

SUNRIVER SERVICE DISTRICT

MINUTES OF BOARD REGULAR MEETING

3:00 p.m. Thursday, November 16, 2023

Meeting In Person at the SROA Board Room and Via Microsoft Teams

Call to Order: Chair Fister convened the meeting at 3:00 p.m. Chair Fister noted an earlier agenda included a walk through of the construction site, but due to the amount of people present that would not be happening. If a walk-through is desired, contact OR/PM Doug Nelson.

Roll Call: Chair Fister, Vice Chair Shoemaker, Treasurer Beenen (via Teams), Dir. Ralston, Dir. Hepburn, Dir. Kelley, and Dir. De Alicante were present.

SSD Staff: Board Administrator Holliday, Police Lt. Lopez, Fire Chief Boos

SROA Staff: Susan Berger

Public Input: Randy Schneider shared his concerns for the ODOT service reduction on highway 97. He has been in contact with ODOT via email and wanted to make the District aware he is trying to help. He submitted his communications with ODOT to the SSD Board. Lt. Lopez stated he has been in contact with an ODOT representative and was assured the reclassification to class B from Baker Road to Vandervert Road will not result in a dramatic reduction of service. Treasurer Beenen asked Lt. Lopez if ODOT had given a reason for the change in classification, Lt. Lopez said it was because of funding and staffing. Dir. Hepburn stated if the snow plowing does have an impact on fire and police services, the Board need to write a letter to local and state officials. Chair Fister shared his appreciation for SROA always doing a good job plowing within Sunriver.

*Chair Fister noted New Business item 6. Motion to accept the Sunriver Service District FY 22-23 Audit, was moved to the top of the agenda due to the auditor being present via Teams.

6. Motion to accept the Sunriver Service District FY 22-23 Audit

Kevin Mullerleile, Moss Adams, stated the audit was submitted in a timely manner this year with the help of SROA Controller Joe Healy and Board Administrator Holliday. He said there was a lot of activity for the 22-23 FY, as construction is well under way, beginning of loan payments, and the ground lease with SROA. The audited financial statements were issued on Nov. 2, 2023. Mr. Mullerleile said it was a clean opinion, the financial statements have no material errors, and are in accordance with generally accepted accounting principles. This is the highest report able to receive. The second report is in regard to Oregon requirements such as budget law, procurement, and deposits. It is a clean opinion, with note of one exception, which is the over expenditure in the Reserve fund of \$141,000. It is not a finding, but the state requires it to be included in the report. The fund balance increased by \$126,000, including an additional interest revenue of \$26,000 and the contingency of \$75,000 that was not touched. A remedy is the state allows the District to adjust the budget at any time, to change the budget or use the contingency, which would have alleviated this issue.

Administrator Holliday asked Mr. Mullerleile on clarification if the issue is going over the line item or the entire fund, because with the extra interest income the Reserve fund had a positive variance at the end of the year. Mr. Mullerleile stated the actual resolution the Board approved for the budget line items. Within the fund there are different expenditures, however, the specific line items and transfers out should be analyzed.

The Board would like the numbers cleaner moving forward, and Mr. Mullerleile is working with Administrator Holliday on this and they are going to do a mid-year assessment.

The Audit has already been submitted to the state; however, the Board can accept the audit as written.

Dir. De Alicante moved to accept the Sunriver Service District FY 22-23 Audit; seconded by Dir. Hepburn. Motion passed unanimously.

Consent Agenda

1. Motion to approve:

- a. September 14, 2023 Regular Board meeting minutes
- b. October 19th, 2023 Regular Board meeting minutes
- c. NowCFO invoices in the amount of \$18,668.76
- d. SROA invoice in the amount of \$7,451.71

Administrator Holliday provided supplemental information on item the NowCFO invoice which included a breakdown of costs. There was concern by the Board over these costs and she thought this would be helpful. Administrator Holliday stated there was quite a bit of initial work to get set up in Quickbooks and move all accounting from SROA. She stated the District is moving into a maintenance phase and costs will come down significantly. Treasurer Beenen noted in his discussions with Brenn Glass, NowCFO will be spending roughly three days a week on SSD accounting piece and the Board needs to keep tabs on these expenses. There was discussion around whether three full days is necessary as the process becomes more automated. Administrator Holliday stated Ms. Glass is helping her with various reports and processes as well. She added SSD was getting a good deal from SROA to provide the District's Accounting, Payroll and HR, and the costs from NowCFO are more in line with what these services cost in today's market.

Dir. Kelley moved to approve the consent agenda; seconded by Dir. Hepburn. Motion passed unanimously.

Old Business

2. Public Safety Building Update

Regarding permits, OR/PM Nelson said the District is waiting for final review on fire suppression to be submitted to Deschutes County. The final review for the covered parking area will go into the permitting process and final design.

Superintendent David Martin stated the project is still tracking completion in January 2025 and he reviewed the 5-week plan. He said the impact on the fire department has been and should continue to be minimal. However, he will communicate with Chief Boos as soon as possible. Superintendent Martin said Chief Boos has been very accommodating, which is very much appreciated.

Treasurer Beenen asked about the critical path changing, since the switch gear is ahead of schedule, and what are other factors the Board needs to be concerned about. There was further discussion about this, and the schedules provided by Kirby Nagelhout Construction Company (KNCC).

OR/PM Nelson stated KMB Architects are preparing to start additional services proposal, as they were contracted for 14 months of construction because KNCC was not on board. Once the proposal is received, OR/PM Nelson will review it and present it to the Board.

OR/PM Nelson went over the exposures schedule, which shows potential additional costs based on priority. He will present this to the Board every month.

a. Motion to Approve October 2023 Building Funding Requests in the total amount of \$682,370.71

- i. KMB Architects invoice in the amount of \$25,797.97
- ii. Carlson Testing Inc. invoice in the amount of \$3,253.00
- iii. Nelson Capital invoice in the amount of \$9,500.00
- iv. Bend Mapping invoice in the amount of \$38.00
- v. Kirby Nagelhout Construction invoice in the amount of \$639,289.65
- vi. Sunriver Christian Fellowship invoice in the amount of \$1,000.00
- vii. Structured invoices in the amount of \$3,492.09

Dir. Ralston moved to approve the invoices as presented; seconded by Vice Chair Shoemaker. The motion passed unanimously.

b. Zions Bank Public Safety Building loan payment in the amount of \$101,509.14

Administrator Holliday stated there are two payments per year, one is interest, and one is principal based. Treasurer Beenen recommended we continue with schedule of payments as Zion has presented and to just include this as part of the Consent Agenda in the future.

Vice Chair Shoemaker moved to approve the Zions Bank Public Safety Building loan payment in the amount of \$101,509.14; seconded by Treasurer Beenen. The motion passed unanimously.

c. Review of monthly memo to Deschutes County Commissioners

Treasurer Beenen suggested the report focuses on what has been accomplished instead of just ongoing projects. There were no other additional changes to the document. Administrator Holliday will send out.

New Business

3. Motion to approve the August, September, and October 2023 unaudited financials.

August and September were included because of a math error, which has been corrected. They were not approved at the last meeting.

Treasurer Beenen reviewed Octobers unaudited financials.

715 Revenue:

Sources of revenue were lower than expected in October, but this is primarily due to ambulances charges coming in about \$20,000 lower than budgeted. Chief Boos explained some insurances companies write off a certain amount for each bill, and much of this is a total amount of write offs for the past year. This amount is budgeted for each year.

Revenue is \$1,500 over budget year to date.

715 Expenses:

Police expenses came in under budget for the month and YTD. This is primarily due to understaffing. Lt. Lopez said more personnel will be hired and outfitted, so the budget will reflect these future expenditures.

Bicycle Patrol is done for the season, but expenses came in under budget for the month and YTD.

Fire and Emergency Services came in under budget for the month and YTD.

Administration was slightly above budget, primarily due to materials and services. There was some overlap between September and October expenses due to the financial transition. YTD is administration is under budget. Administrator Holliday noted there was an \$18,000 legal bill from SROA that was not budgeted for.

Overall, Treasurer Beenen stated the District is looking good in the operating fund. No major concerns.

716 Reserve:

There was a discussion at the last Board meeting to spread the transfer from the Operations to the Reserve fund monthly as opposed to annually. There was discussion as to whether this was best practice and the impact to staff. Chair Fister asked if the budget could have 2 additional columns of YTD budget and percent to yearly budget spent. Expenses are on budget. Need to look at this on an annual basis to see if more funds need to be moved around.

717 Public Safety Fund:

The District is consistently underspending, and interest income is higher than expected. Treasurer Beenen said the District is in a strong financially right now in regard to building expenses YTD.

Administrator Holliday pointed out a potential error in YTD police vehicle spending, the number was lower than it should be. Treasurer Beenen is going to check with Ms. Glass on that issue. Due to this, approval of October financials will be on the agenda for next month.

Dir. De Alicante moved to approve the August and September financials; seconded by Dir. Kelley. The motion passed unanimously.

4. Monthly Chief/Administrator's Reports

Fire Chief Boos:

- Reviewed statistical comparison from October 2022 to 2023. Total calls are down 20% and yearly calls are down 10%.
- Evaluating staffing software to reduce manual time input. Chief Boos is creating a committee to look further into programs.
- Chief Boos and Captain O'Keefe are to meet with Dr. Barum regarding mental health and wellness training.
- Sunriver and La Pine Fire Departments continue to meet regularly to discuss integrating services. These meetings are going well and there will be an officers' meeting in January to start laying out plans.
- Chief Boos shared information about Nurse Navigation in Eugene/Springfield. In this program, someone calls 911 and if it is not an emergency a nurse will talk them through the call to determine if an ambulance is needed. If this trial program goes well, Deschutes County might investigate utilizing the model.
- Chief Boos attended the OFCA board meeting, and they are in the process of getting a new managing director.
- Chief Boos sat in on Deschutes County Emergency Services Coordinator interviews.
- Several administrative staff sat in on Sunriver Police Captain's interviews.
- Met with Jim Bennett, Sunriver Fire Public Information Officer, and are looking at ways to utilize him more. They would like to set up more emergency exercises and put more practices in place.
- Operations Update: Serious motor vehicle accident at the northbound Vandervert exit and Highway 97.
- Two bull elk killed on the opening day of elk hunting right near the Fire training ground.

- Monthly training hours are considerably higher in October, as the teams held vehicle extrication training.
- Staff began Blue Car Training, which focuses on managing major incidents and communication.
- Community Events: Halloween at the Village, SROA Health and Safety Fair

Police Lt. Lopez:

- There were 24 cases in October, 12 outside Sunriver. Calls for service and self-initiated activity were up.
- Administrative update: Filling several vacancies - two corporal candidates, and four officer candidates. Two candidates are moving into background checks. Captain promotional process is almost complete, just waiting for one additional interview. A decision should be made very soon.
- Training: Crisis training, skid car training
- Received new defense lights for rifles to better assist in surroundings.
- Sgt. Davis attended and completed DPSST instructor handgun course.
- Lt. Lopez is initial talks with Citizen Patrol about integrating the group into the organizational structure. He will have an update on this after the first of the year.
- Met with SROA on rules and regulation enforcement on bike paths, mostly pertaining to E-Bikes. There was discussion around educating users on rules. A Community Service Officer position was discussed, which would be full time to assist year-round.
- Lt. Lopez signed an agreement with Safe School Alliance on behalf of the department stating they will provide support to schools in an effort to be safer.
- Officer Lyman was signed off to be on his own. Officer Mai is doing very well at the Police Academy. Officer Wilson participated in several CERT missions involving drones. He will be training with a drone designed to go inside buildings to determine if the department should get one.
- One reported use of force during a DUI, but very minor.
- Community Events: Every Child Central Oregon coat and toy drive. Officer Wilson did a drone presentation at the college. Attended Halloween at the Village, Trunk or Treat, and SROA Health and Safety Fair. Sunriver Police Foundation sponsored a shoot at Redmond Rod and Gun Club, in which Sgt. Beck and Lt. Lopez led the event.

Administrator Holliday:

- Continue working on updates to the Financial Policies, workflow/best practices, and provide documentation, support, and answer questions for 22-23 audit.
- Administered payroll, which includes reviewing all data to ensure accuracy, calculated various PERS rates and uploaded to PERS website, reconciled statements from PERS, and continue to correct previous PERS issues. Calculated and paid various payroll liabilities; 457 plans, FSAs, Aflac, pre-tax vs after tax, etc.
- Met with ADP on various HR offerings through the program.
- Continue to work on policies and gather information for best practices and comparing with past practice.
- Updating various documentation for onboarding and offboarding employees. Administering the addition or removal of these employees to all appropriate benefits.
- Gather information for open enrollment, primarily the flexible spending accounts.
- Completed required non-discrimination testing for FSA account.
- Heather McGuire is the new Office Assistant, and she began Nov. 1.
- Continue to work with Deschutes County officials to discuss processes, updating management agreement, seek advice and support, etc.

- Received final draft of Reserve Study. Working with both agencies to provide updates to have final copy for Board review at December Board meeting.
- Worked with various speakers, coordinated logistics, prepared documents and information for Board Orientation/Work Session
- Public Safety Building: submitted monthly Scene story, managed accounts payable, and submitted SDAO grant.
- Member of the interview panel for the Sunriver Police Department Captain position.
- Professional Development: Employment Law Seminar, BOLI annual conference, Oregon Ethics Commission virtual workshop, and Paid Leave Oregon webinar.

5. Update and review of 2023 Sunriver Service District Reserve Study

Chief Lopez, Chief Boos and OR/PM Nelson are going through the draft study to make any changes. Administrator Holliday will submit changes and receive a final study for the Board to review in December.

7. Discussion on Sunriver Police Department Sergeant positions moving to non-exempt status.

Legal counsel suggested this topic be reviewed in an executive session, which will be scheduled for a later time.

8. Discussion on agenda items for Deschutes County annual meeting

The Board discussed various agenda items for the yearly meeting with Deschutes County. Chair Fister will share information on District goals, but would also like a Public Safety Building update, and updates from both chiefs and Administrator Holliday. The Board would also like to discuss operations, overall management, and to review the agreements with Deschutes County. It was suggested to offer tours of the Public Safety Building for those who want to see progress.

9. Review Upcoming events for SSD Board member attendance.

Administrator Holliday provided the Board an upcoming list of events, which included Chief Womer's retirement party, Chief Lopez's swearing in, the SSD holiday party, and the annual joint SSD/Deschutes County meeting.

10. Review October 2023 SROA Board meeting

Dir. De Alicante gave an update on the most recent SROA Board meeting, where they discussed the following topics: budget, maintenance fees increase, wage study for employees, new owners survey, encouraging more owners to use video doorbells for increased safety, and recycling.

Chair Fister added that he provided Chief Womer has his review in hand. Administrator Holliday's review is coming up, he thanked other Board members for their input.

Meeting adjourned at 5:10 p.m.

Submitted by Board Administrator, Mindy Holliday