

LA PINE RURAL FIRE PROTECTION DISTRICT

Board of Directors Regular Meeting
51550 Huntington Road, La Pine, Oregon
Meeting Minutes December 8, 2016

Open Meeting Board Vice President Jerry Hubbard called the meeting to order at 9:00 am and led the flag salute.

Roll Call

Directors present: Joel Witmer, Jerry Hubbard and Larry South.
Bob Denend participated by conference call.

Directors absent: Doug Cox

Staff: Chief Mike Supkis, Assistant Chief Dan Daugherty and Office Manager Bonita Johnson

Public Forum: No public present at meeting.

Change in Agenda Order: New Business A. Audit Report

John Barnett with Barnett & Company CPAs presented the District's 2015/2016 fiscal year audit.

Overview:

- John introduced himself to the Board and stated this is the firms second year to audit the district's financials. He has learned a lot about the district and become more familiar with district practices and staff.
- He handed out a copy of the audit to Board members and staff. He stated he will not go through the audit page by page but will talk about the biggest changes to financial situations from this year to prior years. The change is something that is out of our control but is something to be aware of.
- GASB-68 takes the PERS entire liability and takes the employer portion of it and now puts it on the district's financial statement. Last year the district had an asset on the books per the PERS actuarial reports and PERS was completely funded plus some. The financial statement now states all assets and all liability which affects the district's bottom line. 2015 was the first year GASB-68 went into effect and the district had approximately \$600,000 assets booked; as of June 30, 2016 the district has a 1.5 million dollar liability which is a huge change to the district's bottom line which is a non-cash transaction. As the PERS actuarial pension liabilities increase the PERS rate will increase.
 - Director Witmer asked how the board should prepare for the PERS unfunded liability. The auditor replied future rates paid into PERS will increase to compensate for any unfunded liability.
 - Director Hubbard referenced the District's PERS Reserve Fund which was established three years ago when the rates were moderated due to the State

attempt at PERS reform. The district will have \$75,000 in that fund at the end of the current fiscal year which will assist to offset any rate increases.

- There will be a new GASB coming out next year that requires any district that receives property taxes and where there are urban renewal districts, exclusion zones, or where city or county are deferring fire district property taxes for individual location, to report that amount on the financial statement. The county assessor's office will be required to report that number.
 - Chief Supkis stated this is a good thing to show the impact to tax districts such as fire and schools when there is an urban renewal or exclusion zone and those funds are diverted from what the tax payers intended.
- The district expenditures were under budget in all funds.
- Director Denend inquired about property taxes received. That was approximately 0.6% over what was estimated and budget for.
- EMS revenue and bad debt. Staff worked with the auditor to look at the actual revenue and adjustments to update the expected collection rate. Staff used the past three year's average to calculate a new rate. The previous auditor used 45% collection rate which was revised to 32%. The collection rate of patients who have a primary payor of Medicare, Medicaid, and Veteran's Administration is an average of 35% with 65% of the charge being a mandated write-off. Staff will continue to work with the revenues, contractual write-offs and bad debt each fiscal year to adjust averages.
- The Financial Independent Auditor's Report. There were no significant findings or issues with internal controls and staff was good to work with.
- The auditor will make a couple of grammatical changes and send the audit electronically to the Oregon State Audit's Division.

Approve Minutes - Regular Board Meeting November 10, 2016.

Correction: Name spelling for Denend under Old Business A. There was no further discussion or comments on board minutes.

Action: Director South moved to approve minutes of the November 10, 2016 board meeting as presented with correction to name spelling under Old Business A. Second by Director Witmer; the motion passed by a 4-0 vote.

Financials

A. The Monthly Bills. Staff answered questions regarding expenditures and current revenue & expense statement.

Director Hubbard inquired about:

- Tax Revenue Lines. As of 11/30/16 total tax revenue received is 90.72% of revenue budget and does staff anticipate collecting 100%? Chief Supkis reported the majority of the tax revenue is received in November however, the district will continue to receive monthly tax distributions through June; the district does anticipate to receive 100% of the budget.
- Line 5200 FireMed Memberships. Inquired about no expense recorded for November? Staff advised FireMed monthly remittance is received around the 15th of the following month.

- Line 8305 Structural Maintenance. What was included in the \$2,122.42 November expense? Chief Supkis stated a large portion of the expense was for the LED lighting project at Station 101. The district was a recipient of a Midstate Electric Grant which \$2,492 was received and recorded in Miscellaneous Income.
- Line 9925.1 Capital Reserve Tax Levy. Noted the 11/30/16 year to date tax revenue received was 91.92% of the budget. He inquired if staff anticipated collecting 100% of budget projection. Chief Supkis replied yes – tax distributions will continue monthly through the end of the fiscal year.
- \$1,130 expense paid to AA Garage Door. Staff reported Station 102 required multiple overhead door opener attachment rebuilds. All doors at that station have now been repaired. Station 101 also required repair to the chain drive on Engine 121 door.
- Suggested staff to inquire with “Tech Soup” for refurbished computers. Chief Supkis noted that district has in the past and public safety entities are specifically exempted from the program.

Director Witmer Inquired about:

- Line 7020 Printing and Reproduction. What expenses are recording using this line? Also, the current expenditure is 75.1% of the budget amount and will that be adequate for the remainder of this fiscal year? Staff reported the line is used for outsourcing printing needs such as EMS non-transport reports, purchase orders, letterhead, envelopes, etc. The district has printed a significant number of the new non-transport forms and does not anticipating going over budget but will watch the line closely and increase as necessary for future budgeting.

Director Denend:

- Line 8205 Communication Repair. November expense of \$544? Staff report the expense was for engine radio headset repairs (x2) and a portable radio repair.
- Line 8310 Outside Facility Maintenance. November expense of \$2,966.93? Staff reported expense was to bring irrigation lines from the well at Station 101 to the administrative office.
- Line 8215 FF Tools. November expense \$581.67? Staff reported the expense was for rescue hi lift jacks on apparatus.
- Line 8404 FF Training/Aids and Supplies. November expense \$3,009 and line over budget? Staff reported the expense was for a new fire training computer for tabletop exercises that was planned. Over budget by \$100 or 2.5%.
- Line 840 Rescue. November expense \$2,454.50 and now at 61% of budget. Staff reported rescue extrication tools and rescue training.
- Line 8905 Recognition. November expense \$112.40? Staff reported it was for the quarterly Support Services breakfast meeting.

Action: Director Witmer moved to pay expenses presented from 11/11/16 – 12/8/16 in the amount of \$264,076.72. No further discussion or comments. Second, Director Denend; the motion passed by a 4-0 vote.

Management Reports – Reviewed.

- A. Review and discussion on call volumes, building permits.
- B. Monthly Alarm Reports and notable incidents discussed.
 - Year to date EMS transports have increased a hundred over last year's to date.
 - 11/26 three medical calls to the same address within 48 hours.

Correspondence/News

- A. Thank you –Warren
- B. Thank you – Sunriver Country Store
- C. KTVZ – Pickup Fire at Truck Stop
- D. Wise Buys – Vehicle Fire
- E. Eagle – Fire District Facility Updates
- F. Eagle – Student Firefighters Spaghetti Feed
- G. Eagle- Fire District Winter Driving Tips
- E. SDAO – Annual Conference Packet

Old Business

A. **Board Policy #02-03 Medical Service Billings – Walk-ins.**

The policy was revised to include policy changes after the Board took action at the November Board meeting to discontinue billing for walk-in medical aid services when the patient comes to one of the district's three fire station for evaluation and it is not transported.

Changes: Items 2.1 and 2.2 – Definition updated. Item 2.d –language added to support not billing a patient for a fire station walk-in medical aid.

Action: Director South made a motion to approve the revision to Board Policy #02-03. Medical Services Billing Rate Schedule, as presented. Second by Director Witmer; the motion passed by a 4-0 vote.

B. **Update Station 103 Project.** Chief Daugherty stated the remodel project is approximately two weeks behind and there is a meeting scheduled with the contractor next week. At this point the key focus is to get the reserves moved back into station 103. The new addition is on hold due to winter weather.

C. **Fire District Snow Machines.** The district owns two 2006 Arctic Cat Bear Cat utility snow machines, rescue sled, and an enclosed Haulmark trailer. The district has a policy of staffing the fire district first that limits the ability of a response of out of the district for off road snow machine rescues. Off road snow rescue operations requires intensive staffing and training. Thus the machines and snow rescue equipment have not been used in 10 years and have less than 400 miles on them – all of which were training miles. Deschutes County Search and Rescue (DCSAR) provides, and has jurisdiction for, off road S&R and any fire district response

would duplicate the service and with the consequence of leaving the district uncovered for several hours. Previously the district was looking to enter into an agreement with DCSAR to use and maintain the district equipment within the South County area. Since those discussions the Deschutes County Sheriff's Office had several management changes and no action was ever taken. Chief Supkis was recently able to contact Sheriff Nelson who advised the district they were now not interested nor needed the equipment. Chief Supkis asked the Board for their thoughts as the equipment has significant financial value that could be recouped other may other public safety uses?

After a discussion the Board directed staff to investigate options on how to sell the snow machines to another public agency, or even local snow mobile group and bring options before the Board.

New Business

A. FY 2015-2016 Audit Report – Barnett & Co. CPAs.

- Moved up on agenda.

B. Board Policy 100-05. Fire District Whistle Blower Protection.

Purpose: To establish a District operating culture and the ethical standards of conduct for all district elected and appointed public officials, staff and volunteers to report improper government action as soon as possible in accordance with Oregon Revised Statute 659A.200 to 659.224 to provide for good public governance and accountability.

Action: Director Witmer made a motion to approve Board Policy #100-05, Fire District Whistle Blower Protection Policy, dated December 8 2016. Second by Director Denend; the motion passed by a 4-0 vote.

Special Meetings and Workshops – SDAO Annual Conference February 10-12, 2017 in Portland.

Good of the Order

- La Pine Christmas Basket Distribution Sunday December 18.

Next Meeting: Regular Board Meeting on Thursday, January 12, 2017, 2016 at 9 am.

Adjourn Board Meeting

Director Hubbard adjourned the board meeting at 10:26 am.

Respectfully Submitted,

Bonita Johnson
Office Manager

Date Presented to Board and Approved _____

Board Secretary _____

Board President _____