

HOODLAND FIRE DISTRICT # 74
1ST BUDGET COMMITTEE MEETING MINUTES
MAY 14, 2020

Those Present: Board Members: Shirley Dueber, Darcy Lais, Mary Ellen Fitzgerald (Zoom Conference), Jacob Rackley and Cliff Fortune (Zoom Conference). Budget Committee Members: Gretchen McAbery, Gaynell Thornbrough, Sally Chester, Dwight Pallander, and Kirk Peterson (Zoom Conference), Staff: Steve Abel; Interim Fire Chief, Carol Norgard; Financial Manager, DC Scott Kline, Lt. Andy Figini (Zoom Conference), and Kelli Ewing. Guests: Michelle Cassel (Zoom Conference).

1. Call to Order: By Shirley Dueber at 7:04 PM.

2. Roll Call: With the meeting being offered as a Zoom Conference, a roll call was performed.

3. Pledge of Allegiance: Led by Gaynell Thornbrough.

4. Election of Budget Committee Officers.

A. Chairperson.

i. Gaynell Thornbrough nominates Sally Chester for the Budget Committee Chairperson. Sally Chester objects to this nomination.

ii. Gretchen McAbery nominates Gaynell Thornbrough for the Budget Committee Chairperson. Gaynell Thornbrough objects to this nomination.

iii. Gaynell Thornbrough nominates Dwight Pallander for the Budget Committee Chairperson.

MOTION MADE: By Gaynell Thornbrough to vote in Dwight Pallander as the Budget Committee Chairperson.

2ND: By Sally Chester.

DISCUSSION: None.

VOTE: Passed Unanimously. Dwight Pallander was voted in as the Budget Committee Chairperson.

B. Secretary.

i. Sally Chester nominates Gretchen McAbery for the Budget Committee Secretary.

4. B. Election Budget Committee Officers - Secretary Continued

MOTION MADE: By Sally Chester to vote in Gretchen McAbery as the Budget
Committee Secretary.

2ND: By Gaynell Thornbrough.

DISCUSSION: None.

VOTE: Passed Unanimously. Gretchen McAbery was voted in as the
Budget Committee Secretary.

5. Receive Budget Message.

A. Chief Steve Abel read the budget message.

6. Review and Act of the Budget Document.

A. Resources Tab.

i. We can expect a 3% yearly increase in valuation for tax monies to
be received.

ii. We have the highest fire district tax rate in the county, but since our
valuation is low it doesn't generate into the higher dollar figure.

iii. Projected out income and expenses for the next five years.

iv. Previous Budget Actuals are unaudited numbers, since the Audits
are behind.

v. The cash carryover is lower than it should be. It should be around
1.2 million dollars versus \$970,000. This money has been being
used to pay for unanticipated expenses.

vi. The Board of Directors authorized a loan of \$120,000 from the
Building Reserve Fund in order to balance the Budget.

vii. There is also \$60,000 repayment into the Building Reserve Fund.

viii. Funds coming in from Local Option Levy.

ix. Funds coming in from Safer Grant.

x. Miscellaneous Revenue coming in.

xi. 2020 Hood to Coast is cancelled so there will not be the added
\$3,000 Miscellaneous Revenue.

6. A. Review Budget - Resources Tab Continued

- xii. Conflagration reimbursements will need distributed through a supplemental budget.

B. Summaries Tab.

- i. Brief review of all packages.
- ii. Lots of cuts have been made to balance the budget.

C. Personnel Tab.

- i. Levy Funds are being used to cover the cost of a Deputy Fire Chief.
- ii. Going from nine to seven fire protection specialists. This will be through attrition if possible.
- iii. Lowering the Volunteer Points Pool, but adding a DO Stipend to encourage more volunteers to take DO shifts versus paying the Career Staff Overtime for DO Shifts.
- iv. Staffing Level Discussion. Lowering the fire protection specialists down to seven will optimally be done through attrition. The Deputy Chief position cannot be cut, since it was specified in the Levy. Cutting two Administrative positions could offset some costs, but the Chiefs' would have to do the payroll, bills, etc. Cutting the Administrative Assistant position would only save \$35,000 per year which is a drop in the bucket. It will be difficult to continue to support seven fire protection specialists and to be able to save for the future. We are running a deficit this year and have been running a deficit for the last several years. Money is being borrowed from the Reserve Accounts in order to Balance the Budget.
- v. The Student Program has been cut and replaced with a Resident Volunteer Program. This allows us to save money on the schooling. Currently one Resident Volunteer is living at the Government Camp Station. Hoping to get more volunteers willing to reside at the station. According to the CBA if Career Firefighters are laid off then there can no longer be a Resident Volunteer Program.
- vi. If we drop below seven firefighters we will no longer be able to continue with 24 Hour Career Staff coverage.

6. C. Review Budget - Personnel Tab Continued

- vii. Monies cannot be moved between categories [Personnel Services, Materials & Services, Capital Outlay], but may be moved within a category as needed without requiring a supplemental budget.

D. Materials and Services Tab.

- i. Package #2: Materials and Services. Cuts have been made wherever possible. Some line item increases were unavoidable due to vendor increases.
- ii. Package #3: Administrative Funds and General Transfers. Only interest is being added into the Reserve Accounts. \$120,000 is being borrowed from the Building Reserve Account. \$60,000 loan is being repaid to the Building Reserve Account.
- iii. Package #5: Support Services. Cuts have been made wherever possible.
- iv. Package #6: Fire Prevention. Cuts have been made wherever possible.
- v. Package #7: Training. Cuts have been made wherever possible.
- vi. Package #8: Emergency Medical Services. Cuts have been made where possible. Some line item increases were unavoidable due to vendor increases.
- vii. Package #9: Vehicle Equipment Maintenance. Cuts have been made wherever possible. Some line item increases were unavoidable due to vendor increases.
- viii. Package #10: SCBA Maintenance. No changes, already at minimum.
- ix. Package #11: Firefighting Equipment and Supplies. Cuts have been made wherever possible.
- x. Package #12: Communications Equipment. Cuts have been made wherever possible. Some line item increases were unavoidable due to vendor increases.
- xi. Package #13: Facilities Maintenance. Cuts have been made wherever possible.

6. D. Review Budget - Materials and Services Tab Continued

xii. Package #14: Uniforms. Cuts have been made wherever possible.

xiii. DC Kline is currently applying for a Volunteer Recruitment and Retention Officer Safer Grant. There is no cost share if we get the waiver. If awarded this grant it would include funds for outfitting volunteers with uniforms and PPE, training, physicals, etc.

E. Capital Outlay Tab.

i. Some funds have been appropriated in case there are some bigger purchases that need to be made. If funds are not appropriated, no money can be spent unless a supplemental budget is done.

F. Reserve Accounts Tab.

i. Apparatus Reserve Account only interest is being added into this account. This account is significantly underfunded to be able to cover the costs to replace apparatus in the future.

ii. Building Reserve Account interest is being added into this account, \$60,000 loan being repaid, and \$120,000 loan is being taken out.

iii. Firefighting Equipment, Services, and Supplies Reserve Account only interest is being added into this account.

iv. Funds have been appropriated in these accounts in case there are some big purchases that need to be made. If funds are not appropriated, no money can be spent unless a supplemental budget is done.

G. Miscellaneous Tab.

i. Safer Grant background information.

ii. Local Option Levy background information.

H. Topics for Discussion.

i. An updated Strategic Plan will be developed to address (1) Service to the Community and (2) Internal Operations of the Fire District including Financial Planning. The Strategic Planning committee will include Board Members, Staff, and Volunteers.

6. H. Review Budget - Topics for Discussion Continued

- ii. Reducing Apparatus. All stations should have one fire engine and one brush truck which reduces the ISO rating. Extra engines, brush trucks, and water tenders can be sent on conflagrations and are back up when the vehicles go in for service. Staff vehicles could be reduced, but they are not the big ticket items.
- iii. Concern regarding lack of training with COVID-19 restrictions. Contacting OR-OSHA regarding how we can continue to train firefighters.
- iv. Concern regarding overtime from Wildfires. If deployed on conflagrations, State of Oregon offers reimbursement for employee wages and vehicles. This reimbursement can take months to years to receive.
- v. Explanation of how Hoodland Fire got in this budget situation. It is important for the Budget Committee to fully understand the budget. The Fire District went to 24 Hour Career Staff coverage before the budget could support this change. In order to fund this change money stopped being added into the Reserve Accounts. Money also started being removed from the Reserve Accounts to fund the Domicile needed for 24 Hour Career Staff. To continue to fund increased operational expenses, funds have been taken from the Operating Contingency Fund and the Unappropriated Ending Fund Balance. So much was cut out of the budget to try to get it to balance. It still did not balance so the Board authorized a \$120,000 loan from the Building Reserve in order to balance the budget. The issue is that these budget cuts are not sustainable. Continued 5 year projection of expenses and revenue is needed.
- vi. We projected out the staffing costs and maintaining seven career firefighters continues to run a deficit every year even with no increases in the other packages.
- vii. Last year we took a 4% increase in valuation. We predicted within \$500.00 of what we received, which is too close.
- viii. A Supplemental Budget is needed for FY 2019-2020.
- ix. Merging with another department is not an option at this time.
- x. Year to Date Budget Report will be provided.

7. Determine the Next Step in the Budget Process. _____

A. Recess until Thursday May 28, 2020 at 7:00 PM. _____

MOTION MADE: By Gaynell Thornbrough to recess the meeting until Thursday May
28, 2020 at 7:00 PM. _____

2ND: By Shirley Dueber. _____

RECESS: Meeting recessed by at 9:00 PM. _____

Respectfully Submitted,

Carolyn M. Norgard

Carolyn M. Norgard, Financial Manager

Notes Typed By: Kelli Ewing, Administrative Assistant