

**NEHALEM BAY FIRE AND RESCUE DISTRICT
BUDGET COMMITTEE MEETING MINUTES**

Thursday April 20, 2023

The Budget Committee met in person at the district's Station 13 headquarters: 36375 Hwy. 101 N, Nehalem, OR 97131. Members of the public were invited to attend in person or via Zoom Meeting ID: 812 3958 9620 access code 522784; Zoom audio only (253) 215-8782.

I. CALL TO ORDER

Board President John Handler called the meeting to order at 3:00 p.m. Present were budget committee members Meadow Davis, Linda Kozlowski, Dan Carroll, Jim Neilson, Lance Stockton, Mike Sims, John Steele, Bob Forster, and Charles Bridge. Also present were Frank Knight III, Interim Fire Chief and Kristen Coyle, Executive Assistant and Budget Officer. There were no members of the public present.

II. ELECTION OF CHAIR

Handler solicited nominations for the Budget Committee Chairperson.

Bridge nominated Kozlowski to serve as Chairperson; Forester seconded. Handler appointed Kozlowski as Budget Committee Chairperson.

III. BUDGET MESSAGE PRESENTATION BY INTERIM FIRE CHIEF

Knight read his Fiscal Year 2023-24 Budget Message. Initiatives within the budget include a Length of Service Awards Program (LOSAP) for volunteers, replacement of the beach rescue vehicle, and the addition of solar panels to Station 13.

IV. PUBLIC COMMENT ON PROPOSED BUDGET

Coyle noted there were no members of the public in attendance.

V. OVERVIEW OF BUDGET BY BUDGET OFFICER

Chair Kozlowski allowed Coyle to lead the committee through the budget.

Coyle began by reviewing the Revenues for the General Fund. She noted the budgeted beginning fund balance of \$889K is much higher than the budgeted FY 2022-23 ending fund balance. She then explained the assumptions for the budgeted tax revenues. She reviewed the non-tax items revenue items, and she noted interest revenue is relatively higher than recent years due to increasing interest rates. She also highlighted a \$231,839 Federal Hazard Mitigation Grant to cover 75% of the cost to outfit St. 13 with solar in order to remain resilient during a catastrophic event. Finally, she noted the revenues from apparatus sales is a carryover from the current fiscal year as the replacement vehicle will not be procured until FY 23-24 due to supply chain issues. Kozlowski commented that she was pleased to see the solar project going forward. Knight noted that the

current diesel generator allows St. 13 to remain operational for only 2-3 days. Handler noted that the district will be allowed to sell back some of its excess output.

Knight walked the committee through the Personnel Services appropriation. He noted the paid staff salaries reflect the 8.7% COLA approved by the board by Resolution. He highlighted the items that are variable based on call volume: volunteer reimbursement, overtime, on-call time, and vacation buy-back. Coyle noted the District will be changing its workers compensation insurance provider. Knight noted that the district must pay into PERS for the stipends issued to volunteers who work for a PERS employer. He highlighted the new LOSAP program, and noted that components of the plan, such as a 5-year vesting period, were established based on volunteer input. Steele noted that there is no obligation for the district to fund the plan each year. It was emphasized that the benefit of the plan is volunteer retention. Knight responded to Carroll's questions regarding the volunteer response point system. He also explained how LOSAP contributions will be distributed to volunteers. The volunteers' training requirements and average response times were also discussed, as was the challenges surrounding volunteer recruiting and retention.

Knight then walked the committee through the Material and Services appropriation within the General Fund. He noted the increase in operational software costs within the dues and subscriptions accounts. Within the training budget, Knight noted there is additional funds allocated to the drone pilot program. He provided the history of the program, its current pilot composition, and its functions during incident response.

Knight noted that the Occupational Safety account includes funds for voluntary full NFPA (National Fire Protection Association) 1582 physicals, and he explained that many federal grants require applicant district to offer such exams. He also elaborated on the rural address sign and open house/fire prevention programs budgeted within the Prevention & Public Education account. Other items highlighted by Knight included funds within the Contract Services account for strategic planning, turnout replacement costs within the Personal Protective Clothing and Equipment account, and water rate increases reflected in the Utilities account.

Knight highlighted the Human Resources account includes funds to update district loss prevention and personnel policy manuals, and he explained the budgeted amount was based upon discussions initiated with SDAO. He also noted the account also includes a budget item for personnel hiring expenses.

Knight noted Station 13 is now over ten years old, and the budget contains several items to address end of life systems and building maintenance. The Communication account includes incremental monthly cost for a new phone system, and the Building Maintenance account includes amounts for a couple of new appliances as well as exterior station painting. The building maintenance budget also includes outside storage sheds/containers for both systems.

Knight reviewed the Vehicle Maintenance/Repair account items, and noted that the smallest apparatuses, the UTV and jet skis, are the most expensive items to maintain. He also noted a set of replacement tires are needed for the Rescue vehicle. He also reviewed the components in the Volunteer Incentives account, noting its budget once again contains an allocation for an internship

program. He noted the challenges the program faces being geographically removed from the community colleges.

Knight noted the Information Services account includes a budgeted amount for a website update. Knight noted that the update is part of the overall recruitment process, as the website is the first place the public goes to when obtaining District information.

At the end of the Material and Services appropriations review, Sims asked for an elaboration of the funds within the Human Resources account for Personnel Hiring expenses. Coyle explained that the board has not decided how to permanently fill the fire chief position, the budget allocates costs for an executive search process and / or relocation costs in the event the board decides to hire an external candidate. She noted even if the Board chooses to limit the search to internal candidates, which will leave an existing staff position to backfill, possibly from the outside at a cost most likely less than for hiring an external Fire Chief.

Within the capital expenditures budget, Knight highlighted the Ford F-250 purchase to replace the beach rescue vehicle. He noted the truck has been ordered, but the funds will not be disbursed until FY 23-24. Coyle noted the funds will be coming from the Equipment Replacement Fund. Knight then noted the capital outlay for the solar panel project, noting a grant will cover 75% of the costs. Coyle elaborated on project's flows through the various funds; the grant revenue will go into the General Fund and later, along with the District's 25% cost share, get transferred into the Construction Reserve Fund. The expenditure for the entire project will come out of the Construction Reserve Fund.

Within the Debt Service Appropriation, Knight noted the annual lease payment for Timberwolf Type III Engine. He noted that the amounts the District received from the state for deploying apparatus during the 2022 Wildfire Season covered the cost of the annual payment. The FY 23-24 budget does not include any Wildfire Deployment Revenue.

Coyle noted the purpose of the two reserve funds. She noted the transfers from the General Fund to the reserve funds are higher than historically due to the beach apparatus purchase and solar panel project. She also referred the committee to the equipment replacement schedule, noting that a training system for the Station 11 property has been consistently pushed back further on the schedule due to higher urgency equipment requirements. Knight noted a grant may be able to offset the costs for a training system purchase in a future fiscal year.

Finally, Knight explained the rationale for the contingency and the ending fund balance within the General Fund. The meeting was turned back over to Kozlowski. Coyle noted there were still no on-line attendees.

VI. APPROVAL OF BUDGET

Chair Kozlowski asked if there were any change requests to the budget; no changes were proposed. She asked if there was a motion to approve the budget as presented.

Carroll motioned to approve the Fiscal Year 2023-24 budget as presented; Stockton seconded. Kozlowski called for the question; motion passed unanimously 10-0.

VII. APPROVAL OF THE TAX LEVY RATE

Chair Kozlowski asked for a motion to approve the tax ley rate at \$1.15 / \$1,000.

Davis motioned to approve the tax rate at \$1.15 / \$1,000; Forester seconded. Kozlowski called for the question; motion passed unanimously 10-0.

VIII. ADJOURNMENT

Chair Kozlowski asked for a motion to adjourn the meeting.

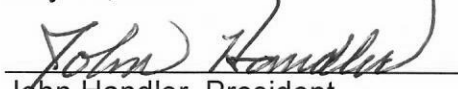
Handler motioned to end the meeting; Kozlowski seconded. Chair called for the question; motion passed unanimously.

Kozlowski praised Knight for the thorough job he performed as Interim Fire Chief.

The meeting adjourned at 4:47 p.m.

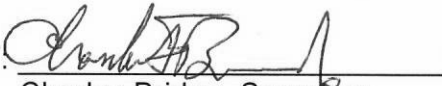
MINUTES APPROVED BY BOARD

May 11, 2023



John Handler, President

ATTEST:



Charles Bridge, Secretary