



**FOREST LAKES FIRE DISTRICT BOARD
REGULAR SESSION MEETING MINUTES
MAY 18, 2024-FOR POSTING**



1 Call To Order.

Chairman John Hennessey called the meeting to order at 10:05 am.

2 Pledge Of Allegiance.

3 Roll Call of Fire Board Members.

Chairman Hennessey, Treasurer Pete Batschelet, Clerk Julie Swanson, Member Dennis Massion and Member Israel Torres were confirmed to be in attendance. A quorum was established.

Also in attendance were Chief Dave Rodriquez and Wanda Bennett, as well as John Nelson, Communications Specialist.

No members of the public were in attendance.

4 Chairman's Welcome and Activity Report.

Chairman John Hennessey welcomed all to the May meeting of the Forest Lakes Fire Board, the first meeting of the summer schedule, which is back to the third Saturday of the month at 10 am at the fire station.

He welcomed our new Admin Assistant Wanda Bennett. Her hours will be Monday -Thursday 7-3.

Clerk Swanson and Wanda will be responsible for publishing today's meeting minutes.

As tradition, board members will be volunteering to serve ice cream at the Memorial Day Ice Cream Social, Sunday May 26th 2-4 pm. John Hennessey and Pete Batschelet are both unable to attend.

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

He noted we have a full business agenda, so we will get started.

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

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

Chairman John Hennessey called to review and approve the minutes of the April 18, 2024, Regular Board Meeting. All Board Members have had a chance review minutes and there were no questions or comments. Board unanimously approved minutes as presented.

7 Review And Approve the Financial Statements for April 2024.

Treasurer Batschelet gave a brief summary of the cover sheet and cash flow projections. He made a motion to approve financials and Dennis Massion seconded the motion. Motion approved unanimously.



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



April 2024 =83.3%

Monthly Revenue: \$ 155,034.52 YTD Revenue \$ 1,123,865.10 = 87.2%

Monthly Expenses: \$ 79,449.61 YTD Expenses \$ 1,025,770.74 = 73.2%

Monthly Net Gain/Loss: \$ 75,584.91 YTD Net Gain/Loss: \$ 98,094.36

End of Month Cash Balance: \$ 408,219.33 Total Budget: \$ 1,430,765.00

Forest Lakes Fire District FY 23-24 Cash Flow Projections

1	A	B	C	D	E
2		\$306,949.85			
3		1st Qtr			
4			Jul-23	Aug-23	Sep-23
5			<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
6		Income	\$23,195.67	\$29,723.79	\$66,751.64
7		Expense	\$103,407.86	\$116,830.26	\$81,544.13
8		Income%	1.78%	2.28%	5.13%
9		Expense%	7.95%	8.98%	6.27%
10		Cash Balance	\$216,665.59	\$129,559.12	\$114,766.63
11		2nd Qtr			
12			Oct-23	Nov-23	Dec-23
13			<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
14		Income	\$338,013.42	\$256,184.31	\$85,185.63
15		Expense	\$152,314.15	\$120,956.91	\$108,228.41
16		Income%	25.98%	19.69%	6.55%
17		Expense%	11.71%	9.30%	8.32%
18		Cash Balance	\$300,465.90	\$422,599.56	\$399,556.78
19		3rd Qtr			
20			Jan-24	Feb-24	Mar-24
21			<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
22		Income	\$96,999.20	\$32,009.25	\$40,825.76
23		Expense	\$74,395.07	\$67,045.19	\$67,191.06
24		Income%	7.46%	2.46%	3.14%
25		Expense%	5.72%	5.15%	5.17%
26		Cash Balance	\$422,160.91	\$387,124.97	\$360,759.67
27		4th Qtr			
28			Apr-24	May-24	Jun-24
29			<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
30		Income	\$155,527.17	\$77,379.00	\$77,379.00
31		Expense	\$108,067.51	\$113,915.00	\$93,664.00
32		Income%	11.96%	5.95%	5.95%
33		Expense%	8.31%	8.76%	7.20%
34		Cash Balance	\$408,219.33	\$371,683.33	\$355,398.33
35		Approved Budget	Projected EOY CB:		\$355,398.33
36		\$ 1,300,872.00	Difference:		\$48,448.48
37		A v P REV	98.33%		
38		A v P EXP	92.83%		



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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 Presentation to the Public re: Proposed FY24/25 Budget and the FY25/26 Forecast.

Treasurer Batschelet reviewed the proposed budget and forecast in some detail. It is a balanced budget. 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 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.

With no members of the public present, John Nelson will post to the website and solicit comments.

Comments will be accepted through May 31st. The final budget will be presented for board approval at the June board meeting.

- b. 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.

Notification of Funding – we were denied.

Chief Rodriquez stated that rolling stock took precedence with this grant.



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c. Discussion re: Bunger Steel Alternate Concept for Housing FEL.

As noted previously, the DFFM grant request was denied. Treasurer Batschelet has been working in the background to develop an alternative approach to the more costly one proposed to DFFM. Two options were suggested, both of steel construction. For purposes of discussion, Chairman Hennessey displayed one of two alternative designs provided by Bunger Steel. The design shown below has a footprint of 30' x 52', with a height of 16', allowing generous doors 12' wide x 14' high. The ROM estimated cost is shown as ~\$130K. Chief Rodriguez suggested there are value engineering options for cost reduction. He also brought up the possibility of using compacted rock instead of concrete.

Board Chairman Hennessey, as Chairman of the Master Plan Committee, agreed to convene the committee to further investigate an alternative steel building along the lines shown below. The prior Master Plan Committee was comprised of Chairman Hennessey, Chief Rodriguez, Scooter Bennett and Denny Walters. Affordability and timing will be included in the 2024 STRAP Plan Update. It is estimated it will take the balance of 2024 to secure the necessary permits, with construction completed in time for the winter weather of 2025.

It is anticipated that the Master Plan Committee will be reconstituted, and that Treasurer Batschelet will be added to the committee.

"The Approval Drawings and Construction Drawings are not drawn to scale. Some Permitting Authorities may or may not require scaled drawings. It is the Owners responsibility to verify from their Permitting Authority that scaled drawings are a requirement. It is also the Owners responsibility to acquire these drawings at their expense or contract with Bunger Steel, Inc. to provide them for an additional fee."

ACCEPTANCE OF PROPOSAL AND CONFIRMATION OF CONTRACT

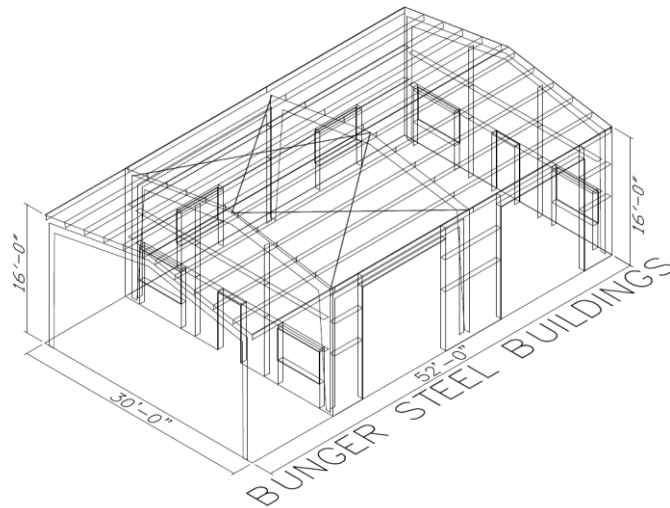
We hereby propose to furnish the material in accordance with the specifications above for the sum of:

THIS QUOTE EXPIRES: 10 DAYS FROM THE DATED DATE.

6.900%	Building Price:	\$124,261.00
	Sales Tax:	\$5,573.11
	Grand Total	\$129,834.11
	Deposit Due With Order:	\$19,476.00
	Amount Due Upon Release to Fab:	\$64,518.00
(Applicable If Erection of Building Included)	Amount Due Upon Concrete Completion:	\$9.00
(Cashier's Check Required)	Amount Due Upon Offered Delivery of Building:	\$18,951.00
(Applicable If Erection of Building Included/Balance Due Upon Final Completion:		\$6,402.00

BUNGER STEEL, INC. IS BASING THIS PROPOSAL AND PURCHASE ORDER ON DESIGN CRITERIA AS INDICATED HEREIN. IT IS THE CUSTOMER'S RESPONSIBILITY TO VERIFY THESE CRITERIA WITH THEIR BUILDING OFFICIALS. IF THE DESIGN CRITERIA ARE CHANGED, THE PRICE IS SUBJECT TO CHANGE. UNLESS SPECIFICALLY STATED OTHERWISE, BUNGER STEEL, INC. IS FURNISHING ITS STANDARD DESIGN, DETAILS AND MATERIALS AND WILL NOT BE RESPONSIBLE FOR ANY REQUIREMENTS NOT SHOWN HEREON. SEE ATTACHED TERMS AND CONDITIONS AND ADDENDA A. BY EXECUTING THIS CONTRACT PROPOSAL, THE UNDERSIGNED BUYER HEREBY AGREES TO ALL OF THE GENERAL TERMS AND CONDITIONS CONTAINED AND ATTACHED HEREIN AND AGREES THAT THE CONTRACT PROPOSAL IS ACCEPTED AS A BINDING CONTRACT. THIS CONTRACT IS VALID ONLY WHEN SHOWN AND ACCEPTED BY AN OFFICER OF BUNGER, INC.

CONTRACT ACCEPTED



Pete Batschelet estimates the total cost including the concrete pad, insulated building, electric (no water) and the correct roof load for heavy snow to be approximately \$225,000. (Of interest, Forest Lakes has a snow load of 10-15 pounds greater than Flagstaff.) This may be a reasonable alternative to what the board was looking to spend via the grant. We would still have to get permits and go through engineering, which could take 6-9 months. This matter will be turned over to the building committee for review.



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d. Motion and Possible Action re: Accelerate Procurement of Replacement B-12 Vehicle.

Model	
1750 B12 Replacement	2019 Ford F-150 Raptor SuperCrew®, 5-1/2' Box, 3.5L EcoBoost® Engine High Output Engine with Auto Start-Stop Technology, Electronic Ten-Speed Automatic Transmission with Tow/Haul and Sport Mode, 4X4, 4.10 Electronic Locking Axle Ratio \$55,840

2019 F-150 Raptor
Current mileage, 61,000
Asking price, private party, \$53K (KBB value)
Vehicle condition - really good shape, well maintained.

Pete Batschelet and Dave Rodriquez suggest that the Board accelerate the procurement of the B-12 vehicle, as the seemingly ideal vehicle has become available.

Israel Torres requested due diligence of comparable vehicles in the market, Dennis Massion concurred. Pete Batschelet produced detailed data on 4 similar vehicles for the Board to compare.



Used 2018 Ford F150 Raptor w/ Equipment Group 802A
Luxury
KBB.com Consumer Vehicle Rating 4.5 (285)

Ken Garff CERTIFIED PRE-OWNED

GREAT PRICE
\$50,603 See
\$2,148 below Kelley's

51,736 miles
3.5L 6-Cylinder Turbo Gas Engine
15 City / 18 Highway
Oxford White Exterior

Black Interior
10-Speed Automatic Transmission
4 wheel drive
5'8" Bed Length (Extra Short)

Get Questions
Subject: This Vehicle's
First Name
Email

Message to your Used Equipment is still available!

Yes, I would like shopping info

Used 2018 Ford F150 Raptor w/ Equipment Group 802A
Luxury
KBB.com Consumer Vehicle Rating 4.5 (285)

Ken Garff CERTIFIED PRE-OWNED

GREAT PRICE
\$49,040 See
\$1,742 below Kelley's

58,177 miles
3.5L 6-Cylinder Turbo Gas Engine
15 City / 18 Highway
Shadow Black Exterior

Black Interior
10-Speed Automatic Transmission
4 wheel drive
5'8" Bed Length (Extra Short)

Get Question
Subject: This Vehicle
First Name
Email

Message to your Used Equipment is still available!

Yes, I would like shopping info

Used 2019 Ford F150 Raptor
KBB.com Consumer Vehicle Rating 4.5 (285)

Sullivan Motor Company ST/MC/LLP

\$54,153 See
\$ Apply for Finr

48,012 miles
3.5L 6-Cylinder Turbo Gas Engine
15 City / 18 Highway
Agate Black Exterior

Black Interior
10-Speed Automatic Transmission
4 wheel drive
5'9" Bed Length (Extra Short)

Get Question
Subject: This Vehicle's
First Name
Email

Message to your Used Equipment is still available!

Yes, I would like shopping info

By using this service

Used 2019 Ford F150 Raptor w/ Equipment Group 802A
Luxury
KBB.com Consumer Vehicle Rating 4.5 (285)

LIFTED TRUCKS

\$54,995 See
\$ Apply for Finr

52,084 miles
3.5L 6-Cylinder Turbo Gas Engine
15 City / 18 Highway
Ingot Silver Exterior

Blue Accent Leather Seats
10-Speed Automatic Transmission
4 wheel drive
5'8" Bed Length (Extra Short)

Get Question
Subject: This Vehicle
First Name
Email

Message to your Used Equipment is still available!

Yes, I would like shopping info



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FLFD has \$60K earmarked in Year 3 of the STRAP for a replacement B12.

FLFD currently has the capacity to afford this.

Through March 2024 the projected revenue is right on par with the budget and the expenses are roughly 8% lower than anticipated, which represents roughly \$100K. If FLFD were to end up at even 4% below the budgeted expenses, that is reflective of \$52K

Any item over \$5K requires board approval.

Clerk Swanson suggested offering 52K. Motion by Dennis Massion and seconded by Pete Batschelet to purchase vehicle for 52,000. Motion passed unanimously.

The Chief will have to get the decals and install the necessary lights, sirens, communications, etc. at a cost of about \$25,000.

The current battalion truck will be used as a backup.

- e. Status Update re: Chief's Annual Performance Review for the Period July 1, 2023 through June 30, 2024.

Chairman Hennessey reported he has received feedback from all board members. He has completed a draft of the review. Once it is finalized, he will meet with the Chief to deliver the formal review, which will be completed prior to the June Board meeting. Board approval will be an agenda item for June.

Like the last review, it will be favorable, and in the spirit of continuous improvement will have only administrative issues to be addressed.

- f. Status Update re: Chief's Employment Contract, Which Expires June 30, 2024.

A review of the current contract reveals only minor changes are needed to make it ready for the next two-year period. These will be accomplished in time for board approval at the June meeting.

- g. Status Update re: Required Actions for Upcoming Board Member Elections.

Wanda has submitted to Coconino county notice of election as required.

Wanda has published notice of the upcoming election in the Payson Roundup.

FLOA Notice was published in their newsletter.

Candidate Submittals are due June 8th through July 8th

- h. Status Update re: Insurance Policy Coverage Conditional Renewal

Chairman Hennessey is waiting to hear back from agent about upcoming policy and adjustments.



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- i. Motion and Possible Action re: Approval of Arizona Department of Forestry and Fire Management Cooperative Agreement.

Bill Tavares explained the IGA to the board.

The IGA with DFFM is to reinforce the Cooperator Fire Rate Agreement (CFRA) which we have had with them for 3 years. This has set rates for equipment and personnel when called to assist. The IGA itself is to protect us from any major incident if we were to get billed for firefighting efforts. An example would be air resources, ground troops or anything that the forest service would look for cost reimbursement. The State will pick up the tab knowing communities like ours are not in a financial position to pay.

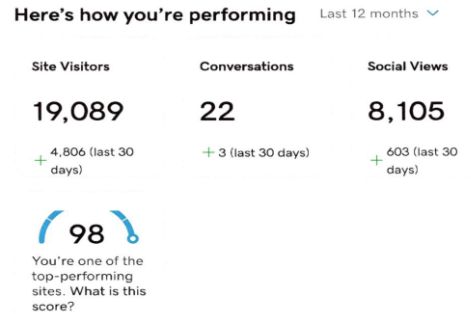
Motion by Israel Torres and seconded by Dennis Massion to continue IGA. Passed unanimously.

- j. Status Update re: Other Grant Activities.

Hazardous Fuel Grant is still active.

Our website is getting lots of hits, so it is doing well.

John Hennessey thanked John Nelson for his ongoing work on the website.



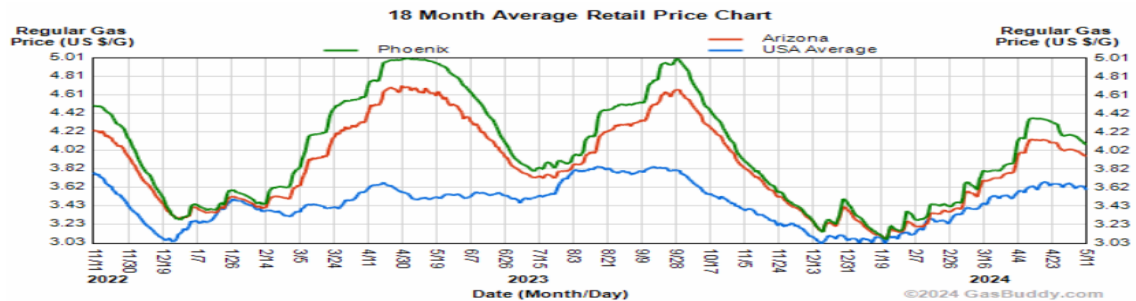
- k. Status Update re: Governmental Advocacy Committee.

Israel Torres reports HB 2767 has been amended to include fire districts; he expects it to be signed. HB 2751 was signed last night. This is the Mutual Aid Compact.

- l. Status Update re: EMS Receivables and Call Volume Report.

Chief Rodriguez states call volume is down. There was only 1 transport last week.

- m. Establish ODS Reimbursement Rate for the Next Month.



This is the last month of ODS milage reimbursement. Per chart we will reimburse at rate of 67.5 cents per mile, one way.



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n. Status Update: Open House

Open House June 29, 2024 10 am-1 pm. Supplies have been ordered, invitations have been sent, Red cross will be coming and also an amateur radio group.

9 Fire Chief's Report.

Chief Rodriquez reports the 300 road is currently being paved from Woods Canyon to Bear Canyon. Black Mesa FD hosted a lunch here. The monsoon season is predicted to be shorter, drier and hotter this year.

Rich Mandrell is retiring from the Forest Service, he has been a valuable asset to the district.

Sadly, our tree thinning in the community is not being recognized by the insurance companies. They are trying to recoup all their losses and not looking to see what we have done to prevent fires in our community.

Forest Lakes received a 1.7% increase for ambulance transports. Not as much as in the past, but we have the 2nd highest rate in the state.

Chairman Hennessey will be leaving soon, and it is suggested we plan an exit celebration.

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

11 Fire Board Comments.

Israel Torres echoes Dave's sentiments about John Hennessey. He adds that confidence and trust are paramount and that they are hard to build and easy to lose!

12 Adjournment.

There being no further business before the board, the meeting was adjourned at 11:56 am.