



MEETING MINUTES
APRIL 21, 2018 REGULAR SESSION
FOREST LAKES FIRE DISTRICT BOARD



- 1 The meeting was called to order in the main equipment bay of the fire station annex by Chairman John Nelson at 10:00 am.
- 2 Chairman Nelson led the assembly in the pledge of allegiance.
- 3 Roll Call of Fire Board Members. In addition to Chairman Nelson, Clerk Hennessey, Treasurer Cummiskey and Member Tolby were in attendance. Member Massion was absent.
- 4 Chairman's Welcome and Activity Report. Chairman Nelson welcomed all in attendance. He reported that Member Massion, who has been working on Policies, Procedures and Bylaws, has been excused for this meeting and will report out at the next meeting. Chairman Nelson provided a heads-up that three board members (Treasurer Cummiskey, Member Massion and himself) will have their terms expire on November 30th. We are seeking new talent who are willing and able to serve on the board. Applications must be submitted to the county between July 9th and August 8th. There will be more to come as we get closer to the submittal deadline.
- 5 Comments by Coconino County Supervisor Jim Parks. Chairman Nelson announced that Supervisor Parks was unable to attend. His visit will be rescheduled for a later date.
- 6 Call to the Public/Audience Comments. There were no comments from the public.
- 7 Review and Approve the Minutes for the March 17, 2018 Regular Board Meeting. Treasurer Cummiskey made a motion to approve the minutes as presented. Member Tolby seconded, and the motion passed unanimously.
- 8 Review and Approve the Financial Statements for March 2018. Treasurer Cummiskey exhibited the General Fund financial reports for the previous month, and provided a brief summary report. We are 75% through the year. In relation to our published Not-To-Exceed (NTE) budget, YTD revenue is at 54.3% while YTD expenses are at 66.0%. The end of month cash balance was \$306,024. The projected year end cash balance is \$287,127. There are some adjustments to be made next month that will put the projected year-end cash balance at about \$297,000. Treasurer Cummiskey noted for the record we are in the tax collection mode, both this month and next. There were no unusual expenditures this past month except for the collision repair costs for B12 and R1211 for which we had previously booked revenues related to the reimbursement by our insurance carrier for the accident damage claim. There was essentially no out-of-pocket expense related to the accident. The Year-to-Date net gain/loss in our cash position is -\$144,062. Treasurer Cummiskey then presented a similar report on the Capital Fund. The month end balance was \$122,033, including \$547 in deposits for the month. Monthly warrants of \$279,727 were for anticipated expenditures, including payments to Caliente. Treasurer Cummiskey made a motion to approve the financial reports as presented. Member Tolby seconded the motion and it passed unanimously. In accordance with the statutory requirements of A.R.S. 48-807, by virtue of accepting the entire detailed financial report the Board certified that:
 - a) The District has reconciled all balance sheet accounts for the preceding fiscal month, and the Board has reviewed them.
 - b) The District has produced a financial report for the preceding fiscal month, including a register of all checks, warrants, and deposits; a statement of the District's financial activities; and a statement of the District's net assets.
 - c) The District has produced a cash flow projection report for the current fiscal year, and said report has been updated to include the actual revenues and expenditures for the preceding fiscal month.
 - d) The Governing Board has reviewed the financial reports, the updated cash flow projection report, and all month end fund statements and reports of the preceding month, including any reports provided by the County Treasurer and each of the financial institutions in which the District maintains an account.
 - e) The District is in compliance pursuant to A.R.S. 48-807 (N) & (O) and no reports indicate an adverse impact on the ongoing operations or liquidity of the District.



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9 BUSINESS

- a)** Status update re: Finance Committee activities. Treasurer Tom Cummiskey reported there has been a lot of activity the past month, primarily to finalize the FY2018-19 proposed budget and the associated FY2019-20 projected budget; the new station cost picture; closeout of Legacy Committee activities; and a proposed modification of our Lease Purchase Agreement (LPA) with National Bank of Arizona (NBA.) Several meetings were held where adjustments to various line items of the 2017 STRAP budget published in January were discussed and incorporated in the budget spreadsheet. We also met with Caliente to review the final hard cost for the new fire station. When combined with soft costs, the new station cost is \$1,273K, versus funding sources of \$1,225K. The cost overrun is \$48K, or 3.9%. Treasurer Cummiskey noted that construction project overruns on the order of 15% are not unexpected. Caliente has agreed to defer \$30K until the next fiscal year. The remaining balance will be handled out of our current year budgeted funds. Regarding the overrun, it was noted that Coconino County is estimated to have negatively impacted our cost by \$20K due to delays in decision making regarding grading and drainage; the delay in deciding to build the Admin wing had a negative impact of about \$30K; grading and drainage rework amounted to a hit of about \$12K; and the block wall added a delta cost of about \$7K. On the plus side, donations in material and labor amounted to about \$70K, with the bulk of that coming from G&G Masonry. There was a meeting yesterday to finalize the FY2018-19 budget which will be discussed in Agenda item 9c). On the Legacy Committee front, the Legacy activities are winding down. Total donations were \$375,000, which includes \$355,000 from the community and \$20,000 from the Auxiliary. Treasurer Cummiskey is working with a trophy company to finalize the plaque that will be on prominent display in the admin wing of the new fire station. It will display about 500 names, and will be about 5 feet wide and 6 feet high, in the shape of a pine tree. Chairman Nelson complimented the Finance and Building Committees for essentially completing the new building project on budget, acknowledging the community donations, self-performed work by the ODS and in-kind donations. With regard to our LPA debt schedule we have asked NBA to shift our repayment schedule from May 1st to later in the year (November 1st) to better align with our fiscal year and our strategic planning cycle, which begins in August. This will require board approval of a new resolution, similar to the one we approved for the increase in the debt service level, and legal review by our attorney, Bill Whittington. A new debt service schedule will be generated that is expected to show a net financial benefit to the fire district. We have been advised by Lee Davis of NBA that we will not be considered delinquent if we fail to make the scheduled May 1st payment, which is our intent.
- b)** Discussion and possible action re: cash flow projections as we approach the end of the fiscal year. As indicated in 9a), all cost adjustments for the overrun can be handled out of our normal operating budget, so no additional board action is required.
- c)** Discussion and possible action re: approval to post draft 2018-2019 Not-To-Exceed (NTE) budget for public review. Treasurer Cummiskey exhibited the draft NTE budget for FY 2018-2019. By way of background, he stated the draft operating budget has been thoroughly reviewed by the board as part of the preparation of the 2017 STRAP document, including the 5 year financial forecast, which was published in January, and, as reported above in 9a), has included subsequent reviews for any further adjustments as requested by Chief Rodriguez. The budget exhibited today to the board for approval to post, includes all requested changes. This same budget will be reviewed with the public at the May board meeting, and again at the June board meeting for final board approval and transmittal to the county. As an NTE budget, we have included grant expenditures that depend on corresponding grant awards and revenues. If we don't get a targeted grant, we don't spend the associated money. Discussion points:
- i)** The budget is balanced at a level of \$1,376,000.



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- ii) Adjustments have been included for the cost of the new station (debt service, insurance, maintenance, utilities, ...)
 - iii) Tax levy revenues are projected to increase at 4.5% year over year.
 - iv) Grants are included for training, a new ambulance, a new fire engine and SCBAs.
 - v) A \$30K transfer is included to pay for the delayed Caliente billing (see 9a).
- Treasurer Cummiskey made a motion to approve the budget as presented for publication and posting. Member Tolby seconded, and the motion passed unanimously. Treasurer Cummiskey noted he will create a separate summary level PowerPoint presentation for the May meeting. All supporting detail, if needed, will be available in the supporting detailed Excel spreadsheet.
- d) Status update re: Building activities.** Chief Rodriquez reported on the status of the construction activities:
- i) The county has issued a temporary certificate of occupancy (COO) allows us to occupy the new station. There are some unfinished items, including grading and drainage; as-built drawings of the border wall; landscaping; and signage that will be completed as conditions allow.
 - ii) There is a plumbing issue that is affecting crew quarters toilets. The remedy is being investigated by Caliente, and will include saw cutting part of the bay space floor under Bay 3 to access the main building drain.
 - iii) Bay doors will be repainted, and there are some issues with the door lift/support springs to be resolved.
 - iv) Roof crickets have been installed. We are very pleased with the resolution of the snow diversion approach around roof penetrations that keeps the metal roof warranty intact.
 - v) One of the ODS was quoted as saying we have a real fire station now.
 - vi) The crew quarters' quilts donated by the Forest Lakes Piecemakers are very much appreciated. Some of the ODS have inquired if they can buy one.
 - vii) The new station is being treated with signal boosters to improve cell phone and radio reception and communication.
 - viii) Building dedication is slated for late June.
- e) Discussion and possible action regarding declaration of green and white ambulance as surplus for future sale.** Member Tolby made a motion to declare the green and white ambulance surplus for future sale. Treasurer Cummiskey seconded the motion and it passed unanimously. Chief Rodriquez is therefore authorized to proceed with the sale using our standard process, which is fair and equitable. Chairman Nelson asked that Chief keep the board informed on the progress of the sale.
- 10 **Fire Chief's Report.** Chief Rodriquez reported as follows: We will host a Wildfire Community Preparedness Day at the Green Waste Transfer Site (GWTS) on Saturday May 5th from 11am to 1 pm to help sensitize the community to the fire danger due to low moisture and high winds. Lot cleanup activity is progressing well. Chief is pursuing the creation of a fire break south of 260. There will be a meeting hosted by the FLFD on May 12 at the new fire station for the various forest service agencies which service Forest Lakes. We responded to a house fire in Pinedale as part of our Mutual Aid Support commitment. We have been bumping up ODS/POC support due to Red Flag conditions. We have a new District Ranger. Sally Rottier has joined the GWTS support team. We are working with the county on an ordinance to allow small communities like Forest Lakes to declare a fire ban that would give Deputy Robert McKeever and John Lopez the statutory power to enforce. Deputy McKeever is looking into ways to resurrect the Woods Watch Program. In response to a question raised previously by Member Tolby regarding how we schedule our ODS and POC personnel, Chief reviewed an Incident Log Report that provides summary level detail for the board and others to better appreciate our tiered support system, including when the subdivision may not be covered. We operate



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on a first come, first served basis. There are tradeoffs we all need to be aware of for this support model. Chief will distribute the report to all board members initially. We will decide thereafter if it should be routinely distributed. There were some follow-on questions from Member Tolby for Chief to address. We have four active POC support personnel, two of whom are still employed and two who are retired. We are considering moving the May board meeting to the new fire station. Chairman Nelson noted for the record how much our ODS do that is not fire and/or EMS related. They assist with communications and infrastructure development, installation of lights and sirens, vehicle maintenance, ... The new crew quarters may entice further ODS participation, including local community college internships.

- 11 **CALL TO THE PUBLIC/AUDIENCE COMMENTS.** Joe Ruet reported that an acquaintance with a cabin in Christopher Creek plans to sell and buy at Forest Lakes, due in part to our new fire station and the commitment it reflects by the community to improved fire and emergency medical service.
- 12 **FIRE BOARD COMMENTS.** Clerk Hennessey advised the Auxiliary Board members in attendance that the annex office area, though not yet reconfigured, can be utilized for the Memorial Day Ice Cream Social. The freezer in the Auxiliary shed can be moved into that area to make access to the ice cream storage more convenient. Chairman Nelson announced that Chief's Annual Performance review will take place in September. This will be a natural lead in to Chief's contract extension discussions (Chief's current contract expires October 31, 2018.)
- 13 There being no further business before the board, the meeting was adjourned at 11:19 am.