

REVIEW OF NORTHEAST ARIZONA TRAINING CENTER (NATC)

Summary:

A brief timeline highlighting key events involving NATC and Northland Pioneer College (NPC) is presented below.

2001 - Northeast Arizona Fire Chief's Association (NAFCA) and Abitibi Consolidated joined in a partnership to build a regional fire training facility.

2003 - The concept expanded to a regional training facility for emergency management professionals. The partnership included NPC along with NAFCA and their associate members, law enforcement agencies of Apache and Navajo Counties, Arizona Department of Public Safety, Abitibi Consolidated, Town of Taylor, Arizona Public Service and the US Forest Service.

2004 – Northeast Arizona Training Center formally organized as an Arizona Non-Profit, Tax-Exempt Corporation with interim by-laws and construction of the facility begins.

August 2004 – NPC by DGB action enters into an MOU to become a member of NATC.

September 2004 – NPC by DGB board action enters into an MOU with NATC to provide \$300,000 for the construction of a burn tower at the proposed training facility. NPC made a commitment to be the educational provider for the facility.

2005 – The Arizona Peace Officer Standards and Training Board (AZPOST) provides funding for the driving track, NAVIT makes a cash contribution, and the Town of Taylor secures a \$500,000 GADA loan with proceeds used to construct the NATC training facility.

2006 – By-laws formalized with NPC as the education provider.

2007 – The Arizona State Legislature appropriates \$1 million to NPC to be used for construction of a public safety and emergency services training facility. All expenditures of the appropriation are approved by the DGB.

2008 – The Arizona State Legislature appropriates \$500,000 to NPC to be used for construction of a public safety and emergency services training facility. All expenditures of the appropriation are approved by the DGB.



2011 – The financial audit for the fiscal year ending June 30, 2011 includes a finding that NPC is not in compliance with state laws as NATC is not operated and controlled by NPC.

September 2012 - NATC alters the Bylaws of the organization in order to reach compliance with Arizona State General Session Law after committing to full financial responsibility for repayment of principle and interest of the Town of Taylor GADA loan. The NATC Board consists of three voting members, all appointed by the NPC DGB. Navajo County, Town of Taylor, NAFCA, and the Northeast Arizona Police Association (NAPA) roles shift to a non-voting advisory council. The financial audit finding no longer appears in the financial audit beginning with the audit of the fiscal year ending June 30, 2012.

November 2014 – All members of the NATC advisory council submit a letter to the DGB requesting that the “ownership and the autonomous operations of the facility be transferred permanently to Northland Pioneer College.” The Town of Taylor requests that the GADA loan be paid in full by Northland Pioneer College.

NATC Balance Sheet

The audited financial statements of NATC for the period ending June 30, 2014 include assets of \$1,930,922. The cash assets were \$66,719 and property and equipment assets are \$1,860,461. Cash balances as of the end of February were \$63,034. The liabilities of the corporation were identified as \$345,000 at June 30, 2014.

GADA Loan Pay-off Option

An option to participate in an upcoming refunding of the GADA loan is available. The notice of commitment to participate is due prior to May 15, 2015 and payment would be required in June 2015. The current payoff amount is \$302,150, which results in an estimated present value savings of \$22,647 based on the current market.

NPC’s NATC Operational Cost

NPC currently provides an Executive Director and support staff to NATC. We estimate that Stuart Bishop, the Executive Director, spends less than six percent of his total time on NATC activities. Danneel Elkins, support staff, is estimated to spend less than two percent of her total time on NATC activities. The total contribution from NPC for these services equals no more than \$8,000 annually.

NPC currently pays \$24,000 annually for rent and the rental agreement indicates that we provide custodial services, which are currently budgeted at \$3,000 annually.

The total annual cost to NPC for operating the NATC facility outside of the normal program related costs is \$35,000.



Northland Pioneer College

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NAVAJO COUNTY

Board of Supervisors

Jonathan M. Nez • Jesse Thompson • Jason Whiting • David Tenney • Dawnafe Whitesinger

"Enhance the quality of life in Navajo County by delivering excellence in service and leadership"

November 10, 2014

Northland Pioneer College
P O Box 610
Holbrook Arizona

Northland Pioneer District Governing Board:

The Navajo County Board of Supervisor's along with its partners, the Town of Taylor, Northeast Arizona Fire Chiefs Association and Northern Arizona Police Chief's Association have discussed in depth the question of ownership and operation of the Northeast Arizona Training Center (NATC). It is the consensus of these partners that the ownership and the autonomous operations of the facility be transferred permanently to Northland Pioneer College.

The burn tower is permanently affixed to the property and was financed by the Town of Taylor with Greater Arizona Development Authority (GADA) loan funds. The GADA loan is callable on July 1, 2015 with a required forty-five day advance notice in the amount of \$335,350 which will save over \$75,000 in interest over the next 10 years. It is the desire of the Town of Taylor that in consideration for the transfer of the facility the loan be paid in full by Northland Pioneer College.

The vision for the NATC facility was to be a place of first responder training, education and exercise. It is the belief of all of the partners that Northland Pioneer College is the most capable partner to continue this mission. We respectfully ask the Northland Pioneer District Governing Board to consider and authorize this action.

Jesse Thompson, Chairman
Navajo County Board of Supervisors

Fay Hatch, Mayor
Town of Taylor

Rich Upham, President
NAFCA

Mark Jackson, President
NAPA

AMORTIZATION SCHEDULE

FILL ON THIS COLORED CELLS

GADA 2008A TOWN OF TAYLOR D3 FD

RESERVE REQUIREMENT
N/A

INT ACCRUES FROM:	2/23/2008	ORIGINAL O/S:	\$500,000	AVG ANNL DEBT S:	\$46,678.67
FIRST PAYMENT DATE:	2/1/2008	MULTIPLES OF:	390	WGHTD AVG MAT:	
FINAL MATURITY:	8/1/2024	DAYS IN YEAR:	360	WGHTD AVE CPN:	
MAX ANNUAL D SERV:	\$43,350.00	TOTAL YEARS TO CALC AVG ANNL:	38	10% OF PROCEEDS:	\$50,000.00

DATE:	COUPON:	PRINCIPAL DUE	INTEREST DUE:	DEBT SERVICE	YEARLY DEBT SERVICE	YEARLY DEBT SERVICE	PRINCIPAL OUTSTANDING
2/1/2008		\$0.00	\$21,218.89	\$21,218.89	\$21,218.89		\$500,000.00
8/1/2008	5.000%	\$10,000.00	\$11,300.00	\$21,300.00		\$42,518.89	\$490,000.00
2/1/2007		\$0.00	\$11,050.00	\$11,050.00	\$32,350.00		\$490,000.00
8/1/2007	2.376%	\$20,000.00	\$11,050.00	\$31,050.00		\$42,100.00	\$470,000.00
2/1/2008		\$0.00	\$10,812.50	\$10,812.50	\$41,882.50		\$470,000.00
8/1/2008	2.750%	\$20,000.00	\$10,812.50	\$30,812.50		\$41,826.00	\$450,000.00
2/1/2009		\$0.00	\$10,537.60	\$10,537.60	\$41,360.00		\$450,000.00
8/1/2009	3.125%	\$20,000.00	\$10,537.60	\$30,537.60		\$41,076.00	\$430,000.00
2/1/2010		\$0.00	\$10,225.00	\$10,225.00	\$40,782.50		\$430,000.00
8/1/2010	3.000%	\$20,000.00	\$10,225.00	\$30,225.00		\$40,460.00	\$410,000.00
2/1/2011		\$0.00	\$9,925.00	\$9,925.00	\$40,150.00		\$410,000.00
8/1/2011	5.000%	\$20,000.00	\$9,925.00	\$29,925.00		\$39,850.00	\$390,000.00
2/1/2012		\$0.00	\$9,425.00	\$9,425.00	\$39,350.00		\$390,000.00
8/1/2012	5.000%	\$20,000.00	\$9,425.00	\$29,425.00		\$38,860.00	\$370,000.00
2/1/2013		\$0.00	\$8,925.00	\$8,925.00	\$38,350.00		\$370,000.00
8/1/2013	5.000%	\$25,000.00	\$8,925.00	\$33,925.00		\$42,860.00	\$345,000.00
2/1/2014		\$0.00	\$8,300.00	\$8,300.00	\$42,225.00		\$345,000.00
8/1/2014	5.000%	\$25,000.00	\$8,300.00	\$33,300.00		\$41,600.00	\$320,000.00
2/1/2015		\$0.00	\$7,875.00	\$7,875.00	\$40,875.00		\$320,000.00
8/1/2015	6.000%	\$25,000.00	\$7,875.00	\$32,875.00		\$40,350.00	\$295,000.00
2/1/2016		\$0.00	\$7,050.00	\$7,050.00	\$39,725.00		\$295,000.00
8/1/2016	6.000%	\$25,000.00	\$7,050.00	\$32,050.00		\$39,100.00	\$270,000.00
2/1/2017		\$0.00	\$6,425.00	\$6,425.00	\$38,475.00		\$270,000.00
8/1/2017	5.000%	\$30,000.00	\$6,425.00	\$36,425.00		\$42,850.00	\$240,000.00
2/1/2018		\$0.00	\$5,875.00	\$5,875.00	\$42,100.00		\$240,000.00
8/1/2018	5.000%	\$30,000.00	\$5,875.00	\$36,875.00		\$41,350.00	\$210,000.00
2/1/2019		\$0.00	\$4,925.00	\$4,925.00	\$40,600.00		\$210,000.00
8/1/2019	6.000%	\$30,000.00	\$4,925.00	\$34,925.00		\$39,850.00	\$180,000.00
2/1/2020		\$0.00	\$4,175.00	\$4,175.00	\$39,100.00		\$180,000.00
8/1/2020	4.000%	\$35,000.00	\$4,175.00	\$39,175.00		\$43,350.00	\$145,000.00
2/1/2021		\$0.00	\$3,475.00	\$3,475.00	\$42,650.00		\$145,000.00
8/1/2021	5.000%	\$35,000.00	\$3,475.00	\$38,475.00		\$41,850.00	\$110,000.00
2/1/2022		\$0.00	\$2,800.00	\$2,800.00	\$41,075.00		\$110,000.00
8/1/2022	5.000%	\$35,000.00	\$2,800.00	\$37,800.00		\$40,200.00	\$75,000.00
2/1/2023		\$0.00	\$1,725.00	\$1,725.00	\$39,325.00		\$75,000.00
8/1/2023	5.000%	\$35,000.00	\$1,725.00	\$36,725.00		\$38,450.00	\$40,000.00
2/1/2024		\$0.00	\$850.00	\$850.00	\$37,675.00		\$40,000.00
8/1/2024	4.260%	\$40,000.00	\$850.00	\$40,850.00		\$41,700.00	\$0.00
TOTALS		\$500,000.00	\$268,860.00	\$780,088.89	\$739,218.89	\$780,088.89	