

Clackamas Fire District #1



REGULAR BOARD OF DIRECTORS MEETING
November 16, 2009

(This meeting was recorded.)
AMENDED MINUTES

- I. CALL TO ORDER PER ORS 192.610 TO 192.710**
ORS 192.650 – The meeting is being recorded.
ORS 197.710 – Smoking is banned during the meeting.

Chairperson Trotter called the meeting to order at 7:04 p.m.

Present: Board of Directors Jim Doane, Toby Forsberg, Dave McTeague, Don Trotter and Marilyn Wall; Chief Ed Kirchhofer; Deputy Chief Jonathan Smith; Deputy Chief Scott Weninger; Personnel Services Chief Mark Cauthorn; Finance Director Susan McSperritt; Executive Officer Kyle Gorman; Battalion Chief Ken Horn; Battalion Chief John Ingrao; Battalion Chief John Oliver; Captain Chris Geiger; Lobbyist Genoa Ingram from Court Street Consulting; Legal Counsel John Osburn; Kenny Allen from Pauley, Rogers & Col; Thomas Koehler from AMR; Taneka Burnell-Means from AMR; Citizen Eric Durano, his family and friends; and Executive Assistant Karen Strejc.

II. CHANGES TO AGENDA

Chief Kirchhofer shared that the Presentation of the Public Education Program has been deferred to the December 21, 2009 board meeting.

III. APPROVAL OF MINUTES FROM THE WORK SESSION AND THE REGULAR BOARD MEETINGS ON OCTOBER 19, 2009

Chairperson Trotter asked if there were any questions regarding the minutes from the work session and the regular board meeting on October 19, 2009. Since there were none, Chairperson Trotter stated the minutes were approved as written.

IV. PUBLIC COMMENT

None

V. CITIZEN AWARD PRESENTATION

Chief Kirchhofer introduced Capt. Chris Geiger who explained the event that took place this past summer and is the reason behind presenting the Award of Courage to Thomas Kohler. Capt. Geiger shared that Eric Durano and his brother-in-law were attempting to swim across the Clackamas River at the High Rocks area near Gladstone, Oregon. Eric became exhausted from swimming and went under the surface of the water. Thomas, one of the AMR lifeguards on duty, dove into the murky water three times before finding Eric and pulling him out of the water.

A team effort by paramedics AMR, CFD #1 and Gladstone Fire Department successfully resuscitated Eric. After two weeks in the hospital, he has made a full recovery.

Because of his selfless act of courage in risking his own life to save Eric, Thomas was presented the Award of Courage by Chief Kirchhofer. Eric's family and friends, who were in attendance at the meeting, were introduced to the Board.

VI. PRESENTATION OF AUDIT REPORT

Finance Director McSperitt introduced Kenny Allen from Pauley, Rogers & Co., which is the District's auditors. Mr. Allen presented the audit report for the District. He reported that the District was issued an unqualified opinion on the financial statements, which means the District has a clean opinion with no reservations or comments. Mr. Allen shared the results of the Oregon Minimum Standards Audit Report, which covers budget, collateral, investments, etc. There were no issues requiring comments on this report as well.

Mr. Allen reported that there was a new accounting standard implemented during the year called GASB, which stands for Government Accounting Standards Board. This requires an evaluation to be completed every two years on post employment benefits.

Mr. Allen explained that the management letter contained no new issues or significant deficiencies. There is a comment from the previous year that they are following up on regarding the fact that the staff maintains the District's fixed assets in Excel. This software program is prone to errors in calculations. The recommendation is for the District to purchase a new off-the-shelf accounting program. The auditors also recommended adopting a \$5,000 capitalization limit.

Mr. Allen discussed the fact that the majority of the District's assets were invested with the Local Government Investment Pool (LGIP). He recommended that the District continue to monitor and check the investments with LGIP considering their investment loss in 2008-2009.

Future accounting and auditing issues were discussed. Mr. Allen mentioned GASB Statement #54, which concerns fund balance reporting. This requires a more detailed breakout of the fund balance.

Director Wall asked for clarification with the letters since Mr. Allen explained that the auditors should not comment on the effectiveness of the District's internal controls, yet he proceeded to comment on the internal controls and said they were fine except for the significant deficiencies as noted. Mr. Allen explained that auditors are required to note any problems with internal controls and report these to the client.

Director Wall asked what the District should do to ensure that it has effective internal controls. Mr. Allen explained that there are internal control audits that can be conducted, but these are separate from the financial reporting audit. It is four to five times as lengthy as a regular audit. There is no standard for how often this audit should be done.

Director Wall asked about the LGIP issue. She shared that the State did not notify clients of the loss. The clients have to report the loss of funds, yet the LGIP does not show a loss in their books. Mr. Allen explained that the loss will not be shown in their books as they decided to reduce the future interest by 0.2 percent and prorate the loss over the next three years. Discussion followed.

Finance Director McSperitt shared that she has begun receiving the LGIP newsletter and she will forward these to the Board each month.

Finance Director McSperitt shared a clarification regarding fixed assets. She explained that the District had adopted the \$5,000 capitalization limit in 2009. The District has not adopted an accounting system due to anticipating a new software purchase. During the next fiscal year, the District will be looking at different options. One of these will be the new system that TVF&R is adopting.

Finance Director McSperitt will be including the new board members in the addendum for the audit report.

Chairperson Trotter shared that it was good to have another great audit with no major deficiencies. This shows that the staff is doing a great job. He thanked Mr. Allen for the audit presentation.

VII. PRESENTATION OF THE PUBLIC EDUCATION PROGRAM

This presentation was deferred to the December 21, 2009 board meeting.

VIII. BUSINESS – Action required

B-1 Request Board Approval of Susan McSperitt as Budget Officer for 2010-2011

Chief Kirchofer explained that each year the Board needs to appoint a budget officer to oversee and facilitate the budget for the next fiscal year. His recommendation was to have the Board appoint Susan McSperitt to this position.

Director Forsberg moved and Director McTeague seconded the motion to appoint Susan McSperitt as the budget officer for 2010-2011. The motion passed by consensus of the Board.

B-2 Request Board Approval of Revised Purchasing Policy

Finance Director McSperitt explained that the Purchasing Policy was more of a rewrite than an edit as the old policy was cumbersome to work with and it was more efficient to rewrite it. The main reason the policy needed to be revised was to include the Physician Supervisor's contract since it is a personal services contract as covered under ORS 279 guidelines. Since the policy had not been updated for several years, Finance Director McSperitt reviewed the policy for any further updates needed. She explained that she looked at TVF&R's Purchasing Policy for comparison.

Finance Director McSperitt explained that the revised policy changed some of the purchasing limits and authorities. The changes brought in the changes of ORS 279 so that it complied with

the Oregon law and the Oregon Attorney General's Public Contract Rules, and included the IRS regulations related to taxable fringe benefits.

Finance Director McSperitt noted that the Purchasing Policy still needed more work before it could be finalized. She mentioned that TVF&R's policy did not state when a request for proposal was needed. Staff feels the need to be more descriptive in this area.

Finance Director McSperitt asked for questions and shared that she would appreciate any input the Board had.

Chairperson Trotter asked why some things were included in the old policy, but not in the new policy. For example, in the old policy, an emergency procedure was outlined. Finance Director McSperitt explained that it was listed in the new policy on pages 14-15. Chairperson Trotter also asked about Board approval regarding the transfer of funds between accounts and for purchases as he did not see these guidelines listed in the new policy. Finance Director McSperitt explained that these approvals are required under Oregon Budget Law so does not need to be listed in the policy. Also, any purchase above \$50,000 requires Board approval. Discussion followed.

Finance Director McSperitt shared that there would be a definition and acronyms section included at the end of the Purchasing Policy.

Chairperson Trotter asked about the Disposal of Equipment and Scrap SOG that was listed on page 22 of the new policy, as he did not have that listed in his files. Finance Director McSperitt explained that she pulled this section out verbatim and placed it into a separate policy. She shared that it was now a separate new SOG as it did not seem to fit well into the Purchasing Policy. She offered to bring it to the December board meeting.

Chairperson Trotter confirmed that the Purchasing Policy would be updated and revised with all of the changes discussed during the meeting and brought before the Board again at the December board meeting.

B-3 Request Board Approval to Surplus Two Engines

BC Ingrao reported that staff is using the surplus policy that is in place. With two new engines in service, the two engines that are being requested to be surplus are the oldest reserves that were included in the apparatus replacement plan. Staff is requesting Board approval for Chief Kirchhofer to surplus these two apparatus.

Director Wall asked for clarification of BC Ingrao's written request to either sell or donate the engines. She asked him which was his recommendation. Chief Kirchhofer shared that with the last engines surplus the District had a few requests from needy fire agencies within the State for donations of fire apparatus. Most recently, the District donated a 1988 Western States fire engine to the Elsie Vine Maple Fire District. Chief Kirchhofer shared that it would cost more in advertising an engine this old than would be received from a sale. The resale value of older engines that are 20-25 years old is not much and the District could have a greater impact on the fire service in Oregon by donating them than to try to find a buyer. Discussion followed.

Chief Kirchhofer shared that these two engines that are being surplused will sell fairly easily.

Director McTeague moved and Director Doane seconded the motion to authorize Chief Kirchhofer to sell or donate the surplus apparatus listed. The motion passed unanimously.

B-4 Request Board Approval of News Media Attendance Policy for Executive Sessions

Chief Kirchhofer shared that over the past two board meetings there has been much discussion regarding the need for a news media attendance policy. Legal Counsel Osburn drafted one that was in the form of a resolution. Based upon board direction at the October board meeting, the information was put into the board policy format with the changes requested from the Board. Legal Counsel Osburn included areas in the policy that were not covered in the law or by other policies and outlined the consequences for violating the directive to not report on information gained at executive session.

Chairperson Trotter asked for the reasoning for requesting to see credentials four hours prior to a meeting. Legal Counsel Osburn replied that this was the timeframe used in the Lake Oswego League of Cities policy that he used as a template to draft the current board media policy. The credentials show that a person is an eligible representative from a recognized media agency as outlined in Section 9.17 of the policy. If their agency is not listed, they could present their credentials to the Chief four hours prior to the meeting. If the Chief did not approve the request, the person could appeal to the Board. If the person is from a recognized agency, they only need to show their credentials prior to the meeting. Discussion followed.

Chairperson Trotter shared his concern that if the District had to have an emergency meeting a media representative that was not on the approved list would not be able to apply to attend as the requirement currently stands at 48 hours for prior notice. Discussion followed that included having two hours notice would be beneficial to eliminate the possibility of beginning a meeting late due to credentials having to be approved. Chairperson [Change made from Chief to Chairperson per board meeting of December 21, 2009] Trotter suggested having the approval prior to a meeting be tied into the timing of the emergency meeting notification.

Chairperson Trotter shared that he felt that Section 9.20.3 was too restrictive. Many times media does not report on the regular activities of a board, but will attend meetings when a particular topic is on the agenda for discussion. Legal Counsel Osburn will edit this section.

It was the consensus of the Board to have a final version presented at the December board meeting for adoption.

IX. OTHER BUSINESS – No action required.

OB-1 Update of Open Burning Discussion

DC Weninger reported that Willamette Falls TV will record and broadcast the Open Burning Town Hall meeting.

On November 10, a dry-run of the Town Hall meeting took place. Those in attendance included staff, the President of the Clackamas County Chapter of the Farm Bureau, a board member from the Clackamas County Farm Forestry Association and several citizens. Both sides of the burning

issue were represented. The presentation for December 8 was adjusted to include information gathered from the dry-run.

DC Weninger discussed information that was included in the board packet. The first item discussed was the Open Burning Policy Statements, which are legal requirements and issues that the public will not be discussing during the town hall meeting. The second item discussed was the Open Burning Policy Questions. These will be discussed during the meeting with electronic polling available on site regarding these questions. DC Weninger shared that approximately one-half of these questions will survive public discussion and be added to the policy statements already listed and become part of the resolution. Discussion followed.

DC Weninger shared that information would be gathered from the town hall meeting. Staff will review it to make recommendations to the Board for policies so that the Board will know what the public thinks and desires.

DC Weninger shared that Chief Branch from Boring Fire, who is head of the Clackamas Fire Defense Board, has shown interest in updating the County information regarding open burning with the information gathered at the town hall meeting.

DC Weninger explained the Legislative Counsel Committee letter from Rep. Brent Barton that was also included in the packet. He summarized it by saying that it meant that the Fire District does not have to negotiate a burning policy with the citizens nor does the District have to legally have public input regarding the burn policies. The Board can set the policy and staff will carry it out. However, it is beneficial to have public input.

DC Weninger shared that he has scheduled a meeting with the Farm Foresters of Clackamas County that will take place following the town hall meeting, but prior to the board meeting on December 21. Discussion will include the rule-making direction that may be taken.

OB-2 Board Committee Reports

Capital Projects – Noted

Check Register Review – Noted

Clackamas County Coordinating Committee (C-4) – Noted

EMS/EMS Consortium – Noted

Executive Staff – Noted

Foundation

Chairperson Trotter noted that a Foundation meeting was scheduled for November 17, 2009.

Legislative – Noted

Oversight/Interagency - Noted

REMG – Noted

Volunteers

Director Doane reported that the Volunteer Academy will begin in January with 22 Volunteers attending. This was the first end of the quarter for the new retirement programs for the Volunteers.

X. INFORMATIONAL ONLY

A. Divisional Reports

R-1a. Administration

Chief Kirchhofer reported that he and EO Gorman met with Superintendent Dr. Tim Mills and Joe Krumm from the North Clackamas School District (NCSD) and shared with them the impact of urban renewal on schools. The Fire District would like to develop a coalition and partnership with the NCSD in looking at the impact from urban renewal. With the change in law with the recent legislation requiring concurrence of overlapping districts, the Fire District and NCSD could be a powerful force if they were aligned on this issue. Another topic was the fire at Marysville Elementary School in Portland and using this as a teachable moment showing the importance of taking fire drills seriously.

Chief Kirchhofer will be meeting with Commissioner Lynn Peterson on November 23 to discuss system development charges with government agencies. He hopes to have an impact on this position.

The next joint senior staff meeting with TVF&R is tentatively scheduled for January 15. The plan is to continue with the plans discussed at the last meeting to have staff presentations on specific programs and how each organization can benefit from each organization's strengths and being more effective and cost effective by working together.

BC Syring, Volunteer Association leadership along with Volunteer Coordinator Ron Smith attended the Volunteer and Combination Officer Seminar in Florida last week. Representatives from Boring Fire District also attended with them. The leadership of both agencies spent time together discussing Volunteer programs and relationships and how the two agencies can work more effectively together.

Chief Kirchhofer met individually with the two deputy chief candidates to discuss their development assignments for the near future. He spoke with Chairperson Trotter several weeks ago regarding the timing of the deputy chief promotions in light of the budget. Chief Kirchhofer suggested promoting both in January instead of promoting one in January and one in June. Having them promoted at the same time would be beneficial as they would be aligned with the development rotation schedule. The District over-budgeted for the chief officer positions due to DC Smith's retirement. He was budgeted for 12 months and his PERS employer contribution was included in that budget. The only cost to the early promotion is the differential between a staff battalion chief wage and the deputy chief wage. The District is not paying the PERS employer contribution for DC Smith during those months, which had been included in the budget. The net impact to the budget is a plus \$2,933. The benefits of having the deputy chiefs aligned are very beneficial in moving the organization forward.

Chief Kirchhofer reported that he will update the Board during the Executive Session regarding several issues that have been on-going.

R-1b. Administrative Services

As submitted. PSC Cauthorn added that he and Chief Kirchhofer continued to learn more about self insurance. Director Doane mentioned that he had an article regarding self insurance that he would send to PSC Cauthorn.

Chief Kirchhofer shared that he and PSC Cauthorn attended another presentation on November 13 from another provider. The potential savings are significantly there with minimal risks.

PSC Cauthorn reported that the District had switched to an automated system to perform background checks. It provides a significant amount of savings and the information is received in a timely fashion.

Financial Update

Finance Director McSperitt reported that in the memo part of her report, she discussed the tax certification. The forecast the District used was a four percent increase and it came in at 3.96 percent. The .04 percent difference represents approximately \$35,000 that the District will not be receiving in tax funds. With the economy improving, it is hoped that the collection rate will improve to help bridge the gap.

Finance Director McSperitt reported that the District received its first tax deposit of \$4.7 million.

The LGIP earnings were stable for the entire month of October.

Director Wall asked if the District had to borrow money for the tax anticipation note. Finance Director McSperitt reported that \$1.2 million was borrowed to cover the payroll at the end of October and mid-month for November. The note will be paid off at the end of November.

R-1c. Fire Prevention/Information Services

DC Weninger reported that the District began tracking false alarms three years ago. While the call volume each year continues to rise, the amount of false alarms is beginning to go down. Discussion followed.

R-1d. EMS, Planning, and Government Relations

As submitted.

Director Doane asked where the District stood with AMR and the cost recovery issue. He noticed that AMR had changed the rate and asked if they were allowed to do that. EO Gorman shared that it is not clear from the contract what AMR is entitled to do. The EMS Consortium said it would establish a list of products and then AMR would replace the products instead of providing funds. It is disturbing that AMR is not held to the standard to complete a contract.

R-1e. Operations

As submitted.

R-1f. Training, Safety and Wellness

As submitted. BC Oliver reported that Training is in charge of all classrooms. A projector has been installed at Station 5. A screen will be installed at an angle in the corner so that no one has to relocate to view presentations. This will be completed by the December 21 board meeting.

B. Correspondence

Noted

C. Informational Items

Noted

Director McTeague shared that he liked the new laptops that were set up for the Board much better than the monitors that used to be on the board table.

Director Forsberg asked if the fire safety discussion that took place with the North Clackamas School District would be shared with the Oregon City School District. Chief Kirchhofer reported that it had not happened yet since the meeting with NCSD only took place today. DFM Kari Shanklin is drafting a summary of lessons learned for the NCSD staff newsletter that is distributed by the superintendant twice a month. The District will try to provide the same information for the Oregon City School District. DC Weninger shared that the Fire District conducts school inspections in all of the schools in the District in September and October every year. Some of the schools are sprinkled and some are not.

Director Doane shared that he had not included information about Operation Santa Claus in his report. A parade schedule may be found on the website.

Chairperson Trotter reported that he and Director Forsberg attended the OFDDA/OFCA conference in Bend at the beginning of November. Director Forsberg shared that he found the ethics presentation very useful. The Toolbox for Directors was very informative as well. He has information from that session for anyone who would like it. Chairperson Trotter also commented that the urban renewal presentation given by EO Gorman went well.

Chairperson Trotter recessed the regular board meeting at 8:27 p.m.

XI. EXECUTIVE SESSION REGARDING REAL PROPERTY TRANSACTIONS PURSUANT TO ORS 192.660 (2)(f)

Chairperson Trotter called the Executive Session to order at 8:30 p.m.
Chairperson Trotter adjourned the Executive Session at 9:10 p.m.

XII. REGULAR BOARD MEETING RECONVENED

Chairperson Trotter reconvened the regular meeting at 9:10 p.m.

XIII. ADJOURNMENT

The regular meeting adjourned at 9:10 p.m.

Karen Strejc
Executive Assistant



Chairperson, Don Trotter



Secretary, Dave McTeague