

PHILOMATH FIRE & RESCUE

May 19, 2022

Budget Committee Meeting

Philomath Fire & Rescue

6:00 PM

- I. ROLL CALL/CALL TO ORDER – The Budget Committee Meeting was called to order at 18:02 by Office Administrator (OA) Lilee Rodriguez. Board members present were Doug Edmonds and Ken Corbin. Board members not present were Rick Brand, Daphne Phillips, and Joe Brier. Budget Committee members present were Van Hunsaker, Teresa Boss, Christopher McMorran, and Tom Wright. Budget Committee member not present was Anton Grube. Quorum not present. Staff members present included Fire Chief Tom Miller, Deputy Chief (DC) Chancy Ferguson, Office Administrator (OA) Lilee Rodriguez, and Captain Rich Saalsaa.
- II. DISCUSSION – OA Rodriguez reviewed the initial pages of the budget document, reading the Mission and Vision statements, reviewing the budget calendar and committee members, and noting the members who contributed to this year's budget proposal. She reviewed the 2022 – 2023 Budget Message, noting the District's anticipated revenue, how the budget document is organized, and specific goals of the coming fiscal year. The staff and committee discussed the impact of the Urban Renewal District (URD) on the Fire District's tax revenue as well as how the District's Assessed Value (AV) is calculated to determine the Fire District's tax revenue. Chief Miller reviewed the boundaries of the District, giving the committee a better understanding of the expanse of the Fire District and how far it extends beyond the City of Philomath. OA Rodriguez gave a brief review of the breakdown of the anticipated revenue for Fiscal year 2022 – 2023 and how that amount was determined. She also briefly reviewed Conflagration reimbursements for personnel and apparatus. Chief Miller briefly discussed the Hoskins Kings Valley contract for services with the committee and the \$23,000 anticipated revenue from that contract.

Administrative Program – OA Rodriguez noted formatting difference in this year's budget due to Strategic Planning alignment represented by "Themes and Objectives Supported" in each program. She noted a previously omitted word in the Administrative Program message. She also noted that she spoke with Edmonds previously who recommended including percentage increases along with the raw budget numbers. She noted that there are increases expected for 6001 Contracted Services due to cyber security expenses and audit contract increases. Chief Miller reported that in previous years the Capital Purchase policy changed, moving many smaller capital items into the Materials & Services fund of the budget. OA Rodriguez also noted additional expenses due to printing and mailing newsletters more frequently in the coming year. OA Rodriguez noted that utilities expenses are on the rise and part of that increase is due to manning the substations more consistently and with more people. She also noted that

transfers to reserves are due to various replacement plans developed by the District and noted that future version of the budget will include these plans as addendums. Hunsaker thanked the District for setting funds aside into Reserves. The Committee and Staff discussed the Community Involvement line item which includes advertisement through Softball, Lions, and participation in the flower basket program. She noted that some expenses were moved to this line item, like the Open House event.

EMS Program – DC Ferguson reviewed the Mission and Goals of the EMS Program and noted that increased calls necessitate increased supplies. The Committee and Staff discussed opportunities for the Fire District to restock supplies from Corvallis Fire and the Hospital. Chief Miller noted that the District is going to try to use the District's oxygen generator in order to reduce expenses in 6210 Medical Supplies.

Suppression Program – DC Ferguson reviewed the Mission and Goals of the Suppression Program. He noted that the \$7,000 budgeted for Wildland Firefighting tools has been freed up, due to a donation of wildland supplies to the District. He recommended that \$7,000 be shifted to 6130 Fuel. Staff and Budget Committee briefly discussed the purpose of the 2" hose on fire scenes.

Safety Program – DC Ferguson read the Mission and Goals of the Safety Program. He noted that the overall program expense is down a little and there has been some reshuffling of funds within the program. Staff advised the committee that NFPA 1582 physicals have increased in price significantly and they are looking around for more affordable alternatives. They also noted that the Kevlar vest and helmets are a carry-over from Fiscal Year 2021 – 2022.

Training Program – DC Ferguson noted that the District is investing in having a trainer come to the Station to work with the personnel on extrication techniques rather than sending members out-of-district for this training. OA Rodriguez noted that "training consumables" are often reimbursed by the registration fees of the classes the District provides for outside attendees.

Prevention & Public Education – Captain Saalsaa noted that the program and its budget have been very consistent over the years. He reported that the District has submitted to become a Training Site for the American Heart Association, saving the district time and money on recertifications. He also discussed the many community-oriented events, trainings, and programs that the District coordinates.

Emergency Communications & Mapping – DC Ferguson reviewed the Mission and Goals of the Communication & Mapping Program. He explained the function of the MO3 units and their limitations. The Staff and Budget Committee discussed communication difficulties throughout the District. DC Ferguson noted that the 911 Service District is looking at improving the county communication issues.

Buildings & Grounds – DC Ferguson read the Mission and Goals of the Buildings & Grounds Program. He discussed the need for the well treatment at Station 203. OA Rodriguez noted increases for labor costs in line 6161 Vehicle

Maintenance as well as repairs for bay doors and DC Ferguson noted that the doors will likely need to be replaced in order to maintain response from the station. OA Rodriguez also noted an increase for Station 201 carpet and chairs cleaning, a significant reduction in expenses for landscaping and signage, as well as a reduction in 6200 "Consumables" due to the administrative personnel covering their own coffee expense, with the District still supplying coffee for the residences and volunteers. Hunsaker recommended breaking down station expenses by location.

Vehicle & Equipment – DC Ferguson reviewed the Mission and Goals for the Vehicle & Equipment Program. Chief Miller noted increasing vehicle maintenance due to aging vehicles. The Budget Committee noted that the \$7,000 moved from the Wildland Tools purchase will be added to 6130 Gas & Oil, increasing that line to \$25,000.

Personnel – OA Rodriguez noted that Personnel Expenses account for about 68% of the operating budget for the District. She also noted some corrections for the "prior year" numbers for Social Security & Medicare and Worker's Compensation. She also noted changes to the Conflagration Hire budget for last year, which was increased with a supplemental budget. The Budget Committee and Staff discussed conflagration deployment and reimbursements. OA Rodriguez noted that the District Budget process authorizes the District to spend taxpayer funds but does not obligate them to spend them.

Bond Funds – OA Rodriguez reviewed the revenue anticipated to be received for the repayment of the GO Bond as well as the principal and interest repayments. OA Rodriguez reviewed the purpose of cash carryover funds and their function to cover the operating expenses of the District during the first third of the fiscal year until taxes are received in November.

General Fund Resources & Expenditures – OA Rodriguez reviewed the format of the General Fund Resources & Expenditures pages, noting the total General Fund Resources and Expenditures equaling \$2,424,414.00. OA Rodriguez reviewed the function of the budget document and oversight from the state. OA Rodriguez noted that the Ending Fund Balance budgeted for Fiscal Year 2022 – 2023 will be smaller than the Cash Carryover of Fiscal Year 2021 - 2022 because the District is planning to spend Reserve Funds and those are factored into the Cash Carryover total.

Reserves –

Building & Land - OA Rodriguez reviewed the anticipated projects to be funded by the Building & Land Reserve fund. OA Rodriguez noted that the District is planning to spend the majority of the District reserves and there are two reasons for this; that expending or earmarking those funds will benefit the District when it applies for grants and also there are projects that the District needs to complete regardless of any other grants or funding that could become available. She reiterated that the budget authorizes the expenditure of these funds but does not obligate it.

Vehicle Reserves – OA Rodriguez noted that the District has developed an apparatus replacement plan and is working on an equipment replacement plan to be able to justify the savings in the reserve funds. OA Rodriguez reviewed the Vehicle Reserve Fund and the District's current shortfall of savings into that account of \$993,700.00. Chief Miller noted that the reason the Vehicle Reserve Fund is so low is because the District just bought a replacement vehicle in Fiscal Year 2021 – 2022. The staff and budget committee discussed some of the challenges and benefits of the Volunteer Association and the Resident Volunteer program. DC Ferguson also noted that there is extreme competition for volunteers and paid personnel, nationally and within the state of Oregon, adding that the Resident Volunteer Program has been an extreme benefit for the District.

Equipment Reserves – OA Rodriguez reviewed the planned savings and expenses for the Equipment Reserve funds. The budget committee and staff briefly discussed the purpose of System Development Charges (SDCs) or impact fees. Edmonds discussed how SDCs work for the City of Philomath and how that might relate to the Fire District. Staff discussed the impact of Urban Renewal Districts and Enterprise Zones on the tax revenue of the District.

No quorum was present so no motions were made.

- III. PUBLIC COMMENT – None.
- IV. ADJOURNMENT - Meeting adjourned at 19:58.