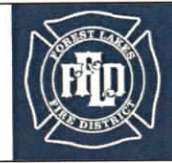




**FOREST LAKES FIRE BOARD  
REGULAR SESSION MEETING MINUTES  
MARCH 19, 2022**



*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 10:03 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 and Treasurer Pete Batschelet were initially in attendance at the fire station. Member Dennis Massion joined the meeting at 10:11 (the time of his participation is so noted in the minutes.) Member Israel Torres was absent. We had a quorum of the board. Chief Dave Rodriguez and Admin. Assistant Julie Mattila were in attendance.  
Note: For the record, Kay Green attended telephonically re: agenda item 8a).
- 4 Chairman's Welcome and Activity Report. Chairman Cummiskey welcomed all to the meeting. He noted our major focus will be on the Annual Audit presentation by Kay Green and motion and possible action to approve the publication of the 2021 STRAP Update documents.
- 5 Call to the Public/Audience Comments. There were no comments.
- 6 Review and Approve the Minutes for the February 19, 2022, Regular Board Meeting. Chairman Cummiskey 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 February 2022. Treasurer Batschelet reviewed the General Fund financial report for the previous month and provided a brief summary report. We are 66.6% through the year. In relation to our published Not-To-Exceed (NTE) budget, YTD revenue is at 70.6% while YTD expenses are at 66.3%. The end of the month cash balance was \$415,920.04. The projected year end cash balance is \$369,813.04. We are in good shape financially. Treasurer Batschelet made a motion to approve the financial reports as presented. Member Massion seconded, and the motion passed unanimously.

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.

For the record, Member Massion joined the meeting at this time.

- a) Discussion and possible action re: Annual Audit Review with Kay Green. Kay Green of SC Audit & Accounting Solutions, LLC presented the subject report for the Forest Lakes Fire District as of and for the year ended June 30, 2021. Kay conducted a brief review of several aspects of the report, including Financial Highlights, which showed the District's net position increased by \$62,845. She summarized by stating she issued a clean audit opinion, with



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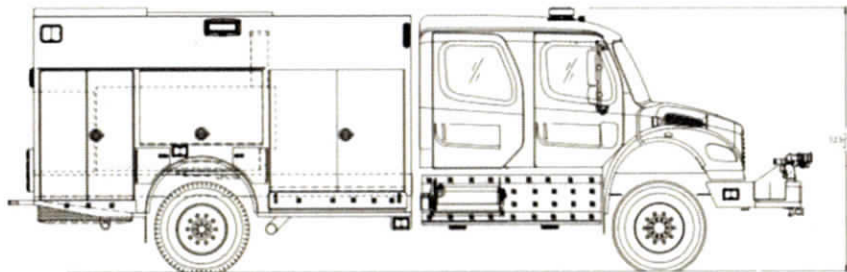


no deficiencies, no material weaknesses, and no audit findings. The District complied with all statutes, had appropriate internal controls, and complied with all financial reporting requirements. She acknowledged the assistance of Julie Mattila, Megan Rutherford, and Angela Bertram with the compilation of the supporting data, and recommended we continue to utilize the services of Angela Bertram. She acknowledged the significant improvement in our Cash Balance Reconciliation Process, as outlined in last year's Independent Auditor's Management Letter. Treasurer Batschelet made a motion to approve the report as presented. Member Massion seconded the motion. By way of comment, Chairman Cummiskey thanked Chief and Julie for their work in supporting the audit and providing the board with the added assurance that the district's finances are in good order. There being no further comments, the question was called, and the motion passed unanimously. Chairman Cummiskey thanked Kay and she excused herself from the meeting. As a follow-up, good business practice suggests we do a competitive analysis on vendor selection every 3 years. Treasurer Batschelet took an action to have the Finance Committee do a competitive analysis before our next budget cycle. The next AFDA Conference would be a good opportunity to explore vendors.

- b) Status update re: Finance Committee Meeting. Treasurer Batschelet reported on the Finance Committee meeting held on March 7<sup>th</sup>, which resulted in a balanced budget for the coming fiscal year (FY22-23) and the projected budget for the following year (FY23-24). For FY 22-23, we have actual property tax revenues and estimated FDAT included, and our EMS revenues are conservatively estimated. There were no adjustments to the revenues. It looks like we have \$35K to \$40K wiggle room. We included both revenues and expenses for an extension to the Hazardous Fuel Grant. On the expense side, we included \$50K for our "new" water tender, \$20K of which was expended this year as a down payment. Salaries have been adjusted upward for ODS to remain competitive. There was a placeholder of \$48K in FY23-24 to address a 5-year plan to retain Chief's services until his planned retirement at age 65. This was addressed further in agenda item 8n). There will be another Finance Committee meeting prior to the next board meeting to finalize the budgets for FY22-23 and projections for FY23-24, which will be presented to the board for approval at the April board meeting. Following board approval, the budgets will be published prior to presentation to the public at the May board meeting for comments prior to final board approval at the June board meeting.
- c) Status update re: District's Insurance Coverage Changes and Updated Premiums. Julie reported that final premiums are not expected until May. We currently have \$32K in the budget for next year, which is comfortably above the FY21-22 actuals of \$29, 288 (\$25,630+\$3,658). For reference, the FY20-21 actuals were \$28,227. The YOY increase was due to increases in Uninsured Motorist coverage. Treasurer Batschelet took an action to align the insurance coverages with our chart of accounts. On another issue, good business practice suggests we do a competitive provider analysis every 3 years. Treasurer Batschelet took an action to have the Finance Committee do a competitive analysis before our next budget cycle. The next AFDA Conference would be an opportunity to explore providers.
- d) Status update re: Repairs to the Annex and timeline for lease to Sheriff's Office. Progress continues in making the Annex ready for occupancy. We are experiencing some supply chain issues but set a "soft" target date of May 1<sup>st</sup> for move in.
- e) Discussion and possible action re: Water Tender Replacement. Chief reported he will meet with the supplier on Tuesday. He took an action to provide a progress report following the meeting.
- f) Status update re: 2022 Funds request to the Auxiliary. Chairman Cummiskey reported he is waiting on information from Chief regarding the bumper mounted, remotely controlled shower head nozzle for the water tender before he can draft the funds request letter to the Auxiliary. The Auxiliary is aware of the basic description, but they need more specifics (supplier, cost, warranty, specs, pictures, etc.) so they can sell the fundraiser to the community. Chief took the action to provide the information. The attached pictures, not displayed at the meeting, were previously provided by Chief Rodriquez.



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- g) Status update re: Grant activities. Chief reported there is not much going on in the way of grant activity. The new heart monitor and water tender procurement have taken the pressure off for the time being. We have plans for a B12 replacement in the STRAP. He will coordinate with John Nelson re: a FEMA grant application for Personal Protective Equipment (PPE), but this may be a year off before it comes to fruition. Treasurer Batschelet took an action to confirm we have the Hazardous Fuels Grant income in the FY22-23 budget.
- h) Status update re: Governmental Advocacy Committee. The Arizona Fire District Safety Act measure, which is sponsored by Sen. Paul Boyer of Glendale, is scheduled to get a hearing before the Committee on Land, Agriculture and Rural Affairs Monday (3/21). We are urged to contact our local legislators and tell them they want the chance to vote on the measure. H2412 as passed the House and is being sent to the Senate. If enacted, it would force Fire Districts to provide the public with access to written and audio/audiovisual records of all board meetings. This would be an added burden, especially on small districts. Chief and Israel took an action to contact AFDA and John Flynn to express our opposition to the bill.
- i) Status update re: Master Planning Committee Activities. Chief reported the site work related to electrical service to the storage sheds behind the fire station and the blue garage; fence repair along the southwest boundary; and gravel repair of the drives around the fire station are on hold pending workable soil conditions (currently too soft/wet.) Committee Chairman Hennessey reported that in conjunction with discussions re: Chief's 5 Year retention package by the Finance Committee and the board, the committee will undertake a feasibility study for



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locating a modular housing unit on the SW corner of the property to house Chief Rodriguez's placement once he retires. This is a due diligence exercise that will allow the board to explore all its options when that time comes to replace Chief Rodriguez.

- j)** Status update re: Policies up for review in 2022. Chairman Massion reported our oldest dated policy is our Vacation Policy, which was last updated in 2014. This led to discussion about why we have separate policies for vacation, holidays, and sick time. The board expressed its desire to have a single Paid Time Off (PTO) policy. Chief and Julie took an action to explore what it would take to incorporate a PTO policy and report back to the board on its ramifications. The next oldest policy is the Fire Board and Chief Policy. Chairman Massion took the action to have his committee review the subject policy for any required updates. The last area regarding updates was our Standard Operational Guidelines (SOGs), which are the exclusive purview of the Chief. He reported our staffing model makes this difficult since our ODS is trained in their home departments for operation guidelines, making it difficult to assure uniformity of practice at FLFD. This may leave us open to risk/liability issues. Chief reported there is an overarching set of guidelines, known as Volume II, that, if adopted, would resolve our concerns. Chief took an action to install Volume II as the guidelines we will follow.
- k)** Status update re: Heart Monitor Purchase. Due to supply chain issues, we have no firm commitment date. Julie took an action to contact Stryker on Monday to get a delivery estimate.
- l)** Status update re: APS Microgrid Project. Chief reported there is no update. He has suggested that FLOA take the lead in following up with APS on the project. The board agreed to remove this item from future agendas.
- m)** Status update re: AFDA Conference Debrief and possible actions including exploration of Certificates of Participation (COP), Public Information Officer (PIO) and contact with local legislators re: Sales Tax Ballot Initiative.

  - i)** COP. Chairman Cummiskey reported that, per board approval at last month's meeting, he had followed up with Stifel, the agency at AFDA who presented an alternative financing option using Certificates of Participation (COPs) to assist fire districts with their funding needs. As explained last month, a certificate of participation (COP) is a type of financing whereby an investor purchases a share of the lease revenues of a program rather than a bond being secured by those revenues. Certificates of participation are secured by lease revenues. Fire districts are viewed as stable, with solid revenue streams, and are considered good candidates for COP funding. As Chairman Cummiskey reported there is a cost associated with marketing and selling the COP (on the order of \$100K), and there is a desired dollar amount to make the process viable (on the order of \$2M). We would have to explore how we could package a COP with these considerations in mind. As an alternative, we could ask Stifel to go out to the financial institution marketplace and get lenders to bid on refinancing our LPA. This is significantly less expensive than using the COP process. Julie took an action to send the LPA agreement on the fire station from NBA to Stifel.
  - ii)** Public Information Officer (PIO). Chief Rodriguez reported that, per board approval at last month's meeting, he and Member Torres had explored the idea of a PIO with John Nelson. Since we already had a policy in place, and it was Chief's prerogative to name a PIO, following the discussion, Chief appointed John Nelson to be FLFD PIO. The board agreed and suggested the agreement with John be for a two-year period, subject to renewal. Policies, Procedures and Bylaws Chairman Massion took the action to update the policy to reflect any new requirements. Treasurer Batschelet agreed to reflect any budget impact under our Professional Services account line item.
  - iii)** Arizona Fire District Safety Act. Chairman Cummiskey reported the safety act, as a separate ballot initiative did not make the cut. There is a possibility it may get a hearing on Monday the 21<sup>st</sup> before the Committee on Land, Agriculture and Rural Affairs.
- n)** Discussion and possible action re: Maximizing ASRS Benefits. Chairman Cummiskey reported our intended approach to incentivizing Chief Rodriguez to stay in his position until he reaches age 65, basically another 5 years, by buying out participation time in ASRS, is not an option. Had it been an option, the district would have committed about \$48K to this retention plan. During this year's STRAP Update the board put a placeholder of this amount into FY23-24 to cover the obligation. In the discussion that followed, the board explored options that yielded essentially equivalent compensation by adjusting Chief's base pay versus the buyout. Chief agreed in



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principle with the alternative of base pay increases and asked for more time to consider the potential impact on him personally.

- o) Discussion and possible action re: STRAP document publication. Clerk Hennessey reported he had distributed the final documents (Full update plus One-Page Summary) to the board prior to the meeting with no comments or changes. Treasurer Batschelet made a motion to approve publication of the documents as presented. Member Massion seconded, and the motion passed unanimously. Clerk Hennessey took the action to publish the documents for the record. Julie took the action to place the documents on the web site. Member Massion thanked Clerk Hennessey for his efforts in getting the documents ready for publication.
- 9 Fire Chief's Report. Chief reported our current ambulance billing company, AeroMed, has advised they will not renew our contract, which expires June 30<sup>th</sup>. Chief and Julie met with a company based in Prescott at the recent AFDA Conference and agreed to contract with them beginning July 1<sup>st</sup>. Their fee is 9% of billings versus our current supplier's 8%. Call volume is down somewhat. The recent snowfalls will delay the fire season. Chief will emphasize treatment for the south side properties with the next Hazardous Fuels grant. There is a preliminary plan in place by the Forest Service to address fire mitigation along the south side. Per discussion with the Forest Service a resident-requested gate at the 99Z road will not be considered. It is an emergency evacuation route.
- 10 Call to the Public/Audience Comments. There were no comments.
- 11 Fire Board Comments. Member Massion commented the April board meeting occurs the day before Easter. After discussion, no acceptable alternative could be arrived at, so the meeting date remains unchanged (April 16<sup>th</sup>).
- 12 Adjournment. There being no further business before the board, the meeting was adjourned at 12:20 pm.

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](http://flfdaz.com) and following the web site prompts; or by going directly to the URL, [flfdaz.com/board-meeting-minutes](http://flfdaz.com/board-meeting-minutes).

Approved by the Forest Lakes Fire Board on March 23<sup>rd</sup>, 2022

John Hennessey