



BLACK BUTTE RANCH R.F.P.D.

BUDGET COMMITTEE MEETING

April 30th, 2019

Dave Gibson called the Budget Committee Meeting to order at 09:01 a.m.

Board of Directors:

- Rodger Gabrielson
- ✓ Dave Gibson
- ✓ Tom Sawyer
- ✓ Larry Stuker
- ✓ Don Bowler

Budget Committee:

- Doug Knudsen
- ✓ Gary Olson
- ✓ Steve Scheidler
- ✓ Dave Sullivan
- ✓ Steve Yates

Administration:

- ✓ Chief Dan Tucker
- Deputy Chief Dave Phillips
- ✓ Jamie Vohs

ELECTION OF BUDGET CHAIR

Motion: Don Bowler moved to elect Tom Sawyer as Budget Chairman, seconded by Dave Sullivan, unanimously passed.

BUDGET MESSAGE

Chief Tucker started by thanking the Board of Directors and Budget Committee for serving as their involvement is very important to the operations of BBR RFPD. He also noted that three (3) Board of Director positions and one (1) Budget Committee position will be expiring on June 30, 2019.

Chief Tucker gave an overview of how the District operates under Oregon Revised Statutes Chapter 478 as a separate municipal corporation and is managed by a Board of Directors. The Board employs the Fire Chief to manage the day-to-day operations of the District. The District provides firefighting, emergency medical services including ambulance service, vehicle extrication and fire prevention services. The District has 9 employees including 3 Firefighter/Paramedics, 3 Shift Captain/Paramedics, a Deputy Fire Chief, a Fire Chief and an Administrative Assistant. The District also has several Resident Volunteers and occasionally uses seasonal help and/or temporary employees. The Resident Volunteer

Program started in 1987 but prior to that was a sleeper program. BBR RFPD's Resident Volunteer Program is the longest going within Central Oregon.

Chief Tucker reviewed the mission statement and values of the District. He also explained the service area in which the red line represents the Fire District (where taxes come from) and the blue line represents the ASA. The section in the upper left hand corner of the service area map is owned by the Glynn's. The Glynn's have approached BBR RFPD to see if the District would provide a contract for them. Chief Tucker is entertaining the proposal for the simple fact that this specific area creates a buffer to the Ranch. No formal contract has been written at this time however it is currently being worked on.

Chief Tucker spoke about how the District is working towards building up its policies and procedures. The District is also actively involved with the Interagency Coordination Committee (ICC) with Sisters-Camp Sherman Fire and Cloverdale Fire. The purpose of this committee is to find commonalities and efficiencies in training and operations of the three departments. The committee has been divided up into five areas:

1. *Duty Chief Coverage* – look at spreading Duty Chief coverage between 5 people instead of 2.
2. *Training* – use resources like Target Solutions software to help monitor/schedule Fire and EMS training.
3. *Finance* – can we get a built in back up for Jamie to help continue the process here in the event that something happens to Jamie?
4. *Fire Corp* – want to look at building a Sisters Country Fire Corp to help with things such as blood pressure checks, education at schools, first aid tents, etc. There is lots of opportunities to be able to serve as a volunteer under Fire Corp.
5. *Equipment* – what equipment can be standardized between the three agencies?

REVIEW BUDGET – Budget Chairman

- **Resources**

The growth within the District is limited as a result of demographics. Deschutes County as a whole showed 3.3% growth this past year, however Sisters showed 6% growth. The District relies on remodels and some commercial buildings for slight increases in tax revenues. The current base rate is 1.4677 and the local option tax has been approved up to 1.76 however the District has only imposed 1.56. The current local option will end in 2020 which means planning for another 5-year local option has begun.

- **Requirements**

- **Personnel Services**

Primarily the biggest expenditure continues to be personnel services with a 21% increase over last year's budget. There has been a shift in longevity of staff; BBR RFPD used to be for entry and exit of the fire service. Now the department is seeing a lot more longevity and retirees are coming into play. This is good because they provide a lot of knowledge and history but it also creates a higher payout in retirement (PERS rates).

The district is also planning on paying down a portion of its PERS “Unfunded Actuarial Liability” (UAL) by placing \$250,000 into a side account with PERS. Without the additional side account, personnel services would show a 4.10% increase.

The following combined PERS employer/employee rates will change for the 2019/2021 biennium as follows:

- Tier I/II: 22.48% to 25.22% +2.74 points
- OPSRP General Service 9.15% to 11.62% +2.47 points
- OPSRP Police/Fire 13.92% to 16.25% +2.33 points

Hopefully with the PERS side account the above rates will drop down a bit. There is also the potential for a match through the side account, however there is no guarantee on getting it.

Salary and benefits follow contractual obligations with bargaining unit employees and compare to similar departments within Central Oregon.

Medical insurance is provided to employees by the district via the Oregon Teamster Employers Trust. Insurance rates are open to change each January, affecting the district for the remaining six months of its fiscal year. The department conservatively plans on a 15% increase (for six months) in each year for the potential. In the current year, the department experienced a rate increase of 3.68%.

The district will once again plan on the potential use of temporary employees for extended FMLA leave and seasonal employees during the busy summer months.

○ **Materials & Services**

Materials and Services account for 8.24% of the budget. The areas of increased expenditures are:

- Personal protective equipment (PPE) for new helmets, turnouts and SCBA test equipment
- Building maintenance such as insulation over the apparatus bays, twice yearly carpet cleaning, bay garage door rollers and a subscription with Terminix for ongoing pest control.
- Workers compensation insurance rates are expected to be higher due to injury claims as well as an added Employee Assistance Program (EAP).

Materials & Services for fiscal year 19/20 are budgeted at \$387,816, which is slighter lower than fiscal year 18/19.

- **Capital Outlay**

Capital is down this budget due to most building upgrades being completed the past two years.

Capital expenditures include two (2) snow blowers, the need to move the 1000 gallon propane tank to a more stable location, two (2) powered gurney's and two (2) automated CPR devices should the department not receive a grant for them.

- **Transfer to Other Funds**

The following fund transfers will take place:

- **Vehicle Replacement Fund**

- Budget transfer to this fund is \$100,000
- Discussion on if there is a need for the current ladder truck and if getting rid of it would affect our current ISO rating of a 3. If the ladder truck were replaced today it would cost about \$1.0 million for a new one. If the ladder truck was replaced by an engine, the cost of a new engine is about \$600,000.

- **Building & Grounds Fund**

- No transfer will be made to this fund as it has reached maturity.

- **Technology & Communications Fund**

- No transfer will be made to this fund as it has reached maturity.

GOOD OF THE ORDER

Other items discussed:

- Discussion on the Ranch properties that were taken off the tax rolls a couple of years ago. The Ranch Corporation spoke up and questioned why they were being taxed on association owned buildings.
- This upcoming year, the department will be going out for a local option levy. The request will be asking for a renewal of the current local option of \$1.76. Chief Tucker plans on asking for the same dollar amount of \$1.76 but plans on only using/taxing \$1.56.
- Tom inquired on the increased growth in Sisters. What does this mean for BBR RFPD? Are there any concerns or challenges with the growth? At some point with the growth, calls in Sisters should stabilize. Sisters-Camp Sherman may need to look at stepping up their staffing.

ENTERTAIN A MOTION TO APPROVE 2019/2020 BUDGET – Budget Chairman

Motion: Larry Stuker moved to approve the 2019/2020 Budget as presented, seconded by Don Bowler, unanimously passed.

MOTION TO ADJOURN – Budget Chairman

Motion: Don Bowler moved to adjourn the Budget Committee Meeting at 9:59 am, seconded by Larry Stuker, unanimously passed.

OFFICIAL MEETING MINUTES

Approved by Tom Sawyer

Don Bowler

Date: May 23, 2019