

**Board of Directors
Minutes**

Regular Meeting

April 21, 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

President Storey called the meeting to order at 7:04PM.

2. Pledge of Allegiance

President Storey led the Board and attendees in the Pledge of Allegiance.

3. Approval of Agenda

President Storey amended Executive Session to include section 192.660 (2) (a). A motion to approve the amended agenda was made by Secretary-Treasurer Green, seconded by Vice President Scott, carried unanimously.

4. Public Comment

Bill Clanton, Captain, Klamath County Fire District No. 1 – I have two items, they are both fairly short. If I am under a time constraint then I will just do one of them. *President Storey told Captain Clanton to go ahead.* The first item is in regards to the Boards questioning about things that go on with the ambulance, how we can be more effective in some more operations, and stuff like this, as we go into our ASA agreement how we could improve it per say. So I want to go briefly over an incident we had. It's not an isolated incident, it doesn't happen often, but it addresses our out-of-district dispatches. To be compliant with HIPAA, I pretty much took out addresses, names, and all that other stuff. So I think we're ok here now. If I'm not, I'm sure that Mr. Gourley will point out if I'm over the line here. I would appreciate that. The facts of this particular incident are that it did occur in April of 2009. It was a dispatch to California. 3173 went because there were no units from Butte Valley, or Keno, available to go to this call. There was very scant details regarding address, directions, therefore it was not possible to launch a helicopter. No local first responders came up on the air. 3173 drove 59 miles one way to this incident. The time to the scene was 1.25 hours. The patient stated upon their arrival, he wanted an evaluation. He did not want to go to the hospital. The patient was evaluated, didn't warrant transport, a non transport. That's the facts. The issues were that, or the issues for us per say, is that not enough information is coming across in the initial dispatch; this person only wanted an evaluation. *President Storey asked if this was dispatched through 911.* Yes, this is through Siskiyou County 911, the Klamath 911, you know that kind of loop thing. We wound up traveling past two transport providers, which

Butte Valley being the primary one; you know I don't expect Keno to bail out Butte Valley, but the fact is that we did go past two providers to do so. There was a lack of response by the local agency in any form. Nobody drove there, nobody got in an ambulance, nobody got in a pickup, nothing. 3173 was unable to get any updates because we don't interface with Siskiyou County. The other issue was 3173, which is our dedicated ambulance, was out of the area for this incident for 2.5 hours. The remedy, a remedy, or some thoughts that I am going to just speak out loud to is that perhaps we need to inform the outside agencies of their need to provide some form of first response to their communities. Number two is inform the same agencies that our mission, our primary mission, is to provide paramedic assistance, paramedic ALS intervention, not primary care then transport. Finally, as we appear to be getting that business, reevaluate the District's out-of-area response criteria prior to entering into a successor ASA agreement. That was just informational for the Board.

President Storey asked what the date was in April. It was April of 2009. I didn't know how anonymous to make this. President Storey asked if this was into California. Yes. She asked if it was the Dorris area. South. Director Harrigan asked if it was MacDoel. Tennant; downtown Tennant. Director Harrigan asked if there was any local agreement with anybody in Siskiyou County, in case this ever happens again. Chief Spradley commented that the previous intergovernmental agreement did include Butte Valley. He reported that the input he has had in the revised agreement says that it stops at the border. He also commented that this agreement is not a done deal.

Item number 2 has to do with Action Item c. Intent to combine the General Fund and the Ambulance Enterprise Fund. I'm just going to make some points here for your consideration. You've already read the document in your board packets so I am assuming you can follow along as I make these points. There's a statement there that says the paramedics are cross trained in order to benefit from the FLSA exemption of the 56-hour employees and that was the primary focus of the reason they became cross-trained. That is not true. Those employees were employed by Medic One on July 31, 1998. They became employees here on August 1, 1998; basically at the stroke of Midnight, they became District employees. In a cooperative venture between 890, which included myself, and the Fire District, with then Chief Penicook, we sat down and said ok how can we do this without any undue impact to the District. We decided that having cross-trained paramedics was the best way to facility the District's operation, labor agreements, job descriptions, SOGs. FLSA was obviously addressed during that time, but was not the primary factor that they became cross-trained. There's a statement in there that says, unless I am interpreting this wrong, my read on it indicates that because we use cross-trained people that we are somehow precluded from having them assigned to an enterprise fund. It would seem that we have been doing this for near eleven years, and that the auditors, if not the auditors, that the State of Oregon, would have spoken to that fact a long time ago, if it was contrary to rules and statutes.

My next point is the Ambulance Enterprise Fund was originally, by design, practice, and intent meant to be a true enterprise fund. Can every penny be absolutely determined to be General Fund or Ambulance Enterprise Fund? No. Quite frankly in the beginning there was some unintended co-mingling of funds, but since fiscal years 2005-2006, the fund revenue and expenditures which include personnel costs, materials and services, services, capital outlay, that are incurred with the providing of the EMS transports are being tracked with consistent results. The results are consistent and so that would indicate that the way we are allocating is a consistent practice for the last numbers of years. There's a statement in there about EMS supplies for engines are being charged to the EMS fund. This is perhaps improper. What I would say to that is that the EMS supplies that are carried on the engines go to the first response.

You show up on an engine, you provide care, you use supplies. The way we cost recovery that is by sending the person a bill. When the revenue comes in for that bill, it goes in the Ambulance Enterprise Fund. Therefore, the cost for the supplies initially should come out of the Enterprise Fund. Prior to us doing EMS transports, the system was the engines provided EMS first response, EMTs, and that the reimbursement of supplies came from gathering them off the restock shelf, as we called it, off of West Medic One and the hospital billed for whatever supplies that collectively we used and they used, and it was all done by them. I am curious on one thing. There was a statement in there about a Captain that was being funded by the Ambulance Enterprise Fund and I'm just curious about the assignment and location. I realize this is not a Q and A session, but I am unaware that there was a Captain funded by the Ambulance Enterprise Fund.

Another point, prior to November 9, 2008, the Ambulance Enterprise Fund was charged with supporting 12 paramedics per year and on the average has a shortfall of \$350,000 since fiscal year 2005-2006. There's a suggestion in there that the closing of 3171 and the opening of Station 5 had created a negative cash flow. I believe this requires further analysis, as that the Ambulance Enterprise Fund has never been able to support 12 employees in any form since the years of fiscal year 2005-2006. I have about three more points and then I will be complete. The District could choose to have 40-hour paramedics in the Ambulance Enterprise Fund, or they could have 56-hour cross-trained employees, as identified by the current practice. There are some indications that if we were compliant with the intent of an enterprise only we would only have 40-hour employees. Obviously we've been doing it differently for the last 11 years.

In regards to combining these things, the General Fund is now trended to exceed its revenues for this year by \$250,000. This is based on tonight's document. The Ambulance Enterprise Fund is trending consistently for this year to a shortfall of around \$350,000. This is a combined shortfall of \$600,000. Combining these funds does not fix the problems; it only precludes administrative personnel from making informed fiscal decisions. Being one of the parties that helped create the Ambulance Enterprise Fund, the exact purpose of separate General Fund and Ambulance Enterprise Fund is to independently monitor the performance of each. Therefore you can make adjustments to operations based on that input. In closing, combining of the General Fund and the Ambulance Enterprise Fund I believe would be contrary to best business practices of being able to monitor any fund performances. The continued retention of separate General Fund and Ambulance Enterprise Fund will not be obstructive or detrimental to the operations of Klamath County Fire District No. 1. Therefore, I would request that the Board of Directors maintain the current practice of maintaining a separate General Fund and Ambulance Enterprise Fund budgets. Thank you for your time.

5. Financial Reports

a. March 2009 Report

Phil Hull presented the March 2009 Financial Report. The District is currently 75% of the way through the fiscal year. Current General Fund Revenue is at 98% and Expenditures are at 67.3%. Ambulance Fund Revenue is at 74.5% and Expenditures are at 65.5%. He then proceeded through the revenue and expense breakdowns for the General Fund. Total Suppression expenditures are at 68.4%, Prevention is at 61.1%, Administration is at 69.8%, Training is at 56.8%, and Hazardous Materials is at 48.2%.

President Storey commented that she thinks the District is tracking really well expenditure wise. After the report, by Secretary-Treasurer Green made a motion to accept the financial reports for March 2009, seconded by Director Schuster, carried unanimously.

6. Action Items

a. Appoint Chief Wenzel as 2009-2010 Budget Officer

Chief Wenzel reported that the Board of Directors needs to appoint a Budget Officer for the 2009-2010 Fiscal Year. Secretary-Treasurer Green made a motion to appoint Chief Wenzel as the Budget Officer for the 2009-2010 Fiscal Year, seconded by Vice President Scott, carried unanimously.

b. Appoint Budget Committee Member(s)

President Storey reported that the District received applications for the one open position from Tom Janora, Robert Jessen, and Michael Hagen. Vice President Scott commented that he thinks the District is very fortunate to have people of this caliber wanting to spend some time on this process. Vice President Scott also commented that, after reading all three applications, Michael Hagen, who has also served on the Strategic Planning and is a retired firefighter from the District, would do a good job. President Storey added that Mike was also in charge of all of the EMS supplies when the District took over the ambulance service. Vice President Scott made a motion to appoint Michael Hagen to the open Budget Committee position, seconded by Director Harrigan, carried unanimously.

c. Approval to combine the General Fund and the Ambulance Fund

Attorney Gourley reported that this was discussed several years ago and he believed that the District had checked into it with the Secretary of State. He thought that the District could not do this legally. Phil Hull reported that he has checked with the auditor and the Department of Revenue in the last 12 months and they confirmed that it was allowed. Phil also pointed out that the Ambulance Enterprise Fund was actually started in 2001; three years after the District took over the ambulance service. Before that, they were just line items in the General Fund.

Director Harrigan asked what it would do for the District by combining the two funds. Phil answered that, in the end, there would be no change. The same amount of money will come in and the same amount of money will go out. Chief Kenworthy commented that he believes Oregon budget laws doesn't prevent you from eliminating an enterprise fund, it does require that you account for that fund for the two or three years following the elimination.

Vice President Scott asked why the Ambulance Enterprise Fund was established. Attorney Gourley replied that the District anticipated making money on the Ambulance. Chief Wenzel commented that, even though it was set up as an enterprise fund, it never followed the rules of a true enterprise fund. The operations of the Ambulance never changed. He commented that the District is running the service operationally correct, we just need to do the accounting to match it.

President Storey indicated that the District is not going to lose our ability to track our revenue and expenses related to the ambulance. Vice President Scott asked if the District would continue billing the same way. President Storey said that it won't change anything. Vice President Scott is concerned with making it clear to the citizens of the District that the ambulance service is not covered under taxes.

Attorney Gourley commented that he has not researched this and he cannot give the Board any advice. President Storey asked what the timeline is to combine these. Chief Wenzel indicated that it would be for the upcoming budget process and it would start with the 2009-2010 budget. She asked Attorney Gourley how long it would take him to research this. He indicated he could have it done by the next week. President Storey scheduled a special meeting on Wednesday, April 29, 2009, 7:00pm at Station 6. This item was tabled until the special meeting.

d. Approval of moving June meeting from June 16th to June 30th

Director Schuster made a motion to move the June meeting from June 16th to June 30th, seconded by Vice President Scott, carried unanimously.

e. Resolution 09-02 – Adopting an Identity Theft Program

Vice President Scott made a motion to read Resolution 09-02 by title only, seconded by Director Schuster, carried unanimously. Stacy Brainard read Resolution 09-02 by Title only. This is a resolution adopting Klamath County Fire District No. 1 Identity Theft Prevention Program. Vice President Scott made a motion to adopt Resolution 09-02, seconded by Secretary-Treasurer Green, carried unanimously.

f. Approval of Attorney Gourley to sign the Consent to Filing Verified Statement in the matter of the estate of Wava Schumacher

Attorney Gourley reported that he has received a letter from Attorney Foltyn, the person representing the estate of Ms. Schumacher. The estate is ready to be closed out and is asking the District to consent to the filing of the verified statement in lieu of final accounting. Director Harrigan made a motion to consent to the filing of the verified statement, seconded by Vice President Scott, carried unanimously.

g. Approval to rent out the church building on the Mitchell Street Property

The Board received a request from Pastor Jose Ramirez requesting to rent out the church property recently purchased by the Fire District on Mitchell Street. Attorney Gourley reported that the requirements of the Flex Lease prohibit that property from any private use. Chief Wenzel will inform Mr. Ramirez of the Board's decision.

h. Approval to establish an Intergovernmental Agreement with Klamath County and 911 Communications District

Chief Wenzel presented the Board with a memorandum regarding the Fire District being in the early stages of cooperating with Klamath County Emergency management Agency, Klamath County Department of Public Health, and the Klamath County 911 Communications District to seek Federal Economic Stimulus Funds for the development of a joint use campus-type administrative facility. President Storey reported that she and Vice President Scott have participated in the planning meeting. She indicated that each agency would be obtaining separate grants to fund the campus style facility. It was clarified that the Fire District would be paying only for their share of the costs involved with the joint areas. Vice President Scott made a motion to establish into an IGA with Klamath County and the 911 Communications District, seconded by Secretary-Treasurer Green, carried unanimously.

i. Accept the Fire District Strategic Plan

Stacy Brainard provided the Board with the final draft of the Strategic Plan. Director Harrigan asked for the photo on page 23 with the US Bank card to be removed. President Storey commented that the Plan

was outstanding. The other Directors agreed with her. Director Harrigan made a motion to accept the Fire District Strategic Plan as amended, seconded by Secretary-Treasurer Green, carried unanimously.

j. Approval of the February 24th Regular Meeting Minutes

Director Harrigan made a motion to approve the minutes, seconded by Vice President Scott, carried unanimously.

k. Approval of the March 17th Regular Meeting Minutes

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

l. Approval of the April 7th Special Meeting Minutes

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

m. Ratification of March 2009 Bills

At this time, Secretary-Treasurer Green declared a conflict of interest and did abstain from voting on the ratification of March 2009 bills. President Storey asked Phil if he was able to get any information from BC Morehouse about a bill for Peterson Machinery. Vice President Scott asked about the check written to the Department of Veterans Affairs. Phil reported that this was for an ambulance reimbursement. A motion was made for ratification of the March 2009 bills by Vice President Scott, seconded by Director Harrigan, carried unanimously, with one abstention.

7. Informational Reports

a. Amended Petition for Property Withdrawal

Attorney Gourley reported that he attended the hearing to review the Board of Commissioners decision to approve the amended petition. There was hearing held on Monday, April 20. The judge was not required to have a hearing, but she let each party speak. The Fire District's position is that the County Commissioners did not have sufficient evidence to support the ruling. Judge Atkinson will take the case under advisement. She will read over the transcripts and associated paperwork prior to making a ruling. Attorney Gourley expects that Judge Atkinson to have reviewed all of this in the next couple of weeks.

Chief Wenzel asked Attorney Gourley if these properties had annexed into Merrill yet, and what would be the procedure for bringing them back. Attorney Gourley reported that if she rules in favor of the District then the Commissioners will have to go back and undo their decision and return the property to our District. In addition, the Commissioners have the right to appeal Judge Atkinson's decision.

Administration

a. March 2009 Web Site Statistics

Chief Wenzel presented the Board with the March 2009 web site statistics. Celeste continues to provide different information that she believes the Board would be interested in.

b. May Chief Officers and Duty Chiefs schedules

The Board reviewed the Chief Officer and Duty Chief schedules for the month of May.

c. Thank you letters

The Board read the letters received by the District over the last month.

d. April Fire Chief's Community Activity Memo

Chief Wenzel presented his community activity memo to the Board.

e. Other reports of the Fire Chief

Chief Wenzel provided the Board with a copy of a letter sent to the Klamath County Sheriff's Office regarding the utility costs associated with the Wocus Road Station. The Sheriff's Office has agreed to start paying these costs as of April 1, 2009. In addition, they have been given 60 days to respond with a final answer on a long term solution.

Chief Wenzel also informed the Board that the District anticipates a minimum of three retirements in the next fiscal year. Due to these retirements, the District will be hiring an additional three firefighters, while also hiring six for the SAFER grant.

Operations

a. Incident Activity through March 31, 2009

Chief Spradley reviewed the Incident Activity Report through the end of March 2009. At this point, the District is currently about 150 less than the same time last year. He indicated that there is no apparent reason for this. Chief Kenworthy commented that it may be due to the economy and people losing their healthcare benefits.

b. April Operations Chief Community Activity Memo

The Board reviewed Chief Spradley's community activity memo. President Storey asked about the draft Ambulance Service Plan. Chief Spradley reported that this is still in draft format. Chief Spradley is focusing on previous cases related to what Captain Clanton commented on at the beginning of the meeting. He indicated that he is trying to edit the document to be more in the favor of the Fire District needs related to commitments to assist other communities. President Storey then asked about the incident referred to on April 2, 2009. Chief Spradley commented that this was the incident involving the young female that was struck by the train down in the rail yard.

Chief Spradley also reported on the Years of Service ceremony held on April 1st. President Storey asked if the District put these anniversaries in the newspaper, as she believes that the community needs to know that these employees have given 20 years to the Fire District. Chief Spradley reported that the District took delivery of 12 mobile radios provided by the KC Interoperable Communications Group grant. Director Schuster asked if this would solve the issues of being able to communicate with Siskiyou County. Chief Spradley replied that issue is related to programming and authorization issues and not a current capability issue. We do not have their frequencies programmed into our radios.

Chief Spradley reported that Bonanza Rural Fire Protection District successfully annexed a large portion of property along the Fire District's eastern border, along Highway 140. Chief Spradley was notified today by Bonanza Ambulance that they have interest in servicing that area also. That area is currently in our ASA. He also reported that many of the local volunteer agencies are struggling to keep current staffing levels.

Training/Ambulance

a. April Training Calendar

Chief Keady was not present at the meeting. The Board reviewed the April Training calendar. President Storey asked what the “Lucas” Device was. Battalion Chief Riblett commented that it is an automatic operating CPR device. She also asked what the Multi-Company Drop a Tail drill was. Battalion Chief Riblett replied that it is a drill that establishes a water supply.

b. March Training Statistics

The Board reviewed the training statistics for the month of March.

c. April Training Chief Community Activity Memo

The Board reviewed Chief Keady’s monthly community activity memo. President Storey commented that she had some questions and she would contact Chief Keady regarding those questions.

d. EMS Billing Reports

President Storey commented that she cannot believe that there is nothing shown as received in the 31-180 days columns for the Private and Time Pay Aging. She will ask Chief Keady about this when she speaks to him.

Prevention

a. April Fire Marshal Community Activity Memo

Chief Kenworthy presented his monthly community activity memo. President Storey asked where the Buck Ridge subdivision is at. Chief Kenworthy reported that this is above Lakeshore Drive. She also asked about the Crest Street development. Chief Kenworthy replied that the Crest Street Apartments want to add four duplexes to their complex.

In addition, Chief Kenworthy added that he participated in the memorial service for retired firefighter Bruce Jensen on April 18th. He commented that President Clanton and Past President Malone were primarily responsible for putting the service together. The fire service was well represented. Vice President Scott also commented that Chief Kenworthy did a great job representing the senior staff of the District. He also commented that he was proud to be a member of the Fire District.

Chief Kenworthy also added Richard Ogle pled guilty to setting the fire in the Beddoe Building at 3rd and Main. The sentencing has not been scheduled yet for Mr. Ogle. In addition, Deputy Scott Rice attended a training session on “building green”. These types of buildings are becoming the trend. These buildings will be good and bad for the fire service. In the last month, Deputies responded to 12 fires for investigations in the last month. They also conducted all of the scheduled and requested inspections for the month. Deputies Harder and Romano worked with the Fire Prevention Cooperative to deliver outreach public education to the Gilcrest School. They are also scheduled to go to Bonanza and Bly.

8. Adjourn

The Board adjourned to Executive Session at 8:49PM under section 192.660 (2) (a) Employment of Public Officers, Employees, and Agents, under 192.660 (2) (d) to conduct deliberations with the persons designated by the governing body to carry on labor negotiations, and under section 192.660 (2) (i) to

conduct the performance evaluation of the Fire Chief. The Board of Directors did not reconvene to regular session.

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, May 19, 2009 at 7:00 PM.

BOARD MEMBERS SIGNATURES

PRESIDENT

VICE-PRESIDENT

SECRETARY / TREASURER

DIRECTOR

DIRECTOR