FASB ASC 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments.
 - c) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
 - d) Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statement, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 15) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged except as made known to you and disclosed in the notes to the financial statement.
- 16) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 17) The District is in compliance with Arizona Revised Statutes applicable to fire districts.
- 18) We believe significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable in the circumstances.
- 19) We are in agreement with the adjusting journal entries, which are included as *Exhibit 1*, you have recommended, and they have been posted to the District's accounts.
- 20) We have disclosed to you all information relevant to the use of the going concern assumption in the financial statement.
- 21) We have properly accounted for and disclosed all events occurring subsequent to the date of the District's financial statement and through the date of this letter that would require adjustments to, or disclosure in, the aforementioned financial statement.
- 22) We have responded fully and truthfully to all inquiries made to us by you during your review.

23) In regards to the preparation of the financial statement services performed by you, we have:

- Assumed all management responsibilities.
- Overseen the services by designating an individual who possesses suitable skill, knowledge, and/or experience.
- Evaluated the adequacy and results of the services performed.
- Accepted responsibility for the results of the services.

24) The District's books and records are complete.

Mormon Lake Fire District

Shawn Western, Fire Chief

Date

Exhibit 1

Client: **MORMON LAKE FIRE DISTRICT**
 Report: **Adjusting Journal Entries**
 Date: **June 30, 2024**

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
<u>AJE01</u>		1360			
To reclass expenses for liabilities per cash basis.					
24200	AZ Income Tax		188.96	0.00	
24300	AZ Unemployment Tax		1,153.34	0.00	
24400	Federal Taxes (941/943/944)		1,936.90	0.00	
24500	Federal Unemployment (940)		90.90	0.00	
61500	FICA Expenses- Employer		0.00	3,279.20	
61400	Unemployment Insurance		0.00	90.90	
Total			<u>3,370.10</u>	<u>3,370.10</u>	<u>3,370.10</u>
<u>AJE02</u>		5020			
To reclassify SBITA principal and interest.					
68000	Principal		4,857.05	0.00	
68100	Interest Expense		94.95	0.00	
64400	Professional Services		0.00	4,952.00	
Total			<u>4,952.00</u>	<u>4,952.00</u>	<u>0.00</u>
<u>AJE03</u>		6405			
To reclassify PR expenses to wages to tie to 941 reports.					
64210	Salaries and Wages:Part-Time Employees		14,012.13	0.00	
61500	FICA Expenses- Employer		0.00	14,012.13	
Total			<u>14,012.13</u>	<u>14,012.13</u>	<u>0.00</u>
<u>AJE04</u>		1360			
To reclassify expenses from the G&A accounts.					
64800	Operating Supplies		872.75	0.00	
61200	Uniforms & T-shirts		402.98	0.00	
66100	Contingencies and Emergencies		250.00	0.00	
64700	Training and Prevention		1,396.21	0.00	
66600	Fuel & Oil		1,106.98	0.00	
65000	Vehicle Maintenance		1,406.22	0.00	
64100	General Administrative Expenses		0.00	5,435.14	
Total			<u>5,435.14</u>	<u>5,435.14</u>	<u>0.00</u>
<u>AJE05</u>		1360			
To reclassify expenses out of the operating supplies account.					
64700	Training and Prevention		1,146.87	0.00	
66600	Fuel & Oil		568.26	0.00	
65000	Vehicle Maintenance		781.77	0.00	
64500	Memberships & Publications		275.00	0.00	
64800	Operating Supplies		0.00	2,771.90	
Total			<u>2,771.90</u>	<u>2,771.90</u>	<u>0.00</u>
<u>AJE06</u>		2005			
To void duplicate payments.					
21100	Checking		3,578.78	0.00	
64100	General Administrative Expenses		0.00	468.78	
65000	Vehicle Maintenance		0.00	3,110.00	
21050	Capital Account		5,075.27	0.00	
70500	Capital Purchases:Turnout Gear		0.00	5,075.27	
Total			<u>8,654.05</u>	<u>8,654.05</u>	<u>8,654.05</u>
GRAND TOTAL			<u>39,195.32</u>	<u>39,195.32</u>	<u>12,024.15</u>