



**FOREST LAKES FIRE BOARD  
REGULAR SESSION MEETING MINUTES  
AUGUST 21, 2021**



*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 10:13 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 and Member Dennis Massion were in attendance. Member Israel Torres was absent. We had a quorum of the board. For the record, Chief Dave Rodriguez and Admin. Assistant Julie Mattila were in attendance. We had four members of the public in attendance.
- 4 Chairman's Welcome and Activity Report. Chairman Cummiskey welcomed everyone to what feels like the first meeting of the year since we will have the full July financials, the first of the new fiscal year, to read into the record. He then turned the meeting over to Chief Rodriguez, who introduced our new Admin. Assistant, Julie Mattila, who will be transitioning into Megan Rutherford's role over time. They have developed a transition plan which will take place over the next 4 weeks or so. Julie is well qualified, having been an executive secretary and a small business owner. She plans to pursue EMT certification as time permits. Chief also introduced our newest ODS member, Laynie Rodriguez.
- 5 Call to the Public/Audience Comments. There were no comments from the public.
- 6 Review and Approve the Minutes for the July 17, 2021, Regular Board Meeting. Member Massion made a motion to approve the minutes as presented. Treasurer Batchelet seconded, and the motion passed unanimously.
- 7 Review and Approve the Financial Statements for July 2021. 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 5.4% while YTD expenses are at 7.1%. The end of the month cash balance was \$316,494.60. The projected year end cash balance is \$362,602. Regarding the monthly cash flow projections, Treasurer Batschelet noted we have two large expenditures, one for the building payment and one for the insurance coverage, each of which occurs over single payment periods, thereby distorting the monthly cash balance. There are also some months where we have three pay periods versus the normal two. Chairman Cummiskey noted we have a similar situation on the revenue side when we get the bulk of our property tax revenues in two payment periods. 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.
- a) Status update re: District's Liability Insurance Coverages. Chairman Cummiskey introduced the topic by reminding everyone that as part of the board's due diligence, we undertake an annual review of our insurance coverages, including board indemnity coverage. Chief reported we have a new Account Manager, Kylee Foster, Crabdree and Sullivan Insurance, and that it would timely to have her visit the board and review all coverages. Chief took the action to invite Kylee to our October board meeting, when we anticipate having 100% board



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member attendance, to provide a comprehensive review of our coverages. Member Massion, our Policies, Procedures and Bylaws Chairman, took an action to make sure our policies address the requirement for an annual insurance coverage review.

- b) Status update re: GWS Permit Move to FLFD. Chief reported there is nothing new to report. He took an action to move this up on his priority list.
- c) Status update re: Grant activities. Chief reported we are backing away from pursuing cost recovery from the government for COVID related expenditures incurred by the fire district. There are too many layers of bureaucracy to deal with for what we perceive as diminishing returns. There is no new grant opportunities on the horizon, but we continue to be alert to them as they arise. One potential may be related to structural protective gear. Ours is reaching end of life, and replacement is required. The Hazardous Fuels Grant is going well in spite of the weather-related delays. We have engaged 19 property owners thus far, with a goal of 25 by year end. We continue to experience a shortage of qualified contractors to accomplish the work.
- d) Status update re: Sheriff's Occupancy of Annex Offices. The recent heavy rains have resulted in extensive internal and external damage to the west most portion of the annex. As a result, occupancy by the Sheriff's department has been delayed, and we have suspended billing until the issue can be satisfactorily resolved. Interior damage includes the ceilings, walls, floors, electrical wiring, and the recently installed Murphy beds. We have an estimate for \$22K to repair the roof section that led to the interior damage. We are looking for a qualified contractor to address the interior work. Once we submit the insurance claims, we can proceed with accomplishing the needed repairs. Chairman Cummiskey pointed out any out-of-pocket expenses exceeding \$5K will need board approval. Chief took an action, recommended by Treasurer Batschelet, to review the lease agreement to make sure we are covered as a result of the recent damage including certificate of insurance, additional insured, ...
- e) Status update re: Pension Board activities. Chairman Cummiskey reported the Pension Board, a subset of the Forest Lakes Fire Board, continues to work with Innis and Associates, who administers our current qualified alternative pension program, to transfer administration to Nationwide Insurance on a go-forward basis. The new pension plan administrator is expected to be an improvement over the current plan administration.
- f) Status update re: Governmental Advocacy Committee. In Governmental Advocacy Committee Chairman Torres' absence, Chairman Cummiskey noted that due to recent legislative action, Senate Bill S1603 was passed with the adoption of the FY22 budget. S1603 appropriates \$16,100,000 from the state general fund in FY22 to the department of administration to disburse to political subdivisions, including FLFD, that paid refunds ordered in the Transwestern Pipeline Co. v. Arizona Department of Revenue litigation. The funds for the fire districts and other political subdivisions should be available for distribution in the first quarter of FY22. Distribution of funds will occur through each impacted fire districts respective county treasurer. Admin. assistant Julie Mattila took an action to follow up with the county treasurer regarding when we can expect reimbursement, and in what amount.
- g) Discussion and possible action re: Mil rate increase and what we would use it for. Chairman Cummiskey introduced the topic by relating the following: Senate Bill S1828 includes a two-step tax rate cap adjustment for fire districts. Fire district tax rate cap adjustments will begin in FY22/23. Fire District Tax Rate Cap Adjustment (current 3.25)
  - (1) Beginning July 1, 2022 – 3.375
  - (2) Beginning July 1, 2023 – 3.50

Key discussion points include:

- This subject is best addressed in the upcoming STRAP update, which begins in September.
- Our rolling stock is in need to replacement and updating. E1211 is marginal due to the 2WD configuration. Replacement would be on the order of \$500K, E1211 trade in value only \$70K. T1211 is outdated.
- Staffing costs will continue to escalate.
- POC will go away at some point in the near future.
- We are experiencing high levels of maintenance and repair costs due to our rugged terrain (AT1211, \$17K).
- We need to consider the tax impact to the community. Taxes continue to rise as assessed values increase. Estimated cost due to the approved mil rate override is about \$60/property owner. Issue is principle, not so much affordability.



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- We are still constrained by Prop 117 to 5% YOY regardless of assessed valuation changes. The Mill rate override would be above and beyond that.
  - AFDA has worked with the legislature for many years to achieve even this modest level of Mill rate override. We would be sending the wrong message to the legislature if we did not take full advantage of the override.
  - Inflation adjustments in our STRAP budget are being quickly overwhelmed by the current government stated inflation projections. Our on-going expenses will continue to escalate.
  - Chief has done an admirable job of living to the budget constraints.
  - We have to address the level of service required and the staffing needed to achieve it.
  - Property owners will be encouraged to attend the upcoming STRAP sessions, which are conveniently scheduled to follow the regular board meetings. The result of the plan update will be our 5 Year Financial Plan that addresses all related service delivery issues and their associated costs.
- h) Status update re: Master Planning Committee Activities. Chief reported some previously planned activities, such as the annex garage door replacements, are on hold due to the recent storm damage to the annex. Instead, we are addressing annex roof replacement and interior storm damage. We are looking for a qualified commercial contractor to accomplish the interior work. There was significant washout due to the heavy rains between the annex and the fire station. The dirt berm at the southern edge of the property will need to be re-engineered, perhaps incorporating railroad ties. There was a minor leak in the fire station at a roof cap opening. Repair of fire station door #1 track will be self-performed, based on availability of volunteers. Completion of this repair is not hampering operations at this point in time.
- i) Discussion and possible action re: Heart Monitor Purchase. Chief advised he has located a source for refurbished, recertified heart monitors that will essentially replace our current loaner monitor. The bulk of the cost of a refurbished monitor will be borne by the Auxiliary. New units have additional capability, but the refurbished unit fully meets our needs. Timing is not urgent at this time. We will address this at next month's board meeting.
- j) Status update re: Planning for the upcoming STRAP plan meetings. Chairman Cummiskey noted we will begin out STRAP plan meetings next month. He displayed the 2020 Plan for the Plan to give an overview of the process (attached), noting that the dates do not reflect the 2021 calendar.



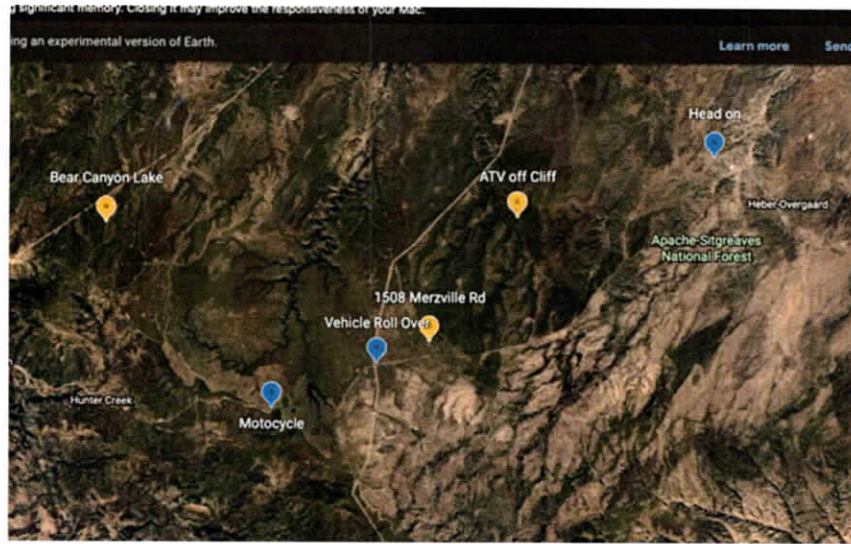
2020 STRAP Plan for  
the Plan 2020815 Disc

Usually, the STRAP meetings are held immediately following the monthly board meetings, September through December. Due to known board member absences for the month of September, Admin. Asst. Julie Mattila took an action to poll the board to see what would be an acceptable time to hold the initial STRAP session.

- 9 Fire Chief's Report. Chief Rodriguez reported as follows. AT1211 has to undergo major repairs. AT1212 has been successfully acting in a backup role. We did experience significant storm damage to the property due to run off from the county yard and the culverts along the north side of Old Rim Rd. The State Fire School will be holding fire training academy sessions this year. Several ODS and POC have expressed interest. Training cost is included in the budget. There is a ballot measure in the legislature that may negatively impact the fire service. This is late breaking news, not yet addressed by AFDA. There is the possibility of reimbursement for our future response in the surrounding forest area. It does not encompass ambulance costs, which are covered by the state. The program will be administered by the State Forestry Division. Chief displayed a graphic of recent call activity.



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We have responded to 14 incidents YTD involving a fatality. Our highest number recorded is 17. These incidents place extra emotional demands on our ODS/POC staff. We provide resources to help staff members deal with the emotional impact. Our transport rate is up. The APS Microgrid is still on schedule to be operational by the end of summer 2022.

- 10 Call to the Public/Audience Comments. POC member Joe Ruet noted he was very impressed with how the department handled the rescue of a 12-year Navy veteran who was a victim of drowning at Woods Canyon Lake. The body was draped in an American flag prior to transport to the waiting ambulance.
- 11 Fire Board Comments. Chairman Cummiskey noted he will not be present in person for the September board meeting. He will however attend remotely. For logistics reasons, Clerk Hennessey will assume the role of Chairman for the meeting.
- 12 Adjournment. There being no further business before the board, the meeting was adjourned at 11:48 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](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 District Board on: \_\_\_September 18<sup>th</sup> 2021\_\_\_.

  
John Hennessey, Clerk