

A firefighter's helmet and jacket hanging on a wall in a fire station. The helmet is red and yellow, and the jacket is brown with yellow reflective stripes. The background is dark and moody.

2023

**HIGHLANDS FIRE DISTRICT
FIRE & EMERGENCY SERVICES**

Strategic Plan



**Submitted by
Todd Miller, Fire Chief**

**Approved by
Highlands Fire District
Board of Directors**

December 20, 2022



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Fire Board's Message

The Board of the Highlands Fire District is honored to once again be part of the strategic planning for your District. The District believes in the strategic planning process – and uses the process and the resulting Plan to ensure our District is headed in the right direction (our Vision), is doing the right things at the right time for our customers (our Mission) and will measure and guide our strategic progress to keep us on track (our Goals and Objectives).

The Board fully endorses this year's Strategic Plan, the 18th edition since we started the formal planning process in 2006. During the intervening years, the planning process has greatly matured – and changed for the better. While the initial plans were instrumental in helping the District get to where it is today, they culminated from essentially a top-down driven process. The more recent plans, including this one, incorporated a much more bottom-up process. This is not to say the District leadership was not involved – they were part of the process every step of the way. This Plan is the result of the participation, input, dedication, and experience of the Fire Chief's Strategic Planning Committee. The committee includes a couple of Board members, but also includes representatives from all levels of the organization's management and labor – including the union.

This Plan highlights many of the District's recent accomplishments and will continue to focus on the same five overarching goals: Community Involvement and Communication; Maintaining High Standards and Innovation; Hiring, Promoting and Retaining Quality People; Strategic Partnerships, and Fiscal Sustainability.

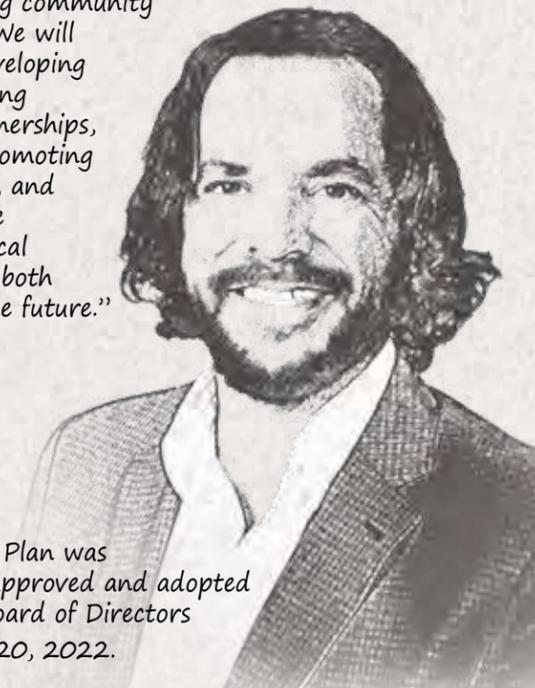
Our world and community have changed significantly over the past few years. The cost of living in this beautiful location continues to rise, and likewise, the cost goods and services is following suit. This poses challenges to the District and its personnel, thus dictating a refocusing of resources to ensure a continued high level of service the community has come to rely on from the District. Recruiting and retaining quality employees is a top priority for the district. Therefore, we are embarking on a comprehensive compensation study to establish a long-term plan addressing compensation and employee benefits to ensure we retain our outstanding and dedicated staff and recruit exceptional new staff. An additional priority

of the District is to address aging equipment. As is illustrated in the 10-year capital plan, we are planning to replace both Type-1 engines in the coming years to minimize downtime and costly repairs. These Type-1 engines are essential for the District to deliver critical emergency services to our district. While Proposition 310 would have provided essential resources to address these priorities, unfortunately this was not approved by Arizona voters. However, the Board and District staff remain committed to these priorities and will seek alternative means to achieve these goals.

I encourage you to take some time out of your busy schedules and read through this strategic plan. It is the roadmap for your District in the coming year, contains some history of the district, and celebrates success from previous years. The Board and District staff remain available to discuss any of the information presented in this plan.

In closing, I would like to quote our District's Vision Statement – to simply show how it and this Plan are intrinsically linked: “The Highlands Fire District will be recognized for the highest standards, levels of trust, innovation, and accountability while exceeding community expectations. We will succeed by developing and maintaining strategic partnerships, hiring, and promoting quality people, and positioning the District for fiscal sustainability, both now and in the future.”

This Strategic Plan was unanimously approved and adopted by the HFD Board of Directors on December 20, 2022.



Tom Hanecak, Board Chair

Fire Chief's Message



Todd Miller, Fire Chief

This is the 18th edition of the Highlands Fire District Strategic Plan. This planning process has allowed our Board of Directors, management, and the labor group to come together and agree upon common mental models relative to our service levels, our future needs, and the fiscal reality of the present and the future.

The plan itself becomes important in the following ways. It serves as a reminder of our commitments. It becomes a starting point for the next planning cycle. It allows us to measure the accuracy of our predictions and assumptions from the previous edition, improving future editions. It is a tool for communicating our strategies, goals and objectives to our stakeholders, taxpayers, and employees.

The focus remains on maintaining outstanding service levels to our communities. While doing this we strive to strengthen community involvement and communication; maintain the highest standards; hire, promote, and retain quality people; develop and maintain strategic partnerships, and position the District for fiscal sustainability now, and in the future.

The main source of our funding is from property taxes. To date, the property values in many fire districts have not recovered to pre-housing crisis levels (2008), and when combined with Prop 117 requirements, have left many fire districts with reduced operating capacity. Due to the property values, along with other economic and budget impacts, many other fire districts have had to reduce services, reduce staffing levels, close stations, enact “brown outs” (or temporary closures), or have been forced to consolidate or merge with other fire districts. In the worst cases, some have ceased to exist. Thankfully, due to our management and strategic planning over the years, even though we have experienced the same drop in property values and limitations in property taxes forced by Proposition 117, the Highlands Fire District has avoided these reductions in service levels.

Due to these impacts Proposition 310 was on the ballot this election year. This was a 1/10 of 1 cent state sales tax initiative that would have provided much needed funding to the 144 fire districts in the state of Arizona. This proposition was not passed by the voters. This, along with inflation and other factors affecting revenues and the economy as a whole, will force us to make some tough decisions in the near future. The District has introduced a host of measures to reduce our operating costs over the last several years while trying to avoid any reduction in levels of service, or raise any taxes. We have sought out and pursued many alternative funding sources such as grants, donations, and allocations we are eligible for. We continue to monitor the housing market, the cost of goods and services, fuel prices, and the economy as a whole. We will continue to aggressively pursue alternative funding sources, keep our eyes on the latest legislation that affect fire districts, and make conscious decisions to remain fiscally responsible to you, the citizens we serve. Thank you for always supporting us. Rest assured, we stand beside you, ready to serve and assist however we can.

I wish to thank all of those on the Strategic Planning Committee (representatives from management, administration, board of directors and the union) for making this process so effective and powerful.

Mission, Vision, & Values

Mission

The Highlands Fire District is an emergency service and community oriented organization dedicated to protecting lives and property of its residents and visitors through emergency medical services, fire suppression, fire prevention and public education.

Vision

The Highlands Fire District will be recognized for the highest standards, levels of trust, innovation, and accountability while exceeding community expectations. We will succeed by developing and maintaining strategic partnerships, hiring and promoting quality people, and positioning the District for fiscal sustainability, both now and in the future.

Values

PREPAREDNESS: We value preparedness through education, training, physical and mental readiness, and the health and safety of members. We are committed to personal and team development through education and training. We constantly improve our physical and mental preparedness to better execute our mission.

RESPECT: We value respect demonstrating sound character, integrity, honesty, and accountability. We exhibit honesty and integrity in all we do. We hold ourselves and others accountable. We take pride and ownership in the organization and in the service we deliver.

INITIATIVE: We value initiative through leadership, expertise, and personal courage. Good leaders know when to lead, when to follow, and when to be part of the team. We value expertise and leadership of all members of the organization.

DUTY: We value duty obtained through service before self, commitment, and loyalty to teamwork. The needs of our customers and teammates always come before our own. We are loyal to our customers and the organization.

EMPATHY: We value empathy by performing in a considerate and compassionate manner. We are compassionate and considerate to our customers and teammates.

Ethos Statement

The driving factor for the Ethos was the discussion that HFD has a values-based approach to decision making that is supported with SOP. The HFD Ethos Statement is a great reminder of what we signed up to do, and what we should all strive to emulate. It complements the Mission, Vision, and Values statements. The HFD Ethos Statement is written in the first person so that any one of our firefighters can read it as a reminder of what we endeavor to provide our citizens every day.

I am a Professional Firefighter with the Highlands Fire District.

I am prepared for whatever the day may bring because I am mentally and physically fit for duty. I continually develop myself through training and education while developing those around me through mentorship. I lean on my past experiences when making decisions and pass those learned lessons onto my peers for their future success. I will earn my position every day.

I honor those who came before me and their sacrifice to my profession. I respect those whom I serve with and welcome their opinions, even if they differ from my own. I will be quick to listen and remain approachable to my peers. My responsibility is to leave this organization better than I found it for those who serve after me. I empathetically serve the citizens of the District, no matter the degree of their need.

I live my commitment to duty through selfless service. The needs of the community and the team come before my own; however, I must take care of myself in order to care for others. Loyalty to my customers and the organization is reflected through the decisions and actions I take. I am proud to be a member of my community and will continually strive to make it better.

I understand that often the highest service that I can perform is that of empathy. I am compassionate and considerate to my customers and my teammates.

My character is unwavering as I hold myself to the highest standards of integrity, honesty, and accountability on and off duty. I will not make excuses. I take ownership, find solutions, and take action through initiative. I value the leadership of others, understanding that the greatest achievements are accomplished through teamwork. I am willing to complete difficult tasks while holding myself and those around me accountable. My credentials are my fellow Firefighters, my character, and my commitment to duty. I will make mistakes and I may fail, however I will learn from those lessons. I will not stop, I will not quit, and I will continually improve myself, my team and my organization.

I stand ready to serve my neighbors, communities and region at all times.

Strategic Driven Accomplishments

2006

- Merged with Pine Del Fire District
- Began Master Planning (Station 25 in Forest Highlands)

2007

- Purchased Type 1 Fire Engine

2008

- Implemented the Bear Jaw Fire and Fuels Program through intergovernmental agreement with Pinewood and Summit Fire Districts
- Hired Three Firefighters
- Completed Fire Station 25

2009

- Construction of Fire Station 23
- Purchased Type 6 Engine
- Purchased Water Tender

2010

- Completed Construction of Fire Station 23
- Relocated Bear Jaw to Mountainaire

2011 - 2014

- The District experienced a 26% loss of revenue due to the economic depression. While no new initiatives or service level upgrades took place, the District was able to focus on maintaining existing service levels. During this time, other fire organization in the state saw employee layoffs, benefit reductions and reductions in services. Through strong strategic planning the District was able to hold its own with minimal impact to the community.

2012

- Began service in Flagstaff Ranch via Intergovernmental Agreement

2015

- Implemented Fee for Service Cost Recovery mechanism for non-residents
- Sold Excess Real Estate; Tolani Warehouse
- Implemented joint agency training and response through the Greater Flagstaff Regional Intergovernmental Agreement

2016

- Entered into Intergovernmental Agreement for Fire Chief and Management Services with Mormon Lake Fire District
- Certified all officers and acting officers through the national incident command program known as Blue Card
- Initiated multi-agency hiring practices
- Purchased Pierce Type 1 Engine

2017

- Developed Community Integrated Paramedicine Program
- Sold excess real estate; Kona Trail Parking Lot
- Station 23 Administration and Bear Jaw Facility Planning

2018

- Construction of Administration and Bear Jaw Facility
- Sold surplus real estate; Kiowa Street properties
- Began service to Fort Tuthill via Intergovernmental Agreement
- Increased capacity and supervision of personnel through a transition to a three Shift Battalion Chief staffing model

2019

- Completed the Capital Building Master Plan; placed Administration and Bear Jaw Crew Facilities in service
- Executed the Intergovernmental Agreements for Greater Flagstaff Regional Training, Regional Joint Hiring and Promotional Processes, and Regional Automatic Aid
- Implemented new initiatives of Critical Incident Stress Management (CISM) and Fire Investigation

2020

- Sold Fire Station 21 as surplus real estate
- Completed Facilities Asset Management Plan
- Managed impact of COVID-19 Pandemic

2021

- Completed refinancing of PSPRS unfunded Liability
- Purchased three Cardiac Monitors
- Managed COVID-19 Pandemic
- Hired a Fire Chief and promoted four employees
- Purchased two Crew Carriers for Bear Jaw

2022

- Supported suppression efforts of the Tunnel and Pipeline Fires
- Hired a Compensation Consultant to address recruitment and retention concerns
- Partnership with NAU School of Forestry to complete a community-wide survey of fire prevention knowledge and implementation, and prescribed fire impacts
- Successful Alternative Funding totaling over \$33,000 for technical/swift water rescue equipment and gas monitors



A Brief History

The Highlands Fire District was created when the Kachina Village and Mountaineer Fire Districts merged in March of 1999. The district joins the communities of Kachina Village, Forest Highlands, Mountaineer, Lower Lake Mary Area, and Pine Del. Highlands Fire District serves a population of approximately 7,000 residents within a 25 square mile area.

Kachina Village is located on the west side of I-17 approximately six miles south of Flagstaff, Arizona. It was originally established in 1965 as a vacation home community. Over the years it has evolved into a thriving suburb of Flagstaff that primarily consists of full time residents.

In 1971 a structure fire in the newly developed Kachina Village destroyed a home. As a result, a committee was formed to organize a volunteer fire department. Fred Tryon was the only resident with fire fighting training, so he was asked to become the first Fire Chief. With the help of several concerned citizens, the Kachina Village Volunteer Fire Company was established. By July of 1972 a tax supported fire district was approved by resident voters and Coconino County Board of Supervisors.

The Department's first vehicle was a 1947 Ford Truck donated by Kachina Village's developer. Soon after a 1946 Mack Engine was purchased. Construction on the first fire station began in 1975. During the District's meager beginnings, many bake sales, donations, and volunteer labor enabled the completion of Station 1.

The fire station was remodeled in 1990 to better accommodate the 24-hour emergency service center it had grown to become. Construction on Station 2, located on the north side of Kachina Village, broke ground in 1981.

In 1988 the newly developed Forest Highlands community joined the Kachina Village Fire District. Forest Highlands is an exclusive golf community located to the northwest of Kachina Village. The community is predominantly comprised of vacation homes with few full-time residents. The Forest Highlands Home Owner Association has implemented numerous strategies to reduce the risk of fire. They became one of the first four Firewise communities in Arizona.

Mountaineer is located directly east of Kachina Village and I-17. Originally it was also established as a vacation home community, and it has become a year-round residential area. The Mountaineer Volunteer Fire Department was organized in the late 1960s, and they broke ground on their first fire station in 1974. The residents of Mountaineer voted to establish a fire district in 1976. Throughout the history of the Kachina Village and Mountaineer Fire Districts, cooperation across boundaries was important to the success of each department.

The merger of Kachina Village and Mountaineer Fire Districts became a topic of discussion in the 1990s. The discussion gathered momentum when Chief Brady of Mountaineer resigned and Chief Pond of Kachina Village stepped in to serve an interim Fire Chief assignment. After two years in this dual capacity, the next step was to merge the districts. This was accomplished in 1999, and Highlands Fire District was formed.

In 2005 Highlands Fire District expanded its boundaries to include property in the Lower Lake Mary Area. Fire Station 24 was established in a resident's steel framed warehouse to accommodate a fire engine and volunteer fire company.

Pine Del Estates, located to the north of Forest Highlands, had originally organized as a fire district that contracted with the City of Flagstaff for fire protection. Highlands Fire District began providing emergency services when Pine Del and Highlands Fire Districts merged in December of 2005.

In 2008 Fire Station 25 went in-service in Forest Highlands. The Fuels Management Crew evolved into the Bear Jaw Crew. The Bear Jaw Crew is an interagency team from Highlands and Pinewood Fire Districts that provide fuels management in the respective fire districts as well as responding to State and Federal wildland fires.

In 2010 Fire Station 23 went in-service in Mountaineer. The Bear Jaw Fuels Crew began utilizing the Station 22 on Kiowa.

Highlands Fire District has supported the concept of functional regionalization to ultimately improve emergency services in the greater Flagstaff area:

- April 2012 IGA established with Flagstaff Ranch Fire District to provide emergency fire and medical services.
- 2014 IGA established to provide Fort Tuthill Recreational Area with emergency fire and medical services.

In June 2014 Dirch Foreman was promoted to serve as Fire Chief.

In June 2018 construction began on a new facility for Administration and Bear Jaw Crew. Fire Station 22 in Mountaineer was sold to help finance the project. In January 2019 officers, administrative staff, and the Bear Jaw Crew moved into new spacious Administration Offices next to Fire Station 23. Fire Station 21 in Kachina Village went completely out-of-service, and was sold in February 2020. The long-time plan to reduce the District's environmental footprint and integrate services has been finally accomplished. These momentous, modern improvements will carry emergency services well into the future.

In January 2020 Coronavirus began spreading in the U.S., and a world wide pandemic took hold. The District has maintained fire protection and life safety systems throughout. Critical incident plans were established to help mitigate impact and safely protect personnel and community. The District continues to manage these challenges.

In December 2021 Todd Miller was promoted to serve as Fire Chief.



10 Fast Facts

1. Highlands Fire District serves communities encompassing an area of about 25 square miles. We are located in Northern Arizona, six miles south of Flagstaff, Arizona.

2. Highlands Fire District is committed to serving the residents and visitors of Kachina Village, Forest Highlands, Mountainaire, Pine Del, Lower Lake Mary, Flagstaff Ranch, and Fort Tuthill. We also provide automatic aid to our Greater Flagstaff Region partners.

3. Highlands Fire District anticipates receiving \$3.53 million in tax revenue during the FY 2023. Fire District tax rate is \$3.25 per \$100 of assessed value.

4. An ISO fire rating is a score provided to fire departments and insurance companies by the Insurance Services Office. Highlands Fire District has a Public Protection Classification (PPC) rating of 4/4X. This means properties within 5 road miles of a fire station and 1,000 ft. of fire hydrant are Class 4 and properties beyond 1,000 ft. of a fire hydrant are Class 4X.

5. Highlands Fire District responds to roughly 800 calls each year.

Type	2012	2021	% Change	% of Calls	Area	2012	2021	% Change	% of Calls
Medical	209	324	55%	44%	Kachina Village	191	223	17%	31%
Good Intent	93	167	80%	23%	Forest Highlands	115	198	72%	27%
False Alarm	67	102	52%	14%	Off-District	97	136	40%	19%
Public Assist	46	80	74%	11%	Mountainaire	61	118	93%	16%
Fire	36	26	-28%	3%	Fort Tuthill	0	29		4%
HAZMAT	27	29	7%	4%	Lake Mary	8	10	25%	1%
Weather	1	1	0%	0%	Flagstaff Ranch	5	9	80%	1%
Other	4	1	-75%	0%	Pine Del	6	7	17%	1%
Total	483	730	51%	100%	Total	483	730	51%	100%

6. Highlands Fire District employs 26 full-time firefighters, 14 seasonal wildland firefighters, and 2 administrative personnel.

7. Last year Highlands personnel accomplished more than 3600 training hours.



8. During the 2022 fire season, Bear Jaw Crew spent 116 days fighting 13 wildfires in 4 states. They thinned and piled 164 acres with the Highlands and Pinewood Fire Districts.

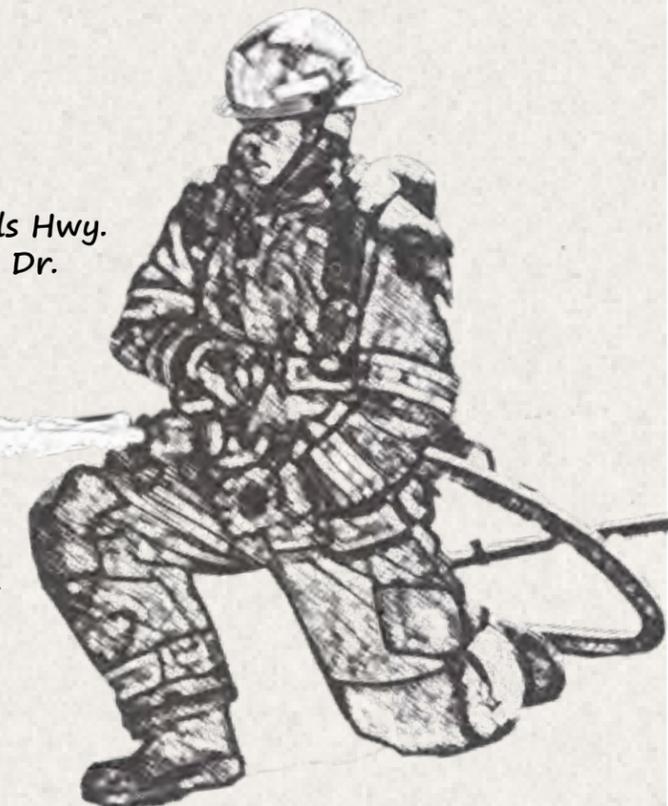
9. The Bear Jaw Crew removed 10,599 bags of pine needles and 554 cubic yards of slash.

10. Station 23 is located at 3550 Old Munds Hwy. Station 25 is at 2007 Forest Highlands Dr.

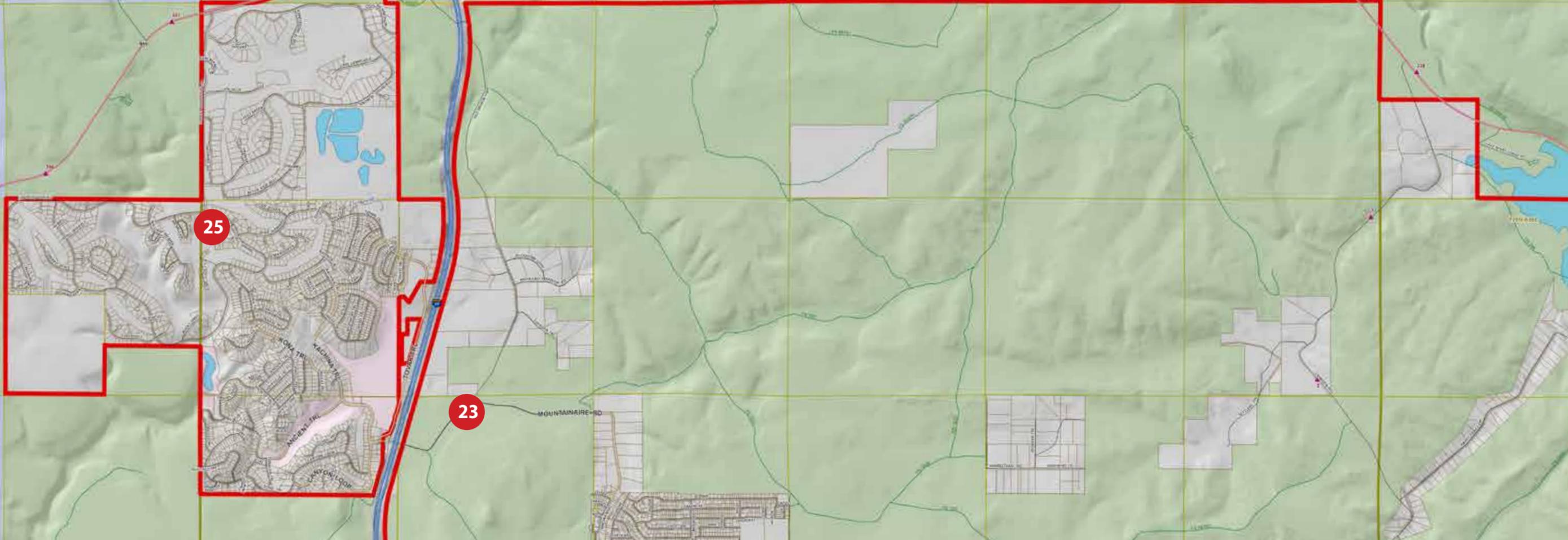
Contact our Administrative Offices at (928) 525-1717

Connect with us on the web at www.highlandfire.org

Follow us on Facebook at www.facebook.com/HighlandsFireDistrict



Highlands Fire District



25

FIRE STATION 25
2007 Forest Highlands Dr



23

FIRE STATION 23 & ADMINISTRATION
3350 Old Munds Hwy



Bear Jaw Interagency Fire & Fuels Program

The Bear Jaw Interagency Fire and Fuels Crew Program was formed in 2008. The crew is supported by two Northern Arizona Fire Districts:

- Highlands Fire District
- Pinewood Fire District

The Crew was formed with an emphasis on increased capacity and reducing duplication of effort.

Our priority is to provide fire suppression & fuels reduction in the urban interface.

In the last thirteen years, the crew has achieved hundreds of acres of fuels reduction within the Fire Districts' boundaries. The crew has averaged 96 days on fires every fire season and aims to keep their national availability for when neighboring regions need assistance with fire suppression.

The crew has applied for and has been awarded numerous grants through AZ Department of Fuels and Fire Management (AZ-DFFM) and the Forest Service. These grants have helped offset the cost to reduce fuel loading within the Districts and strengthen our communities in regard to wildfire preparedness.

The following items are priorities for Bear Jaw and the Fire Districts that support them:

- Develop and foster strategic partnerships with neighboring agencies.
- Look for ways to broaden our fuels work and funding efforts on district properties.
- Continue efforts in grant acquisition through Federal and State grant programs.

- Assist communities within our supporting Fire Districts in becoming recognized Firewise communities.
- Remain the subject matter experts in wildland firefighting and continue training efforts with supporting and neighboring agencies.
- Promote quality employees and make them competitive for open positions on our crew and other agencies through experience on the fire line and education in the classroom.
- Remain fiscally responsible in maintaining a budget that has little to no impact on supporting fire district budgets.
- Continue our efforts to retain quality employees.

Our efforts towards charges for services have given the Fire Districts' a little financial freedom in regards to funding the fuels program solely from the District Budget since 2008.

Our program focus has been toward fuels reduction on private lands within the District boundaries at little to no cost to the land owner, which includes property taxes. The years ahead of us look to offer additional opportunities with neighboring agencies that will lessen the impact to our supporting Fire Districts while improving the fuels outlook to private parcels within their boundaries. Regular discussions with partner agencies look to offer forward movement for the program, the District and the constituents we serve.



Community Input

HFD conducts quarterly Community Satisfaction Surveys taken from the citizens of HFD. Last year the results of these surveys were overwhelmingly positive; it is evident that most believe HFD is doing a great job. Among the survey questions, we asked, "Have you had contact with HFD?" and "How was their service?"

Of those people who had contact with HFD and responded to our survey, 85% said services provided exceeded their expectations.

We asked:

"Were personnel responsive to your request for service?"

100% said YES

"Were personnel polite, effective, & professional?"

100% said YES



"...I would like to thank HFD for reaching out through social media recently to give us more information about what may be happening in the area. I think that will be of great importance during the next fire season, or during any local crisis. Many thanks for your efforts in our area."

"My roommate locked his keys in the car with the engine running. The firefighters were able to unlock it quickly..."

"Our babysitter had a severe allergic reaction, and the EMT personnel were all over it. They were very friendly and knowledgeable."

"My husband did not turn off the barbeque, and a fire erupted in the middle of the night. The crew came immediately, and after extinguishing the fire, they offered to help clean-up!"

"They were great! We smelled gas outside my house, and they were out right away with a detection device..."

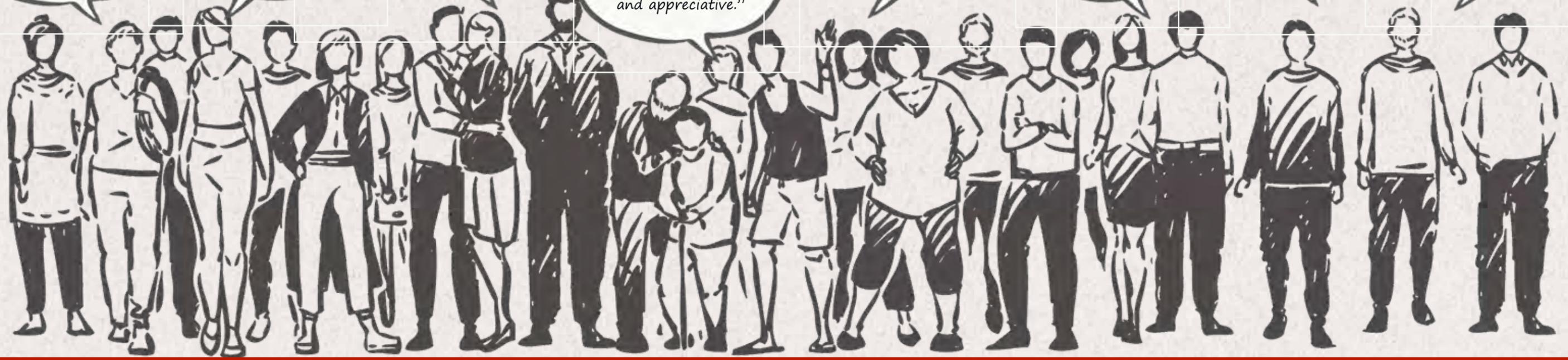
The fire department came to visit for two of my son birthdays...They made memories for us to last a lifetime. We are so grateful and appreciative."

"I've never lived in a community that handles emergency response, fire prevention and protection in such a professional manner. My gratitude."

"Exceptional teamwork regarding medical emergency; great team communication as well."

"Highlands personnel have always responded for calls for help immediately and with great care."

"Our fire district is the best. Keep up the great work. I appreciate your professionalism, while still maintaining a small community feel."



Goals & Objectives

1. Strengthen Community Involvement and Communication

Monitor community evaluations and expectations through quarterly and annual “customer surveys”

- Report survey summary to the District Board quarterly
- Report annual survey summary to the District Board and present in the Strategic Plan
- Post annual survey results on social media sites
- Address concerns discovered through surveys in a timely manner by staff and the chief

Provide public information outreach regarding emergent issues, community services, and events

- Standardize the number of media articles and social media posts released on a quarterly basis
- Post two “good news” articles to Facebook monthly
- Encourage utilization of the County’s Emergency Notification System
- Community Pineneedle clean-up Program
- Host site Flagstaff Family food Center Distribution
- Install digital sign for public information

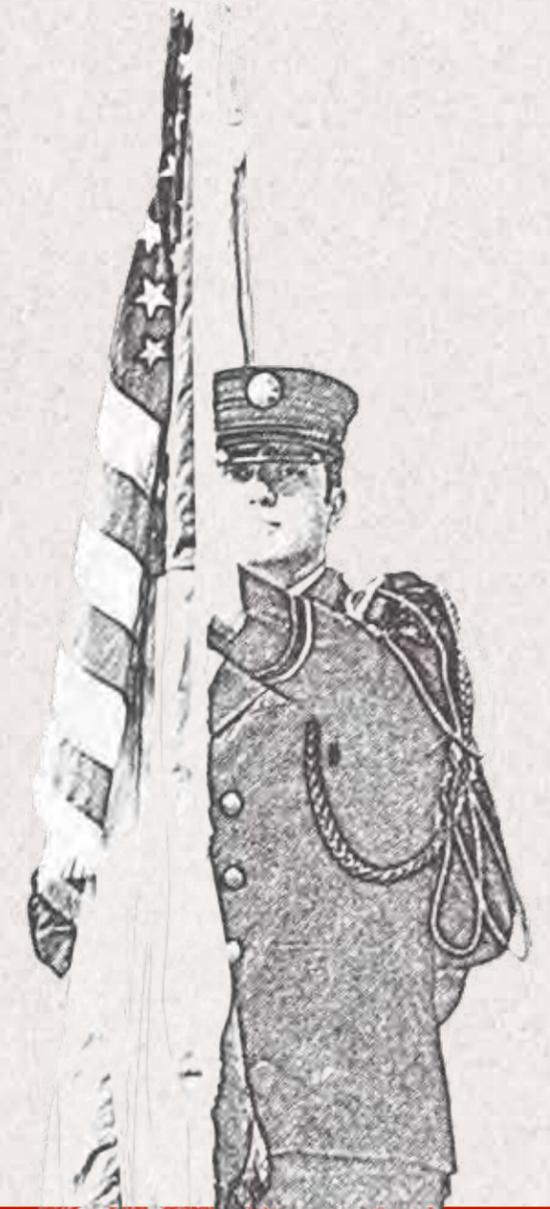
Engage the community through website, social media, and community events

- Monitor visitor counts to the HFD website and Facebook
- Hold two to four community events annually, such as the Pancake Breakfast, Firewise Events, and Halloween Festivity
- Increase social media engagement

Promote transparency regarding District issues, property taxes, related initiatives, and District budgeting

Effectively message District services to the community

- Train additional Public Information Officers to NFPA/NWCG standards
- Increase the number of Facebook administrators to effectively post up to date information



Goals & Objectives

2. Maintain the Highest Standards and Demonstrate Innovation

Evaluate and adopt the most current industry standards

- Utilize National Standards for Personal Protective Equipment
- Utilize National Standards for training and evaluate personnel regularly

Develop Community Outreach Program to assist those in need outside of emergency response

- Identify the project needs, develop goals and objectives, implement timeline, and execute plan

Support Community Health and Wellness Programs and Screening Events

3. Hire, Promote, and Retain Quality People

Maintain multi-agency recruitment and testing a

- Participate in Greater Flagstaff Region Hiring and Promotional Intergovernmental Agreement

Promote advancement and retention of personnel

- Leadership Development
- Monitor and evaluate compensation and classification of employees
- Complete Compensation Study

Develop and implement succession planning through professional development and advancement.

- Promote upper level education
- Utilize employee development plans
- Build a robust, cohesive succession plan

Maintain Union Memorandum of Understanding (MOU) obligations



Goals & Objectives

4. Develop and Maintain Strategic Partnerships

Maintain a strong presence in local, regional, and statewide emergency management groups

Support mutual aid, automatic aid, and regional collaboration initiatives

- Execute updated Bear Jaw Program Intergovernmental Agreement

Assess benefits of mergers, consolidations, and joint operating alternatives

- Expand IGA's for services
- Engage Fire Districts regarding joint operations
- Evaluate shared services
- Develop private and public utility partnerships
- Support Coconino County and non-governmental community services

Continue partnership in the Greater Flagstaff Regional Training Cooperative

- Participate in multi-agency training
- Complete ISO training requirements
- Participate in the regional recruit training academy

5. Position the Fire District for Fiscal Sustainability

Monitor the financial condition of the District and the state of the economy

- Monitor financial impacts of PSPRS
- Assess financial ability for operational enhancements
- Develop long-term plan for financial sustainability
- Maintain current revenue sources
- Evaluate and create new sources of revenue
- Aggressively pursue grant funding
- Maintain facilities by utilizing Facilities Assets Management Plan

Sell surplus apparatus and equipment

Remain alert and engaged in legislative action affecting the District

- Actively participate in the Arizona Fire Districts Association



District Finance

Financial History and Definitions

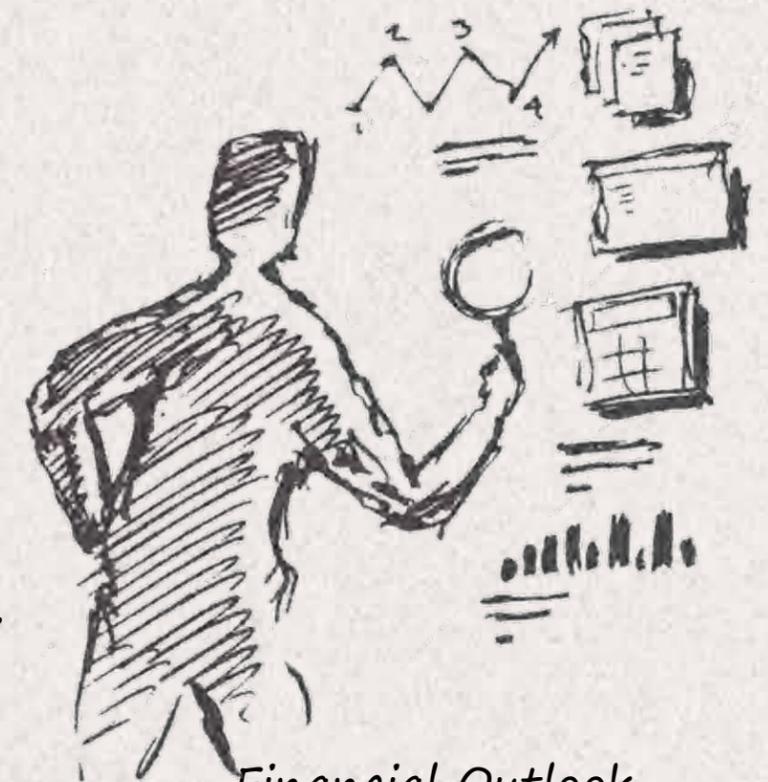
Highlands Fire District (HFD) is a special district organized as a political subdivision of the State of Arizona. The County Treasurer has the statutory responsibility to bill, collect, and distribute property taxes to the fire districts in Coconino County. The County Assessor determines the value of the property. The fire district then determines the tax rate that will be applied to the property value.

The amount the County Assessor originally assigns a property is called the Full Cash Value (FCV). The FCV is then multiplied by an assessment ratio ranging from 1% to 19.5% based on a property's classification according to its use. If a property has more than one use, it will be assigned multiple legal

classes and a mixed ratio will be applied to the assessed value of the property. Once the determined ratio is applied to the property, the resulting number is called the Limited Property Value (LPV) or the Net Assessed Value (NAV). The NAV will then be multiplied by the rate determined by the Fire Board.

HFD has two main fund accounts, the General Fund and the Capital Fund. Other monies are also in the Bear Jaw Interagency Fund and in the PSPRS Contingency Fund. The General Fund is used for day to day operations of the Fire District including paying employee wages, insurance, and supplies. Also included in the General Fund budget is the General

Reserve Fund and the Administrative Reserve Funds. The General Reserve Fund would be used for unforeseen expenses. The Administrative Reserve Fund is used for cash flow purposes to ensure the District can operate smoothly during the first few months of the fiscal year before the tax revenue is collected and distributed. The Capital Funds are used to maintain items identified in the Facility Assets Management Plan (refer to the addendum) and replace items that have reached the end of their useful life. These items include building maintenance, building systems such as HVAC, electrical, plumbing, and landscaping. They also include equipment and apparatus that costs over \$5,000 to replace.



Financial Outlook

HFD Condensed Five Year Budget Outlook						
	4.20%	4.00%	2.50%	2.50%	2.50%	2.50%
	3.25 MIL					
	\$112,992,707	\$117,776,573	\$122,487,636	\$125,549,827	\$128,688,573	\$131,905,787
	Budgeted FY 23	Estimated FY 24	Estimated FY 25	Estimated FY 26	Estimated FY 27	Estimated FY 28
REVENUE						
Combined Admin & General Reserve Funds	\$1,960,000	\$1,800,000	\$1,546,034	\$1,247,375	\$864,993	\$0
Tax Revenues	\$3,672,263	\$3,827,739	\$3,980,848	\$4,080,369	\$4,182,379	\$4,286,938
Fire District Assistance Tax	\$359,000	\$360,000	\$361,000	\$361,000	\$362,000	\$362,000
Interest Income	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Miscellaneous Income	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Charges for Services	\$1,306,250	\$1,310,570	\$1,314,895	\$1,319,220	\$1,323,545	\$1,327,870
Donations & Grants	\$500	\$500	\$500	\$500	\$500	\$500
AZ Smart and Safe Act	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Total Revenue	\$7,333,013	\$7,393,809	\$7,298,277	\$7,103,464	\$6,828,417	\$6,072,308
EXPENDITURE						
Base Pay (10-Step scale)	\$1,906,961	\$2,130,000	\$2,236,500	\$2,348,325	\$2,465,741	\$2,589,028
Other pay/OT/ Holiday, Ed In., ALS, Etc.	\$1,250,850	\$1,262,700	\$1,277,650	\$1,293,338	\$1,309,800	\$1,327,275
Benefits, Workers Comp, FICA, Pensions	\$961,866	\$981,060	\$1,030,150	\$1,080,546	\$1,121,963	\$1,170,758
Overhead (Insurance & Utilities)	\$98,816	\$101,100	\$102,700	\$104,300	\$105,800	\$108,000
Operating Expenses/Equipment/ Training	\$455,368	\$456,865	\$454,780	\$463,280	\$425,691	\$183,215
Certificate of Participation Payments	\$601,420	\$666,050	\$699,122	\$698,682	\$698,407	\$694,032
Administrative Reserve Funds	\$1,200,000	\$1,200,000	\$1,200,000	\$864,993	\$498,215	\$0
General Reserve Funds	\$682,732	\$346,034	\$47,375	\$0	\$0	\$0
Transfer to the Capital Account	\$175,000	\$250,000	\$250,000	\$250,000	\$250,000	\$0
Total Expenditures	\$7,333,013	\$7,393,809	\$7,298,277	\$7,103,464	\$6,875,617	\$6,072,308

The accomplishment of refinancing the PSPRS unfunded liability helped to stabilize the District's finances for the foreseeable future. Even with this great accomplishment, the fiscal reality of the present and the future is still uncertain. Inflation, housing prices, fuel prices, and the economy as a whole has yet to stabilize. The NAV for fiscal year 2023 increased slightly, resulting in a small increase in revenue. With the passage of revised AZ Statute 48-807.F, the District is allowed to raise the mil rate from 3.25 up to 3.375 for tax year 2022 and 3.50 for tax year 2023. Although the District chose not to raise the mil rate in fiscal year 2023, the tax rate will have to be evaluated for the fiscal year 2024. With all of these factors in mind, we look at this year to remain conservative in our projections and budgeting, continue to save for the future by dedicating money to our capital account, and maintain an operating budget that sustains the excellent customer service you've come to expect, while still being fiscally responsible.

Capital Replacement Plan

CAPITAL REPLACEMENT & ASSET PROTECTION PLAN												
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
<i>Beginning Balance</i>		\$510,000	\$640,000	\$564,313	\$7,341	\$164,576	\$169,576	\$234,576	\$379,576	\$379,576	\$404,576	\$554,576
	<i>Revenue</i>	\$203,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Replacement of Capital Items	Holmatro	\$40,000										
	SCBA											
	Cardiac Monitor	\$33,000	\$36,187									
	Other Equipment (<i>Welder, Extractor</i>)			\$5,000								
	Replace Type 1 Engine(s)			\$800,000		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
	Replace Type 1 Reserve Engine										\$345,000	
	Replace Type 3 Engine											
	Replace Type 6 Engine		\$135,000			\$140,000						
	Replace Staff Vehicle						\$60,000					
	Replace Three Command Vehicles								\$120,000			
Replace UTV						\$20,000						
Major Maintenance & Asset Protection	Station(s) Maintenance		\$4,500	\$1,972	\$45,400	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	Septic System (<i>leach field & gringer pump</i>)				\$10,000							
	Apshalt/Concrete		\$150,000		\$7,365							
	Other Equipment/ Projects				\$30,000							
<i>Total Expense</i>		\$73,000	\$325,687	\$806,972	\$92,765	\$245,000	\$185,000	\$105,000	\$225,000	\$105,000	\$450,000	\$5,000
<i>Ending Balance</i>		\$640,000	\$564,313	\$7,341	\$164,576	\$169,576	\$234,576	\$379,576	\$404,576	\$529,576	\$554,576	\$804,576

Frequently Asked Questions

- What is Ready, Set, Go?
 - **Be Ready:** Create and maintain defensible space and harden your home against flying embers.
 - **Get Set:** Prepare your family and home ahead of time for the possibility of having to evacuate. Ensure you have a plan of what to take and where to go.
 - **Be Ready to GO!:** When wildfire strikes, go early for your safety. Take the evacuation steps necessary to give your family and home the best chance of surviving a wildfire

<https://www.readyforwildfire.org/prepare-for-wildfire/ready-set-go/>
- What are Coconino County's Stage 1, 2, & 3 Fire restrictions?
 - Stage 1 – No camp fires, No smoking outside, No explosive targets or tracer rounds ammunition.
 - Stage 2 – No camp fires, No smoking outside, No explosive targets or tracer rounds ammunition. No motorized vehicles off designated paths. No welding or industrial operations.
 - Stage 3 – All combustion, fire, and devices that produce an open flame are prohibited at all times during a Stage 3 fire restriction. All variances issued during a Stage 1 or 2 fire restriction are automatically rendered void during a Stage 3 fire restriction. No variances will be issued during a Stage 3 fire restriction.

<https://coconino.az.gov/DocumentCenter/View/51209/2022-04-Wildfire-Defense-Ordinance>
- When is the pine needle pick-up?
 - The pine needle pick-up occurs every year in the spring (around end of April) prior to the Bear Jaw Interagency Fire and Fuels Crew going available for fires outside the Fire District boundaries. Fliers are mailed out and electronic signs are posted to let the public know. Clear bags are handed out free of charge, but you can get ahead of the curve and purchase your own clear bags and bag up your dry needles prior to pick-up date.
- What can I do to my property to keep it safe from fire?
 - Clean pine needles out of gutters. Remove all combustible material from within 5' of structures. Store woodpiles at least 30' from structures and upslope from them.

<https://www.nfpa.org/Public-Education/Fire-causes-and-risks/Wildfire/Firewise-USA>
- How do I get a burn permit?
 - Call Highlands Fire District (928) 525-1717, and our crews will issue you a permit for burning.
- When can I burn?
 - Once you have a burn permit, you will need to call the fire station to advise you want to burn. If conditions don't allow for a burn on private property, the Fire District staff will guide you as to what is allowed.

Thank You!

Strategic Planning Team

The team approach is the key to successful strategic planning. The Strategic Planning Team was developed to represent all aspects of the organization.:

- Representatives from Board of Directors
- Senior Fire Chief Officers
- Representatives from IAFF Local 1505
- Wildfire and Special Operations Officer
- Finance Manager
- Administrative Specialist

The team met on a number of occasions to develop the updated Strategic plan for 2023. During the planning process, we sought to ensure that the goals and objectives were developed with the consideration of the following principles:

- Align vision, mission, and values with the identified core services
- Keep a strategic rather than tactical view
- Assure team consensus
- Ensure that all applicable regulations, codes, and standards are maintained
- Ensure quality employee training with a focus on succession planning
- Develop realistic goals and objectives by having a clear understanding of the anticipated financial environment.

Thanks to all who took the time to offer their assistance in the development of the 2022 Strategic Plan.

Committee Members

Tom Hanecak, Chairperson
Carl Nelson, Director
Todd Miller, Fire Chief
Mike Greenwalt, Battalion Chief
Eric True, Battalion Chief
Mitch Lopez, Battalion Chief
Shelby Erickson, Superintendent
Bryan Monreal, Engineer
Clayton Ahrendt, Engineer
Robyn Wilson, Finance Manager
Jayme Jones, Administrative Specialist

Fire Board

Chief Miller would like to express appreciation for the time and effort of the five-member team who make up the Highlands Fire District's Governing Board of Directors. These elected officials are residents of the Fire District and serve four year terms.

On behalf of the personnel of the Highlands Fire District, Chief Miller thanks you for serving a vital role in our community.

Board Members

Tom Hanecak, Chairperson
Brad Bippus, Clerk
Dirch Foreman, Director
Carl Nelson, Director
Jay Smith, Director



