

**YORK AREA UNITED FIRE AND RESCUE COMMISSION
REGULAR MEETING**

**AUGUST 20, 2024
APPROVED**

The York Area United Fire and Rescue Commission held a Regular Meeting on Tuesday, August 20, 2024 at 7:04 p.m. at YAUFRR Headquarters, 50 Commons Drive, York PA

MEMBERS IN

ATTENDANCE: Dan Rooney, Chairman, Spring Garden Township (via Zoom)
Deb McCune, Vice Chairperson, Manchester Township
Thomas Gwilt, Secretary, Spring Garden Township
David Detwiler, Spring Garden Township
Don Bishop, Treasurer Springettsbury Township
Craig Miller, Manchester Township (via Zoom)
George Dvoryak, Springettsbury Township
Don Bishop, Treasurer Springettsbury Township
Mark Swomley, Citizen-at-Large

ALSO IN

ATTENDANCE: Daniel Hoff, YAUFRR Chief
Steve Hovis, Solicitor
Paul Grubbs, YAUFRR
Lester Rhoads, YAUFRR
Lisa Einsig, YAUFRR (via Zoom)
Sue Sipe, Stenographer

1. CALL TO ORDER

A. Opening Ceremony

1. Pledge of Allegiance

McCUNE Vice Chairperson McCune called the meeting to order. She led the Pledge of Allegiance.

2. NEW BUSINESS

A. 2023 Audit Presentation – Krista Gardner, SEK

GARDNER Ms. Gardner presented the draft audit results for 2023. She noted no changes are expected. After approval, they will send out a final draft of the full financial statement. She outlined the responsibilities of the auditor and the responsibilities of the Commission.

Ms. Gardner stated as part of the audit process they are not required to test internal controls but need to understand them, along with processes and procedures. She referred to the risk assessment – determining what could go wrong. They identify areas of higher risk and develop audit procedures. They also perform different testing of thresholds. They use the revenues of the Commission to do a calculation which

determines the threshold being material or immaterial. Items determined material are tested 100% and under the threshold they will sample the population.

As part of the audit there are proposed journal entries or audit adjustments. Entries can be related to depreciation and/or accruals related to accounts receivable/accounts payable and changes in net pension liability.

She noted they are expecting an unmodified opinion on the financial statements. She noted they have to be independent of the organization and must comply with all ethics requirements. She noted there were no significant changes in accounting policies.

She explained there are some estimates which go into the financial statements, i.e., estimates of the actuary uses, net pension liability and useful lives of any fixed or capital assets. There were no difficulties or disagreements were encountered during the process.

Internal controls – if they are aware of any material weaknesses in internal control or significant deficiencies they are required to communicate those to the Commission. There were no changes from prior years.

Ms. Gardner referred to the packets of financial statements which were distributed to the Commissioners.

Statements of Net Position (Balance Sheet)

- Top half is assets broken into current assets, capital assets and deferred outflows of resources
- A comparison is shown of 2023 compared to 2022
- Current assets include cash, accounts receivables, due from other governments and prepaid expenses – total current assets of \$1.2 million
- Capital Assets – equipment and machinery, vehicles net of depreciation - \$2 million
- 2023 net pension asset – in 2022 it was a net pension liability - \$540,000 to \$408,000 net pension asset
- Explained deferred inflows of resources related to the pension plan - \$993,000
- Total assets and deferred outflows of resources \$4.56 million for 12/31/2023 compared to \$4.56 million for 12/31/2022.
- The bottom half of the page refers to liabilities and net position
- Current liabilities are items expected to be paid within the next year, which were outlined on the page totaling \$1.3 million
- Noncurrent liabilities – expected to be paid more than a year from the date of the balance sheet - \$228,000
- Total liabilities \$1,555 million
- Deferred inflows of resources – subsequent receipts to the pension plan - \$950,000
- Net position is assets minus liabilities - \$2.2 million – broken into net investment and capital assets - \$1.5+ million
- Unrestricted net position - \$600,000

Statements of Revenues, Expenses and Changes in Net Position (Income Statement)

- A comparison is shown of 2023 compared to 2022
- Total operating revenue \$8.95 million up from \$8.4 million in 2022
- This reflects a budgeted increase from member municipalities as well as grants from previous years
- Operating expenses - \$8.95 million down slightly from \$9.1 million in 2022
- Operating revenue minus operating expenses – a loss of \$2,000 compared to a loss of \$699,000 in 2022
- Nonoperating revenues and expenditures – items outside of the daily operations as outlined on the statement
- Factoring in total nonoperating revenues and expenses - \$419,000 reflecting a positive change in that position for 2023
- Resulting in the beginning net position of \$1.7 million to the ending of \$2.16 million.

Statements of Cash Flows

- This statement shows what cash came in and went out
- The top portion is net cash from operating activities
- There was a negative cash flow from operating - \$51,000
- Net cash from capital – non capital and related financing activities - \$239,000 cash inflow
- Earnings on adjustments – net cash from investing activities - \$21,000
- Change in cash – increase of \$209,000 from 12/31/2022 to 12/31/2023
- Reconciliation to get from the operating loss to the net cash from operating activities

Statements of Firefighters' Defined Benefit Pension Plan

- Pension Plan is a fiduciary fund of the Commission which is reported
- Total assets at the end of 2023 - \$7 million – which is restricted for pension
- On the next page is shown what changed in the pension plan
- Total additions - \$1.2 million – over \$700,000 was unrealized gains and over \$300,000 was investment income
- Deductions - \$354,000
- Positive increase in the Pension Plan - \$817,000

Total Cash Accounts

- Ms. Gardner noted it was agreed upon once Manchester Township joined the Commission that at the end of each year, as part of the audit process, an estimated cash position would be determined, then factoring in anything related to the cash balance already spoken for, to come up with an estimated excess cash. The policy stands that the Commission can keep on hand 3-5% of the next year's budgeted operating expenses. The Commission in prior years has elected to keep 4% of those operating expenses on hand in cash and any excess is credited to the municipalities against future bills.
- Page 15 shows the total cash account at 12/31/2023 - \$956,000
- Accounts Receivable is added in and amounts due from other governments and prepaid expenses.

- Accounts Payable accrued wages are subtracted, deferred revenue and any current portion of the compensated absences – resulting in the estimated cash position – \$813,000
- The 2024 budgeted expenses - \$9.6 million – less 4% is \$385,000 which is the excess cash amount – \$428,000
- That amount of \$428,000 is split between the three municipalities
 - Springettsbury – 27%
 - Spring Garden – 25%
 - Manchester – 38%

BISHOP Mr. Bishop asked if the Fund Balance Policy is documented.

HOVIS Solicitor Hovis stated the policy was adopted by Resolution 2017-05 of the Ordinance and is in the records of the Commission.

Discussion was held regarding the implications of the policy and where it should be stored to be available to the Commissioners and future Commissioners.

MR. DVORYAK MOVED TO MAINTAIN THE 4% OF THE BUDGETED EXPENSES TO BE RETAINED BY YAUF. MR. SWOMLEY WAS SECOND. MOTION UNANIMOUSLY CARRIED.

GARDENER Ms. Gardner thanked Ms. Einsig for her assistance in providing the necessary information for the audit.

B. Discuss/Approve: Quick Books Online Payments – Credit Card Processing

HOFF Chief Hoff stated Ms. Gardner has been working with Ms. Einsig on a variation of how the bills are received and paid using Quick Books.

GARDNER Ms. Gardner indicated with implementing Quick Books online, the question has come up if credit card payments can be accepted, specifically for training purposes. She noted several options were discussed: using Quick Books online, which has the capability to accept payments. Credit card payments can be accepted by various methods - 1 is the Commission will send an invoice and the customer to pay through Quick Books online. She noted this is the preferred method, since the credit card information is not shown. Other ways for credit cards payments is using a reader device where the card is inserted, or the credit card numbers are keyed into the system. She noted there are different service fees charges based on which method is used. The range of fees is the keyed card - 3.4%, card reader - 2.7%, ACH bank payments – 1.2%, digital wallet – 2.9%.

Ms. Gardner stated the service fee can be charged, which must be disclosed to the customer. Writing down customer information is prohibited. There is a holding account where the payments are sent and then linked to the Commission’s account where the funds are transferred.

Ms. Gardner indicated if there is any kind of device or accounts taking payment that it is as secure as possible. A user name and password is created and only shared with authorized persons. The device should be locked down and should only be a Commission device.

Discussion was held and the Commission agreed for Staff to investigate the online process but noted they are not in favor of a device or keying customer information.

HOFF Chief Hoff stated he, Ms. Einsig and Ms. Gardner will work with Solicitor Hovis to develop a draft of a policy.

3. ANNOUNCEMENT OF EXECUTIVE SESSIONS

McCUNE Vice Chairperson McCune announced there would be an Executive Sessions following the meeting to discuss the Collective Bargaining Agreements.

4. PUBLIC COMMENT

There was none.

5. MANAGEMENT/ATTORNEY REPORTS

A. Solicitor Hovis

Solicitor Hovis stated he had no additional report.

B. Daniel Hoff, Fire Chief

HOFF Chief Hoff indicated last week he notified the Township managers giving them an update on apparatus delivery dates, with funding amounts. He noted the price of the ladder truck was reduced, which was updated with the Township managers. He noted he has scheduled with two of the township managers at this time a review of the draft budget prior to the September meeting.

6. ACCOUNTS PAYABLE

A. Payable Listing as of July 31, 2024

**MR. DVORYAK MOVED TO APPROVE THE PAYABLE LISTING AS OF JULY 31, 2024.
MR. SWOMLEY WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

7. BIDS, PROPOSALS & CONTRACTS

There were none.

8. COMMUNICATION FROM COMMISSIONERS

There were none.

9. COMMITTEE REPORTS

A. Volunteer Committee

GRUBBS Mr. Grubbs stated the next meeting is scheduled for August 21, 2024.

B. Personnel Committee

McCUNE Ms. McCune reported she distributed the job descriptions. The committee will meet to review them.

9. RESOLUTIONS AND AGREEMENTS

There were none.

10. APPROVAL OF MINUTES – JULY 16, 2024 COMMISSION MEETING

MR. GWILT MOVED TO APPROVE THE MINUTES OF JULY 16, 2024 FOR THE COMMISSION MEETING AS AMENDED. MR. BISHOP WAS SECOND. MOTION UNANIMOUSLY PASSED.

11. OLD BUSINESS

A. Discussion: Strategic Plan RFP

HOFF Chief Hoff stated due to the funding for the Strategic Plan coming through the State Fire Commission grant, they will need to be under contract and have a check ready by September in order to take advantage of the \$8,000. He noted a rating sheet was created and used to review all eight proposals, along with the content of the eight proposals. He noted it is their understanding they are looking for a company with not only emergency services but are more diverse with strategic planning. After review of the eight proposals the staff's recommendation is The Strategic Consulting Partners from Mechanicsburg.

Discussion was held.

MR. SWOMLEY MOVED TO APPROVE THE SELECTION OF THE STRATEGIC CONSULTING PARTNERS FOR THE STRATEGIC PLAN PROCESS. MR. BISHOP WAS SECOND. MOTION UNANIMOUSLY PASSED.

12. NEW BUSINESS

C. Discuss/Approve: Sale of Duty Officer Vehicles/Upfitting New Pick-Up Trucks

HOFF Chief Hoff stated as reported last month, the four vehicles were purchased with grant money. He noted they discovered the price used was for a model of truck no longer available as special service. He is seeking approval to use the proceeds from the sale of the SUVs for the upfitting costs. The upfitting costs are approximately \$15,000 per vehicle.

MR. DETWILER MOVED TO AUTHORIZE CHIEF HOFF TO SELL THE FOUR SUV'S AND USE THE PROCEEDS TO UPFIT THE NEW VEHICLES. MR. SWOMLEY WAS SECOND. MOTION UNANIMOUSLY PASSED.

D. Discuss/Approve to present to Joint Townships in September: 2025 YAUFRR Proposed Budget

HOFF Chief Hoff explained line items of the proposed 2025 Budget:

Income

- 454.20 FEMA AFG Grant – 2 year performance period – specified for replacement of radios
- 491 Insurance Reimbursement – budgeted for \$115,000 – after receipt of second check up over \$300,000. They received a claim fund performance report mid-year which revealed a performance rating of 100%.

Expenses

- 512 Fire Protection salaries – significantly below area comps for starting salaries by as much as \$12,000. This also includes hiring 3 additional firefighters
- 514 Overtime – the last 5 years of overtime amounts the average is up over \$200,000 for 48 FT employees
- 518 Healthcare – the increase also reflects the 3 additional hires recommended
- 522 General Building – reduced slightly
- Uniform Pricing – reduced slightly by purchasing some of the items in 2024
- 524.08 and 09 Firefighting Supplies – 2 items had an increase – hose nozzles and appliances in first aid equipment
- Professional Services – reduced slightly - \$2000 remain for strategic planning
- NFPA and ICC – Subscription increases drove up cost of code enforcement
- Communications – remain the same
- Fuel based on use – increased slightly
- Insurance and Bonding – cost is up based on feedback from VFIS
- Electric and Gas – Locked in with API
- Hydrant costs – increased - York Water Company installing hydrants along Druck Valley Road
- Sewer/Water/Trash – no changes
- Repair and maintenance – no changes
- Vehicle repair maintenance – no changes
- 582.21 GIS Information – proposing an increase to continue evaluating level of service
- 583.30 Baker Door Company – increase in overhead costs
- AFG Grant – able to decrease costs in training since covered under grant money
- 585 Wellness, Health and Safety – they are required to supply background checks for all employees
- Volunteer Recruitment & Retention – the line item was split for Recruitment and created a new line item for Retention

- Fire Prevention – material costs are up (The 3 Volunteer Fire Relief Associations contribute \$1500 each)
- Minor Capital – WIFI and IT replacements were made which allowed reduction in costs

Chief Hoff referred to the Capital Improvement plan noting this is the first year they are not showing a \$540,000 apparatus expense. They are showing for 2025 the Knox Boxes used to gain access to commercial properties and some residential properties, which must be updated. This reflects the \$20,600 in the budget.

In regard to the Duty Officer Vehicle Replacement there were two remaining SUV's - one has reached the six-year replacement. The other vehicle will reach six years in 2025 but has low milage. They are proposing replacing both vehicles but keeping the low mileage vehicle as a spare. They are also proposing to buy two certified pre-owned vehicles to help control replacement costs.

Chief Hoff noted that technical and parts support for the current portable radios ends at the end of 2026. If not successful with grant money to replace them, he is suggesting to split 2026 and 2027 capital costs to purchase the majority of the portable radios.

Also in 2026 is the replacement of the hydraulic rescue systems. They are seeking grant money for that replacement.

13. ADJOURNMENT

McCUNE Vice Chairperson McCune adjourned the meeting at 8:47 p.m for the Executive Session.

Respectfully submitted,

Signature on file at YAUFRR Headquarters

Thomas Gwilt
Secretary/ses