



MEETING MINUTES FOR A SPECIAL MEETING OF THE FOREST LAKES FIRE DISTRICT OCTOBER 17, 2020



- 1) Call to Order/Roll Call. The 2020 Strategic Plan (STRAP) Update Session 2 meeting was called to order by STRAP Chairman Tom Cummiskey at 12:07 pm in the main equipment bay of the fire station. Also in attendance were Board Members John Hennessey, Dennis Massion and Pete Batschelet; and Chief Dave Rodriquez. Member Israel Torres was absent.
- 2) Rolling Stock Discussion. Chief Rodriquez presented an update to the Rolling Stock status using the 2019 STRAP Update Equipment Module as a reference. As noted in the equipment module narrative, the leadership team has made a strategic decision to buy good used serviceable equipment in lieu of buying new when using district funds. The results of this decision are reflected in the acquisition of a new ambulance, a new attack truck and a used Chief's vehicle. We will continue this strategy in the future. One downside is that equipment maintenance costs and the frequency of vehicle replacements may be negatively impacted when buying used equipment. Chief Rodriquez will provide information to the leadership team so these cost impacts can be accounted for in the budget process.
 - a) E1211 (Engine 1211), our structure fire emergency response apparatus, was procured new with grant funding in 2005. It is basically a city truck with 2WD and has limited functionality in Forest Lakes, especially for wintertime operations. Its compressed air foam system (CAFS) is no longer operational, and will not be replaced. Its 1250 gpm pumping capacity is instrumental in allowing us to have an ISO 4 rating. It is scheduled to be replaced with grant funding in FY23/24. Expected cost is \$450K, with a 10% cost share, and an expected 10 to 15 year service life. Current market value of E1211 is \$20K to \$25K.
 - b) R1211 (Rescue 1211, blue and white ambulance), our frontline EMS response unit, was procured new with a grant from the Gila River Indian Community. It has been in service for about 8 months. It is equipped with a STRYKER Power Load Unit.
 - c) R1212 (Rescue 1212, red and white ambulance), our backup EMS response unit, was procured used with district funds in 2018 for \$2.5K. It is currently in the shop for major engine repairs, with an expected repair cost of \$8K to \$10K. It is equipped with a STRYKER Power Load Unit.
 - d) T1211 (Tender 1211, water tender), primarily used for portable hydrant/water supply, was acquired new in 1991. It is a solid unit with low mileage (13,142 miles as of 10/17/2020.) It generates revenue for the district when deployed to the Forest Service.
 - e) B12 (Battalion 12), chief's response vehicle and battalion command truck, was acquired used with district funds in 2016 on a lease/purchase agreement. The last payment is due in November 2020. It is a solid unit with 138,000 miles as of January 2020. We will re-evaluate its serviceability based on a cost/benefit analysis when it reaches 150,000 miles.
 - f) AT1211 (Attack Truck 1211), our primary response apparatus to all hazards for on-duty personnel, was procured new in 2016 with grant funding. It is a solid unit with low mileage.
 - g) AT1212 (Attack Truck 1212), our backup response apparatus to all hazards for on-duty personnel, was procured used with district funds in 2015. Its pump unit was subsequently replaced with a unit donated by City of Mesa Fire. It is a solid backup unit with 58,625 miles as of January 2020.
 - h) L1211 (Loader 1211, frontend loader), used for green waste site management, emergency snow removal and station grounds management, was procured new in 2014 with district funds on a lease/purchase agreement. It is also a component of our emergency response plan. The last payment is due in FY21/22.
- 3) Capital Expenditure Plan. In addition to those capital expenditures outlined in the rolling stock discussion above, we are considering an upgrade to our telephone system, which has been postponed for several years due to then-year cash flow concerns. Our IT provider, Smart Systems, is recommending we pursue an upgrade in the next fiscal year. Previous estimates for the upgrade were in the \$10K range. Chief Rodriquez is also investigating a fiber-optic upgrade option in conjunction



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with FLDWID in lieu of staying with Verizon. This will be an agenda item for STRAP Session 3. We noted that we have several capital equipment placeholders in the current plan that would be financed by micro grants. Chief took the action to more specifically identify what those capital equipment items would be.

- 4) Debt Service Plan. In addition to those debt service items outlined in the rolling stock discussion above, we will be considering upgrades to our heart monitors, which have a useful life of about 5 years. We have a total of three monitors, with staggered acquisition dates. One was procured new 5 years ago using funds donated by the Auxiliary. One was procured 4 years ago using district funds on the same lease/purchase agreement as B12. The third unit was donated used by a neighboring agency 3 years ago. This will be an agenda item for STRAP Session 3. Chairman Cummiskey took an action item to contact Lee Davis at NBA to inquire about the viability of refinancing the loan we have on the station.
- 5) Grant Outlook and Strategy. We have been very successful procuring grants primarily through the efforts of John Nelson and Dick Zimmerman. Work on a Firehouse Subs grant for a utility type All Terrain Vehicle capable of operating deep into the forest, transporting patients and conducting limited firefighting operations is still in the planning stages. It will probably for about \$25-30K. We will continue to pursue microgrants in the \$50K to \$75K range and will apply to Gila River Indian Community in a year or two. Since our proposed budgets are Not to Exceed (NTE), we include the cost for equipment when planning our replacement strategies, with costs offset by grant income. If we don't get the grant income, we don't procure the items.
- 6) IT/Telecon Updates Plan. As noted above, we will be addressing a telephone system upgrade the next fiscal year. We have recently completed a major IT system upgrade, so we are several years away from needing to address the IT infrastructure.
- 7) Financial Planning Kickoff. Treasurer Pete Batschelet reviewed the Excel spreadsheet titled 2020-OCT-14 DRAFT Copy of 2020 STRAP UPDATE 5 AND 10 YEAR FORECAST BASELINE, which was previously distributed. See attachment. It is the first draft of the financial planning spreadsheet and is a work in progress. Treasurer Batschelet took extensive notes on individual changes discussed and will incorporate them into the next version of the document, which will be reviewed and updated by the Finance Committee prior to STRAP Session 3. Some general comments apply:
 - a) Need to check all formulas to make sure they are working as intended.
 - b) Need to consider costs associated with Chief Rodriquez's recommendation we apply to the Arizona State Retirement System (ASRS.) Preliminary estimates for costs would be 12% of both Chief's and Megan's annualized salaries. This will an agenda item for the November Board meeting.
 - c) Need to consider the 457 plan offset contribution to be paid by the district for participation in the 457 alternate retirement plan (in lieu of SS.) The offset is projected to be 1.5% of the annualized salary for all employees.
 - d) Include CAPEX and Debt service levels as indicated above.
 - e) Consider the possibility that the mill rate may be increased from \$3.25 to \$3.50.
 - f) Chairman Cummiskey noted our tax levy assessments are tracking consistently at a 5% year over year (YOY) increase. We have been using a 4.5% increase for an added margin of safety in our revenue projections. Should we use the full 5% for planning purposes?



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- 8) Adjournment. There being no further business before the committee, the meeting was adjourned at 1:52 pm.

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