



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
June 17th, 2023
DRAFT**



- 1 Call to Order. The meeting was called to order at 10:02am.
- 2 Pledge of Allegiance.
- 3 Roll Call of Fire Board Members. In addition to Chairman Hennessey, Treasurer Pete Batschelet and Member Dennis Massion were in attendance at the fire station. Member Israel Torres and Clerk Julie Swanson were excused. Also in attendance were Chief Dave Rodriquez and Julie Mattila at the fire station. For the record, we had a quorum of the board. Scott Keele (President of the Auxiliary and Dick Zimmerman were in attendance as the public.
- 4 Chairman's Welcome and Activity Report.

Welcome to our June 2023 board meeting, the last one of this fiscal year.

The Auxiliary is hosting the July 4th Ice Cream Social. Tradition calls for Board Members to scoop ice cream. The July 4th ICS is somewhat noteworthy this year since it is the first time in many years that past board member Tom Cummiskey is traveling and won't be available to serve his favorite, vanilla ice cream.

We thank the Auxiliary in advance since the proceeds for their fund raisers, including the ICS, go towards supporting the needs identified by the fire district.

In keeping with the advantages of exploiting new technology, we will explore the pros and cons of providing virtual meeting access to the public for board meetings using MS Teams. The board used this tool for some of the winter board meetings this past winter to allow us to more easily and safely satisfy our statutory requirement to meet monthly.

The focus of today's meeting will be mostly financial/administrative: approving the FY23-24 operating budget and the FY24-25 forecast. The current fiscal year ends June 30th.

- 5 Call To the Public/Audience Comments. There were no comments from the public.
- 6 Review and Approve the Minutes for the May 20, 2023, 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 May 2023. Treasurer Batschelet reviewed the General Fund financial report for the previous month and provided a brief summary report. We are 91.7% through the year. In relation to our published Not-To-Exceed (NTE) budget, Monthly Revenue was \$51,725.86. Monthly Expenses were \$81,454.04 for a Monthly Net Loss of \$29,728.18. YTD revenue is at 79.5% while YTD expenses are at 87.6%. The end of the month cash balance was \$386,259.57. Cash Flow Projections: Our amended budget is \$1,346,134.00.



**Forest Lakes Fire District
May 2023
General Fund Financial Packet Cover Sheet**



May 2023 = 91.7%

Monthly Revenue: \$ 51,725.86 YTD Revenue \$ 1,082,025.41 = 79.5

Monthly Expenses: \$ 81,454.04 YTD Expenses 1,191,530.62 = 87.6%

Monthly Net Gain/Loss: \$ -29,728.18 YTD Net Gain/Loss: \$ -109,505.21

End of Month Cash Balance: \$ 386,259.57 Total Budget: \$ 1,360,582.00



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\$426,238.06

1st Qtr	Jul-22	Aug-22	Sep-22
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
Income	\$9,974.46	\$79,222.69	\$29,838.91
Expense	\$147,230.09	\$117,253.29	\$85,524.28
Income%	0.86%	6.85%	2.58%
Expense%	12.72%	10.13%	7.39%
Cash Balance	\$284,623.06	\$246,592.46	\$190,907.09
2nd Qtr	Oct-22	Nov-22	Dec-22
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
Income	\$282,387.77	\$187,768.84	\$144,559.73
Expense	\$98,178.23	\$152,810.20	\$92,868.07
Income%	24.40%	16.23%	12.49%
Expense%	8.48%	13.20%	8.02%
Cash Balance	\$375,116.63	\$410,075.27	\$461,766.93
3rd Qtr	Jan-23	Feb-23	Mar-23
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
Income	\$74,286.50	\$23,896.44	\$46,626.77
Expense	\$92,308.01	\$80,206.78	\$76,311.40
Income%	6.42%	2.06%	4.03%
Expense%	7.98%	6.93%	6.59%
Cash Balance	\$443,745.42	\$387,435.08	\$357,750.45
4th Qtr	Apr-23	May-23	Jun-23
	<i>Actual</i>	<i>Actual</i>	<i>Projected</i>
Income	\$144,934.19	\$51,725.86	\$75,751.00
Expense	\$88,648.62	\$79,502.31	\$101,973.00
Income%	12.52%	4.47%	6.55%
Expense%	7.66%	6.87%	8.81%
Cash Balance	\$414,036.02	\$386,259.57	\$360,037.57
Approved Budget	Projected EOY CB:		\$315,037.57
\$1,346,134.00	Difference:		\$0.00
A v P REV	99.46%		
A v P EXP	104.80%		

Treasurer Batschelet explained that our EMS receivables is where our short fall is coming from.

Member Massion brought up a question in reference to the low EMS receivables. Do we need to look into another source of income. Chief Rodriguez stated that he is not in distress about our financial situation. Chief Rodriguez also stated that he is part of the team of Arizona Fire Chief's Association that is looking to Coconino County board of supervisors for alternative funding since prop 310 did not pass.



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Chairman Hennessey sought a motion to approve the financial statements as presented. Treasurer Batschelet made a motion to approve and Member Massion seconded. Let the record reflect the motion was approved unanimously.

He then thanked Pete and Julie M. for maintaining Quick Books to provide the detailed financial transactions which form the basis of the report.

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) Discussion and Possible Action re: Approve FY2023-24 Operating Budget and FY2024-25 Forecast for Submittal to County Board of Supervisors.

The budget generation and approval process has followed that used by the fire district for many years. It reflects the output of the Annual Strategic Plan Update discussions which concluded in December of last year. It was further refined by the Finance Committee under the direction of Treasurer Batschelet in February and March and presented to the board by Treasurer Batschelet for approval to post at the April board meeting. It was presented to the public for comment at the May board meeting, following which it was posted and available for public comment prior to approval at the June board meeting.



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**FOREST LAKES FIRE DISTRICT
FY2023/2024 AND PROJECTED FY 2024/2025 APPROVED NTE OPERATING BUDGET**

	GENERAL FUND	FY 23/24	FY 24/25
EXPENSES			
PERSONNEL SALARIES	\$	677,635	\$ 701,941
EMPLOYEE BENEFITS	\$	115,426	\$ 118,815
INSURANCE	\$	33,958	\$ 35,996
FIRE DEPARTMENT ADMINISTRATION	\$	212,721	\$ 189,984
FUEL, OIL, LUBE, R&M	\$	65,000	\$ 68,900
FIRE & EMS OPERATIONS	\$	56,270	\$ 59,646
BUILDING & GROUNDS R & M	\$	8,957	\$ 9,494
UTILITIES	\$	48,961	\$ 51,899
CAPITAL EXPENDITURES	\$	20,000	\$ 70,000
DEBT SERVICE	\$	48,922	\$ 48,922
CONTINGENCY (Unplanned Spend)	\$	129,893	\$ 123,668
SUBTOTAL	\$	1,417,743	\$ 1,479,265
REVENUES			
PROPERTY TAXES	\$	795,559	\$ 890,741
FIRE DISTRICT ASSISTANCE TAX	\$	143,201	\$ 160,334
ENTERPRISE ACCOUNT (NON-TAX)	\$	357,090	\$ 304,522
DISTRICT FUNDS	\$	121,893	\$ 123,668
SUBTOTAL	\$	1,417,743	\$ 1,479,265
TAX RATE		\$3.5000	\$3.7500

The end result, noted as the county budget form, is displayed for the record.

Chairman Hennessey talked to the numbers that are most relevant as the file is displayed so we can relate to them: FY23/24 NTE Budget of \$1,417,743, Contingency of \$129,893 and Mill Rate of \$3.5000; and FY24/25 Projected Budget of \$1,479,265, Contingency of \$123,668 and Mill Rate of \$3.7500, all of which are balanced.

That process has been followed, and there being no further comment from the public, Member Massion made a motion to approve the 2023/2024 budget as presented and Treasurer Batschelet seconded. Let the record reflect the motion was approved unanimously.

- b) Discussion and Possible Action re: Compliance with Auditor General FY2023-24 Budget Submittal to County Treasurer.

Historically, the fire district has managed the operation of the district using a county approved operating budget, like the one approved in agenda item 8a.

Last year, the Auditor General levied a new form to be used and submitted by August 1st, requiring our detailed chart of accounts be mapped into their format. That exercise will be accomplished now that the county budget form has been approved. Treasurer Batschelet will schedule a Finance committee meeting to accomplish filling out the AG form. The AG form approval will be an agenda topic for next month.

- c) Discussion and Possible Action re: Approve Health Benefits Packages for Our Two Regular Employees.
By way of background, as part of last year's Strategic Plan Update, the board approved inclusion of health care benefits for Chief and Julie M. beginning with FY23-24. Chief Rodriguez relayed that we have reached out to our payroll company for guidance as how to proceed with this via payroll. We are waiting for their reply.
- d) Discussion re: FLFD Open House. The Open House will be held June 24th. Chief Rodriguez has coordinated with the Water District to clear out their parking lot to allow a Helicopter to land. There will



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be a good group of participants. A thank you to the Auxiliary for all their help. The Open House announcement is shown for the record.

Greetings everyone,

It's that time of year again, the Forest Lakes Fire District will be hosting an Open House that will be held on June 24th, 2023, from 10am to 1pm at the Fire Station. We had such a great turnout last year; you and your organization have been instrumental in the success of our open house events in the past and we hope that you can participate again this year. Please advise as soon as possible if you (or designee) will be joining us (or will not be able to attend) so that we can prepare a booth for you. If someone else within your organization should be receiving this email, please forward it onto them and copy me so I can update our distribution/contact list. Looking forward to hearing from you soon and hope you can participate.

P.S. We will be having free popcorn, hot dogs, chips, and drinks again this year!

Thank you.

Julie Mattila
Forest Lakes Fire District
Ph# 928-535-4644
Fax# 928-535-5448
Email: Jmattila@flfdaz.com

- e) Status Update re: Master Plan Committee Design and Construction for the FEL Garage Project in Accordance with Policy 018 Revision.

Based on the 2022 Annual STRAP Update we included \$20K in CAPEX for FY23-24 to develop construction ready plans for a garage for the FEL, with \$70K in FY24-25 for completion of part or all of the structure. The Master Plan Committee will need to be reconstituted and a new functional requirements spec developed so that procurement activity in accordance with Policy 018 as revised can be accomplished. Based on a review of issues with the construction with the main station, it appears we need to be concerned about Geotechnical evaluation related to high plasticity soils and drainage related to water incursion from the county yard and Old Rim Road as well as heavy snow loads. It has been suggested we may need to seek assistance from an architectural firm such as HDA (Bruce Scott) who developed the plans for the current station. This will obviously increase the cost of the project, making affordability a concern, especially since we had to reduce our funds earmarked for our capital reserve account during FY22-23 to address contingencies.

It is recommended the overall project be put on hold for two months until a new feasibility study can be conducted.

- f) Discussion re: Update on June 30th Quarterly Financial Review with Angela Bertram. Julie spoke with Angela Thursday and sent her a copy of our QuickBooks so that she can complete an audit and have a brief report for the next board meeting in July.
- g) Status Update re: 2023 Funds Request to the Auxiliary.
Every year the fire district establishes a target for the fund-raising efforts for the Auxiliary. Dave stated for the record this year's target is for 2 ventilators, one on the Attack truck and one on the Blue and White ambulance. They take the place of manual ventilators. Which will free up the EMS crew to provide other functions. Scott the president of the Auxiliary said they should be able to make this happen. They are about \$8500.00 each.
- h) Status Update re: Grant Activities. Plan to meet with Dick Zimmerman and John Nelson to discuss what our financial future looks like and what can we do in the grant world to help alleviate any financial impact to the district. We are looking at a grant for 2 heart monitors with trade-ins of the used ones that we have. It may reduce the capital impact to the district.



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- i) Discussion re: Use of Microsoft Teams as an Option for Regular and Special Board Meetings.
In keeping with the advantages of exploiting new technology, we will explore the pros and cons of providing virtual meeting access to the public for board meetings using MS Teams. The board used this tool for some of the winter board meetings this past winter to allow us to more easily and safely satisfy our statutory requirement to meet monthly.

This agenda topic will be tabled until next month.

- j) Status Update re: EMS Receivables and Call Volume Report. There were 32 calls last month. Only 10 were billable and 2 were fire billable. 14 were medical calls 10 ATV accidents 3 were fall injuries 2 were assists and 3 were fire calls/checks. There was an explanation about Billable vs Not Billable. If we transport a patient we can bill their insurance company, if we do not, we can't. We have been pursuing using Fire recovery for ATV and MVA's to recover monies for non-transport.

Income from our EMS operations forms a significant part of our operating revenues. Last year was exceptionally good, this year not so much. Our upcoming STRAP Update process, which begins in August/September will, of necessity, require us to develop plans on how to maintain our service delivery model in light of fiscal pressures not always in our control. This is an issue being faced by fire districts across the state.

- k) Discussion and Possible Action re: ODS Mileage Reimbursement/Average Price Check. It is at \$4.26.

Cost of Fuel \$4.00 and above:	\$0.655/mile for on duty staff one way
Cost of Fuel \$3.50 - \$3.99:	\$0.50/mile for on duty staff one way
Cost of Fuel \$3.00 - \$3.49:	\$0.25/mile for on duty staff one way
Cost of Fuel \$3.00 and below:	\$0

- 9 Fire Chief's Report. There was no Chief's report due to chief having to leave for an EMS call.
- 10 Call To the Public/Audience Comments. There were no comments from the public.
- 11 Fire Board Comments. There were no comments from the board.
- 12 Adjournment. Meeting was adjourned at 11:06am.

Notes:

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.