

HOODLAND FIRE DISTRICT # 74
BOARD WORK SESSION MINUTES
April 21, 2020

Attendance: Board Members: Shirley Dueber, Mary Ellen Fitzgerald (Conference Call), Darcy Lais, Jacob Rackley and Cliff Fortune (Conference Call). Staff: Steve Abel; Interim Fire Chief, BC Scott Kline, Lt. Eric Macy, Lt. Andy Figini (Conference Call), SFF Amanda Schmitt (Conference Call), FF Richard Powell (Conference Call), and Sally Chester (Conference Call). Guests: Kirk Peterson (Conference Call), Kim Weaver (Conference Call) and Cheryl Weaver (Conference Call).

1. Call to Order: By Shirley Dueber at 7:04 PM.
2. Roll Call: With the meeting being offered as a conference call, a roll call was performed to determine the attendance.
3. Pledge of Allegiance: Led by Scott Kline.
4. Persons to be Heard. None.
5. SDAO Report.
 - A. Continuing to work on SDAO's 64 recommendations, no new updates.
6. Fiscal Review.
 - A. Chief Abel is requesting direction from the Board on how to proceed with the issue of significant financial shortfalls before the Budget Committee Meetings. When starting the budget process there was a \$738,887 shortfall. With assistance from staff to make cuts, the shortfall is now \$378,423. The budget is required by law to be balanced.
 - i. General Fund Resources Form LB-20. The 2020-2021 Budget income is reduced from the 2019-2020 Budget due to multiple factors.
 - a. The beginning fund balance is reduced because of the expenditures in the current budget including spending the contingency fund, which leaves less available to carry over into the next budget.
 - b. The expected LGIP interest was lowered because of the downturn in the stock market.

6. A. i. Fiscal Review Continued

c. Total revenue is lowered because of the Safer Grant funds ending half way through the Budget Year.

ii. Apparatus Reserve Fund Form LB-11.

a. No funds have been added to this account in the past two budget years.

b. SDAO Audit found that this account is \$800,000 underfunded. SDAO predicted that it would be 1.8 million dollars underfunded in 5 years if funds are not being added into this account.

c. Good news, current apparatus are in good shape, so there is not an immediate need. Funds still need to be added into this Reserve Account so we can cover apparatus replacement costs in the future.

d. Some departments choose to make apparatus payments, but there is no extra money available to be able to make payments.

e. The only funds that have been added to this account are the interest monies received.

iii. Building Reserve Fund Form LB-11.

a. No funds have been added to this account in the past two budget years.

b. The only funds that have been added to this account are the interest monies received.

c. The last three budget years, money has been removed from this account to cover Domicile rent and expenses. Funding a rental was not the original intent of this account. The Building Reserve Fund was established by Board Resolution for the purpose of making improvement to the three stations and grounds.

d. The Board can authorize a loan from the Reserve Accounts if we can pay it back.

6. A. Fiscal Review Continued

iv. Firefighting Equipment, Services, and Supplies Reserve Fund Form LB-11.

a. No funds have been added to this account in the past two budget years.

b. The only funds that have been added to this account are the interest monies received.

c. SCBAs will need to be replaced in the next couple years.

d. Defibrillators will need to be replaced in the next couple years.

v. Budget Package #1 – Personnel Services Recommendations:

a. Cut Battalion Chief Fire Marshal Position.

b. Reduce Volunteer Nominal Fees.

c. Considering cutting the Student Resident Program. We could look at what it would take to assist the current Student Resident Volunteers to finish their schooling. We could add a Resident Program versus a Student Resident Program. This would save money by not having to pay for education. Removing this requirement might encourage more applicants to staff the Government Camp Station.

d. Reduce Overtime.

e. Reduce Health Insurance, Retirement, etc. from cutting the Battalion Chief Fire Marshal Position.

f. Reduce Medical Physicals.

g. This package was cut by \$335,082 from the original projections.

vi. Budget Package #2 – Administrative Services Recommendations:

a. Reduce Board Tuition and Fees.

b. Reduce Logistical Support (Coffee, Rehab, etc.).

6. A. vi. Fiscal Review Continued

- c. Reduce Dues and Fees.
 - d. Increase Professional Services in order to catch up on audits.
 - e. Reduce Employee Assistance Program.
 - f. Consider cutting Target Solutions.
 - g. Cut Crew Sense.
 - h. Increase in Contractual Services because of increasing fees for C-COM, equipment rental, etc.
 - i. This package was cut by \$16,900 from the original projections.
 - j. There are beds at the Job Shack, Domicile, and Government Camp Station all available for sleeping. Suggestion to get rid of the Job Shack.
 - k. Could add a mobile home residence for the Career Staff at the Main Station in the future. The costs would be around \$300,000 because of ADA requirements, fire sprinkler requirements, Clackamas County Fees, etc.
- vii. Budget Package #3 – Administrative Funds and General Fund Transfers Recommendations:
- a. Reduce Disaster Fund Operating Contingency.
 - b. No funds added to the Reserve Funds.
 - c. This package was cut by \$50,000 from the original projections.
- viii. Budget Package #4 – Capital Outlay Recommendations:
- a. Reduce office equipment.
 - b. Reduce Special Rescue.
 - c. Reduce Firefighting Equipment.

6. A. viii. Fiscal Review Continued

d. Reduce Training.

e. This package was cut by \$9,000 from the original projections.

ix. Budget Package #5 – Support Services Recommendations:

a. Reduce Incentives and Awards.

b. Cut Honor Guard.

c. Increase Support Group.

d. Reduce Picnic and Hood to Coast BBQ.

e. Reduce Banquet.

f. This package was cut by \$11,450 from the original projections.

x. Budget Package #6 – Fire Prevention Program Recommendations:

a. Cut Maps.

b. This package was cut by \$3,000 from the original projections.

xi. Budget Package #7 – Training Program Recommendations:

a. Reduce Tuition and Fees.

b. Reduce Travel and Per Diem.

c. Reduce Books.

d. Cut Special Rescue Program.

e. This package was cut by \$13,600 from the original projections.

f. Consider cutting the Fire Blast Trailer maintenance.

6. A. Fiscal Review Continued

xii. Budget Package #8 – Emergency Medical Services Program
Recommendations:

a. Increase EMS Disposable Supplies.

b. This package was increased by \$1,000 from the original projections.

xiii. Budget Package #9 – Vehicle and Equipment Maintenance
Recommendations:

a. Increase Vehicle Maintenance.

b. Decrease Winter Operations.

c. This package was increased by \$11,847 from the original projections.

xiv. Budget Package #10 – SCBA Maintenance Recommendations:

a. No change.

xv. Budget Package #11 – Firefighting Equipment and Supplies
Recommendations:

a. Reduce Non-Disposable Equipment.

b. This package was cut by \$2,500 from the original projections.

xvi. Budget Package #12 – Communications Equipment
Recommendations:

a. Increase C-800 Membership Fee.

b. Cut Satellite Phones.

c. This package was increased by \$320 from the original projections.

xvii. Budget Package #13 – Facilities Maintenance Recommendations:

a. Reduce disposable supplies (toilet paper, soap, rugs, etc.).

6. A. xvii. Fiscal Review Continued

b. Reduce Address Marker Program.

c. This package was reduced by \$2,900 from the original projections.

xviii. Budget Package #14 – Uniforms Recommendations:

a. No changes.

B. Things for the Board to consider when providing direction.

i. With all of these recommended cuts we still need to cut an additional \$300,000+ to balance the 2020-2021 Budget.

ii. There are still costs that are arising in the current 2019-2020 Budget including Legal Fees, Investigative Fees, and paying two Fire Chiefs. These additional expenses are digging a bigger hole by reducing the Cash Carryover for the next budget year.

iii. Next Budget year there will be pay increases for Career Staff.

iv. We are still not adding anything to Reserve Accounts or saving for the future.

v. We need to come up with a plan to increase revenue and keep reducing expenses in order to get out of the hole.

vi. Contributing Factors: There was not enough pre-planning before transitioning to 24 hour Career Staff coverage. A couple years ago when additional personnel were added, the Reserve Accounts were no longer funded to be able to balance the Budget.

vii. If staffing is reduced below a certain threshold, the Safer Grant staffing level requirements would not be met, which means that we could be expected to return \$300,000?

viii. If staffing is reduced we would not be meeting the intent of the Levy and what the voters were told. The Levy documents told the public that the funds would be used to ensure 24 hour coverage by 3 Firefighter Paramedics.

ix. Package #1 - Personnel Services is more than what we will be receiving in tax revenue. These costs are exceeding what we are getting.

6. B. Fiscal Review Continued

- x. The extent of the financial problems was unknown. Chief Abel's first priority is to provide services to the community while staying within the budget. Chief Abel's priority is also to protect employees.
- xi. We may need to look at contract negotiations to see if there are some changes that can be made.
- xii. The Volunteer Program needs to be maintained and improved. Three Career Staff on a shift is not adequate to meet the manpower needs for Structure Fires.
- xiii. If another department was willing to take us on we could do that, however that is not currently an option.
- xiv. The District should maintain 24 Hour Career Staffing. The reason for transitioning to 24 Hour Career Staffing was because there was not enough volunteer participation to get adequate response on calls in the evenings.
- xv. Executive Session is needed at the April 28, 2020 Meeting to discuss options for possibly entering into contract negotiations.
- xvi. We need to consider additional revenue streams such as charging for services and applying for grants.
- xvii. Transporting patients would not improve our financial situation.

C. Board recommendations for Fire Chief Steve Abel.

- i. Continue to find cuts to balance the 2020-2021 Budget.
- ii. Schedule an Executive Session for the April 28, 2020 meeting to discuss possible contract negotiations.
- iii. Explore additional revenue streams.
- iv. Develop a 5-year projection to determine how we are going to come out of the hole.
- v. Meeting on April 28, 2020 should be a Special Board Meeting so that Board Action can be taken.
- vi. Postpone Budget Meeting that was previously scheduled on April 30, 2020.

6. C. Fiscal Review Continued

vii. Provide research on Overtime costs and if it can be cut more.

7. Adjournment.

MOTION MADE: By Darcy Lais to adjourn the meeting.

2ND: By Mary Ellen Fitzgerald.

ADJOURNMENT: Meeting adjourned by Shirley Dueber at 8:27 PM.

Respectfully Submitted,

Carolyn M. Norgard

Carolyn M. Norgard, Financial Manager

Notes Typed By: Kelli Ewing, Administrative Assistant