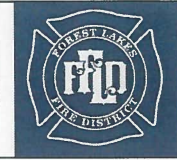




**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
AUGUST 15, 2020**

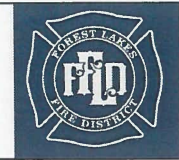


For the record, the Fire Station remains closed to the public, especially with the recent increase in reported COVID-19 cases. The board meeting was held in compliance with current COVID-19 guidelines, including social distancing. Chief Rodriguez will monitor the situation closely and determine if, and when, the Fire Station can be reopened to the public.

- 1 The meeting was called to order in the main equipment bay of the fire station by Chairman Tom Cummiskey at 10:00 am.
- 2 Chairman Cummiskey led the assembly in the pledge of allegiance.
- 3 Roll Call of Fire Board Members. In addition to Chairman Cummiskey, Clerk John Hennessey, Treasurer Pete Batschelet, Member Dennis Massion and Member Israel Torres were present. We had a quorum.
- 4 Chairman's Welcome and Activity Report. Chairman Cummiskey welcomed all those in attendance. He reported this has been a busy period for the Fire District. He then turned over the floor to Chief Rodriguez, who presented plaques to three residents: Al Wagner, Michael S. Mills and Michael Ganschow. The plaques stated: *In appreciation for your efforts and valuable role that provided for the safety of emergency response personnel.*
- 5 Call to the Public/Audience Comments. There were none.
- 6 Review and Approve the Minutes for the July 18, 2020 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 July 2020. Treasurer Batschelet reviewed the General Fund financial report for the previous month, and provided a brief summary report. We are 8.33% through the year. In relation to our published Not-To-Exceed (NTE) budget, YTD revenue is at 2.0% while YTD expenses are at 9.0%. The end of the month cash balance was \$144,507, which is below our board guideline of \$175,000. The Projected Year End Cash Balance, a more meaningful measure versus our guideline, is \$175,002. Treasurer Batschelet addressed the July shortfall in the cash balance by noting some unusual expenditures: we had a three pay period month, which also encompassed July 4th, traditionally a high expense month for salaries; we had two insurance payments in July versus being spread out over the calendar year; we had an extra charge for Workmen's Comp associated with our new program; we had a small tool purchase and an expense associated with our new signage. He noted August should be much healthier from a cash flow perspective. Payroll seems to be going up, and we need to watch our p's and q's. Treasurer Batschelet noted the percentages on the cash flow projection chart are in error. The dollar numbers are correct however. He will get with Megan on Monday, make the appropriate corrections, and publish the amended report. Treasurer Batschelet made a motion to approve the financial reports as amended. Member Massion seconded. In the follow-on discussion Member Torres asked how we will go about making sure the amended budget is documented. Clerk Hennessey noted he will attach the amended financial report to the published meeting minutes, which serves as the official record of the board's proceedings. Chairman Cummiskey noted our process for constructing the cash flow projections is based on last year's financials, with adjustments for holidays, tax receipts and special expenses such as our lease payments, which occur in November. The year-end cash balance is the figure of merit we watch closely. He also noted the 2Q2020 cash balances are favorable. On a procedural note, he asked that Megan include in the cash balance summary the Grand Total for Expenses and Revenues, which exclude contingencies, so it is clear what the denominator is for calculating percentages. He also noted, that every single year, during the January Tax Trough, we go through a budget review and adjust spend if needed. At this point Chairman Cummiskey called the question, and the motion passed unanimously. Note: The amended report is attached, for the record.



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July Financials
Ammended.pdf

On a separate issue, Treasurer Batschelet asked how we account for accrued liability for unused sick pay and vacation. Chief Rodriquez reported these categories do not have chart of account entries, and payouts are limited to 24 hours in a 12 month period. Clerk Hennessey noted the accrued liabilities associated with these items are addressed in the annual audit, and become a balance sheet entry. 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: APS Microgrid System. Chief Rodriquez reported he met yesterday with APS and Power Source, the design/build contractor for the Microgrid System. A preliminary design has been developed. The site of the Microgrid will be where the temporary cell tower is located, with a smaller footprint than initially envisioned. In keeping with our green theme, only two trees will need to be removed. Remaining design issues include the site elevation (low or high), the wall/fence system design, and the location of the switching station. Chief will be meeting on Monday with County Engineers regarding grading and drainage concerns. The APS Land Department has not yet contacted FLFD regarding the lease details. The APS representative stated we are in somewhat of a lull period. We moved very quickly to establish the feasibility stage. APS has a process they follow. Once the design is complete they will move to the Conditional Use Permit (CUP) stage with the County. FLFD Board approval will be required once we reach the contract stage. There is no overall milestone schedule at this time. FLFD is not the squeaky wheel in the process.
- b) Status update re: Grant activities. Chief reported we have submitted a grant for \$2,400 for a portable gas meter to assist us in detecting the location of gas leaks. We currently rely on the Thermal Imaging Camera to locate the source of gas leaks. The new device will improve our ability to detect leaks for both home and auto incidents. We are submitting an Assistance to Firefighters grant application in the amount of \$14,000 to replace our outdated vehicle mounted portable radios. We need 11 radios, and the grant will fund 7. We are relying on the proceeds from the upcoming Poker Run to help with the shortfall. This is a reimbursement-based grant requiring an upfront expenditure by the department with a short turnaround for reimbursement. We are pursuing a Firehouse Subs sponsored grant for a side-by-side utility vehicle capable of patient transport, including a trailer to move the vehicle to the scene. It can be equipped with a plow to assist with snow removal around the fire station. If awarded this will be a 100% grant.



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Chief commented we have been very successful with grant pursuits thanks to the time and talents of a few civic minded citizens.

- c) Status update re: Pension Board activities. Chief reported a Pension Board meeting was held this past Thursday between the Pension Board and the plan administrator—Innes and Associates. Larry Innes provided some very helpful information on the plan’s history and pension plans in general. Plan administrative fees and Return on Investment (ROI) were key discussion topics. It was agreed we will meet to negotiate fees. The Pension Board agreed to clean up the list of participants as there are personnel listed who are no longer with the department. Chairman Cummiskey summarized the plan’s status from his perspective: the investments are too diversified, he is not satisfied with the investment returns, we need to tell Innes and Associates how to invest, and the Bylaws need to be updated. It was noted that if the Pension Plan Agreement itself is modified that would trigger a legal review by our attorney of record, Bill Whittington. He ended by saying that he his very pleased we are moving forward.
- d) Status update re: Cell Tower Construction. Chief reported we are waiting on Verizon. We are still looking at a go-live date in September. The fiber-optic line has been run to the support building and is hooked up. Chief is pursuing having fiber-optic capability at the fire station and the water district. At this time there are no plans for fiber-optic community access.
- e) Status update re: Station signage. The sign has not yet been delivered to the installer. Latest estimate for installation is sometime in September.
- f) Status update re: Purchase of the Lucas Chest Compression System. Latest delivery date is September 14th. The Auxiliary has delivered a check to the fire district for \$10,131.08. The balance of the cost will come from the 4th of July Charity Ride proceeds and community donations.
- g) Discussion and possible action: Review and approval of Policy 0002 (Fire Board and Chief Policy). Policies, Procedures and Bylaws Chairman Massion briefly reviewed the subject revised policy, which had been distributed to all board members prior to the meeting. There being no changes or comments, Chairman Massion made a motion to approve the policy as presented. Member Torres seconded the motion, and it passed unanimously. On a related note, Chairman Massion demonstrated how to access the current approved policies list on the fire district web site (www.flfdaz.com), which is the official repository for approved policies. He noted several policies are in draft status (including #0012, #0013 and #0017), which address related topics accrued pay/sick pay, vacation pay and Workmen’s Compensation pay. He took an action to circulate a draft version of #0017 for board review and comment.
- h) Status update re: Governmental Advocacy Committee. Governmental Advocacy Committee Chairman Torres reported the legislature is still not in session. A Special Session, which has been discussed, is yet to be scheduled. Chairman Torres does not expect any actionable input until after the November election.
- i) Status update re: Board members elections in November. Clerk Hennessey noted the last date for write-in nominations for the open positions on the fire board is August 19th. Clerk Hennessey took an action to notify the Board when we know whether he and Israel will be seated by acclimation due to no write-ins.
- j) Status update re: Master Planning Committee Activities. Master Plan Committee Chairman Hennessey reported we have a prioritized list of project tasks to accomplish once funding is released by the Board. We are currently waiting for the plans to develop for the Microgrid Project as they may impact some of our project tasks, both scope and timing. A funding go/no-go decision is expected in December, at which time we will have more clarity on the district financial picture, especially as it relates to possible shortfalls in tax revenues due to COVID-19 related issues.



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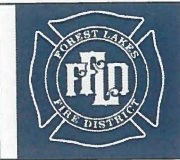
- k) Discussion and possible action: South Property Stem Wall. Chief Rodriguez will meet with a Coconino County Engineer on Monday to discuss grading and drainage issues related to our property. Of concern is the new construction for the cell tower plus the Microgrid Project as well as roof drainage from the existing fire station, especially as it relates to the property owner immediately south of the fire station, who has experienced some water incursion with the recent heavy rains. We are seeking remedies, including county financial assistance, that will divert some of the flows from Old Rim Road, Merzville Rd., and the County Yard that discharge onto fire district property. (See Google Earth sketch on the web site.) One of the remedies we are investigating apart from those discussed above is to construct a concrete stem wall along the southern boundary that will divert some flow into the bar ditch on Merzville Rd., while allowing some of the flow on the west side of the property to flow onto the natural drainage area onto the adjacent property. A lower cost solution was suggested by replacing the concrete stem wall with an earthen berm along the southern boundary. A motion was made by Member Massion and seconded by Member Torres to authorize Chief Rodriguez to pursue a solution to the water diversion problem with our neighbors to the south of the station. The motion passed unanimously.
- l) Status update re: Planning for the upcoming STRAP plan update meetings. STRAP Chairman Cummiskey reviewed the Plan for Plan for the upcoming meetings. He noted this is the most important task the board accomplishes each year. It includes the Five-Year Financial Plan and Forecast, which becomes the basis for our 2021-2022 annual operating plan and budget. The 2019 STRAP Update is on the web site, and he encouraged each board member to read it prior to the upcoming update sessions.

2020 STRAP Update Plan for the Plan--Draft

- *Items to be addressed*
 - *Brief review of Foundational documents (Mission, Vision, Values, Guiding Operational Principles)*
 - *Top priorities*
 - *Goals*
 - *Service delivery model*
 - *Staffing model, succession planning (board and staff)*
 - *Revenue sources, current and potential*
 - *CAPEX plan, including rolling stock evaluation/replacement plans*
 - *Master Planning Committee, including plans for refurb of FLFD annex*
 - *Grant outlook and strategy*
 - *HR related issues (including POC, health care benefits, ...)*
 - *Five and ten year financial models*
- *Planning session schedule*
 - *September 19 after the Board Meeting (12-2, working lunch to be provided):*
 - *Brief review of Foundational documents (Mission, Vision, Values, Guiding Operational Principles)*
 - *Chief's "State of the District"*
 - *Top Priorities*
 - *Potential goals*
 - *Master Planning Committee, revisit plans for overall property upgrades and refurbishment of Annex*
 - *Plan for remaining meetings and finalization of new 5-Year Plan*
 - *October 17 after the Board Meeting (12-2 with working lunch)*
 - *SWOT analysis update (Cummiskey)*
 - *Financial planning kickoff (Batschelet)*
 - *HR issues: health care benefits, wages, (Chief)*
 - *Service delivery model, Succession planning. Assistant Chief discussion.*
 - *November 21 after the Board Meeting (12-2 with working lunch)*
 - *Rolling stock discussion. Sell/Donate E1211?*
 - *Capital expenditure plan.*
 - *Grant outlook and strategy*



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- *IT updates*
- *First pass 5 year financial model*
- *Goals to include in 5-year plan*
- *December 19 after the Board Meeting (12-2 with working lunch)*
 - *Final 5-year financial plan, revenue model*
 - *1-page summary*
 - *Wrap up and publication plan*

Action item for Megan. Please place related meetings on the district calendar. Meeting agendas will be released prior to the meetings.

- 9 Fire Chief's Report. Chief Rodriguez reported the Green Waste Transfer Station (GWTS) continues to be very active. The site was recently chipped, with 36 truck loads of high-density material, totaling 958 tons, removed. The Hazardous Fuels Grant administrative work is proceeding, but at a slow pace due to COVID-19. The three year, \$125K grant will cover 50 properties, with \$2,500 allocated per property. We are expecting to enter into lease agreement discussions on the Microgrid project. Call volume remains steady, with a different mix from past years. Forest Service thinning projects are on hold. Once completed we will be protected on all four sides. Forest Lakes will adhere to the recent Coconino County fire bans. Chief presented a commemorative plaque to On Duty Staff (ODS) member Cheryl Van Horn honoring her retirement from the fire service.
- 10 Call to the Public/Audience Comments. In response to a question from one of the board members, Joe Ruet, our newest Paid on Call (POC) member, commented about the recent calls for service. His comment was that he has been enjoying responding to calls as a POC, with many calls for service in recent weeks.
- 11 Fire Board Comments. Chairman Cummiskey presented Chief Rodriguez with a plaque honoring his 40 years in the fire service, beginning with Rural Metro in Gilbert. Chief said it has been fun, and he would do it all over again. Member Massion brought up the issue of the unsafe driving conditions along SR260 through Forest Lakes. Chief stated the highway department is data driven and that in his experience over the last 12 years there have not been enough traffic accidents to warrant a change. In order to gather data, Member Torres took the action to use his contacts to see if we can get some kind of speed monitor placed in the 50mph zone to record speeding statistics that we could turn over to ADOT so they could either lower the speed limit there and/or place a sign showing how fast drivers are going compared to the speed limit (like they have in Star Valley). Chairman Cummiskey suggested we change our meeting schedule from the current summer/winter arrangement to a year-round schedule where we meet on the third Saturday of the month. Chief Rodriguez noted the change would be beneficial to the admin staff since meeting on the second Saturday of the month presents a challenge in compiling the monthly financials. Since there were no dissenters, it was agreed to change the meeting schedule. It was noted Megan will need to alert the County Board of Supervisors and process the necessary paperwork, including updates to the web site.
- 12 Adjournment. There being no further business before the board the meeting was adjourned at 11:40am.

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.

Approved by the Forest Lakes Fire District Board on: ___ September 19, 2020 ____.



John Hennessey, Clerk

