

HOODLAND FIRE DISTRICT # 74
1ST BUDGET COMMITTEE MEETING MINUTES
MAY 17, 2022

Attendance: Board Members: Shirley Dueber, Mary Ellen Fitzgerald (Zoom), Nora Gambee, Jacob Rackley (Zoom) and Cliff Fortune (Zoom). Budget Committee Members: Rhiannon Nicholson, James Nice, Karen Rogers, Dwight Pallander, and Kirk Peterson. Staff: Jim Price; Fire Chief, Carol Norgard; Financial Manager, DC Scott Kline, DC Brian Henrichs and Kelli Ewing; Administrative Assistant.
Absences: None. All voting members in attendance.

1. Call to Order: By Shirley Dueber at 7:00 PM.
2. Roll Call.
3. Pledge of Allegiance: Led by DC Brian Henrichs.
4. Election of Budget Committee Officers.

A. Chairperson.

- i. Shirley Dueber nominates Kirk Peterson as the Budget Committee Chairperson.

MOTION MADE: By Shirley Dueber to appoint Kirk Peterson as the Budget Committee Chairperson.

2ND: By Nora Gambee.

DISCUSSION: None.

VOTE: Passed Unanimously. Shirley Dueber (Aye), Mary Ellen Fitzgerald (Aye), Nora Gambee (Aye), Jacob Rackley (Aye), Cliff Fortune (Aye), Rhiannon Nicholson (Aye), James Nice (Aye), Karen Rogers (Aye), Dwight Pallander (Aye), and Kirk Peterson (Aye).

B. Secretary.

- i. Nora Gambee nominates Karen Rogers as the Budget Committee Secretary.
- ii. Responsibilities include attending meetings, reviewing the minutes, taking notes, etc.

4. B. Continued

MOTION MADE: By Nora Gambée to appoint Karen Rogers as the Budget
Committee Secretary.

2ND: By Kirk Peterson.

DISCUSSION: None.

VOTE: Passed Unanimously. Shirley Dueber (Aye), Mary Ellen Fitzgerald
(Aye), Nora Gambée (Aye), Jacob Rackley (Aye), Cliff Fortune
(Aye), Rhiannon Nicholson (Aye), James Nice (Aye), Karen Rogers
(Aye), Dwight Pallander (Aye), and Kirk Peterson (Aye).

Agenda Addition: Add Persons to be Heard/Public Comment after hearing the Budget
Message.

5. Receive Budget Message.

A. The FY 2022-2023 Budget includes several projects. Potential grant funds
for a volunteer coordinator position through the SAFER ACT. Awarded
grant funds and our match for the planned SCBA replacement. Potential
grant funds and our match for a Water Tender replacement. Funds for
office space/crew quarters. Funds to assist with community Firewise
efforts. Funds for potential costs associated with the C-800 radio
project. The FY 2022-2023 Budget is higher because it includes potential
grants that have been applied for that may or may not be awarded. If the
grants are not awarded, then the associated funds will not be expended.

B. Correction to Budget Message: Budgeted \$15,000 vs. \$12,500 for
assistance with community Firewise efforts.

C. The General Fund makes up about 82% of the Budget and is used to
record financial transactions for the Fire District for expenditures and tax
revenues. The General Fund is divided up into 40% Personnel Services
and 60% Materials and Services, Contingency, U.E.F.B., and transfers to
Reserves. Because of the potential changes to the Capital Reserve Funds
these percentages make it look like Personnel Services is only 40% when
it is typically 60% of the General Fund. To dissolve and reallocate the
Capital Reserve Funds, the funds must be brought into the overall budget
and then be transferred out into the newly established funds.

D. Local Option Levy funds make up 4% of the General Fund in the FY 2022-
2023 Budget.

5. Continued

E. The Capital Reserve Funds are due for review this year. Fire Chief Jim Price's recommendation is to dissolve the Building Reserve Fund and the Firefighting Equipment, Services, and Supplies Reserve Fund and redistribute those funds into the existing Apparatus Reserve Fund and a new Facilities and Firefighting Equipment Reserve Fund. Current Capital/Maintenance items included in this budget are replacing the generator at Station 351, adding office space/living quarters for staff at Station 351, replace outdated defibrillators/monitors, painting and maintenance at Station 352 and Station 353, security system/cameras at Station 351, Station 352, and Station 353, and slip in unit and upfitting for the CORE vehicle. The Capital Reserve Funds make up the remaining 18% of the Budget.

F. This is a conservative and balanced budget that meets all federal and state mandates as well as local obligations.

6. Persons to be Heard/Public Comment. None.

7. Review and Act on the Budget Document.

A. Resources.

i. Revenue from bank interest, potential grant funds, potential Conflagration reimbursement, taxes to be received, etc.

ii. There is \$1,253,525 in transfers into the General Fund from the dissolution of the Building Reserve Fund and the Firefighting Equipment, Services, and Supplies Reserve Fund.

iii. Taxes estimated to be received are a 3% increase which is based on Clackamas County's estimate.

B. Summaries.

i. Package #1 - Personnel Services \$2,736,967 includes potential grant funds.

ii. Package #2 – Materials and Services \$783,444.

iii. Package #4 – Capital Outlay \$810,464 includes potential grant funds.

7. B. Continued

- iv. Transfers to Reserve Accounts – \$1,116,811. This is where the funds from the dissolved Capital Reserve Funds are transferred out of the General Fund and into the Apparatus Reserve Fund and a new Facilities and Firefighting Equipment Reserve Fund.
- v. Operating Contingency - \$350,000.
- vi. U.E.F.B. - \$1,000,000.
- vii. General Fund Total \$5,119,049.
- viii. U.E.F.B. Reserves - \$647,551.
- ix. Reserved Fund Expenditures - \$790,000.
- x. Total of All Funds \$8,288,237.

C. Personnel.

- i. Came to an agreement with the bargaining unit, so the salaries, PERS, etc. are based on a 5% increase.
- ii. Line items that say SAFER include potential grant funds that must be tracked separately.
- iii. Line item that says Conflagrations OT includes potential Conflagration deployment overtime cost reimbursement.
- iv. Student Program added, increase of \$40,200.

D. Materials and Services.

- i. Transfers to Reserve Accounts: \$7,500 to Apparatus from the expected sale of assets and \$1,159,311 to Facilities and Firefighting Equipment from dissolving the Building Reserve Fund.
- ii. Operating Contingency: \$350,000.
- iii. U.E.F.B.: \$1,000,000.
- iv. Increases in utilities, insurance, computer replacement, vehicle maintenance, dispatching fees, training, etc.
- v. Materials and Services Total \$783,444.

7. Continued

E. Capital Outlay.

- i. Capital Outlay includes grants that have been applied for that may or may not be awarded.
- ii. SCBA Grant awarded in FY 2021-2022, but the product will not be received and paid for until FY 2022-2023.
- iii. Funds to pay for costs associated with the Clackamas 800 Communication System.
- iv. Capital Outlay Total \$810,464.

F. Capital Reserve Funds.

- i. Fire Chief Jim Price's recommendation is to dissolve the Building Reserve Fund and the Firefighting Equipment, Services, and Supplies Reserve Fund and redistribute those funds into the existing Apparatus Reserve Fund and a new Facilities and Firefighting Equipment Reserve Fund.
 - a. Apparatus Reserve Fund balance is \$274,240.
 - b. Building Reserve Fund – dissolve account. To fund a new station, it would cost over 10 million dollars, we are unable to save anywhere close to this. Facilities will be included in the new combined Facilities and Firefighting Equipment Reserve Fund.
 - c. Firefighting Equipment, Services, and Supplies Reserve Fund – dissolve account. Firefighting Equipment will be included in the new combined Facilities and Firefighting Equipment Reserve Fund.
 - d. New Facilities and Firefighting Equipment Reserve balance is \$1,163,311. Requirements total \$790,000.

7. F. i. d. Continued

MOTION MADE: By Mary Ellen Fitzgerald to reduce the Facilities and Firefighting Equipment Reserve Fund Requirements by \$120,000 by eliminating Firefighting Equipment (\$30,000), EMS Equipment Services (\$30,000), Communication Equipment Services (\$30,000), and SCBA Equipment Services (\$30,000).

2ND: By Cliff Fortune.

DISCUSSION: Contingency Fund available in case of emergency need. This is an effort to provide more due-diligence and oversight. These items were already reduced by \$10,000 each for a total of \$40,000.

VOTE: Failed. Six Nays, three Ayes, and one Abstain. Shirley Dueber (Nay), Mary Ellen Fitzgerald (Aye), Nora Gambia (Nay), Jacob Rackley (Aye), Cliff Fortune (Aye), Rhiannon Nicholson (Nay), James Nice (Nay), Karen Rogers (Nay), Dwight Pallander (Abstain), and Kirk Peterson (Nay).

MOTION MADE: By Rhiannon Nicholson to reduce the Facilities and Firefighting Equipment Reserve Requirements by \$30,000 by eliminating SCBA Equipment Services (\$30,000).

2ND: By Dwight Pallander.

DISCUSSION: None.

VOTE: Passed. Seven Ayes, two Nays, one Abstain. Shirley Dueber (Nay), Mary Ellen Fitzgerald (Aye), Nora Gambia (Aye), Jacob Rackley (Abstain), Cliff Fortune (Aye), Rhiannon Nicholson (Aye), James Nice (Nay), Karen Rogers (Aye), Dwight Pallander (Aye), and Kirk Peterson (Aye).

e. The Board of Directors will need to make changes to the Capital Reserve Accounts by Resolution.

G. Alternate Budget Projection that includes funds to hire another Firefighter.

i. Upon request of the Board of Directors, Fire Chief Jim Price presented the Board with an Alternate Budget Projection that included hiring another Firefighter. Fire Chief Jim Price's recommendation is that it is not currently sustainable to hire an additional Firefighter.

7. G. i. Continued

MOTION MADE: By Mary Ellen Fitzgerald for the Budget Committee to review the alternative budget that includes hiring an additional Firefighter.

2ND: By Rhiannon Nicholson.

DISCUSSION: This alternative budget will be reviewed at the May 31, 2022 Budget Committee Meeting.

VOTE: Passed. Eight Ayes and two Nays. Shirley Dueber (Nay), Mary Ellen Fitzgerald (Aye), Nora Gambie (Nay), Jacob Rackley (Aye), Cliff Fortune (Aye), Rhiannon Nicholson (Aye), James Nice (Aye), Karen Rogers (Aye), Dwight Pallander (Aye), and Kirk Peterson (Aye).

8. Determine the Next Step in the Budget Process.

A. Recess until Tuesday May 31, 2022 at 7:00 PM.

RECESS: By Kirk Peterson at 9:38 PM.

Respectfully Submitted,

Carolyn M. Norgard
Carolyn M. Norgard, Financial Manager

Notes Typed By: Kelli Ewing, Administrative Assistant