

Budget Committee Meeting
Sheridan Fire District
May 20, 2025

**Board Members Present: Gary Giddings, Cory Chrisman, Tammy Heidt, Ray Bottenberg (via Zoom)
(Absent: Pete Gutbrod)**

Community Members: Mike Griffith, Larry Deibel, Nick Giannettino (Absent: Cody Heidt)

Others: Chief Les Thomas, Division Chief Phillip Riggs, Marguerite Alexander, Captain Jay Payne.

There were no other people online.

Tammy called the meeting to order at 6 p.m.

Pledge of Allegiance

Roll Call: A quorum was present

Tammy called for nominations for a presiding officer. A motion was made to elect Nick as the Budget Committee chairperson. Mike seconded the motion. The motion carried.

Chief's Budget Message:

- The funds are extremely tight. We have reduced our staffing.
- We are still behind on our audits. We are working on our auditor's timeframe. We just received a preliminary on our 2022-2023 audit.
- We were over in some funds, but not enough to need a resolution.
- We can interfund transfer between funds.
- June 10th will be the adoption of the 2025-2026 budget
- Our people are our strongest asset, and also our largest expense.
- We do have a Capital Fund in place.
- Chief is to change the wording in Summary of Budget Practices to "shall" per Gary Giddings.
- We have reduced our line staffing from 4 FT per day to 3 FT per day. We will fill in the other position with 3 PT positions. We will receive OSFM grant for upstaffing on June 1. We must project benefits to be paid for upstaffing. We pay PERS after 600 hours and a 6-month waiting period.
- Our PT employees will be scheduled from 5 p.m. to 7 a.m. Admin can cover the second ambulance on weekdays, but we need coverage at nights and on weekends.
- Chief has talked to U.S. Representative Andrea Salinas' office. Our reduction of force sets us up for a SAFER grant that would pay for 3 employees and peripheral expenses. It just opened up today. Congressperson Salinas will write a letter of recommendation. It is very competitive. We will have to have another budget meeting if we receive the grant as it is \$1.6 million.
- How we got into this situation: Increased operational costs including fuel, insurance and retirement. Deferred vehicle maintenance. (8 or 9 apparatus couldn't pass ODOT inspections.)

Additional expenses as the result of the seismic upgrade including the need to upgrade the sprinkler system. We've taken on operational debt to cover these expenses.

- Revenue: According to our ambulance billing company, we have seen a 24% increase in revenue in the past 6-9 months, but the money comes in on 30, 60, 90-day cycles. When it comes to cost recovery for MVCs—billed to insurance companies and people outside our fire district-- how much we receive is based on who got the money first. We are on track to make more ambulance runs this year but payment from Medicare/Medicaid is much lower than the cost of service.
- We need to have a serious conversation in the future to discuss a levy, but we are being very conservative now to keep the increased levy rates as low as possible.
- Chief combined the revenue from Polk and Yamhill taxes.
- Revenue for conflagration is low as we don't know how active the fire season will be. The numbers are based on two conflagration responses this summer.
- \$1.2 million is the actual number for ambulance user fees. We don't know when those payments will come in, so we keep the number lower than anticipated.
- GEMT(Ground Emergency Medical Transport) is the amount the state will reimburse to supplement our services for Medicare/Medicaid patients. It is different than payments received from the CCOs. Federal funding may currently be shut down, but payment from CCOs is not. Right now we can claim a reimbursement of \$78,000 from GEMT, but first we must send the state \$33,000 which they hold for three months.
- Chief is erring on the side of caution when projecting expenses.
- Our CPA is our best contracted service. She's retiring in June.
- The Board can decide how much to allocate to LOSAP based on what the District can afford.
- Reviewing the Equipment Reserve Fund, we will keep it open for future use as funds allow.
- Grant potential. Chief has only put in the budget the amount we are required to pay – the matching portion.

Review and Discuss:

- Chairperson Giannettino asked if there were questions that needed to be resolved based on what they heard in the Chief's Budget message. There were none. The budget was reviewed by section.
- Revenue:
 1. Projection to actual collection on taxes. We are at 94% Yamhill County and 95.8 % Polk.
 2. Our call volume continues to increase with a high frequency of multiple calls coming in at one time. It costs \$698 to get an ambulance out the door. We bill \$2,000 per transport, but no one except FCI and Tribal pay the full amount. Most insurance companies pay significantly less, and Medicare and Medicaid pay \$45 - \$400 per call.
 3. We need to find better ways to promote FireMed, our membership program. (\$75 per year.)
 4. It is hard to estimate the amount of revenue from conflagrations. Chief uses \$25,000 as a placeholder in the budget.

5. We have a grant in place for PPE. (The budget reflects only the amount we are required to pay—the matching portion.)
- Expenses:
 1. Conflagrations – We are required to carry the debt including overtime. It takes about 3 months to get reimbursed. We have calculated the cost of oil changes and filters for the Tender, Heavy Brush and Brush rigs as a \$10,000 expense.
 2. Payroll taxes have jumped 14%.
 3. The cost per employment is wages (1 FTE) + benefits (.85 FTE). Almost twice the cost per person.
 4. Materials and Services: Error to correct in spreadsheet on past FYs – wrong lines for EMS supplies (We don't have student interns.) and Conflag needs to move down a line to Contracted services for FY 23-24 and FY 24-25.
 5. Estimate for insurance next year will come in after the budget is approved on June 10.
 - Individual reserve funds

The seismic upgrade required a Building Maintenance Reserve Fund. That has been closed and will be removed after this budget.
 - Chief likes the way YCOM presented their budget as it includes the percentage up or down on the line items.
 - Generational debt is what Chief calls Operational Debt. It is the result of Measures 5 and 50 which set a fixed rate for taxation even though the operational costs continue to increase.
 - Recommendations by the budget committee
 1. Cory would like to see the conflagration money separated out as a separate fund showing the costs in and out of our budget. Chief to talk to Kathie our CPA to see if that is possible.
 2. Nick would like to see the District advertise more on what we are doing regarding vehicles so the public will understand that our “new” vehicles are not new.
 3. Chief explained that levies are for 5 years and we can go to the voters one year before the old one expires. (Our current levy was passed by the voters in May 2022.) It is important to start educating community members 4 -6 months ahead of time. That is when we have the opportunity to tell the story every week or two.

There was no public comment.

We are required by law to publish LB 1 and LB 50 forms. Those forms are then submitted to the county which sends them to the state. Before that the Budget Committee needs to accept the numbers presented on page 11 of the Budget Document. The budget will then be approved at the June 10 public hearing.

Nick moved to approve the budget as presented and the 25-26 property taxes at the district's permanent tax rate of \$1.1188 per \$1,000 of assessed value and the levy rate of \$0.88 per \$1,000 of assessed value. Mike seconded the motion. The motion carried.

Gary made a motion to adjourn the meeting. Tammy seconded the motion. The motion carried. The meeting adjourned at 7:54 p.m.

Respectfully submitted,

Marguerite Alexander, Administrative Assistant