



BLACK BUTTE RANCH R.F.P.D.

BUDGET COMMITTEE MEETING

May 5, 2020

Due to the COVID-19 pandemic this meeting was done by teleconference. Information for this meeting was as follow: <https://www.gotomeet.me/BBRFire/budget-meeting-552020> phone: United States: +1 (646) 749-3112, access code: 125-233-925

Rodger Gabrielson called the Budget Committee Meeting to order at 09:02 a.m.

Board of Directors:

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

Budget Committee:

- ✓ Rikki Goede
- ✓ Gary Olson
- ✓ Steve Scheidler
- ✓ Dave Sullivan
- ✓ Steve Yates

Administration:

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

ELECTION OF BUDGET CHAIR

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

BUDGET MESSAGE

Chief Tucker thanked the Board of Directors and Budget Committee for being an integral part of the 2020/2021 budget process. Chief Tucker also welcomed new Budget Committee Member, Rikki Goede.

Chief Tucker gave an overview of the 2020/2021 budget message. Highlights of the budget message:

- Due to the COVID-19 pandemic, he has kept things fairly level as there's still a lot of unknowns concerning the economy.
- The budget process starts in January, with the staff inputting their requests.

- The District has limited growth due to the demographics (destination resort community), and few remaining non-developed lots.
- Many of the association owned commercial buildings were removed from the property tax schedule during the FY 2017/18, reducing the District's revenue by about \$22,000 per year.
- Where several fire districts within Deschutes County experienced a combined average growth rate of approximately 5.14% this past year, Black Butte Ranch RFPD only experienced 2.75%, and has averaged only 3.06% per year over the last five years. The proposed budget reflects a conservative 3.0% increase in growth.
- The District has a permanent tax rate of \$1.4677/\$1000 and is requesting a local option levy rate of \$1.56/\$1000, for a combined rate of \$3.0277/\$1000.
- Personnel Services account for 29.56% of the total budget at \$1,538,934, which represents a pure wage and benefits change of 0.63% increase over last year's budget for personnel.
- The District put \$250,000 into a PERS Employer Incentive Fund (EIF) allowing for rates to be reduced.
 - The District participates in the PERS retirement system, where rate changes are biennial. The next expected rate change will take place in FY-2021 through FY-2023.
 - Current PERS rates are as follow:

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|------------------------|------------------|--------------|
| Tier I & II: | 25.22% to 22.13% | -3.09 points |
| OPSRP General Service: | 11.62% to 8.53% | -3.09 points |
| OPSRP Police/Fire: | 16.25% to 13.16% | -3.09 points |
- Salary and benefits follow contractual obligations with bargaining unit employees and compare to similar departments within Central Oregon. The current Collective Bargaining Unit contract is for five years ending June 30, 2020. Due to the current COVID-19 pandemic, the District and the Bargaining Unit have agreed to extend the current contract one year ending June 30, 2021. As a result, there will be a Cost of Living Adjustment (COLA) for fiscal year 2020/21 of 1.6%. (COLA for the CBU contract follows Social Security COLA).
- The Administrative Assistant will also see the second of two wage adjustments to bring the position closer to comparables.
- Medical insurance is provided to employees by the District via the Oregon Teamster Employers Trust.
 - Insurance rates increased 4.35% in the last half of the 2019/20 fiscal year, which will continue for at least the first six months of this proposed budget. The remaining six months are budgeted at a 15% increase for conservative reasons.
- Materials and Services account for 7.49% of the budget at \$389,802 with Capital Outlay accounting for 1.47% at \$76,347. The budget reflects only a slight change (1.39%) for Materials and Services over the previous budget year.
- To avoid borrowing money between July and November, when tax revenue becomes available, the Board of Directors has adopted a policy to carry over an "Unappropriated Funds" balance to provide a minimum of 5 months of operating expenses.
- Chief Tucker budgets out 15 years from now to make sure there is sustainability.

- The following transfer is being proposed: \$100,000 into the Vehicle Replacement Fund. There will be no transfers into the Technology Fund and Building and Grounds Fund due to both of these two funds being mature.
- Replacement of the SCBA compressor (the compressor that fills our breathing air bottles) has been budgeted for, however, knowing there could be other items along the way that could require capital expenditures, we will not purchase this unit until we are closer to the end of the budget year, and we know the economy has stabilized. Note: unless there is failure, then it will be addressed at that time.
- Radio/Data systems is an increased expenditure due to the need for subscription services for maintenance, data plans, and new response technology. The items under this account have been moved to one area to be better aligned.
- The District will once again plan on the potential use of temporary employees.
- Total resources for the District have exceeded the budgeted amounts by 9.05% as of March 31, 2020, due to higher than predicted "previous taxes" being paid, and better than expected carryover from the previous year.
- The proposed operating budget for fiscal year 2020/21 is \$5,206,281. Included in this amount is Reserved for Future Expenditures and Unappropriated Ending Fund Balance. The proposed budget includes a 3% increase in taxable assessed value and assumes a 93% collection rate.
- The Personnel Services category includes step increases for all eligible permanent employees and a 1.6% percent Cost of Living Adjustment (COLA) based upon Social Security COLA as well as the second of two pay adjustments for the Administrative Assistant position.
- Because the economic climate in the US and Deschutes County is uncertain due to the COVID-19 pandemic, the District will remain vigilant regarding projections.
- Chief thanked the staff for responding very well to the pandemic.

REVIEW BUDGET – Budget Chairman

- **Resources**
Larry inquired if there were any questions regarding resources, no questions were asked.
- **Requirements**
 - **Personnel Services**
Larry inquired if there were any questions regarding personnel services. No questions were asked.
 - **Materials & Services**
Rikki inquired on the increase in line item Fire Vehicle Maintenance. This is due to having to purchase tires and leaving a cushion for the unexpected.
 - **Capital Outlay**
Larry inquired if there were any questions regarding capital outlay. No questions were asked.

- **Transfer to Other Funds**

The following fund transfers will take place:

- **Vehicle Replacement Fund**
 - Budget transfer to this fund is \$100,000
- **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.

Steve Yates inquired about the ladder truck. Highlights of the discussion:

- The ladder truck has been talked about in the budget for the past three years, will it be replaced in the near future?
- Chief Tucker doesn't want to dispose of it until he knows for sure that it will not hurt the Ranch's ISO rating.
- It is still being used.
- The goal would be to dispose of the ladder truck and replace it with a less expensive apparatus like a fire pumper.
- A couple of the structures on the Ranch were built the way that they are because the District had a ladder truck. If the District got rid of it, there would need to be some assurance that a neighboring mutual aid department had one.
- Sisters proper is growing up, not out, meaning the need for a ladder truck may become more apparent.
- The general life of an apparatus is 25 years, so the ladder truck has a couple more years before it is timed out.
- Tom inquired if there has been an uptick in mutual aid calls because the District has a ladder truck, which the District has not seen an uptick.
- Larry inquired if there is a vision to combine or replace vehicles with Sisters-Camp Sherman Fire and Cloverdale. D/C Phillips shared that it is already in the works.

PUBLIC COMMENT

Jamie announced that no public comments were scheduled or submitted to the District.

ENTERTAIN A MOTION TO APPROVE 2020/2021 BUDGET – Budget Chairman

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| <p>Motion: Don Bowler moved to approve the 2020/2021 Budget as presented, seconded by Tom Sawyer, unanimously passed.</p> |
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MOTION TO ADJOURN – Budget Chairman

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

OFFICIAL MEETING MINUTES

Approved by Larry Stuker

Tom Sawyer

Date: May 28, 2020