

**Board of Directors
Minutes**

Regular Meeting

January 20, 2009

Pursuant to the proper public notice, a regular meeting of the Board of Directors of Klamath County Fire District No. 1 was held at The Center for Occupational Health, 2621 Crosby Ave., Klamath Falls, OR 97603

Members Present: Gloria Storey, President
Alan Scott, Vice President
Rod Green, Secretary-Treasurer
Mike Harrigan, Director
Rich Schuster, Director

Members Absent:

1. Call Meeting to Order

Vice President Scott called the meeting to order at 7:00PM

2. Pledge of Allegiance

Vice President Scott led the Board and attendees in the Pledge of Allegiance.

3. Approval of Agenda

A motion to approve the agenda was made by Secretary-Treasurer Green, seconded by Director Harrigan, carried unanimously.

4. Public Comment

Bob Ensminger, 6834 Red Start Road – “Since an article came out a month ago now, maybe, in the paper about the expenditures versus budget, general fund budget, I’ve been kind of interested in what’s going on and I’ve been taking a look at that. I went down to the Assessor’s Office and looked into how much revenue is being generated from tax funds and then last week, I’ve been gone for three weeks on a vacation, last week I finally had the opportunity to try and look into the audited budget of the Fire District. I’ve been able to look at some of that. I’ve got the 2003-2004, 2004-2005, 2005-2006, and 2006-2007 audited budget. I can do that online. I was able to, with the help of Chief Wenzel, to get those copies.”

“A couple of things that are concerning to me after reviewing this. Number one, I would like to see the 2008 and ask if it’s done yet. The 2007-2008 audit, is it completed yet? That’s my first question.”
Chief Wenzel: “No it is not completed.” When will it be completed? *Chief Wenzel: “That’s up to the auditor. Do we have a timeline?”* *Phil Hull: “I am hoping in the next 30-45 days.”* “When that’s completed I would like to see it as well.”

“Based on my review of the 03-04 through the 06-07 budgets I have a couple of comments. Since 2004, your auditor has been telling the Board of Directors that your expenditures has been exceeding budget big time. The newspaper article came up with some figures and I’ve been trying to verify those with what’s presented in the audit, and he’s pretty close. He’s pretty darn close. He’s within 10% from the figures that are in your budget versus the figures he used in his article. What that leads me to is in the last four years the Fire District has exceeded their budget by almost \$3.7 million,

according to the article in the paper. That concerns me. \$3.7 million, when your budget is somewhere in the neighborhood of let's say even \$7-\$8 million, you're in deep trouble here, big time. That's why you went for the bond. There were comments made by the Directors that one of the reasons that you're behind is the Ambulance Fund is not getting the payments into the Ambulance Fund. That is not pointed out in either your budget or your audited budgets or in anything else because you're really in trouble with the fire as well. Ambulance is presenting a problem to you and those are pointed out in 06-07, there really getting on to the problems with the ambulance budget. The fire budgets in trouble too, big time."

"One of the things that concerned me when I read it is in the 04-05 budget. This is the first year; I'm new to Klamath Falls. I have been here three and half years now. I am kind of new to what's going on in Klamath Falls but what I can ascertain from these documents is that the 04-05 is the first year that you had to do some kind of audited budget reporting to the Secretary of State. I assume that. The 05-06 continues on with that, but it gives you one additional factor that's involved in that. That is a comparison from the previous year to the next year. That's good because that tells you that you're still in trouble. Then you've got 05-06 that's telling you that you're still in trouble. In the 04-05 budget there is one thing that really concerns me and that is they have a statement in there where, I'll read it to you, 'During the Fiscal Year 04-05 it was discovered that the beginning fund balance in the general fund budget for this, and the proceeding three fiscal years, has been overstated by \$1 - \$1.5 million.' I questioned Phil on Thursday, I believe, was what lead to that? How do you understate a fund that bad? \$1 - \$1.5 million? It really brings a lot of questions to my mind."

"Those are the two things there. You know I have been dealing now with this issue for three or four months. I've dealt a lot with the Assessor's Office and in dealing with the Assessor's Office, they are very professional. They know what they are doing. When I make a request of them, they bend over backwards to make sure that you have the information that you need. In my trying to get information from the Fire District, it's been pretty tough. I called on Tuesday to get this information, these budgets, just so I could take a look and see what's going on. I didn't get a call back. I called again and left a message with Stacy, I believe, to let her know that I was interested in seeing copies of the budget. I was also interested in knowing what it would cost me to get copies of the audit. Finally did talk to her and she said that she would get that information for me. Also, in our discussion, I asked her if I could come down and take a look at these documents, because it's public records. I think it was very difficult to get any of those records first of all, and then finally on Friday she called me and said those records are online. I think Phil could have given me that information. Somebody should have called me back to make sure that that information was made available to me. If you look at your organizational chart, the people are on top, and then comes you Chief, actually the Board and then the Chief. That's the hierarchy. I mean when people make a request for information, I think it would behoove the District to make sure that those things are available. That's my comments."

Bill George, 4518 Cooper's Hawk Rd – "I just had one question, and that is; I'm puzzled why the audited financial reports are still not done. My recollection, looking online, is that previous years they were completed in mid to early January. That's a long time. I'm an old financial guy. That seems like a long time after your fiscal year. To need another 30 or 45 days is puzzling, and particularly since there is a lot of public concern about the financials of the Fire District I would think these documents would be gotten out more promptly than less promptly and so I am questioning why they are not done at this point." *Attorney Gourley: "I can answer that one. The previous auditor no longer conducts audits of municipal corporations and so we had to switch accountants and extra time to bring new people up to speed, meet with them, and get them everything they wanted."* "That's a good answer, thank you. I'm stunned a little bit because I called your previous auditor to try to find

out if I could get a copy of the report and the guy said ‘I’m not on the account but there not at the state and it takes a long time for the state to publish them.’ He implied that they were doing the audit so that’s great.”

5. Financial Reports

a. December 2008 Report

Phil presented the December 2008 financial report. He corrected the Cash Balances report. The Current Total does not reflect the South Valley payroll checking. The Current Total should be \$3,643,387.81. Phil then indicated that we are 50% through the fiscal year and the General Fund fuel expense is at 32.16% and the Ambulance Fund is at 35.64%.

Phil then continued through the report. The General Fund Revenue is at 90.8%. That is because the majority of the property taxes came in during November. Total General Fund Expenditures are at 45.2%. We are currently tracking over budget on the revenue and under budget on the expenses, which is a good thing. The Ambulance Fund Revenue is at 54.4% and Expenditures are at 45%. Suppression Expenditures are 46.2%, Prevention is at 42.1%, Administration is at 43.8%, Training is at 37.7%, and Hazardous Materials is at 29.8%. After the report, President Storey made a motion to accept the financial reports for December, seconded by Director Schuster, carried unanimously.

6. Action Items

a. Change February Board Meeting date from February 17th to February 24th

Chief Wenzel requested a change in the dates of the February Board meeting. Chief Wenzel and Chief Keady will be attending the Firehouse Conference in San Diego during the week of the 17th. No Directors had a conflict with changing the date. After the discussion, President Storey made a motion to change the February meeting date to the 24th, seconded by Secretary-Treasurer Green, carried unanimously.

b. Approval of the December 22 Regular Meeting Minutes

President Storey made a motion to approve the minutes, seconded by Secretary-Treasurer Green, carried unanimously.

c. Ratification of December 2008 Bills

At this time, Secretary-Treasurer Green declared a conflict of interest and did abstain from voting on the ratification of December 2008 bills. Vice President Scott asked about the \$6,198 check to the Klamath County Clerk. Phil reported that this was the District’s cost for the November election. Vice President Scott then asked about the check for \$4,794 to Kenneth M. Fitzsimmon. Attorney Gourley reported that this was the charge for the Arbitrator. A motion was made for ratification of the December 2008 bills by President Storey, seconded by Director Schuster, carried unanimously, with one abstention.

7. Informational Reports

a. Amended Petition for Property Withdrawal

Attorney Gourley reported that he is working on the review to appeal the decision in circuit court. He had a couple of finishing touches and he plans to have it submitted by the end of the week.

Administration

a. December 2008 Web Site Statistics

The Board reviewed the December 2008 Web Site Statistics.

b. February Chief Officers and Duty Chiefs schedules

Chief Wenzel presented the February Chief Officers and Duty Chief schedules.

c. Thank you letters

The Board received copies of the thank you letters received by the District in the past month. Vice President Scott asked if the District sent apparatus to Roger Wilkinson's funeral. Chief Spradley replied that we did send crews. President Storey reported that two people in Yuma, Arizona asked her if she knew Roger Wilkinson. She commented that he was well known.

d. January Fire Chief's Community Activity Memo

The Board reviewed Chief Wenzel's January memorandum.

e. Other reports of the Fire Chief

Chief Wenzel reported to the Board that the Fire District received notice on January 16th that we have been awarded the SAFER grant that the District applied for back in June. This grant is for staffing of firefighters. It is administered through FEMA/Department of Homeland Security. This grant will pay for 90% of expenses related to six new firefighters in the first year, and then it goes down by approximately 20% each year for a total of five years. It will total to \$650,250 over the five years. This will allow the District to put two more firefighters' on-duty each shift. Chief Wenzel and Chief Spradley commended Phil Hull for all of his work on this grant.

Operations

a. Incident Activity through December 31, 2008

Chief Spradley reported that the Fire District had 63 fewer runs in 2008 than in 2007. He reported that the three-year average is 5,571 per year. He noted that false alarms and false calls have been reduced. He indicated that the Fire Prevention Division had a lot to do with relieving some of the false alarm responses made over the last year.

b. January Operations Chief Community Activity Memo

Chief Spradley reported that the District responded to three significant structure fires over the last 30 days. Vice President Scott personally thanked the on-duty crews for those quick responses and stops. Chief Kenworthy reported that the owner of the property on Laurelwood called Deputy Rice to express his appreciation for the efforts of the firefighters. He had no fire insurance and considered himself very fortunate to have only lost his garage. President Storey asked about Chief Spradley's request for portable radios for the Chaplains. Chief Spradley reported that Chief Holster in Chiloquin had some radios that he received from Crater Lake. Chief Holster donated two of the portable radios received in the county-wide grant to the District for the Chaplains.

c. Memo from Captain Mulvey regarding Station 5 Update

The Board reviewed a memorandum from Captain Mick Mulvey on various projects that have been going on out at Station 5. Chief Spradley reported that the crews stationed out there have been doing quite a bit of work and things are progressing very well.

Training/Ambulance

a. January Training Calendar

Chief Keady presented the training calendar schedule for January. He commented on a couple of changes to the schedule.

b. December Training Statistics

Chief Keady reported that the personnel met about half of their scheduled training for the month. There are many factors, including calls, weather, etc that can affect the schedule.

c. 2008 Total Training Statistics

Chief Keady also presented a total of training for 2008. He reported that the Training Division's goal is to be training one hour a day. The total number of training hours in 2008 was 4,749.15, which works out to be .75 hours a day. One thing this report does not cover is the Hazardous Materials training hours. These are tracked differently by the HazMat Team.

d. January Training Chief Community Activity Memo

Chief Keady corrected that he did not attend the Oregon Fire Medical Administration Association meeting in Salem. He responded to an email poll from them. President Storey asked about his meeting with the six hospitals to discuss exercise training. Chief Keady replied that these were the hospitals in Madras, Redmond, Bend, John Day, Fossil, and Lakeview. President Storey asked if this was training for our District or training for them. Chief Keady replied that it is for both. He is getting the experience for putting on large scale exercises. He reported that Sky Lakes will be having a training here also.

e. EMS Billing Reports

Chief Keady indicated that the Ambulance Billing is \$10,000 over where they were this time last year. He also reported that since a change in procedure in October 2008, half of the 180 day+ accounts have been narrowed down. He is guessing that these should reach a sustaining level in the next couple of months. Vice President Scott asked if there was any possibility of getting any of that money. Chief Keady is working on various strategies for collecting on some of these accounts.

Prevention

a. January Fire Marshal Community Activity Memo

Chief Kenworthy presented his monthly community memo. He reported that the IGA with the County expired on December 31st. The County is in the process of preparing a new IGA for the District's consideration. Chief Kenworthy also reported that false alarms were down 25% from previous years. He commended Deputy Rice especially for his hard work with this issue. President Storey asked about Chief Kenworthy's meeting with the Deputy State Fire Marshal regarding substandard fire alarm systems in County schools. She asked if this was in all County schools. Chief Kenworthy reported that it was pretty much all of the County schools. Most of the schools have substandard systems that were installed 15-20 years ago. They have not been maintained over the years. Director Schuster asked about the private schools and their fire systems. Chief Kenworthy replied that there was a private school that was not licensed by the State and then they changed their program to offer schooling for lower aged kids. At that point, they became responsible for a fire alarm system. The school now has a schedule in place to do a portion of the building at a time, as they can afford it.

8. Adjourn

The Board adjourned to Executive Session at 7:53PM.

9. Executive Session

Under section 192.660 (2) (f) to consider information or records that are exempt by law from public inspection. The Board of Directors will not reconvene to regular session.

10. Adjourn

11. Executive Session

Under section 192.660 (2) (d) to conduct deliberations with the persons designated by the governing body to carry on labor negotiations and 192.660 (2) (e) to deliberate with persons designated by the governing body to negotiate real property transactions. The Board of Directors will not reconvene to regular session.

12. Adjourn

The next regularly scheduled meeting of the Klamath County Fire District No. 1 Board of Directors will be at The Center for Occupational Health, 2621 Crosby Ave., on Tuesday, February 24, 2009 at 7:00 PM.

BOARD MEMBERS SIGNATURES

PRESIDENT

VICE-PRESIDENT

SECRETARY / TREASURER

DIRECTOR

DIRECTOR