

Forest Lakes Fire District Finance & Budget Committee Meeting Minutes

April 17, 2020

On April 17, 2020, The Forest Lakes Fire District's Finance and Budget Committee meeting was held at the Forest Lakes Fire Station located at 1522 Merzville Rd, Forest Lakes Estates, AZ 85931. Chairman Ruet called the meeting to order at 10:16 AM. In attendance were committee members Joe Ruet, Tom Cummiskey and Dave Rodriguez. John Hennessey attended telephonically.

The team reviewed the budget template, previously provided, that was developed by Joe Ruet & Tom Cummiskey, conducting a second pass review of the current STRAP 5 Year proposed FY2020-2021 and 2021-2022 budgets.

After some discussion the committee agreed to the following changes to the proposed 2020-2021 budget and the 2021-2022 forecast:

- 1) \$3,000 was deducted from account 5301, Fuel-oil, for both 2020-21 and 2021-22. This was done to balance the budget.
- 2) \$3,000 was deducted from account 5302, Lube Repair & Maintenance, for both 2020-21 and 2021-22. This was done to balance the budget.
- 3) \$2,000 was added to account 5407, EMS/Fire Small Tools-New/Replacement Equipment & Expenditures, for both 2020-21 and 2021-22.
- 4) \$2,000 was added to account 5409, Disposables, for both 2020-21 and 2021-22 due to the current pandemic.
- 5) \$2,000 was added to account 5703, Propane, for both 2020-21 and 2021-22. This is an estimate based on last year's utility expenses.

The new proposed budget for 2020-21 is \$1,190,145. The new forecast budget for 2021-22 is \$1,092,627

The meeting adjourned at 10:42 AM upon the arrival of County Supervisor Jim Parks who came to accept the old blue & white ambulance on behalf of Tuba City EMS. The meeting resumed at 12:25 with a call back to John Hennessey.

The committee reviewed the proposed budget and identified the following areas that could potentially be reduced in the event of necessity due to financial constraints related to COVID 19, lower EMS receivables and delinquent tax revenues:

1. We agreed to delay spending money from account 8003, Annex Refurbishment, until November 2020 taking a conservative approach to wait and see if tax revenues are low due to delinquency.

2. We talked about potentially reducing personnel salary expenses in the following accounts:
 - a. 5001, Chief District Salary
 - b. 5002, Administrative Assistant Payroll
 - c. 5005, On Duty Staff FF I&II Payroll
 - d. 5007, Administrative Assistant Payroll
3. We should look for savings in account 5302, Lube Repair & Maintenance, due to adding the new ambulance to the fleet which comes with a warranty.
4. Chief directed AeroMed not to excuse any bills for EMS services. On a related note, Aeromed indicated we may be getting federal monies to help offset our reduced number of transports. Aeromed is looking into that for us
5. We discussed contacting Caterpillar and NBA to determine the process for delaying certain debt service payments if necessary. This was seen as a last resort although we agreed we should look into it sooner than later.
6. We briefly discussed limiting our service area so eliminate trips far off the 260. Dave indicated he would look further into this.
7. We also briefly discussed charging residents for transports, something we have not done in the past, but only to the extent that their insurance would pay for it. This is also considered a last resort and not something we would prefer to do.

Finally, we agreed that the two indicators we would monitor to determine the need to implement any of these options was the status of our cash balance and how our tax collections are performing to plan. It was agreed that for the remainder of the current fiscal year, we must be as frugal as possible to offset potential decreased revenues and to build cash if possible.

The meeting closed at 1:02 PM.

Respectfully submitted,

Joe Ruet, Finance Committee Chair