

# SUNRIVER SERVICE DISTRICT

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## MINUTES OF BOARD REGULAR MEETING

3:00 p.m. Thursday, December 14, 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.

**Roll Call:** Chair Fister, Vice Chair Shoemaker, Treasurer Beenen, Dir. Ralston, Dir. De Alicante and Dir. Kelley were present. Dir. Hepburn was not present.

**SSD Staff:** Board Administrator Holliday, Police Lt. Lopez, Captain Tory Kornblum, Fire Chief Boos

**SROA Staff:** Susan Berger

**Public Input:** None

Dir. De Alicante joined at 3:05 via Teams.

### Consent Agenda

#### 1. Motion to approve:

- a. November 6, 2023 Special Board meeting minutes
- b. November 16, 2023 Regular Board meeting minutes
- c. SROA invoice in the amount of \$9,147.80
- d. Annual HRA VEBA employee benefit in the amount of \$52,200.00

Chair Fister asked Administrator Holliday to discuss the HRA VEBA benefit. She stated it is a benefit the District offers to full-time employees to use for medical and dental expenses. The District contributes a set amount annually based on employee dependency status to the HRA VEBA fund. HRA VEBA accounts rollover from year to year and employees are able to take it if they leave the District.

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

### Old Business

#### 2. Public Safety Building Update

OR/PM Nelson announced a few construction milestones. First, the building is officially dried in before winter. SROA approved the use of natural stone out of sequence so it could be ordered. The final exterior finishes board will be submitted to SROA soon in order to move forward on roofing. Permit for covered parking structure is being submitted to Deschutes County. Lastly, the final drywell was demoed on the east corner and submitted to DEQ for approval.

KNCC representatives Kenny Tyler and Cody Smith discussed construction progress. For the fire station, an air barrier on the exterior walls is going in. Inside, all MEPF (mechanical, electrical, plumbing, fire protection) is underway. Hollow metal doors have arrived and are being installed in the coming week. Stairs are completed and gypcrete poured. For the police station side, MEPF are underway and fiberglass windows and storefronts will be installed once they are delivered. Framing on front vestibule in progress. CMU (concrete masonry) for holding cells going in after the new year. For the east side of the apparatus bay, footings and slabs have been poured. Once cured, CMU will begin. Trusses will be going in at the end of January.

Mr. Tyler shared construction projects are receiving materials with more coordinated timing than during COVID, which allows the teams to be more efficient in their construction.

OR/PM Nelson added going forward he will answer ongoing questions on his monthly summary: 1. Have there been any changes at this time to the overall completion date? 2. Have there been any significant delays to the schedule in the last month? 3. Is there any significant pull ins to the schedule.

There is nothing new to report on Furniture, Fixtures and Equipment. There was a "box walk" this week to confirm location of TVs, phones, data connections, and fire systems. OR/PM Nelson gave an update on the construction financials.

**a. Motion to Approve November 2023 Building Funding Requests in the total amount of \$876,151.73**

- i. KMB Architects invoice in the amount of \$18,855.35
- ii. Carlson Testing Inc. invoice in the amount of \$4,591.75
- iii. Evren NW invoice in the amount of \$4,591.75
- iv. Local Government Law Group in the amount of \$162.00
- v. Nelson Capital invoice in the amount of \$9,500.00
- vi. Bend Mapping invoice in the amount of \$75.00
- vii. Kirby Nagelhout Construction invoice in the amount of \$834,128.58
- viii. Eds Propane invoice in the amount of \$1,874.80
- ix. Sunriver Christian Fellowship invoice in the amount of \$1,000.00

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

**b. Review of monthly memo to Deschutes County Commissioners**

Administrator Holliday asked the Board to review the document and provide feedback by the following Monday.

**New Business**

**3. Motion to approve the October and November 2023 unaudited financials.**

Treasurer Beenen said the calculations for the October financials from last month have been corrected.

715:

He reviewed the November financials and stated property taxes have come in at a higher than budgeted amount. Interest income and charges for services came in higher than budgeted as well. Police was over budget, but this was due to employee vacation buy backs and various Chief Womer retirement cash outs. Year to date (YTD) Police is under budget. Fire was slightly over budget for the month; however, YTD Fire is under budget. Administration over budget for the month, primarily due to extra expenses for contract services. However, YTD, Administration is under budget. There was a discussion around the presentation of the financial statements each month and several felt it would be more helpful to work with an overall percentage of expenses to the annual budget in each area rather than financials for each month. Treasurer Beenen agreed to add in additional columns to show the requested information.

There has been continued discussion regarding when to make the annual transfer of funds from Fund 715 to the 716 Reserve Fund. Treasurer Beenen believes funds should be transferred monthly instead of annually for better tracking. Administrator Holliday stated other organizations do an annual transfer.

After continued discussion, it was decided the annual one-time transfer of funds to the 716 Reserve Fund would occur in December.

716:

Net operating budget there is a surplus and is on budget.

717:

Treasurer Beenen stated the levy money was posted and came in slightly higher than expected for this year. Construction costs are under budget for the month but will even out as the Public Safety Building construction continues. There is a surplus of interest money from the loan. There was discussion around whether the interest money should be added to the project or to hold firm at the \$18 million overall construction cost.

Dir. Ralston moved to approve the October and November financials; seconded by Dir. Shoemaker. The motion passed unanimously.

#### **4. Monthly Chief/Administrator's Reports**

##### **Police Chief Lopez:**

- There were 19 cases, 10 outside Sunriver. Slower than last year.
- Administrative update: Three officer candidates are in background, two being pushed through for quick onboarding. Promoted Tory Kornblum to Captain.
- Sgt. Beck attended FBI LEEDA training, a high-level leadership training not many officers in this area have attended.
- Monthly administrative meetings have been established.
- Short term priorities include hiring, policy updates/review, and establishing standard operating procedures.
- Chief Lopez acknowledged the success of the SSD Holiday Party and would like to see it continued.
- Officer Weaver received acknowledgement for assisting the Bend Police Department to apprehend and arrest car thieves.
- Operations update: Officer Mai graduates from the academy at the end of January. Several domestic violence events, DUI's, warrant arrests, and motor vehicle accidents due to the first significant snow.
- Community Events: Sunriver Resort Illumination, Every Child Toy Drive, Chief Lopez and Captain Kornblum presented DUII and Homicide information at COCC, Officer Weaver held first Home Security Fair, Coffee with a Commissioner, Wonderland Express, Sunriver Pint Night, Shop with a Cop.

##### **Fire Chief Boos:**

- Chief Boos acknowledged the SSD Holiday Party was a success. The department awarded Engineer Newcomb with the Chief's Award and recognized Firefighter Waddell on his retirement.
- For the month, there were zero calls for fire service, however, EMS and public assist calls remained steady. Overall calls are down.
- Chief is having continued conversations with La Pine Fire regarding service integration.
- Held all department meeting to discuss priorities, chain of command, internal communications, health and wellness, training calendar, updating operations guidelines.
- Posting Firefighter/paramedic position.
- Looking at Vector Solutions for staffing software for better integration with current systems.

- Chief Boos and Captain O'Keefe met with Dr. Barum regarding a department health and wellness program.
- Met with Sisters, Black Butte and Cloverdale Fire to talk about how they integrated with each other.
- Attended the Central Oregon Fire Chiefs meeting.
- Chief Bjorvik has been the chair of Central Oregon Fire Instructors for six years, and he recently stepped down from that position.
- The department conducted a man vs machine training.
- Two new thermal imaging cameras were purchased to detect heat in walls.
- Community Events: Illumination, Wonderland Express, Sunriver Pint Night. Chief Boos would like to offer monthly CPR classes once the new building is completed.

**Administrator Holliday:**

- Accounting: Met with Chair Fister, Brenna Glass with NowCFO, to go through September through November transfers, accounts payable and payrolls for review and approval. Continue working on updates to the Financial Policies. Will begin utilizing Adobe fillable form for approval by Board to transferring funds between various accounts. Met with auditors to discuss needs and concerns for a mid-year assessment in January. Coordinated changes and assisted with completion of final 2023 Reserve Study.
- Payroll: Managed and facilitated upload of historical pay information for all current and prior SSD employees. Administered payroll through ADP. Reviewed all data to ensure all information is accurate. Calculated various PERS rates, for employee and employer amounts, and uploaded to PERS website. Worked with Brenna to reconcile statements from PERS. In addition, working with PERS to correct a part time employee who no longer qualified for PERS. Met with ADP on various HR offerings through the program and are moving forward with onboarding support. Calculated and paid various payroll liabilities; 457 plans, FSAs, Aflac, pre-tax vs after tax, etc.
- Human Resources: 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.  
Operations: Gathering information and data on restructuring of SSD organizational chart to incorporate the various increase in duties. Worked with administrative staff on SSD employee holiday party and chief/captain swearing in. Scheduling weekly administrative meetings with Heather, Dana, and Katie. Continue to work with Deschutes County officials Nick Lelack, Dave Doyle, Robert Tintle, to discuss processes, updating management agreement, seek advice and support, etc. Met with insurance carrier to discuss and submit information for 2024 property insurance needs.
- Public Safety Building: submitted monthly Scene story, managed accounts payable.

**5. Proposal for overtime pay for Sunriver Police Department Sergeants**

This was the subject of an Executive Session held before the Regular Board meeting.

Dir. Shoemaker moved to adopt the overtime pay for Sunriver Police sergeant as proposed by Chief Lopez; seconded by Dir. Ralston. Dir. De Alicante voted present as he was not able to make the Executive Session; all others voted yes. Motion passed.

**6. Motion to approve additional expense of mid-year audit assessment not to exceed \$5,150**

Administrator Holliday would like to work with the auditors on a FY23-24 mid-year assessment as the financial responsibility has recently been moved internally. She would like to review procedures,

implementing the correct policies, using the right tools, following budget laws, etc. Treasurer Beenen stated he did not feel the auditors are the right choice for the information Administrator Holliday is trying to get and recommended meeting with accountants. Administrator Holliday said she had a discussion with the auditors, laid out the information she was looking for and they stated this was something they could offer. But she was open to scheduling this need with anyone the Board felt was appropriate.

Vice Chair Shoemaker moved to not exceed \$5,150 for the mid-year audit assessment with Moss Adams; seconded by Dir. Kelley. Treasurer Beenen voted no; all others voted yes. Motion passed.

#### **7. Review final 2023 Sunriver Service District Reserve Study**

There was discussion about the items and funding amounts listed on the 2023 Reserve Study. Chair Fister stated the District will have expensive items coming up to replace to be paid out of the 716 Reserve fund. Treasurer Beenen said the current study shows some challenges for funding in the future for the District. Vice Chair Shoemaker suggested a different reserve specialist company do a follow-up reserve study after the completion of the Public Safety Building. He is not convinced the numbers presented are accurate.

Dir. Ralston and OR/PM Nelson have gone through the document and there are changes and updates that need to be made. Dir. Ralston suggested separating all Safety Building related items into its own list to get a big picture understanding of the new building project versus everything else looks like.

Chair Fister said he would like a discussion about how to mitigate some of the future budget challenges the District is facing, which includes contributions to the Reserve Fund. The chiefs, OR/PM and Administrator Holliday are tasked with verifying the information in the Reserve Study is accurate.

#### **8. Discussion on updates and changes to Employee Handbook**

Administrator Holliday stated there are many updates to the SSD Employee Handbook, and she proposed to start with the top three. First, adding information for Paid Leave Oregon and if the District will allow employees to offset the amount they receive from the state with accrued paid leave. Second is whether to provide the VEBA unused sick leave buyback benefit for non-contractual and non-represented employees. Currently, union represented and contracted employees can sell back unused sick leave to deposit into their VEBA account when they leave the District in good standing. Lastly, adding text to the handbook requires employees to notify Human Resources of changes to dependency status as soon as possible and employees will have to pay back any extra expense the District may have incurred due to lack of sharing this update.

#### **9. Budgeting tools and FY 23-24 Budget calendar, instructions, and Board recommendations to Budget Committee/staff.**

Administrator Holliday would like the Board to provide feedback about budgeting, staffing models, and provide any recommendations for best practices moving forward. She added the Budget Committee will be meeting soon for the kickoff meeting. Chair Fister asked Chief Boos, Chief Lopez and Administrator Holliday to identify organization options and where more efficient practices can be put in place either in-house or outsourced. Treasurer Beenen presented a budget worksheet option to go to a monthly model. Chief Lopez expressed concerns about coming up with a projected monthly budget due to fluctuating costs and needs each month. He stated he prefers to work with an annual budget, and that is what most public agencies utilize. There was discussion around not presenting budgets monthly, but rather using year to date expenditures to budget.

#### **10. Discussion on Management Agreement changes**

Chair Fister is working on updating the Management Agreement between the District and Deschutes County. He stated the most recent draft was in the Board meeting materials, with feedback he has received from Board members so far. The changes will be sent to Deschutes County for review.

**11. Discussion on updating Strategic Plan**

Chair Fister asked Chief Boos and Chief Lopez if they would prefer the Board to manage top down or bottom up. Chief Boos and Chief Lopez both agreed top down would be preferred with the Board setting goals and expectations, and the departments make a plan to reach those goals. Chair Fister will work to get the process going to start updating the 2021-2025 SSD Strategic Plan.

**12. TRT Task Force update**

Treasurer Beenen gave an update on SROA's request for Transient Room Taxes (TRT) from Deschutes County. He stated he has met with the Deschutes County Commissioners individually and the next step is to present the information at meeting.

**13. Review November 2023 SROA Board meeting**

Dir. De Alicante gave an update on the most recent SROA Board meeting, where they discussed the following topics: budget, long-term investments, Chief Lopez attended and answered questions, maintenance fee increase, and a potential new dog park.

Meeting adjourned at 5:45 p.m.

Submitted by Board Administrator, Mindy Holliday