

Budget Committee Meeting Minutes
La Pine Rural Fire Protection District

May 18, 2023

6:00 PM

Open Meeting

Chairperson Mirrasoul opened the meeting at 6:00 PM and led the flag salute.

Roll Call

Directors: Dick Swails, Jim Landles

Budget Committee Citizens: Robin Mirrasoul, Committee Chair, Robert Northrup, Rex Leseuer, Paul Gilchrist, Aaron Schofield,

Not Present: Dir. Doug Cox, Dir. Mike Thorne, Dir. Robin Adams

Staff: Dan Daugherty Budget Officer/Assistant Fire Chief, Tammie Waters, Office Manager

Members of the Public:

Approval of Minutes

Action: Director Landles moved the Minutes of the April 27, 2023 Budget Meeting be approved as submitted. After second by Director Swails, the motion passed unanimously.

Proposed FY 2023/24 General Fund Budget

Assistant Chief Daugherty reviewed the Budget Planning Worksheet, which was updated to reflect increased revenue due to the recent passage of the new operating levy. The worksheet did not include the newly awarded grant from the State Fire Marshall's office. The SFM grant allows for the hiring of 2 positions and runs for 3 years. It requires a match from LRFPD of 10% in the first year, 25% in the second year and 50% in the third year.

The current total general fund projection is \$7,850,652. This reflects the projected permanent tax revenue of \$3,269,746, with both local option levies accounting for \$2,759,396. These projections were reviewed with the Deschutes County tax assessor for accuracy. The District is currently trending at 98% of projected tax revenue.

The budget was then reviewed line by line by committee members. The following line items were discussed in detail:

Line 5100: Mr. Leseuer noted that EMS revenue is ahead of budget. Ms. Waters explained that this is primarily due to GEMT payments, which are difficult to predict, as they vary quite a bit from year to year. Projected income on that line comes from averaging the several past years together, and it is safest to underestimate the line. The committee agreed.

Line 9600: This line reflects money from the State Fire Marshall's grant to hire 2 firefighters, which will be paid in a lump sum the first year, but must support the positions for 3 years. It also reflects a second grant to cover overtime for summer wildland fire help, which has not been awarded yet. Thus, the line looks inflated. It will need to be accounted for in coming years' budgets. Discussion ensued about how to account for it. Ms. Waters will discuss with our auditors.

Line 9924: There is a substantial increase in this line to reflect increased need for training of the 11 expected new hires resulting from the new operating levy and State Fire Marshall grant.

Line 1080: This line accounts for taking out a Tax Anticipation Note, a short-term loan to cover operating expenses late in the year until property tax income is received. Assistant Chief Daugherty feels there is a high likelihood that such a note will be necessary.

Line 6020: The ambulance billing specialist position was eliminated when EMS billing was outsourced to Tactical in 2021, so there are no funds in this line.

Lines 6030 and 6035: These numbers reflect the hiring of new line staff as supported by the new levy and grant. The budget reflects bringing in firefighter/paramedics at Step 3. If firefighter/EMTs are hired, or if new staff enter at a different step, this line could change over the year.

Lines 6105 and 6115: Overtime has been way above budget in the past year due to severe staff shortages. This should improve over the coming year as more staff are brought on, but significant overtime may still occur while the new hires undergo the field training process. It may take 3 to 6 months for the newly hired staff to become fully qualified to fill shift positions.

Line 6220 and 6221: The large increase in employer Public Employees Retirement System (PERS) expenses reflects the anticipated hire of 11 new personnel in the upcoming fiscal year.

Line 6236: Worker compensation insurance is obtained through SDAO, which will now be partnering with SAIF to provide coverage. This has raised costs for the District.

Line 6305: This line covers legal fees incurred by the District for any reason, including lawsuits and labor negotiations.

Lines 6445, 6450 and 6455: When new equipment was purchased last year, maintenance contracts were purchased in advance using capital funds, so no additional expense is expected on these items this year.

Line 6615: This line includes iPads, which are on all apparatus. The chief, assistant chief and duty officer all carry District cell phones will on duty.

Line 7305: Despite rising call numbers, the District is below budget YTD on EMS supplies, so this line was only slightly increased for the coming year. Also, some funds from this line were moved to line 6475, since they represent a recurring cost.

Line 8400: This line addresses outside training, such as attending conferences or bringing in an outside instructor. Due to staffing challenges over the past year, very little training outside the department was able to occur. In-house training did take place per usual. The line was not increased this year due to budget constraints and to uncertainty about how much training newly hired line staff will require.

Line 8454: The bulk of the cost of personal protective gear for new personnel will come from the capital budget. This line covers unexpected repairs or replacements to existing gear.

Line 8910: The amount reflects redesigning the District's website this year.

Line 8920: The new chief may wish to hold some events to introduce himself to the public. It isn't expected these would exceed the current budget, but money could be moved from contingency funds later if necessary.

Line 9450: There was lengthy discussion about the amount of the contingency line. The District's auditors have felt that \$100,000 is too low. After much discussion about the sustainability of running a deficit budget, the contingency line was increased to \$200,000.

There was further discussion about how the budget should reflect grant income received, when the grant dollars are received in a lump sum in one fiscal year but are to cover expenditures over the next several consecutive fiscal years.

Action: Director Swails moved the General Fund budget for Fiscal Year 2023/24 be approved as submitted with the exception of increasing the contingency line 9450 to \$200,000; seconded by Director Landles. All in favor, motion passed unanimously.

Proposed FY 2023/24 Capital Fund

The Capital Reserve Fund budget was then reviewed. \$1,536,951 has been budgeted to replace to medic units and purchase a new quick response unit with grant funds. The budget includes 20 sets of structural PPE at \$4500 each and 20 sets of wildland PPE at \$1000 each, plus roofing insulation to the administration building and other repairs and maintenance of the facilities. It also includes replacing the outdated office management

software. Planned expenditures total \$1,058,584 with a potential year-end balance of \$478,367. Expected tax revenue and money raised from surplus equipment sales was discussed.

Action: Director Landles moved the Capital Fund budget for Fiscal Year 2023/24 be approved as submitted; seconded by Director Swails. All in favor, motion passed unanimously.

Meszaros Special Revenue Fund

The budget reflects \$70,000 transferred to the general fund for contingencies, resulting in an anticipated final balance of \$97,620.

Action: Director Swails moved the Meszaros Special Revenue Fund budget for Fiscal Year 2023/24 be approved as submitted; seconded by Director Landles. All in favor, motion passed unanimously.

PERS Reserve Fund

This budget allows the transfer of funds to the General Fund to help offset retirement plan expenses for anticipated newly hired staff. PERS expenses increased 1.82% this year, which is low relative to recent history.

Action: Director Landles moved the PERS Reserve Fund budget for FY 2023/24 be approved as submitted; seconded by Director Swails. All in favor, motion passed unanimously.

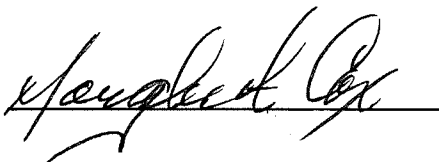
Public Comment

The comment was made that it is a pleasure to watch citizens working together as volunteers for the benefit of the fire department. Attendees were thanked for being part of the process.

Adjourn

Committee Chair Mirrasoul adjourned the meeting at 7:32 PM.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Mirrasoul", is written over a horizontal line.