



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
October 21, 2023**



1 Call to Order.

Chairman John Hennessey called the meeting to order in the main equipment bay of the fire station at 10:08 am.

2 Pledge of Allegiance.

Chairman Hennessey led those assembled in reciting the pledge of allegiance.

3 Roll Call of Fire Board Members.

In addition to Chairman Hennessey, Clerk Julie Swanson, Treasurer Pete Batschelet, Members Dennis Massion, and Israel Torres were in attendance at the fire station. Also in attendance were Chief Dave Rodriguez and Admin Haley Robinson. John Nelson, Public Information Officer, was in attendance. There were no members of the public in attendance.

4 Chairman's Welcome and Activity Report.

There will be a STRAP session after today's board meeting, following which we will be back on schedule for a December completion date for the meetings.

We welcome our new Admin Assistant, Haley Robinson, and commend the Chief on quickly filling the vacancy left by Julie Mattila's decision to leave to pursue other career interests, for which we wish her well.

We also formally acknowledge Arne Kesel, who attended last month's board meeting, and who has expressed interest in joining the board should a vacancy arise.

We will also talk somewhat about succession planning, which is alive and well. Our thanks to the Chief for his efforts in this regard. Succession planning will be addressed in depth in our STRAP discussions.

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

6 Review And Approve the Minutes for the September 23, 2023, Regular Board Meeting. (John)

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 September 2023.

Treasurer Batschelet reviewed the General Fund financial report for the previous month and provided a brief summary report. We are 25% through the year. In relation to our published Not-To-Exceed (NTE) budget, Monthly Revenue was \$66,751.64. Monthly Expenses were \$81,544.13 for a Monthly Net Loss of \$14,792.49. YTD revenue is at 9.3% while YTD expenses are at 23.2%. The end of the month cash balance was \$114,772.66. Regarding Cash Flow Projections, our approved budget is \$1,300,872.00. Due to possible discrepancies noted in the cash balance report, approval was deferred for investigation into the discrepancy. This will be an agenda item for next month.

The cover sheet and cash flow projections are presented for ready reference.



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



September 2023 = 25%

Monthly Revenue: \$ 66,751.64 YTD Revenue \$ 119,919.36 = 9.3%

Monthly Expenses: \$ 81,544.13 YTD Expenses \$ 325,523.60 = 23.2%

Monthly Net Gain/Loss: \$ -14,792.49 YTD Net Gain/Loss: \$ -205,604.24

End of Month Cash Balance: \$ 114,772.66 Total Budget: \$ 1,430,765.00

\$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	\$66,757.67
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	\$114,772.66
2nd Qtr	Oct-23	Nov-23	Dec-23
	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Income	\$225,427.00	\$153,653.00	\$48,043.00
Expense	\$102,153.00	\$147,586.00	\$108,915.00
Income%	17.33%	11.81%	3.69%
Expense%	7.85%	11.35%	8.37%
Cash Balance	\$238,046.66	\$244,113.66	\$183,241.66
3rd Qtr	Jan-24	Feb-24	Mar-24
	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Income	\$48,043.00	\$49,044.00	\$201,591.00
Expense	\$102,153.00	\$98,664.00	\$108,915.00
Income%	3.69%	3.77%	15.50%
Expense%	7.85%	7.58%	8.37%
Cash Balance	\$129,131.66	\$79,511.66	\$172,187.66
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	\$236,689.66	\$200,153.66	\$183,868.66
Approved Budget	Projected EOY CB:		\$183,868.66
\$ 1,300,872.00	Difference:		(\$123,081.19)
A v P REV	89.70%		
A v P EXP	98.39%		



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- a) Motion and Possible Action re: Approval of Audit Engagement Letter with ATLAS CPAs and Advisors PLLC. Note: Engagement Letter, Previously Distributed, Is Included for The Record.



Forest Lakes Fire
District - 2023 Audit E

Following a discussion led by Chief Rodriguez, who reported the motivation for changing auditors was for cost savings, and that we had prior favorable experience with ATLAS, member Massion made a motion to approve the engagement letter. It was seconded by member Torres, and the motion passed unanimously. For the record, Chairman Hennessey and Chief Rodriguez signed the engagement letter for the Fire District following the meeting. It will be transmitted to ATLAS on Monday.

- b) Discussion re: 2023 STRAP Plan for the Plan. (John)

At the STRAP session there will be a review of the five-year plan, including discussion about priorities, the state of the department and our service delivery model. There will also be discussion regarding the Master Plan. The STRAP meeting will follow the board meeting after a brief recess for a working lunch.

- c) Brief Recap of Finance Committee Meeting of October 16, 2023 – STRAP Session 1.

Treasurer Batschelet reported the meeting went well. He gave a brief explanation of EMS receivable adjustments and indicated there were four to six areas where we can cut costs. There is new activity from the water tender, for which expenses will be recorded as a Future Lease Purchase Down Payment and revenues will be tracked as Water Tender Receivables. Rolling stock is always a big concern, for which the Chief gave a briefing and everything is in working order.

- d) Overview of Near-Term Succession Planning for the Board. Chairman Hennessey presented the following status update.

2024 FLFB Elections and Current Succession Plan Update

Status as of October 21, 2023

By way of background, the current five-member board composition and term dates are as follows:

- *John Hennessey, Board Chair, November 30, 2024*
- *Julie Swanson, Board Clerk, November 30, 2026*
- *Pete Batschelet, Board Treasurer, November 30, 2026*
- *Dennis Massion, Board Member, November 30, 2026*
- *Israel Torres, Board Member, November 30, 2024*

Board members must be homeowners and registered voters in Coconino County.

Board members are elected to four-year terms by the registered voters of Forest Lakes.



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Board terms are synchronized as follows: in 2024, two positions will be up for election for four-year terms. In 2026, three positions will be up for election for four-year terms. This cycle repeats every two years.

For November 2024, I have already announced I will not be a candidate for election.

Subsequently, my wife and I have decided to put our cabin up for sale in the June time frame. Once it sells, I will have to resign, thereby creating a vacancy and a change in board composition.

As with any change in board composition, new table officers for the positions of chairman, clerk and treasurer must be elected, and barring any further changes, remain in effect through November 30, 2024.

Once the new table officers are elected, the board would nominate someone to fill out my unexpired term. That position would then be on the ballot in November 2024. It is expected the person nominated to fill out my term would be a candidate for election.

Succession planning is a key element of our strategic planning process. This entails identifying prospective candidates to fill open board positions, thereby facilitating filling vacancies should they arise.

- e) Brief Report on Microsoft Teams and Other social media.



Public Information
Report - Oct2023.pdf

John Nelson delivered a comprehensive presentation on our social media platforms. It is included in its entirety.

- f) Discussion re: January 2024 AFDA Conference in Laughlin.

Winter conference in Laughlin will be held January 10-12, 2024.
Registration is not yet open.

Chairman Hennessey asked Admin Haley to keep everyone informed regarding registration.

- g) Status Update re: Grant Activities.

John Nelson spoke about the on-going hazardous fuels grant. We are in the first year of the 2-year grant and have completed fifteen acres. We have 18 more MOU's that people have signed. State forestry met with John Nelson, and they are happy with our progress. The FEMA Grant should open in the next month or six weeks. We have not submitted a grant application in the last 2 years. Lastly, we have submitted through the County for the CWPP Grant.

- h) Status Update re: Governmental Advocacy Committee.



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Member Torres reported the state legislature will be in session in January and it is a unique year. It is the first year we are going in with a budget deficit in 7 or 8 years. There is a lot of lobby. about what to cut. John Flynn of AFDA is doing a great job looking at how to protect our interests.

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

The Chief reported that insurance companies are not paying as much as they used to, nor as quickly, and our call volume is down.

- j) Discussion and Possible Action re: ODS Mileage Reimbursement/Average Price Check.

Cost of Fuel \$4.27 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

The current average cost of Fuel in Maricopa County is \$4.89. So, the reimbursement remains unchanged.

9 Fire Chief’s Report.

The chief spoke about the Fulton Fire around the visitor center. It was around 2,000 acres and presented challenges with some road hazards.

10 Call to the Public/Audience Comments.

John Nelson expressed the need to include a technical support person/radio technician in the succession plan. He enjoys what he does, but we need to have a backup in place.

11 Fire Board Comments.

Chairman Hennessey spoke of the need to revisit Chief’s contract, which expires June 30, 2024, in light of his extending his retirement date so as to accumulate more years of service and contributions to ASRS, which is beneficial to the district. This would also include the potential terms of his follow-on contract.

12 Adjournment.

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

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.