



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
MARCH 18, 2021**



For the record, as a general rule, the Fire Station remains closed to the public. Access can be achieved on a case by case basis. The board meeting was held in a virtual format using Webex video conferencing software. Chief Rodriguez will monitor the COVID-19 situation closely and determine if, and when, the Fire Station can be safely reopened to the public.

- 1 The meeting was called to order by Chairman Tom Cummiskey at 11:02 am.
- 2 Due to the virtual meeting format, Chairman Cummiskey dispensed with the pledge of allegiance.
- 3 Roll Call of Fire Board Members. In addition to Chairman Cummiskey, Clerk John Hennessey, Member Dennis Massion and Treasurer Pete Batschelet were in attendance. Member Israel Torres was absent. We had a quorum of the board. For the record, Chief Dave Rodriguez and Kay Green, SC Audit & Accounting Solutions, LLC, were in attendance. Chairman Cummiskey verified that everyone could hear and understand the proceedings. There were no members of the public in attendance.
- 4 Chairman's Welcome and Activity Report. Chairman Cummiskey welcomed Kay Green, our auditor, who will address the board as part of agenda item 8b).
- 5 Call to the Public/Audience Comments. There were no members of the public in attendance.
- 6 Review and Approve the Minutes for the February 18, 2021 Regular Board Meeting. Member Massion made a motion to approve the minutes as presented. Treasurer Batschelet seconded, and the motion passed unanimously.
- 7 Review and Approve the Financial Statements for February 2021. Treasurer Batschelet reviewed the General Fund financial report for the previous month, and provided a brief summary report. We are 66.66% through the year. In relation to our published Not-To-Exceed (NTE) budget, YTD revenue is at 65.7% while YTD expenses are at 58.0%. The end of the month cash balance as presented was \$359,845.24. It should be \$353,023.81 so as to agree with the QuickBooks number shown on the Cash Flow Projection table. The report will be amended to show the change. The Projected Year End Cash Balance is \$327,325. We are in a very strong position financially. Treasurer Batschelet made a motion to approve the financial reports as amended. Member Massion seconded, and the motion 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.
- 8 Business
- a) Status update re: Finance Committee Activities and FY 21/22 Budget Prep Status. Treasurer Batschelet reported the Finance Committee met last week to review the budget template for the FY21/22 working budget and the FY22/23 projections. We are very close to being completed with the prep work. There will be one more Finance Committee meeting before presenting the budgets to the board at the April meeting.
 - b) Discussion and possible action: Review of FY19-20 FLFD Audit Report Presentation by Kay Green. Kay Green of SC Audit & Accounting Solutions, LLC presented the subject report for the Forest Lakes Fire District as of and for the year ended June 30, 2020. By statute the report has to be submitted to the County by February 25, 2021. Chief Rodriguez took an action to follow up with Megan in this regard. The report had previously been circulated to all board members for their review prior to the meeting. Kay conducted a brief review of several aspects of the report, including Financial Highlights, which showed the District's



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net position increased by \$244,525 due to the carryover nature of the funding for the new ambulance purchase. She summarized by stating she issued a clean audit opinion, with no deficiencies, no material weaknesses and no audit findings. The District complied with all statutes, had appropriate internal controls and complied with all financial reporting requirements. She acknowledged the assistance of Megan Rutherford and Angela Bertram with the compilation of the supporting data, and recommended we continue to utilize the services of Angela Bertram. She closed by recommending we address opportunities for improving our Cash Balance Reconciliation Process and our Accounts Payable Process, as outlined in the Independent Auditor's Management Letter. Chief Rodriguez took an action to address these recommendations as well as the Petty Cash Process. Treasurer Batschelet made a motion to approve the report as presented. Member Massion seconded the motion. By way of comment, Chairman Cummiskey thanked Chief, Megan and Angela for their work in supporting the audit and providing the board with the added assurance that the district's finances are in good order. There being no further comments, the question was called and the motion passed unanimously. Chairman Cummiskey thanked Kay and she excused herself from the meeting.

- c) Status update re: GWS Permit Move to FLFD. Chief stated there is nothing new to report. There is no operational impact due to the delay in completing the paperwork.
- d) Discussion and possible action: Lease of Annex space to the Coconino County Sheriff's Office. Chief reported he had drafted a memo to the Coconino County Sheriff's office regarding their inquiry and is awaiting their response. It was noted there is a potential impact to the Master Plan (see agenda item 8j).
- e) Discussion and possible action: Review current hourly labor rates and discuss possible increases for inclusion in the upcoming budget cycle. Chief Rodriguez reported our current hourly rates for ODS PM and FF (\$18.50 and \$15.00 respectively for a 24 hour shift) are in the middle of the range for the mountaintop. He recommends we adjust these to \$20.00 and \$17.50 per hour, beginning in fiscal year 22/23. Treasurer Batschelet took the action to include the recommended adjustments in the budget template so we can address affordability of the recommendations at the next Finance Committee meeting.
- f) Status update re: Grant activities. Chief reported we are not pursuing microgrants at this time. They are primarily being awarded for COVID related issues and are targeting smaller districts. He is re-evaluating the urgency for the Firehouse Subs grant for a side-by-side utility vehicle.
- g) Discussion and possible action re: ASRS Participation and related Resolution Approval. Chief reported we are eligible for ASRS participation beginning July 1st and have been assigned an agent to assist with our application. He and Megan both are aware their take home pay will be decreased by their 12.41% contribution rate, which the district will match. An added plus is ASRS includes Long Disability Coverage. He and Megan will be working with our assigned agent to get the required paperwork in place by July 1st, one element of which is board approval of a resolution for FLFD participation in ASRS. Resolution 2021-001 was distributed to the board prior to the meeting for their review. There being no changes or comments, Clerk Hennessey made a motion to approve the resolution as presented. Member Massion seconded, and the motion passed unanimously. For the record, Chairman Cummiskey and Clerk Hennessey approved the use of their signature stamps for the subject resolution.
- h) Status update re: Pension Board activities. Chief Rodriguez provided an update. Pension Board Chairman LJ Waggoner has been investigating alternatives to Innis and Associates to administer our pension program assets, which total about \$330,000. We have received the year end report from Innis and Associates for calendar year 2020 which reflects a 17% gross ROI.
- i) Status update re: Governmental Advocacy Committee. Chief Rodriguez provided a brief report in Governmental Advocacy Committee Chairman Torres' absence. There is an Omnibus Bill (SB1108) being discussed in the State Legislature Ways and Means Committee, the agenda for which will be set at 5pm tomorrow. One of the provisions being addressed for inclusion is an increase in Mill rate from \$3.25 per \$100 in assessed valuation to \$3.50 in two steps over two years. If the measure is not included in the agenda, it is dead for this legislative session. We have been advised not attempt to influence the legislation. If approved, it would increase our property tax revenues by about \$50,000 per year. There is another provision in a Striker bill that would allow us to bill for our response in the forest. That also has a 5pm Friday suspense date for go/ no-go consideration.
- j) Status update re: Master Planning Committee Activities. Master Plan Committee Chairman Hennessey reported we will wait a month or so to make a decision on remodeling the Annex interior until the



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discussions underway with the Coconino County Sheriff's office for leasing the office space get resolved. Chief Rodriguez reported the construction of the new commercial grade perimeter fence will begin once the weather and soil conditions allow. Chief will declare some or all the existing chain link fence surplus so it can be made available to FLOA. We will begin work shortly on installing conduit to allow electrical service to the Tuff Sheds in the rear of the station. This will allow us to relocate the Auxiliary's freezer from the Annex to their storage shed. It was recommended we include the Blue Garage in the work scope. Chief reported he has been notified by DW Towers that Starlight, a second cell phone provider, will be added to the cell tower and support building by the end of the month. That will increase the monthly income from \$750 to \$1,000, effective next month.

- k) Discussion and possible action: Provide funding target(s) to the Auxiliary. Chairman Cummiskey opened the discussion by stating the Auxiliary would most likely not be able to hold their traditional fund-raising activities this coming summer due to COVID-19 concerns. They are in need of a specific fund-raising item so they can focus their efforts accordingly. It was agreed that a new heart monitor, to replace the one we have on loan, would be appropriate. It will cost in the range of \$40,000, a portion of which could be provided by the Auxiliary. Member Massion made a motion to approve Chairman Cummiskey notifying the Auxiliary in writing of our request for the Auxiliary to support the procurement of a new heart monitor, in whole or in part. Treasurer Batschelet seconded, and the motion passed unanimously. Chairman Cummiskey took an action to notify the Auxiliary, with Chief Rodriguez providing supporting detail. Member Massion made the comment that if we tie the request to COVID-19 the Auxiliary might be able to pursue grant funding to help offset the cost.
 - l) Status update re: Station reopening and resumption of in person board meetings. A quick survey of the leadership team showed all board members have received the COVID-19 vaccination, with Chief Rodriguez scheduled to receive his second injection on March 28th. That would allow us to safely resume in person board meetings at the fire station. We agreed to have our initial in person meeting in the fire station Saturday May 15th at 10:00 am. The public would be able to attend subject to passing our screening protocol. Chief is still undecided when to open the fire station completely to the public.
- 9 Fire Chief's Report. Chief Rodriguez reported there will be a meeting next week to decide when the GWTS will be open to the public. The Hazardous Fuels Grant is on hold due to weather. Chief is anticipating some issues with the grant this summer since we only have three contractors certified to do tree removal. Chief is investigating a new maintenance agreement for the FEL since our current agreement with CAT Financial will expire when we make the balloon payment in February. Pete asked that he explore a long-term agreement. The Frontier internet is operational, but is very slow. The new fiber-optic system should be operational by the end of the month. Chief took an action to contact APS to get an update on the Microgrid project. Chairman Cummiskey asked if we are vulnerable to the recent Chinese hacking of the Microsoft exchange system. Chief said he, Megan and/or John Nelson will follow up with Smart Systems.
- 10 Call to the Public/Audience Comments. There were no members of the public in attendance.
- 11 Fire Board Comments. Chairman Cummiskey noted POC member Lou St.Germain has an 8 year anniversary coming up. Chief will express his appreciation to Lou and we will all recognize him at the May board meeting. Tom also noted the web site is very much out of date, providing several examples. He stated this is our portal to the community and detracts from our image if information is not current. Chief will get with Megan and develop an action plan.
- 12 There being no further business before the board the meeting was adjourned at 12:20 pm.

Note: In order to promote openness and transparency, all materials presented at the board meeting are available to be viewed on the FLFD Web Site: flfdaz.com, and following the web site prompts; or by going directly to the URL, flfdaz.com/board-meeting-minutes.