



April 20, 2010 Minutes of the Budget Committee Meeting of the Sisters-Camp Sherman Rural Fire Protection District – Administrative Building

President Dave Elliott called the meeting to order at 5:04 p.m. All parties introduced themselves and identified their position with the District. Directors attending: Peter Storton, Chuck Newport, Al McKenzie and Donald Boyd. Budget Committee members attending: Jeff McDonald and Gary Cundiff. Committee members Andrew Gorayeb joined the meeting at 5:15 and Russ Morrison arrived at 5:25. Committee member absent: Chris Tosello. Chief Robertson received a phone call from Mr. Tosello who stated he received the budget document electronically, but not the hard copy which had been mailed by postal service and therefore, would not be joining the meeting. Jeff McDonald received his budget electronically but not the hard copy mailed through the postal service. Gary Cundiff and Russ Morrison both received the budget document electronically and by postal service. Mr. Morrison stated his letter showed the meeting starting at 5:30, both Jeff McDonald and Gary Cundiff said their letter stated 5:00. The agenda and 1<sup>st</sup> and 2<sup>nd</sup> notice of budget committee meeting published in The Nugget Newspaper and The Bend Bulletin stated the budget meeting to be held at 5:00 p.m. Staff attending: Chiefs Robertson, Enoch and Karjala, admin Houck, and Captain Gary Lovegren.

**Unanimously appointed** Jeff McDonald Presiding Officer; motion Director Storton, second Gary Cundiff.

Potential conflicts of interests were declared by: Director Storton: son is employee, Director Newport: son is volunteer, Directors Elliott and Boyd and committee member Jeff McDonald: because their employers conduct business with the fire district.

Presiding Officer Jeff McDonald calls the budget meeting to order. Chief Robertson reads the budget message for future fiscal year 2010-2011. The committee reviews the proposed budget by line item beginning with revenue.

Revenue questions: What is pay from outside parties?

Explained outside pay is funds received from state or federal governments for conflagration vehicle costs and/or reimbursement of payroll or other expenses for overhead team members.

Board budget: no questions

Fire Chief: Why did personal services increase when no salary/raises were calculated?

Current fiscal year implemented step raises however, not everyone received a full year at the increased rate. Next year's budget reflects current salary for a full year, so while there were no additional raises or step raises provided, the personnel cost still is higher for the next budget year. The district anticipated increases in other employee benefits.

Chief Robertson explains his business expense category increased because Board approved participation in state fire chief association activities as president.

Administration: no questions

Division Chief/Training:

Why did insurance decrease in some personal services over last year?

Health and dental insurance increased for the fire district. Another increase/decrease difference can be caused by a change in employee status.

What is insurance reimbursement?

Healthcare Expense Reimbursement Plan created and adopted into policy in 2003. Fiscal reasoning created a savings for the district allowing creation of the plan and maintaining equity for the employee. Mr. Cundiff and Mr. McDonald wondered if, in the economic times, taxpayers would approve and is there still a fiscal benefit to the district to continue the plan? Staff will review.

PERS: 6% employee portion paid by the fire district. Mr. Cundiff felt taxpayers would be concerned and asks why doesn't the employee pay the 6%? Personal services contain employee compensations that are set by board policy.

Fire Marshal:

Why does he receive overtime pay? Fire Marshal position does not meet BOLI requirements for exempt position and falls under Civil Service. Only exempt positions are Chief Robertson, Enoch and Karjala.

Career: All civil service positions. The fire district remains non-union.

Volunteers:

Outside pay is received from state or federal governments when volunteers are assigned to conflagrations.

Assistant Fire Chief:

The District is researching and applying for all applicable grants. Stimulus funds are not available for us at this time.

Temporary employees: Increase shows addition of a part time mechanic.

Emergency Medical Services:

Does the district worry about competition from private ambulance? We are protective of our ambulance service area.

Communications: no questions.

Facilities: new building costs higher than previous costs

Fire Equipment: Capital outlay shows major reduction in spending

Vehicle: Reduced usual budgeted amount and placed in contingency. Capital outlay is for tire purchases.

Transfers: Usually reflects amounts passed to the district's reserve funds for unanticipated expenses. This year reflects the district's 5% portion of the 2010 AFG grant to the equipment reserve.

Contingency: Funds budgeted to maintain district financially from July of each year until taxes are received in November. This year staff budgeted a "second" contingency reducing the proposed budget \$125,756.00. In the past, this process was completed in January/February to estimate carryover funds. Staff believed creating the second contingency would alleviate that process and increase our awareness of spending. If an emergency does occur, second contingency funds may be utilized only by board resolution.

Reserve funds:

Employment Fund: Safer grant funds: for training and volunteer retention

Building Fund: no transfers at this time

Equipment Fund: Shows funds for 2010 AFG Grant awarded to purchase SCBA equipment

Technology Fund: no transfers at this time

Debt Service: General Obligations Bond's debt to build new fire station.

Any other questions or comments:

District staff very concerned about current economic climate and believes future budget year of 2011-2012 may be of greater concern.

Mr. Cundiff commends district for not increasing wages.

With no other comments, the committee,

**RESOLVED** to approve taxes for fiscal year 2010-2011 at the rate of \$2.7317 per \$1,000 of assessed value for operating purposes and \$184,000 for payment of bond principal and interest. Unanimous decision with motion by Director Storton, second Director Elliott.

Mr. Gorayeb says it is a pleasure to review our budget as the layout makes it easy to understand, especially with the budget activity detail.

Director Newport commends budget committee for their help. Director Elliott thanks staff for their work.

**Approved** appointment of Gary Cundiff to serve a 3 year term on the budget committee commencing 2011-2013. Unanimous decision with motion by Director Newport, second Director Boyd.

Communications between District and budget committee members will improve with both printed documents and electronic documents to be sent to members. Admin Houck requested members to write down their contact numbers.

No further budget committee business is discussed and the meeting adjourns at 5:59 p.m.

Respectfully submitted,