

Evergreen Fire District Board of Trustees

Minutes of the Special Board Meeting
July 11, 2016

Board members present: *Shawn Baker, Jack Fallon, John Foust, Dave Adams, Dave Edwards*

Board members absent:

District Staff/Employees: *Fire Chief Craig Williams, Fire Marshal Ben Covington*

Public Attendance: *1 public in attendance but not named*

MEETING OF July 11, 2016 CALLED TO ORDER AT 12:04 P.M.

PUBLIC IN ATTENDANCE RECOGNIZED:

None named

ADOPT THE AGENDA:

Dave moves to adopt the Agenda as presented, Dave seconds the motion, the Agenda is adopted unanimously.

PUBLIC COMMENT:

None

FINANCIALS:

1. Discuss and Approve May Financials

Craig included a financial that may not have been seen on Google Drive by all in attendance.

Board member asked about Century Link and Charter bills being in excess of \$300.00. It was explained that the service used to be free but is no longer. Charter is \$220.00 per month and Century Link is \$100.00 per month. Board member clarified that it was not a typo.

Jack Fallon has discussion on the tablet for data entry in the field for hydrant maintenance. He states he does not see the need for a \$1,000.00 tablet to record hydrant

data when it could be done once back to the station in a ledger book. It is proposed to be more efficient to have a tablet in the field and have one person recording as another person flows hydrants.

Dave Adams moves to approve the 7207 Hydrant Fund budget; seconded by John Foust; motion approved unanimously.

Jack Fallon moves to accept the financial statements and approve the checks for the month of May, 2016; seconded by Dave Edwards; motion approved unanimously.

7250 – No changes.

Dave Adams (?) moves to approve the 7250; seconded by John Foust; motion approved unanimously.

7285-Under \$10.00 left.

Dave Adams moves that any funds remaining in 7285 be transferred to 7288; seconded by Dave Edwards; motion approved unanimously.

7288-Death Service Fund- no changes

Jack Fallon moves to approve budget for 7288; seconded by Dave Adams; motion approved unanimously.

4212-Department Account (food expenditures/cash/revenue)

Jack Fallon moves to approve budget for 4212; seconded by Dave Edwards; motion passes 4 to 1.

Benevolent Fund-Money at the Whitefish Credit Union which currently is \$9,400.00 which is used for hardship situations for staff or family members. Typically has donations of \$100.00 or more that goes in and any donation \$99.00 or less goes into the Department account.

Jack Fallon moves to approve budget the Benevolent Fund; seconded by Dave Edwards; motion approved unanimously.

9428-Ambulance Budget; has expenditures of \$579,000.00; revenue of \$673,000.00 and cash balance left over of \$93,000.00.

Jack Fallon moves to approve budget for 9428; seconded by Shawn Baker; motion approved unanimously.

PAST ITEMS/UPDATES:

1. Approve Meeting Minutes of May 23rd, 2016

Minutes of the
Special Board Meeting of July 11, 2016
Page 2 of 9

No corrections or additions.

Dave Adams moves to approve the meeting minutes of May 23rd, 2016; seconded by Dave Edwards; motion approved unanimously.

2. Discuss and Approve Final Budget

Jack Fallon puts spread sheet(s) up and shows approved budgets over the last 5 or 6 years and the budget for this year which has not been approved. He wants to show how the “pattern of the numbers have changed over time.” He shows another spreadsheet and states that the “income is not there and our income is about \$350,000.00.” He shows on the spreadsheet what the permissive and voted revenue has been budgeted for over the years and the actuals received in those years which only included through May (not including about \$30,000.00 which will be received in July) putting it at about \$307,000.00. He states that we are collecting about 95 % of what we are able to bill for. This is budgeted revenues, tax revenue, and state entitlements. He poses the question “How do we make sure that we’re matching these numbers with what our budget is going to be?” March 2016 is used as an example noting errors in numbers because wrong data used from county financial reports. Jack states that for 3/16, we show \$351,000.00 of approved budget including interest and etc. but what we are actually collecting... we have delinquencies and protests. Delinquencies are taxes that haven’t been paid for 2 to 3 years (they’re all paid). This is all revenue which should have come to us in prior years that we didn’t get but we shouldn’t be counting on that for recurring income because we don’t know to what degree that will exist all of the time. He shows the total budget at approximately 92% and states that instead of getting \$351,000.00 in fiscal year 2016 what we actually get is around \$288,000.00 right now plus the \$30,000.00 which puts it at \$318,000.00. Then in June there is an entitlement payment of \$9,000.00 which comes to approximately \$325,000.00 for income for our fiscal year which has been completed. He states that what Shawn was pointing out earlier during the pay raise discussion is the \$110,000.00 voted levy which we increased to an 8.23 mill levy which gave us more money the first year but because it is strictly a mill levy and not a dollar amount it’s based on what market values of what property goes and those values fell and so income fell by \$20,000.00. Going forward, our income may increase by 2 or 3 percent but we will still be short a fair amount of money for what we have going forward. When we look at the proposed budget (\$372,000.00) ... our budget should be no more than \$350,000.00 total which doesn’t even include that we need to be setting money into 7250 (capital improvement funds). This budget probably needs to be closer to \$330,000.00 and not \$372,000.00. We have our current year budget which was approved; we have the department requests (the revenue side of it); we are looking at EMS mill levy payments that pass through us to the ambulance fund; we have the entitlement ... we have \$320,000.00 of regular predictable income plus the \$39,000.00 is \$359,000.00 plus we might get \$1,000.00 interest so that might be \$360,000.00 and out of that \$360,000.00 (plus some cash) but that is where the expenditures will go plus 2 transfers. Jack’s

concern is our cash (\$89,000.00) and another spreadsheet said \$98,000.00 which could be the difference between \$30,000.00. Craig states for new trustees that the \$55,000.00 EMS levy gets ignored because it matches on both sides and gets bounced right out of the county account into the ambulance fund... "basically, \$55,000.00 in and \$55,000.00 out." Jack states that the \$98,000.00 should be \$115,000 and Craig adds "\$115,000.00 in 3 months of operating." Overall, Jack's concern is that we are still \$12,000.00 short (minimum) if not \$17,000.00 short on what we are actually going to receive during the year. He asks "Where are we going to take out the \$12,000.00 to \$15,000.00? To me, that is the most important thing that has to be addressed." Craig asks that maybe the turn out monies can be reduced a little based on prior discussion. His long-term concern being that while it seems like the easiest thing to do, he doesn't want to be forced into a situation where we have to fund all of the turn outs in one fiscal year noting that we have increased this more than in the past but have tried to do it incrementally so we don't have "hurry up and catch up" because he does not want any personnel in expired turn outs. It's a big deal in terms of liability. Craig states that if it were reduced down to (for example) \$10,000.00 we would just have to know that we would have to increase that this fiscal year to play catch up. He also states that we could knock down a little bit in training as well. We have increased that a little trying to get more people sent to opportunities. It is cheaper to train locally but local training offered is very limited. Vehicle maintenance is brought up and cost is going to go up. It is suggested that it may not go up as much as thought without the old ambulance in service but the statement is contradicted because there is also an engine (831) with serious issues. Ben suggests that turn outs be reduced to \$10,000.00 and take pagers and radios out of maintenance. Craig supports Ben's suggestion adding that a lot of personnel are using cell phones with Active 911 as long as we keep maintenance on existing radios and pagers. Also mentioned is the SCBA repair projection being high but department has a guy coming in to do an assessment of all SCBA equipment and a cost of what it will be to repair masks and get BA bottles hydro tested. To be out of date with this stuff is a huge liability for us. Jack states "So, we do have a budget issue. We have less than anticipated income than we have projected for our expenses. Craig suggest taking turn outs to \$10,000.00 but reminding the Board that the money will have to be put back in so we are not facing a situation where it is \$50,000.00 for turn outs for a fiscal year and adding that turn outs are of the utmost importance for proper PPE for personnel. If future cuts are needed other things will have to be considered so we can maintain proper rotation of turn outs. If future cuts are needed, cutting pay was brought into question by Dave _____ stating that "If you want a 3% raise this year you will want one next year. I mean, once you pay something you can't cut it. Right? I mean, you can't cut pay once you get pay." Craig states "In the past, we've shown we've been able to do that. I would say that on average we have received between 2 and 3 percent yearly. I can go through and get you a spreadsheet but that's been the average. We have had zero increase that we've done ourselves. Jack Fallon presents the scenario regarding pay raises: So, it becomes a contested issue because of the jail at \$50,000,000.00; 911 Center at \$2,000,000.00; new high school at \$27,000,000.00; Evergreen Fire Department wants to permanently extend their bond making it quite a bit about politics. 40 % of the people will be 100 % for it, 40 % totally against it and then there's that 20% in the middle that we need to swing. Well, we could lose them right here because spending money while other people are suffering over the

next year or two could be detrimental to the overall opinion of what the Evergreen Fire Department is doing. I think there a lot of people who haven't been getting raises. If we have consistently been giving 2 or 3 % raises ...I can see your point...the pay doesn't seem to be in line with others but this is Evergreen. There's a lot of people in Evergreen who don't get paid \$30,000.00 a year." Jack then agrees that the turn out budget is where he would make a cut. Question is asked regarding the engine; "Do we continue to dump money into it or do we get a new engine and where is that money going to come from? We can't have just one. How are we going to ratify that situation?" Craig states that there needs to be a serious discussion regarding this because "We continue to throw money at a black hole." Dave _____ asks "What is the issue with it?" Craig states that throughout its life cycle it has ebbed and flowed in performance. Because it was a hybrid, we have had electrical issues that have haunted us since the day we got that apparatus. We don't have the ability to fix it correctly because we have no wiring diagram. It is one of only two made in the country. There are no schematics on this truck. It has been the cause of a lot of incurred costs because they have had to trouble shoot with nothing to reference. It has had to be towed 2 or 3 times. It failed at a structure fire when it lost water pressure. Ben adds, "It's pretty sad when I had to look at a lady and tell her I can't do anything because my engine is screwed up and she's bawling because her house is burning down." Dave states it's a very serious situation and asks what can be done about it. Ben suggests that it be input into the levy if we can. He states, "I think it should be one year out. I don't think we should wait right until the end." Members of the Board agree in not waiting and getting it done now in case it needs to be re evaluated. Craig reminds the Board that when the last levy was ran the Board elected to go with a five year instead of a sun-setting "because we had pushed that envelope that we had to do it or it would expire but we didn't do it quite soon enough." "So, I want to be able to anticipate that so that we don't have to keep fretting every 5 years." He also states he would not support a non-sunsetting levy. Further discussion of pay raises is brought by Ben asking The Board "What is enough? We have presented levy stuff in the past and it's always been 'You don't have enough.' or 'You're not doing enough.' Well, we don't know what enough is..." Board member tells Ben that The Board has to represent all of the people of the community and some of the things we've heard are like we have to go out there and say 'Hey, our chief and our fire marshal need a raise.' and they're gonna go 'oookkkaaay'. So we need to show them what we're doing for them... it's public perception out there to ensure that we can pass a levy or continue to pass a levy. Those little things tend to add up in people's minds. People that are ultimately electing us..." Jack Fallon adds that we know by call volume the majority of demographics of Evergreen are social security, retired and VA people and that their cost of living raise was 1%. If 30 or 40 percent of those people got a raise and they are the voting demographic he would be more concerned about 2020 and what the future of this department is and etc. Craig reminds the Board that the community has been very supportive and that it is his job to make sure the community is aware that Evergreen is not the little fire department that it used to be and that it will receive 2,200 calls this year and will beat the city of Whitefish on both levels and that we are subsidizing the city of Kalispell. "We have a lot of stuff going and I think we need to let them know what that is. I think they have a pretty good understanding but I think there is a segment of them that even think we are volunteers... or they think we are all full time

and that we get benefits and we get all this stuff.” “My opinion is that, respectfully, I understand and I think that you have some valid points but I think it would be unfortunate in that it would set precedence for reducing raises just because of that speculation of whether a levy is going to pass in two years or not.” Board members disagreed and one compared his own 3 % raise coming after 11 years of employment and having not received one for 3 years during the economy dump and stated that this year he only received a 1.2% pay increase. Craig disagrees with Board Members because the fire department pay increases are performance based and not blanket raises like most other employment. 50 % was going to be a blanket raise for all personnel with understanding they are underpaid and the other 50 % was going to be performance based increases. “Blanket raises do not promote enthusiasm or initiate at all.” Jack Fallon agrees with a 2% total pay increase and states the general statement is that the Evergreen community does not have a lot of money like other communities in the Valley and when trying to approve something the general statement must be taken into account. Recapping; it is agreed turn out budget is reduced to \$10,000.00, pagers and radios will be reduced, \$45,000.00 going to 7250 for engine replacement and by December 31st will have \$163,000.00 in account and in the meantime a short term loan from the Inner Cap Fund that is costing 1.6% which can be rolled over each year and reduce training budget by \$5,000.00.

_____ moves to approve the budget with adjustments already made but change the raises for Craig, Ben and Laurie to 2% total wage increase and then go with whatever the expenditure will be based on that. Craig requests amendment to show 1% COLA and 1% pay raise based on performance. John states he was going to second the motion but feels that looking at the dollar amounts to be an insignificant amount and that he approves of the original amounts. Jack proposes it be amended to 50 cents each. John Foust seconds the motion to amend 50 cent raises for the three administrative people. Motion to amend passes 3-2. The final motion was to approve budget with adjustments already made. It was amended for all three administrative personnel to have 50 cent raises and it passed 3-2 with Foust, Edwards and Baker voting 'aye' and Fallon and Adams voting 'nay'.

2. Pay Increases

Discussed but with no resolution during April's meeting. Based on the April meeting, it is suggested and concurred that the pay increases for Ben and Laurie be left in Craig's hands but the Board will decide Craig's request for a raise. Craig has recommended a 4 % raise for Laurie and a 3.4 % raise for Ben and a 3.2 % raise for himself. John Foust states he is “not comfortable with any more than a 2 %” increase. Board member clarifies 1% increase is COLA and 2.2 on top of that which is based on performance evaluation. During the June meeting, David moved 3.4 % for Ben, 4.0 % for Laurie, and 3.2% for Craig and the motion was seconded by Shawn and John moved to table it until this meeting. Jack Fallon asked if there had been pay raises last year. Laurie had received a 3% pay increase in November. She had come on as an Express Personnel under contract. Craig also had a 3% pay increase. Jack Fallon questioned voting for pay

raises then the next year voting to continue the bond for forever suggesting that “We are shooting ourselves in the foot.” Jack stated that “A 3% raise... a lot of people in the valley hasn’t seen those and then we are going to say that we are going to increase your tax liability at the same time while the people who are working for us are getting a pay raise. I just don’t know if putting our cart before the horse is a good idea.”

Craig’s rebuttal is that “We are still trying to play catch up based on the wages of the other fire departments in the Valley...we’re still not quite in line with those...with the understanding that we have no benefits at all. All of the salaried positions do have benefit packages with those and even though they do have the benefits the Chiefs that are compensated in the Valley are \$10,000.00 to \$12,000.00 more than where we are currently at.” When asked for examples, Craig named Big Fork, Whitefish, Columbia Falls, City of Kalispell ...there have been Chiefs brought on with a lot less tenure that are still paid a higher salary. Craig suggests that from a long-term stand point, wages should be brought in line “so that we can begin to get everyone else in line as well across the board because when you talk about averages, we are at the bottom.”

Jack Fallon rebuts Craig stating that his issue is that “there are two more years left on this and we just don’t know what happens if the economy takes a twist will the community still going to be in line with voting for a chance to reduce their tax liability because we’ve given out big pay raises. Three percent a year is a pretty gosh darned good pay raise.” Another Board Member pointed out that he works for the county and all county employees got a 2 % cost of living increase and the amount proposed “is less than what the county gave out.” Craig asked for a 1% cost of living adjustment and then a small percentage based on performance evaluations. Shawn Baker raises the fact that property value is being assessed at lower rates than 2 years ago and we will see about \$20,000.00 less on the Board levy this year than the year before even though the economy is doing well. Based on this information, it is unanimously decided to discuss budget first and then come back to pay raises which, if validated, would still fall into budget.

Pay raises have been discussed and voted on with Craig’s 50 cent raise being a 1.66 % increase, Ben’s being 2.17% increase and Laurie’s being 7.66% increase.

The final motion was to approve budget with adjustments already made. It was amended for all three administrative personnel to have 50 cent raises and it passed 3-2 with Foust, Edwards and Baker voting ‘aye’ and Fallon and Adams voting ‘nay’.

4. Trustee Election of Officers

Nominations for President are opened up with Shawn Baker and Dave Adams being nominated. Jack Fallon has issue with Dave being nominated because of being on the fire department and another board member suggests conflict of interest as well. Shawn Baker John Foust said they have no interest. Craig clarifies to members that he answers to The Board as a whole; as a five member board not primarily to the Chairman or any

independent person. It is pointed out that majority rules and Dave Adams “would not have full-say over anything” if President of The Board.

Laurie’s complaint is discussed and it is suggest that it be tabled until the next meeting in August and she be given the first part of the meeting to address her issue(s).

_____ moves to table election of officers and Laurie’s complaint until the August 1st meeting; seconded by _____; motion passes 4 -1.

NEW ITEMS/UPDATES:

1. Audit update:

Email received from Don Davies

Craig states that Don Davies did some research with Ashley regarding what was owed from 7204 to 9428. He is asked if he can tell The Board what the email is saying. Craig states that it is his understanding that the \$92,150.00 that is double lined below is the total amount owed for those fiscal years from 7204 into 9428 and that there is nothing that 9428 owes into 7204. Craig has asked if Don will clean up the spreadsheet to make it more legible instead of handwritten. Don had initially planned on attending the meeting but could not make it. Included is the Audit Progress Report that summarizes his activities. It is not finished but due to Don’s own works schedule. Evergreen Fire Department had gotten everything to him that was needed for this report. Don will meet with The Board and then finalize everything. The Board has the options of either having Don come in and meet with them or a conference call. There is no late fee or nothing associated with a penalty.

Jack Fallon asks, “To what degree have we paid for ambulances out of 7250 that were funded by 7204 in order to offset this dollar amount?” Craig said that he would have to research his question.

Jack continues to say that “We need to have a look at the years of money that went in and out of 7250 to figure out how much came in from 7204 or 7207 in order to offset this \$92,000.00 to figure out what should really be paid to 9428. We have to look at how much has gone from 7204 to 7250, how much wildland money went in there, how much money came out and was spent on wildland equipment vs the other pieces of equipment.” Craig reiterates that Don will discuss the numbers at length during a meeting of conference call.

RESOLUTIONS:

(None)

Resolution 2016-02 was 7207

Resolution 2016-03 was 7250

Resolution 2016-04 was 7288

Resolution 2016-06 was 4212

Resolution 2016-07 was Benevolent Fund

Resolution 2016-05 was 9428

Resolution 2016-08 was 7204

PROPOSALS:

None

CHIEF'S REPORT:

1. Ambulance Update – Craig parked the ambulance out front and invited The Board to look at it.

2. 831 – Has been discussed already and is currently parked up at North Hall. They are working on the ejectors right now because it cannot be sold unfixed. Kyle Nace with RES is the person who is fixing it. He is the only person certified to work on 831.

Meeting adjourned at 2:39 p.m.

Submitted by: _____
Secretary

Signed by: _____
Shawn W. Baker - Chairman