



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
APRIL 18, 2024 – FOR POSTING**



1 Call to Order.

Chairman John Hennessey called the meeting to order at 10:02 am via Microsoft Teams. All members were copied on the 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 confirmed to be in attendance via Teams. We had a quorum.

Also in attendance via Teams were Chief Dave Rodriguez and Wanda Burnett, who were physically present at the fire station and John Nelson, Communications Specialist, who provided remote 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.

Chairman Hennessey welcomed all to the April meeting.

The meeting was held in a virtual format using MS Teams due to the threat of inclement weather conditions and concern for the safety of board members.

He thanked our Communications Specialist, and Webmaster, John Nelson, for providing the technical support 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.

Chairman Hennessey noted for the record we have completed our annual audit and asked that Wanda assure that final copies have been sent to the appropriate state agency as well as the Coconino Treasurer, Sarah Benatar, and Coconino County Board of Supervisors Clerk, Lindsay Daley.

Chairman Hennessey noted that he and Clerk Swanson will be responsible for publishing today's meeting minutes. This responsibility will be transitioned to Wanda for future meetings.

Supervisor Judy Begay will be joining us for our July 20th board meeting.

5 Call To the Public/Audience Comments. There were no members of the public in attendance.

6 Review And Approve the Minutes for the March 21, 2024, Regular Board Meeting.

The subject meeting minutes were distributed without comment. Clerk Swanson made a motion to approve the minutes as presented. Member Massion seconded, and the motion was approved unanimously.

7 Review and approve the financial statements for March 2024.

Treasurer Batschelet gave a brief summary of the cover sheet and cash flow projections.

We are on target for revenues and slightly under for expenses. Our projected year end cash balance is good at \$372,441.



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Forest Lakes Fire District March 2024 General Fund Financial Packet Cover Sheet



March 2024 =75.0%

Monthly Revenue: \$ 40,825.76 YTD Revenue \$ 968,830.58 = 75.2%

Monthly Expenses: \$ 67,141.06 YTD Expenses \$ 946,321.13 = 67.6%

Monthly Net Gain/Loss: \$ -26,315.33 YTD Net Gain/Loss: \$ 22,509.45

End of Month Cash Balance: \$ 360,759.67 Total Budget: \$ 1,430,765.00

Forest Lakes Fire District FY 23-24 Cash Flow Projections

A	B	C	D	E
\$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>Actual</i>	<i>Actual</i>
Income	\$96,999.20	\$32,009.25	\$40,825.76	
Expense	\$74,395.07	\$67,045.19	\$67,191.06	
Income%	7.46%	2.46%	3.14%	
Expense%	5.72%	5.15%	5.17%	
Cash Balance	\$422,160.91	\$387,124.97	\$360,759.67	
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	\$425,261.67	\$388,725.67	\$372,440.67	
Approved Budget		Projected EOY CB:		\$372,440.67
\$ 1,300,872.00		Difference:		\$65,490.82
A v P REV				99.19%
A v P EXP				92.37%

Member Massion made a motion to approve the subject financial statements. Member Torres seconded, and the motion was approved unanimously.



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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. Finance Committee Update, Including the ODS Compensation Approach and the Overall Budget Preparation Process. (Pete)

Treasurer Batschelet confirmed that the ODS mileage reimbursement approved by the board on August 20, 2022 is being phased out with the introduction of the proposed FY24/25 budget, which is effective July 1st. The reimbursement is being replaced by a simple hourly wage increase for the ODS. See agenda item 8m.

- b. 2024 FLFD Fund Raising Request for Auxiliary Support. (Dave)

Dave confirmed that Linda Faber, Forest Lakes Auxiliary President has reported that her organization will commit to a donation of \$25K towards the procurement of a replacement heart monitor. This donation is reflected in the FY24/25 budget which Pete addressed next.

- c. Motion and Possible Action re: Approval of the FY24/25 Budget and the FY25/26 Forecast for Posting. (Pete)



8c_March 2024
Update - Working Do

Treasurer Batschelet reviewed the proposed budget and forecast in some detail. It is a balanced budget for Years 1 and 2 as reflected in the 5 Year STRAP Budget and Forecast, and builds on the budget and forecast approved by the board for posting in December, with updates as needed. As noted, account 5020 goes away and is replaced with ODS wage increases for FF/EMT from \$17.50 per hour to \$18.50 in Year 1 and \$19.50 in Year 2; and PM increases go from \$20 per hour to \$21 in Year 1 and \$22 in Year 2. We made significant inflationary adjustments to expenditures for Worker's Comp and Propane based on current run rates. We included funding for Future Capital Reserve and replacement heart monitors. We reduced revenues for EMS



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receivables due to lower call volume and added a revenue stream for leasing our new water tender to the Forest Service. Per good business practice we included a 10% Contingency line item. It was noted our debt service for the new fire station will reset in 2027 and any increase in interest rate related finance costs will be offset by the reduced principal for the new LPA.

Treasurer Batschelet made a motion to approve the budget and forecast for posting. Member Massion seconded, and the motion passed unanimously.

Per usual practice, the budget will be presented to the public at the May meeting, and approved by the board at the June meeting.

- d. Motion and Possible Action re: Approval of Resolution 2024-001 Calling for Election of Two Board Members November 5, 2024. (John)

Resolution No. 2024-1
(Calling for Board Member Elections)

**A FORMAL RESOLUTION OF THE GOVERNING BODY OF THE FOREST LAKES
FIRE DISTRICT CALLING FOR AN ELECTION OF BOARD MEMBERS IN THE
NOVEMBER 5, 2024 CONSOLIDATED ELECTIONS.**

Chairman Hennessey stated the resolution had been previously distributed. There were no questions or comments. Member Massion made a motion to approve Resolution 2024-001 as presented. Clerk Swanson seconded, and the motion passed unanimously.

Chairman Hennessey and Clerk Swanson gave Wanda permission to use their signature stamps to complete the resolution and include it with the Notice of Election to be sent to the County Elections Department, with copies to Lindsay Daley, Clerk of Board, Coconino Board of Supervisors, by May 9th.

- e. Request to Bill Whittington to Provide Legal Guidance for the Upcoming Board Member Election Process. (John)

Chairman Hennessey reported the requested guidance has been provided for the May 9th due date, and is reflected in the resolution language.

Additional guidance is forthcoming should the election be held on November 5th, and not declared as has been the recent experience.

- f. 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 for the FEL. (John Nelson/Dave).

See agenda item 8j.

- g. Status Update re: Publication of the 2023 STRAP Document and One Page Summary. (John)

Chairman Hennessey reported the subject documents were published March 26, 2024.



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- h. Motion and Possible Action re: Chief's Employment Contract, Which Expires June 30, 2024. (John)

Chairman Hennessey seeks approval to refresh and update Chief's contract, in collaboration with Dave, for the new expiration date of June 30, 2026. For the record, Chief's original 2022 contract was amended December 16, 2023 to adjust his salary beginning January 1, 2024 and for the duration of the new contract, July 1, 2024 through June 30, 2026, which is reflected in the budget and forecast as described in agenda item 8c. Only minor adjustments to verbiage are anticipated. Board approval of the new contract will be an agenda item at the June meeting.

Member Torres made a motion to approve Chairman Hennessey to refresh and update the Chief's contract as noted. Clerk Swanson seconded, and the motion passed unanimously.

- i. Discussion re: Chief's Annual Performance Review for the Period July 1, 2023 Through June 30, 2024. (John)

Chairman Hennessey noted, per usual practice, board members provide Chief Rodriguez with an annual performance review, synchronized to his contract renewal and includes performance to contract, performance to goals and objectives as well status for performance improvement items.

Board members provide their input to Chairman Hennessey, who develops a consolidated review, which he delivers to Chief in time to address any contract related issues.

Board members are asked to provide performance feedback by COB May 9th.

Chairman Hennessey will prepare and deliver the said review and provide a summary at the May board meeting.

- j. Status Update re: Other Grant Activities. (John Nelson)

Grant Specialist John Nelson provided the following report.



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FLFD Grant Activity Update – April 2024

Hazardous Fuels Grant (2023-2024)

- On plan. Half way through 2-year grant.
- Still strong community interest. Over 30 still on backup list.
- All costs paid by grant and property owners. No FLFD cost.

DFFM SB1720 – Loader shelter

- \$400k lump sum if awarded
- Submitted in January. Awaiting DFFM award announcement.

FEMA AFG for 2023

- Proposal submitted in March for Battalion 12 replacement vehicle
- \$88,619 total requested. 95% grant
- Low probability of award due to this vehicle type not a high FEMA priority

Community Wildfire Defense Program

- Proposal for funds to develop a Community Wildfire Protection Plan
- Coconino County and Greater Flagstaff Forests Partnership submitted proposal last October
- FLFD provided a Letter of Engagement to be included as a participant
- Still waiting for government response

Gary Sinise Foundation

- Opportunity discovered by Tom Cumiskey
- Chief is seeking quotes for wildland gear to submit

k. Status Update re: Governmental Advocacy Committee. (Israel)

Committee Chairman Torres reported there is no activity in the legislature that affects our district. He reported Supervisor Begay will attend the July board meeting.

l. Status Update re: EMS Receivables and Call Volume Report. (Dave)

Chief confirmed the reduced EMS Receivables in the budget as noted by Treasurer Batschelet. He noted that many of our calls are for highway vehicle accidents which don't always require ambulance transport, thereby eliminating our ability to bill for our services.

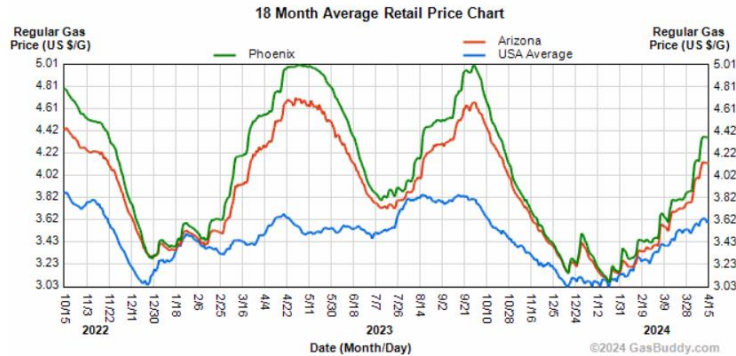
m. Establish ODS Reimbursement Rate for the Next Month. (John)

Note: Top IRS rate is 67.5 for 2024.

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



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Per the GasBuddy chart, the price of gas is clearly above \$4/gallon. The recommended reimbursement rate for the next 30 days is 67.5 cents per mile, one way.

n. Board Meeting Summer Schedule. (John)

We will resume our normal summer meeting schedule, with meetings at 10 am in the main equipment bay of the fire station on the third Saturday of the month.

9 Fire Chief's Report. (Chief Rodriquez)

Chief reported the GWTS opens on April 22nd. FLFD is hosting a Black Mesa Fire Prevention meeting at our facility. There have been discussions regarding upgrades to the Coconino County Dispatch system. These upgrades will eventually require us to have ruggedized, Toughbook computers in our vehicles. Chief reported Wanda has celebrated her one month anniversary, and is doing well.

10 Call To the Public/Audience Comments. There were no members of the public in attendance.

11 Fire Board Comments.

Treasurer Batschelet inquired about the status of our succession planning with the upcoming elections and the pending sale of the Chairman's cabin, which would require his resignation. Regarding the election, Israel confirmed he would be a candidate for the November 5th election. Chief Rodriguez and Chairman Hennessey have had exploratory discussions with resident Arne Kesler regarding board membership. Chairman Hennessey noted by statute we will be posting notices in the Payson Roundup and the FLOA Happenings regarding the election openings, seeking candidates. In general, succession planning is alive and well at FLFD, with a long history of successful transitions in board membership and leadership roles. The transition in immediate past chairs, John Nelson and Tom Cummiskey, was accomplished seamlessly. Both remained available for advice and guidance to the new chair, acting in a chairman emeritus role. The same will be true when Chairman Hennessey retires from the board.

12 Adjournment. There being no further business before the board, the meeting was adjourned at 11:09 am.