

Greer Fire District
Discussion and Analysis of
Basic Financial Statements
June 30, 2017

The following discussion and analysis of the Greer Fire District (the district's) financial performance presents management's overview of the District's financial activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the District's basic financial statements, which begin immediately following this analysis. This annual financial report consists of two parts: Management's Discussion and Analysis (this section) and the Basic Financial Statements.

Nature of Operations

The Greer Fire District, (GFD), serves the small village of Greer, located at 8500' elevation in Southern Apache County of Arizona. Located in the heart of the White Mountains and surrounded by the Apache National Forest, the District is a prime example of Wildland Urban Interface (WUI). Greer is a resort and retirement village with a year round population of less than 200. Summer visitors however, swell our population to an estimated 2,500 to 3,000.

The District operates with 15 sworn members, including 8 career firefighters. The District also employs 1 true volunteer and 7 reserve firefighters who are paid on the same hourly scale, as the career staff. The district provides primary fire protection over a 28 square mile area and Emergency Medical Services over a much larger 450 square mile area. The EMS area includes approximately 86 miles of unpaved roads. The district performs two vital missions within the District: Fire Suppression and Emergency Medical Services.

Fire Suppression

Greer is located in a narrow valley, with residences, lodges and other structures scattered throughout. Most of the roads are unpaved. Many of the residences are serviceable only by four wheel drive vehicles, limiting the effectiveness of most large apparatus. The District uses smaller, more mobile apparatus to provide structure protection at these locations. Fire suppression is accomplished with quick attack and use of one Type 1 structure engine, a Type 3 urban interface engine, two Type 2 water tenders, and one Type 3 water tender for shuttling and drafting water. The District is located in, or surrounded by, the Apache National Forest. Accordingly, wildland fire suppression is a primary responsibility. Currently, the district operates one Type 6 brush attack truck. These vehicles also serve as our first response for wildland / structure interface calls, due to the reduced accessibility of many of our structures.

Emergency Medical Services

The staff that makes up Greer Fire District consists of 2 First Responders, 8 EMTs and 4 Paramedics as of June 30, 2017. The demand for these services has grown, accounting for the majority of our call volume. During the summer months, when the District is filled with visitors and part-time residents, the services provided by these crews can be stretched very thin. These same summer months are also our highest fire exposure season. Greer Fire District has first response responsibilities for motor vehicle accidents for approximately 35 miles of state highways in the District. State Highway 273 serves the state's largest ski area and Big Lake recreational area. Greer Fire responds as far east as Forest Road 116 on Hwy 273 and south on FR 116 to Reservation Lake. State Highway 260 is a major east west route through the area. The Arizona Department of Transportation reports average daily vehicle counts of 1,200 to 1,300 on this section of Highway 260. During the summer months

daily counts can be two to three times the average. As a rural combination district in a woodland resort area, GFD faces a seasonal spike in demand for both fire suppression and EMS services. The Greer Fire District is most exposed to wildland ignitions during the same period that the visitor influx has increased our need to respond to EMS calls.

Services to the Community

The staff of Greer Fire District operates and supervises the public use of the USFS owned Benny Pit, which is a green waste disposal site. Crews unlock the and relock the site daily, along with making two to three patrols through the area looking for unauthorized items that have been dumped. The site is open throughout the year weather permitting.

During FY 2016 – 2017 GFD had 193 “walk in visitors”. These visits range from visitors looking for directions to blood pressure checks, oxygen level checks, car seat installation inspections and automotive issues.

Our staff provides public information during fire season particularly when there are fires burning in the vicinity

Greer Fire performs fire inspections for both residential and commercial locations as well as gathering information for pre fire plans for the commercial locations within our District. Greer Fire District issues burn permits for campfires, bonfires and burning of trimmings within the District. Permittees are required to have a water source immediately available for suppression if needed as well as a requirement to contact the duty crew at the District prior to ignition. This allows us to know what is burning and when it burning. The District denies permits on days when the fire weather is poor and fire dangers are high. No burn permits will be issued under Stage 2 burn restrictions. During the 2016-2017 FY GFD issued 217 burn permits to residents and visitors. This is a 20% increase from the prior year.

Results of Operations

During the 2015-2016 FY the District responded to a total of 110 “emergency calls”, up from 1 call the previous year. This was a .009% increase in calls from the previous year. The following charts show those calls broken out by category (fire calls, including motor vehicle accidents, EMS calls and Public Assist calls. Combined with the emergency calls logged GFD has a total call number of 293. This number reflects a 3% decrease in overall activity from the previous FY.

The following graphs represent the breakdown of calls per month by category.

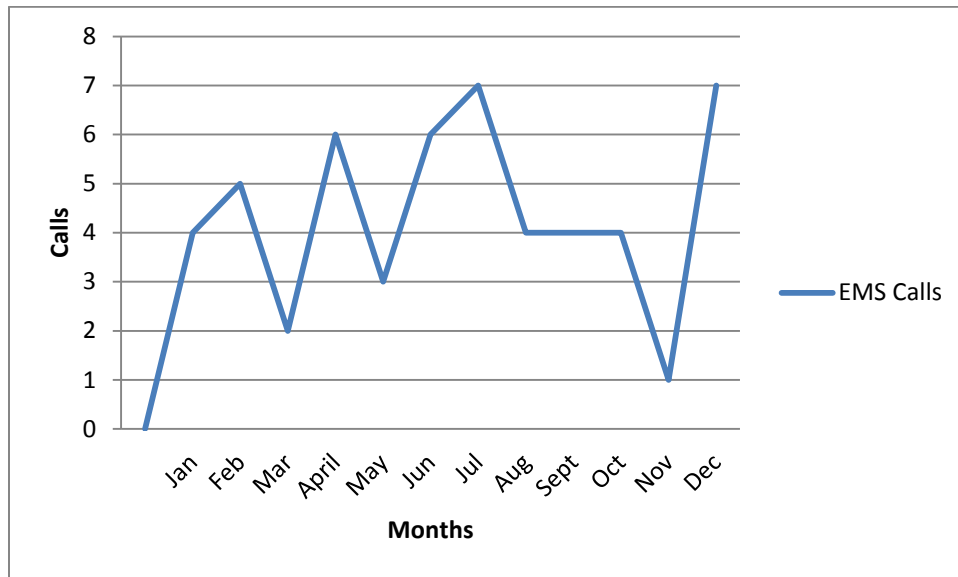


Figure 1 EMS Calls

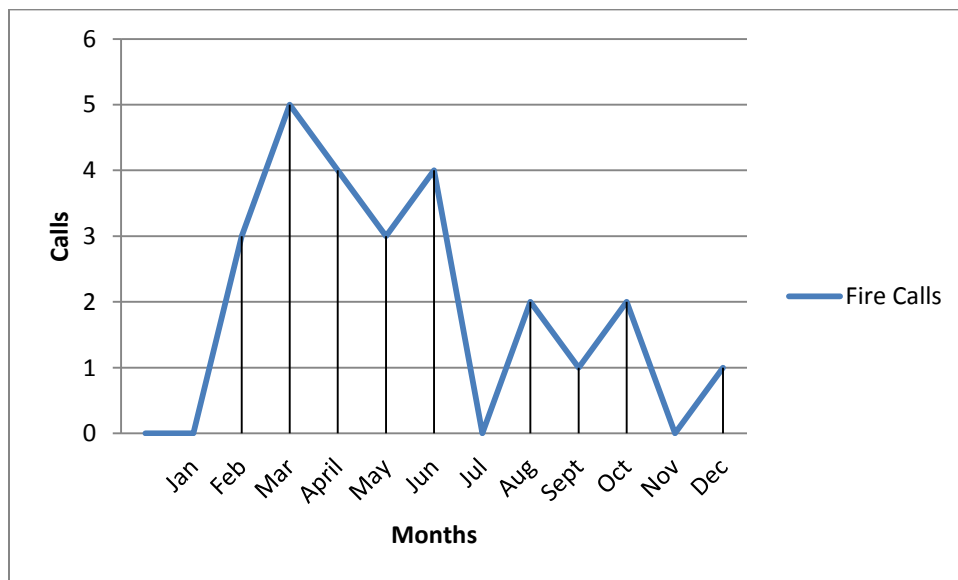


Figure 2 Fire Calls

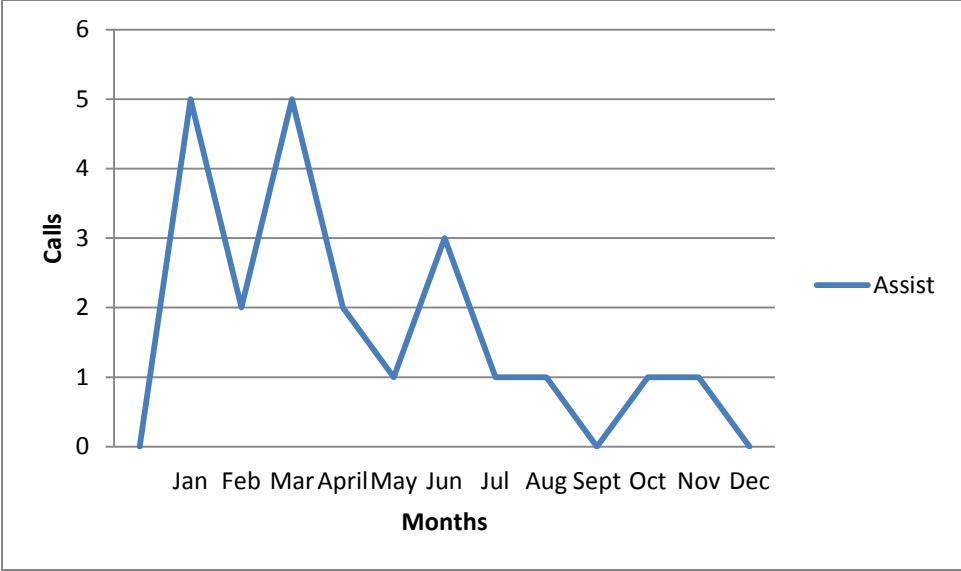


Figure 3 Assist Calls

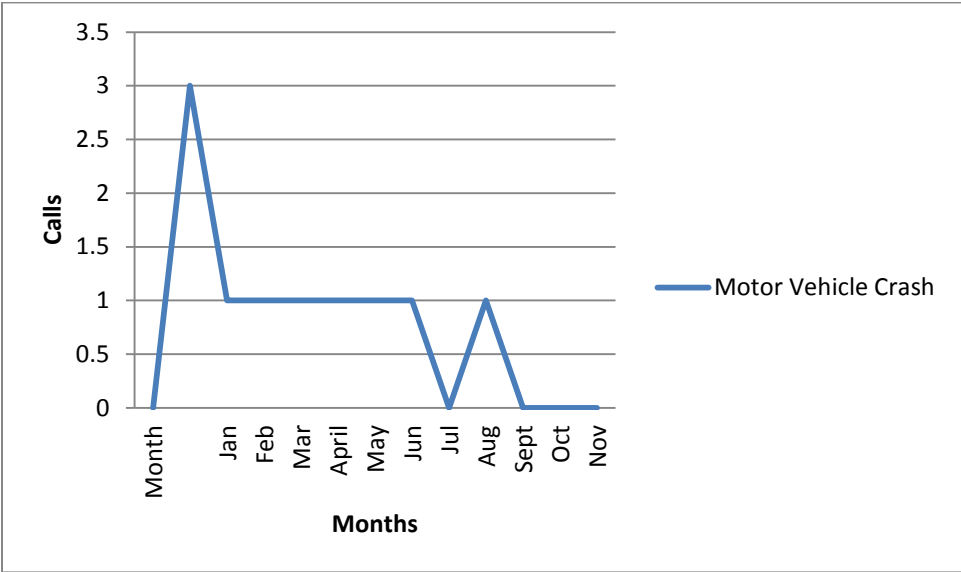
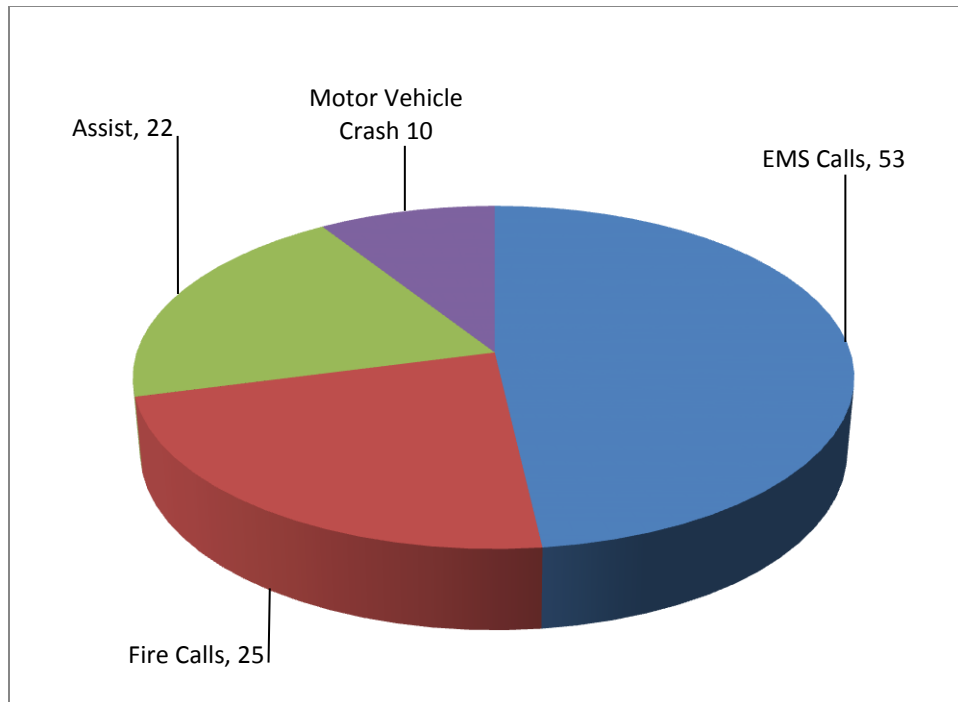


Figure 4 Motor Vehicle Crash

The below graph represents the total of emergency calls for FY 2016-17



Personnel

In 2016- 2017 GFD had 3 full time paid shift firefighters, providing 1 paid firefighter per shift. GFD has a total of 6 paid employees as of June 30, 2016. Mark Wade is the Fire Chief and Rye Sluiter is Deputy Fire Chief. RJ Carnright holds the position of Captain and Chris Struble holds the position of Lieutenant. Mike Meacham FF/EMT, Steven Vickers FF/EMT, Cody Wilson FF/EMT and FF/EMT Jacob Orona make up the balance of the career staff. Sam Ross resigned and Claudia Schley remains as GFD's only true volunteer.

Chief Wade, Deputy Chief Sluiter and Board Member Jim Wright attended the January AFDA conference in Laughlin, Nevada, attending training sessions on fire district finance. Chief Wade, along with Board Members Lee Smith and Ted Diepstraten attended the AFDA conference in Phoenix during July.

Fit for Duty physicals were performed this year for all full time and reserve staff.

Community Involvement

Greer Fire held the 5th Annual Pancake Breakfast at Fourth of July. Donations were accepted to the Fire Auxiliary with proceeds going toward the purchase of 6 new automatic fire nozzles. 275 breakfasts were served over a period of 3 hours. \$2104.06 in donations and hat sales were accepted.

The Open House was held over Memorial Day weekend with an estimate of 400 people in attendance.

USFS gave a presentation on the current state of the forest. The Auxiliary was handing out fire safety literature and other Greer Fire items.

The District participated in the Greer Days Parade with several pieces of apparatus. The auxiliary had a booth with fire safety items as well as fundraising raffle tickets.

The District increased its community involvement by assisting the Butterfly Museum with the opening of the museum for the season. Also staff assisted with a pancake breakfast held as a fundraiser by the Butterfly. Snow removal for the community center and other public buildings continues

The District's electronic sign board is being utilized by the Butterfly Museum, Greer Community Center and Music in Greer as well as others for advertisement of their upcoming events. District information takes priority over public use.

Greer Fire Station #2 continues to be utilized as a polling location by the Apache County Elections Department.

Greer Fire Station #2 continues to be designated as an emergency shelter by the Red Cross.

Localized flooding from the Wallow Fire has decreased, though staff continues to patrol the affected areas during heavy monsoon rains

The Black River Land Exchange was finalized and a contractor was hired by the owner to thin the property. The District burned 195 slash piles over several months to assist in completion of this project.

Equipment

6 new sets of structural firefighting turnout gear, along with boots, gloves and Nomex hoods were purchased and placed into service.

Communications

No new communication equipment was added

Apparatus /Vehicles

The District purchased a 2003 Ford F550 Crew Cab Type 6 engine from Timber Mesa Fire District. The truck is equipped with C.A.F.S (Compressed Air Foam System), and 300 gallons of water. This truck replaces the 1998 Ford F450, which was transitioned to the District's technical rescue vehicle and now houses equipment for technical rope rescue and water rescue, including the inflatable boat and motor.

1741 had the pump impeller and seals replaced by the fleet maintenance division of Timber Mesa Fire District. Timber Mesa will perform all heavy maintenance on our apparatus.

1752 had Cordura tire covers built and installed to assist in protecting tires from dry rot while it is stored outdoors.

1751 had its tank remounted and a spring kit installed to change it from a solid mounted tank, which was causing tank and truck damage.

Building Improvement /Maintenance

The bay lighting in Station #2 was upgraded to LED from fluorescent bulbs. A Bauer Mariner breathing air compressor was donated to the District from St Johns Emergency services. The crew built lockers and kitchen cabinets in the quarters along with the addition of a full size range. 12 new office chairs were purchased with auxiliary funds.

Site and Grounds Improvements

Construction of the Verizon Cell tower and block wall are expected to begin in Mid-Summer of 2017

Medical Equipment

No new significant medical equipment was purchased during FY 2016-17

Grants

A provider grant was written and awarded to NAEMS for the purchase of Epi-Pens to add to the BLS drug boxes. An application was submitted to the White Mountain Health Care Tax District for the purchase of 2 Zoll E Series monitors. The award announcement was not made prior to June 30th. The Homeland Security RAC grant for 20 radios and 17 SCBA bottles and one MDA was finalized and completed. These items were divided between Greer Fire District, Springerville Fire, and Eagar Fire.

Financial Highlights

District investment in capital assets increased by \$\$\$\$\$\$ or % .

The District's *net* assets increased \$\$\$\$\$\$ or % from the previous fiscal year .

Operating revenues increased \$\$\$\$\$\$ or % over the previous fiscal year.

At the end of the current fiscal year, unreserved fund balance for the General fund was \$\$\$\$\$\$.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The main purpose of these statements is to provide the reader with sufficient information to assess

whether or not the District's overall financial position has improved or deteriorated.

General Fund Budgetary Highlights

Greer Fire District stayed within its budget constraints for the 2011-2012 FY.

Government- Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Net Assets June 30, 2010

Place net asset spread sheet here (We will complete after audit)

Governmental Activities

Most of the revenues for the District were derived from assessed property taxes and Fire District Assistance Tax from the County.

Capital Assets

In order to continue to provide the best service possible, the District spends a portion of the budget on fixed asset acquisition and capital projects.

For fiscal year ended 2010 the District purchased, had contributed, or constructed the following assets: List new fixed assets here:

- Detail '9 - DO^{5r}":
- Detail

Capital Assets, Net of Depreciation June 30, 2010

Place table here (We will complete after audit)

Long Term Debt

At the end of the current fiscal year the District had debt outstanding of \$\$\$\$\$\$. All of the debt is backed by the full faith and credit of the District.

Outstanding Debt

Place table here (We will complete after audit)

Factors Affecting Future Results

The District is subject to general economic conditions such as increases or declines in property tax value or other types of revenues that vary with economic conditions:

- Additional structures being built in District.
- Ongoing commitment to the Firewise program and fuel mitigation.
- Participation in the Forest Management Council to promote adoption of a regional fire code.

Contacting the District

This financial report is designed to provide an overview of the District's finances for anyone with an interest in the District's finances. Any questions regarding this report or requests for additional information may be directed to Greer Fire District at Greer Fire District, P. O. Box 242, Greer, Arizona 85927.