



**FOREST LAKES FIRE BOARD
REGULAR SESSION MEETING MINUTES
JANUARY 15, 2022**



The Board and Chief Rodriguez have concluded that enough progress has been made in controlling the pandemic that we now feel it is safe, while still maintaining CDC recommended safety protocols, to reopen the station and to resume holding in person meetings. We began that process with the May 15, 2021 board meeting, and will continue until further notice.

- 1 Call to Order. The meeting was called to order in the main equipment bay of the fire station by Chairman Tom Cummiskey at 10:05 am.
- 2 Pledge of Allegiance. Chairman Cummiskey led the gathering 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 in attendance at the fire station. We had a quorum of the board. Chief Dave Rodriguez and Admin. Assistant Julie Mattila were in attendance. There were no members of the public present.
- 4 Chairman's Welcome and Activity Report. Chairman Cummiskey welcomed all to the first meeting of 2022. He reminded everyone that following the board meeting, and after a brief break for lunch, we will have the final 2021 STRAP Update Session.
- 5 Call to the Public/Audience Comments. There were no members of the public present.
- 6 Review and Approve the Minutes for the December 18, 2021, Regular Board Meeting. Member Massion made a motion to approve the minutes as presented. Member Torres seconded, and the motion passed unanimously.
- 7 Review and Approve the Financial Statements for December 2021. Treasurer Batschelet reviewed the General Fund financial report for the previous month and provided a brief summary report. We are 50.00% through the year. It was noted the figures presented were distorted by a one-time pension fund deposit of \$338,465.51 into a special fund, which is expected to be withdrawn and deposited with Nationwide by the end of February. There are also two transfers in the amounts of \$19,791.00 and \$14,097.07 that will be completed by the end of February that reflect payroll deductions since July 2021. (See below for an audit trail of the transfers.) As a result, our normal summary would need to be adjusted for this month's report. In relation to our published Not-To-Exceed (NTE) budget, YTD revenue is at 94.0% while YTD expenses are at 46.4%. The end of the month cash balance was \$951,515.70. The projected year end cash balance as presented is \$773,823.70. Note: For the record, the adjusted year end cash balance should be \$401,470.12 once the pension fund deposits are backed out. Treasurer Batschelet made a motion to approve the financial reports as presented. Member Massion seconded, and the motion passed unanimously. There is no more activity with Innis.



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From: Julie Mattila <jmattila@ffdz.com>
Sent: Thursday, January 13, 2022 10:02 AM
To: Shared Mailbox - WarrantPositivePay <warrantpp@coconino.az.gov>
Subject: FW: Nationwide ACH transfer

From: Julie Mattila
Sent: Wednesday, January 12, 2022 11:26 AM
To: Walka, Sue <swalka@coconino.az.gov>; Benatar, Sarah <benatar@coconino.az.gov>
Subject: Nationwide ACH transfer

Good morning.
 The day is finally here. I have attached ACH wire instructions from Nationwide. The first two ACH transfers will come from Payroll deductions that have been held since July of 2021.
 The 0062108003 FOREST LAKES FD SOCIAL SECURITY REPLACEMENT PLAN = \$19,791.00
 The 0062108001 FOREST LAKES FIRE DISTRICT 457B DEF COMP PLAN = \$14,097.07
 The last one should come from the suspense account you set up to hold the Innes plan money from TD Ameritrade.
 The 0062108003 FOREST LAKES FD SOCIAL SECURITY REPLACEMENT PLAN = \$338,465.51

I hope this makes sense. They request a Credit ACH to be the way to transfer. They have downloaded all the payroll deductions from July 16th's payroll to the December 31st payroll.
 This will get us completely caught up with our Retirement plans. If you have any questions, please let me know. Robert Bardwell may be more helpful than I can, but I will attempt to answer any questions you may have.
 His number is 614-435-2692 should you need it.
 Thank you both for your support through this and you help.

Julie Mattila
 Forest Lakes Fire District
 Phone: 928-535-4644
 Fax: 928-535-5448
 Website: ffdz.com

From: Hernandez, Juanita <jhernandez@coconino.az.gov>
Sent: Friday, January 14, 2022 8:30 AM
To: Shared Mailbox - WarrantPositivePay; Morales, Terri; David, Sharon
Cc: Julie Mattila
Subject: RE: Please Release 3 ACH's to Nationwide and Account Transfers for the amounts below - RE: Nationwide ACH transfer

Released	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	338,465.51	01/14/2022	DDA Payroll
Released	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	14,097.07	01/14/2022	DDA Payroll
Released	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	19,791.00	01/14/2022	DDA Payroll

From: Shared Mailbox - WarrantPositivePay <warrantpp@coconino.az.gov>
Sent: Friday, January 14, 2022 8:28 AM
To: Shared Mailbox - WarrantPositivePay <warrantpp@coconino.az.gov>; Morales, Terri <tmorales@coconino.az.gov>; Hernandez, Juanita <jhernandez@coconino.az.gov>; David, Sharon <sdavid@coconino.az.gov>
Cc: Julie Mattila <jmattila@ffdz.com>
Subject: Please Release 3 ACH's to Nationwide and Account Transfers for the amounts below - RE: Nationwide ACH transfer

Pending Release Payroll	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	19,791.00	01/14/2022	DDA
Pending Release Payroll	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	14,097.07	01/14/2022	DDA
Pending Release Payroll	JPMC ARIZONA (US)	Main Account	Account Transfer	USD	338,465.51	01/14/2022	DDA

Thank you,

Sue Walka
 Chief Deputy Treasurer
 Coconino County Treasurer
 110 E. Cherry Ave.
 Flagstaff, AZ 86001
 928-679-8188 phone, 928-213-9243 fax

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:



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- 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: District's Insurance Coverage Changes and Updated Premiums. Chief reported he has not heard back from Crabdree. Pete reported updated numbers are included in the STRAP Financial Plan based on a telecon with Crabdree several weeks ago. Chief took an action to contact Crabdree and advise them the Fire Board is unhappy with their lack of responsiveness.
 - b) Status update re: Repairs to the Annex and timeline for lease to Sheriff's Office. Chief reported the roof repairs are completed but at a cost above the insurance estimate. Once the final numbers are known he will resubmit the claim to the insurance company for the overages. Carpet, baseboard, and lighting fixtures are on order. We will self-perform the drywall repair. The lease with the Sheriff's Department is on hold until all repairs are completed. Deputy McKeever is anticipating a move-in date two months from now.
 - c) Status update re: Water Tender Replacement. Chief talked to the manufacturer this past Tuesday who is reported to be excited about making the trade-in work as discussed. The unit will be built to CA standards and will take about 90 days once we have a contract, which Chief is actively pursuing to replace our hand-shake agreement. The \$40K authorized by the board at last month's meeting is felt to be adequate to complete the deal, especially with \$10K trade-in value for T1211. The unit under consideration, which is 4WD, has a larger storage capacity and about twice the pumping capability of T1211, will help preserve our ISO rating of 4 and make leasing to the Forest Service more attractive. We must still have a Class A pumper, which E1211 now provides. Chief took an action to coordinate with John Nelson to submit a FEMA Grant when the next window opens up for a new tender since the manufacturer has agreed to buy back the new-to-us tender minus wear and tear. These issues will be addressed in the upcoming STRAP Update discussion.
 - d) Status update re: Grant activities. Chief reported we are just over 50% complete with our Hazardous Fuels Grant. There is about \$125K remaining to reimburse homeowners over the next 12 months. There are about 100 names on the waiting list. There are no more opportunities for Hazardous Fuels Grant monies until FY 23-24. We will apply for a new \$250K grant in the next 12 to 24 months.
 - e) Status update re: Pension Board activities. Chief and Julie reported, as previously discussed in the monthly financial portion of the agenda, that all suspense account funding has been transferred to Nationwide. Department members are working directly with Nationwide, who has been extremely helpful in the transition process. Many employees have already been enrolled with Nationwide due to enrollment with their home departments. There is still the issue of the



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missing \$30K which TD Ameritrade and Nationwide are trying to resolve. Chief took the action to help facilitate resolution.

- f) Status update re: Governmental Advocacy Committee. Governmental Advocacy Committee Chairman Torres reported the legislature has been in session since January 10th. This is an election year, so the legislature will be distracted somewhat. There is a ballot initiative being promoted by the IAFA which, if passed, would significantly improve the financial picture for fire districts (see attachment for the estimated FLFD impact.)

COUNTY	JURISDICTION	NAV	LEVY	TAX REVENUE	SALES TAX REVENUE	GROSS REVENUE	INCREASE
Cochise	Elfrida	\$ 7,053,584	\$ 3.2500	\$ 229,241	\$ 154,686	\$ 383,927	67.48%
Pinal	Eloy	\$ 117,276,506	\$ 2.3005	\$ 2,697,946	\$ 2,571,888	\$ 5,269,834	95.33%
Cocoonino	Flagstaff Ranch	\$ 12,829,958	\$ 2.3500	\$ 301,504	\$ 281,363	\$ 582,867	93.32%
Cocoonino	Forest Lakes	\$ 20,814,767	\$ 3.2500	\$ 676,480	\$ 456,470	\$ 1,132,950	67.48%
Mohave	Fort Mohave Mesa	\$ 128,963,587	\$ 3.2300	\$ 4,165,524	\$ 2,828,187	\$ 6,993,711	67.90%
Graham	Fort Thomas	\$ 3,341,093	\$ 1.3314	\$ 44,483	\$ 73,271	\$ 117,754	164.71%

The funding would be generated by an additional tax rate increment of one-tenth of one percent as specified in the Ballot Initiative. (See relevant text below.)

A. FROM AND AFTER DECEMBER 31, 2022 THROUGH DECEMBER 31, 2042, IN ADDITION TO THE RATES PRESCRIBED BY SECTION 42-5010, SUBSECTION A AND SECTION 42-5010.01, SUBSECTION A, AN ADDITIONAL RATE INCREMENT IS IMPOSED AND SHALL BE COLLECTED. THE ADDITIONAL TAX RATE INCREMENT IS LEVIED AT THE RATE OF ONE-TENTH OF ONE PERCENT OF THE TAX BASE OF EVERY PERSON ENGAGING OR CONTINUING IN THIS STATE IN A BUSINESS CLASSIFICATION LISTED IN SECTION 42-5010, SUBSECTION A, PARAGRAPH 1.

B. THE TAXPAYER SHALL PAY TAXES PURSUANT TO THIS SECTION AT THE SAME TIME AND IN THE SAME MANNER AS UNDER SECTION 42-5010, SUBSECTION A. NOTWITHSTANDING ANY OTHER LAW, THE DEPARTMENT SHALL SEPARATELY ACCOUNT FOR THE REVENUES COLLECTED WITH RESPECT TO THE RATES IMPOSED BY THIS SECTION AND SHALL DEPOSIT THOSE REVENUES IN THE FIRE DISTRICT SAFETY FUND ESTABLISHED BY SECTION 48-825.

Bryan Jeffries of the IAFA is spearheading the initiative, which addresses fire districts only, and faces many hurdles in passage. We should expect to hear more at the upcoming AFDA Conference. The initiative is on the ballot, and the voters will get the opportunity to vote on it if all the barriers are overcome. The fact that it includes a small increase in tax rate is in its favor. It was determined we should take a wait and see approach before actively lobbying AFDA.

- g) Status update re: Master Planning Committee Activities. Chief reported electrical pre-wiring has been accomplished for the Tuff Sheds and the Blue Garage. Work will be completed once the weather cooperates. We will self-perform the fence repair due to the flooding damage in the southwest corner of the property. The Blue Garage will be insulated and refurbished both inside and out. The man door has been replaced with a steel outside door versus the interior door it replaces. Our garage door specialist, who completed the repairs on the Fire station, recommends we do not replace the Annex doors. They just need to be stripped and repainted. Dave took an action to place a contract to get the annex doors stripped and repainted if there is budget headroom.
- h) Status update re: Heart Monitor Purchase. Chief expects the new heart monitor to be in house any day now. The loaner unit will be returned. We will now have three like monitors.
- i) Status update re: APS Microgrid Project. Chief reported APS is waiting for a permit to be issued by the Forest Service for the APS Microgrid Project. Chief took an action to check with the District Ranger to see what the hold-up is since the Microgrid was expected to be in operation



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this year. That timing is suspect unless APS has already pre-ordered the equipment. Chief will also do some more follow-up with APS project management.

- j) Discussion and possible action re: ASRS Service Years Buyout. There was a wide-ranging discussion regarding the possible funding of an ASRS buyout for Chief. Dave has stated his desire to retire as Chief of FLFD when he reaches 65 years of age (about 6 more years.) There was some uncertainty about whether he would be vested at 5 years or 10 years. If 10 years, he would need to buy an additional 5 years of service upon reaching age 65. In that case, the fire district would participate monetarily in the buyout. Options would include buyout assistance with or without a salary increase; lump sum payout into a suspense account, either partial or full, with subsequent annual contributions; or buyout with gross up to account for tax consequences to Dave. It was noted Chief has not had a salary increase in his tenure at FLFD, so some monetary consideration is appropriate. This would help guarantee Chief's continued employment for the next 6 years or so, and also help us when we need to hire a new chief. Chairman Cummiskey made a motion that we, as a board, want to do this. We need to decide on options, including whether the financial contribution would be in lieu of a salary increase, or if we would gross up the contribution to account for the tax implications. For purposes of the STRAP Update, we would plan for an overall exposure of \$50K, half in FY 23-24, with \$8K per year for the following 3 years. Member Torres seconded, and the motion passed unanimously. Note: In the STRAP session following the board meeting it was determined under agenda item 3, HR Issues, a similar situation may exist for Julie and that the board needs to decide if we want to assist in some sort of buyout for Julie.
- 9 Fire Chief's Report. Chief gave kudos to Julie for her work in getting the Innis/TD Ameritrade and Nationwide pension related monetary transfers accomplished. He reported the forecast is for little snow this winter, and as a consequence, water will be an issue. We need to be on high alert for fire problems like those experienced in Colorado recently. We continue to be concerned about the lack of fire-wise standards on the south side, which poses a major threat to the interior of the community. The Forest Service has plans to do thinning along the southern boundary but has not yet committed to a date. Chief took an action to contact the Ranger District to see if we can accelerate the thinning project.
- 10 Call To the Public/Audience Comments. There were no members of the public present.
- 11 Fire Board Comments. The board reiterated the concern about lack of fire-wise standard compliance with properties on the south side.
- 12 Adjournment. There being no further business before the board, the meeting was adjourned at 11:55 am.

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 Board on January 18th, 2022

John Hennessey 