



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
FEBRUARY 15, 2024
FOR POSTING**



1 Call to Order.

Chairman John Hennessey called the meeting to order at 10:04 am via Microsoft Teams. All members were copied on the annotated meeting agenda prepared by Chairman Hennessey and distributed prior to the meeting.

2 Pledge of Allegiance.

Omitted due to the virtual meeting format.

3 Roll Call of Fire Board Members.

In addition to Chairman Hennessey, Treasurer Pete Batschelet, Clerk Julie Swanson, Member Dennis Massion and Member Israel Torres were in attendance via Teams. We had a quorum. Also in attendance via Teams was Chief Dave Rodriguez, who was physically present at the fire station, and John Nelson, Communications Specialist, who provided technical support for Teams. There were no members of the public in attendance. Chairman Hennessey confirmed that all were able to hear and understand the proceedings.

4 Chairman's Welcome and Activity Report. (John)

Chairman Hennessey welcomed all to the February meeting. He thanked Clerk Swanson for chairing the January meeting in his absence for personal reasons. The meeting was held in a virtual format using MS Teams due to inclement weather conditions and concern for the safety of board members. He thanked our Communications Specialist, and Webmaster, John Nelson for providing the technical expertise to facilitate the meeting. Members of the public were notified in the posted agenda that they were able to access the meeting in person at the fire station.



The board previously approved an increase in compensation for Chief Rodriguez effective January 1, 2024. Chief confirmed the subject increase has been implemented via communication with PayTech. A similar question re: Health Care Benefits for Dave was confirmed.

5 Call To the Public/Audience Comments. There were none.

6 Review And Approve the Minutes for the January 18, 2024, Regular Board Meeting.

Member Massion made a motion to approve the minutes as presented. Member Torres seconded, and the motion was approved unanimously.

7 Review and approve the financial statements for January 2024.

	Forest Lakes Fire District January 2024 General Fund Financial Packet Cover Sheet	
January 2024 =58.3%		
Monthly Revenue: \$ 96,999.20	YTD Revenue \$ 896,301.92 = 69.5%	
Monthly Expenses: \$ 74,395.07	YTD Expenses \$ 810,546.08 = 57.9%	
Monthly Net Gain/Loss: \$ 22,604.13	YTD Net Gain/Loss: \$ 85,755.84	
End of Month Cash Balance: \$ 422,160.91	Total Budget: \$ 1,430,765.00	



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Two quick questions/comments:

- 1) I know the insurance is way more expensive. Do we have one more payment in April to close out the year? I believe this is accurate and want to verify.
- 2) FDAT – We had \$0 last month and this month is obviously over the percentage. I added up December and January and applied the 15% for FDAT and it pencils. For notes, we received \$0 in December and collected the shortfall this month so we're square.

All looks healthy. Thank you for your continued support, Julie!

Forest Lakes Fire District FY 23-24 Cash Flow Projections					
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\$306,949.85				
1st Qtr	Jul-23	Aug-23	Sep-23	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	
Income	\$23,195.67	\$29,723.79	\$66,751.64	
Expense	\$103,407.86	\$116,830.26	\$81,544.13	
Income%	1.78%	2.28%	5.13%	
Expense%	7.95%	8.98%	6.27%	
Cash Balance	\$216,665.59	\$129,559.12	\$114,766.63	
2nd Qtr	Oct-23	Nov-23	Dec-23	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	
Income	\$338,013.42	\$256,184.31	\$85,185.63	
Expense	\$152,314.15	\$120,956.91	\$108,228.41	
Income%	25.98%	19.69%	6.55%	
Expense%	11.71%	9.30%	8.32%	
Cash Balance	\$300,465.90	\$422,599.56	\$399,556.78	
3rd Qtr	Jan-24	Feb-24	Mar-24	
	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>	
Income	\$96,999.20	\$49,044.00	\$201,591.00	
Expense	\$74,395.07	\$98,664.00	\$108,915.00	
Income%	7.46%	3.77%	15.50%	
Expense%	5.72%	7.58%	8.37%	
Cash Balance	\$422,160.91	\$372,540.91	\$465,216.91	
4th Qtr	Apr-24	May-24	Jun-24	
	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	
Income	\$166,655.00	\$77,379.00	\$77,379.00	
Expense	\$102,153.00	\$113,915.00	\$93,664.00	
Income%	12.81%	5.95%	5.95%	
Expense%	7.85%	8.76%	7.20%	
Cash Balance	\$529,718.91	\$493,182.91	\$476,897.91	
	Approved Budget	Projected EOY CB:	\$476,897.91	

Treasurer Batschelet made a motion to approve the subject financial statements. Member Torres seconded, and the motion was approved 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:



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- 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: Pursuit of a Grant Opportunity from the Arizona Department of Forestry and Fire Management (DFFM) to Construct a Multi-Purpose Support Building, Including Housing the FEL. (John Nelson/Dave).
John reported the bid was submitted on time. It is a solid offering with a Caliente cost estimate to build of \$420K. Since the maximum award is \$400K, FLFD stipulated it will cover the overage. It is our understanding the full amount will be awarded, and will not be a reimbursement type award. The announcement of grant award is expected the first week in March. In anticipation of a grant award, which is highly likely, John recommended a building committee approach be implemented to lay out our plans for how to handle the contract award. Completion was indicated as October 2025 in the grant submittal. Chairman Hennessey, under his authority as Board Chair, established a building committee consisting of himself, Member Massion and Chief Rodriquez to develop a preliminary building plan to be implemented following grant award, with the initial focus on contractor selection per our procurement policy. Subsequent construction plans and timelines will be developed in conjunction with selected contractor.
- b. Status Update re: Annual Audit Submittal. (Dave). Dave reported work continues on the audit, which is expected to be completed in accordance with statutory requirements. The March board meeting agenda will include a motion and possible action to approve submittal of the report, which will be presented by the audit team at the meeting prior to the board taking action.
- c. Status Update: Approval of Health Benefits Plan for Chief and Admin Assistant (John). Chairman Hennessey reported that the Health Care Plan for Chief Rodriquez was approved at the December board meeting and per previous comments, has been implemented. The issue of the Admin Assistant Health Care Plan has been tabled pending the hiring of a new assistant.
- d. Status Update re: Approval of Changes in Pay Policy 0021, Including ODS Compensation, With an Effective Date of December 16, 2023. (Dennis). Policies, Procedures and Bylaws Committee Chairman Massion reported Policy 0021 has been updated to reflect current and approved compensation rates for all remaining job titles, with four having been deleted as being non-essential, and the language of the remaining job descriptions streamlined. The updated version was distributed to the board prior to the meeting. Dennis made a motion to approve the revised policy as presented. Member Torres seconded, and the motion was approved unanimously.
- e. Finance Committee Update re: Plan for Preparation and Board Approval of FY2024/2025 Budget and FY2025/2026 Forecast. (Pete). Treasurer Batschelet reported we are in receipt of the 2024



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Tax Levy Limit worksheet, which traditionally signals the beginning of the preparation of next year’s budget and the following year’s forecast. The new tax levy is ~\$22K high than that included in our recently completed STRAP 5 Year Forecast, which showed a balanced budget for the next two years at the lower tax levy. Pete’s initial approach is to show that increased amount, plus the associated FDAT increase of 18%, in non-capital improvements. All the data will be reviewed by the Finance Committee over the coming weeks, with changes made as needed, with the objective of presenting the budget to the board at the April meeting, to the public at the May meeting, with board approval at the June meeting.

- f. Status Update re: Grant Activities. (John Nelson). Grant Coordinator Nelson reported he continues to work on the county sponsored Community Wildfire Protection Plan. Work continues on the FEMA grant for Personal Protective Equipment (PPE), i.e., Turnouts, where Chief reports we are awaiting quotes.
- g. Status Update re: Governmental Advocacy Committee. (Israel). Governmental Advocacy Chairman Torres reports it is a busy time at the legislature. He continues to follow any bills that will impact the fire districts. Of particular interest is HB2418, which would create a fire district advisory board that would provide proper and effective governance of fire districts. He will follow up with John Flynn to see what AFDA’s position is on the bill. Of interest, Israel reported he has not heard anything regarding “Home Rule” for establishing tax rates as they relate to the subject bill, which he reported is moving through the process.
- h. Status Update re: EMS Receivables and Call Volume Report. (Dave). Chief reported he had no updates.
- i. Motion and Possible Action re: ODS Mileage Reimbursement Reference Price Check Methodology.
 - a. Establish a Consistent Methodology for Setting the Reference Price per Gallon for ODS Reimbursement Using the August 20, 2022 Board Approved Rate Table (Attached.) (Pete/Dave)

Average Cost of Fuel per Gallon in Maricopa County	ODS Mileage Rebate, Cents per Mile, One Way Travel
\$4.00 and above	62.5
\$3.50 to \$3.99	50.0
\$3.00 to \$3.49	25
\$3.00 and below	0

Pete related he and Dave had not been able to meet to establish a consistent methodology for applying the board approved ODS mileage reimbursement policy. This agenda item (creation of a consistent methodology for applying the reimbursement policy) was tabled until the March meeting.

- b. Establish Reimbursement Rate for the Next Month. (John)

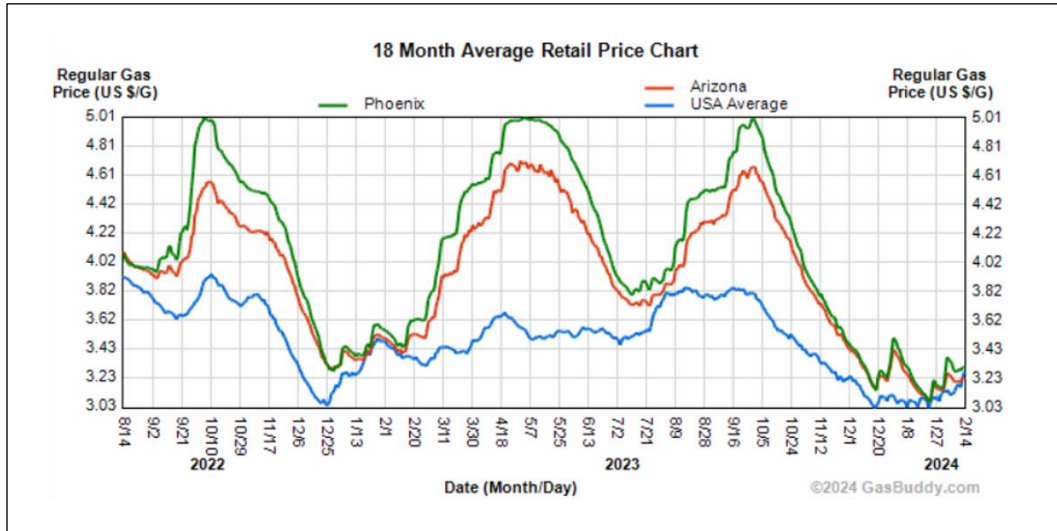
In lieu of the accomplishment of agenda item 8a., for discussion purposes, the following chart was presented by Chairman Hennessey. It shows gas prices clearly at the lower end of the approved reimbursement policy. Treasurer Batschelet reported this reflects his impression of having observed prices and having done additional research online. His position is that gas prices have come down. Following further discussion, Pete made a



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motion to set the reimbursement rate at 25 cents per mile for the next 30 days. Israel seconded the motion, and it passed unanimously.



There were several discussion points that bear further comment. What the board approved in August 2022 was a reimbursement policy. Chief introduced the notion of a fixed mileage rate, with the rate being the same as the IRS value, which for 2024 is 67 cents per mile, thereby making this a pay policy instead of a reimbursement policy to offset the cost burden for high gas prices. Dennis made the point that if this is a warranted expense, we should pay the ODS staff more, and not conflict it with paying them to come to work. It was agreed we would have an agenda item next month for which Dave would have a recommendation for how to go forward without consideration of a mileage reimbursement. The board fully appreciates the difficulty in recruiting ODS for FLFD shift coverage. This would not eliminate the need for developing a consistent methodology, as described above, in the event the best solution is to maintain the reimbursement policy.

- 9 Fire Chief's Report. (Chief Rodriguez) Dave reported that our ISO Regrade Review process continues with the expectation our outstanding ISO Level 4 Rating will be preserved, thereby allowing homeowners to argue against insurance companies dropping coverage. Chipping at the GWS nears completion. Dave responded to a call from APS to provide snow removal on the 237 road using L1211 to allow APS equipment to get access to downed power lines that were causing a power outage in Forest Lakes. Dave is in discussions with APS on a contractual agreement to provide future services. L1211 was also called into action by DPS to help extricate a tractor trailer on 260. State statutes do not allow us to receive compensation for such services. The PPE Grant with FEMA is expected to be a 10% match. That would require FLFD to contribute \$7.5K. Dave has a possible candidate to fill the Admin Assistant position. He will meet with her tomorrow. Dennis thanked Dave for doing a job well done re: the admin position disruptions and the APS assistance.
- 10 Call to the public/audience comments. There were no members of the public in attendance.
- 11 Fire Board comments.



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Chairman Hennessey reported he is nearing completion of the first draft of the 2023 STRAP Update document. His intent is to publish the draft by Monday February 18th. Board members will then have until March 11th to make changes. Approval to publish will be an agenda item for the March 14th board meeting, with a publication date of March 17th.

- 12 Adjournment. There being no further business before the board, the meeting was adjourned at 11:35 am.

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.