

SUNRIVER SERVICE DISTRICT

MINUTES OF BOARD REGULAR MEETING

1:00 p.m. Thursday, November 20, 2025

Meeting In Person at Seator Hall Conference Room and Via Microsoft Teams

Call to Order: Chair Fister called the meeting to order at 1:00 PM

Pledge of Allegiance

Roll Call: Chair Fister, Vice Chair Shoemaker, Treasurer Kelley, Dir. Zook and Dir. Stephens were all present.

SROA: Ex Officio Randy Schneider

SSD Staff: OR/PM Nelson, Fire Chief Boos, Police Chief Rasic, and Administrator Holliday

Public Input:

None

Presentation of Fiscal Year 2024–2025 Audit and Findings by Kevin Mullerleile, Baker Tilly

Kevin Mullerleile from Baker Tilly presented the FY 2024/25 Audit Report. He shared how Moss Adams is now Baker Tilly. In accordance with generally accepted auditing standards (GAAS), the audit verifies that the financial statements are materially correct and align with generally accepted accounting principles (GAAP). The report highlighted several areas of focus, including the public safety building, cash and investments, and the FY 2025 budget along with the adoption of the 2026 budget, just to name a few. The audit is currently in final draft status and undergoing final review. No issues with internal controls were identified. The report highlighted several areas of focus, including the public safety building, cash and investments, and the FY 2025 budget along with the adoption of the 2026 budget.

Mr. Mullerleile is issuing an unmodified (clean) opinion, which is the highest level that can be received. A state compliance report was presented, and no instances of noncompliance were identified. No issues with internal controls were noted, and there were no adjustments to the trial balance.

Consent Agenda

1. Motion to approve:

- a. October 16, 2025 Regular Board meeting minutes – NOT AVAILABLE IN TIME FOR MEETING
- b. Zions Bank loan payment in the amount of \$81,235.40
- c. HRA VEBA annual employee contribution in the amount of \$74,200.00
- d. SROA/SSD Land Lease annual payment in the amount of \$40,000.00

Dir. Stephens moved to adopt the consent agenda, minus item a; seconded by Dir. Zook. The motion passed unanimously.

Old Business

2. Public Safety Building-Nelson

a. Public Safety Building Construction Update

Chair Fister provided an update on the proposed budget adjustment. Final numbers are still pending for the next board meeting. The goal is to have the figures finalized soon so that OR/PM Nelson can work with Administrator Holliday to prepare for the meeting, after which the proposal will be submitted to the county for approval.

b. Motion to approve October 2025 funding requests in the total amount of \$15,095.33

- i. Nelson Capital invoice in the amount of \$3,780.00
- ii. Custom Tint invoice in the amount of \$795.00
- iii. Bridgetown Builders invoice in the amount of \$10,520.33

No payments are to be approved at this time until final figures for the budget adjustment are received, to ensure sound fund management. Minor approvals for small, completed, and billed projects may need to be addressed in a special meeting, based on Administrator Holliday's recommendation once she has a clear understanding of the budget adjustment and confirms the work is complete. Administrator Holliday requested the chiefs assist in verifying completed projects. She expressed concerns that current expenditures do not align with the budgeted funds, noting outstanding expenditures and limited remaining funds. Chair Fister emphasized that the board is exercising due diligence before approving any payments beyond the budgeted amounts.

Recent warranty work has been completed, while some projects remain outstanding, including the door on the police side, apparatus bay, and exhaust system work by KNCC. The district will also manage various projects such as decontamination flooring, paving, and other miscellaneous items. Once KNCC projects are completed and retainage is paid, the district will be able to proceed with other projects. Administrator Holliday suggested that the chiefs review items marked as completed to confirm their status.

The October 2025 funding request was tabled.

c. Police Department Door – Previously Approved by Email; Formal Ratification in Public Session

A request for approval was submitted via email between this meeting and the previous meeting due to an emergency situation, as the repair was required for safety. The use of an email vote was deemed appropriate. All Board members voted to approve, with the exception of Director Kelley, who did not submit a vote within the required timeframe.

3. Update and status of SSD Reserve Study

Final numbers have not yet been received by OR/PM Nelson; therefore, no update is available.

4. Update on Sunriver Service District Police expansion

Vice Chair Shoemaker reported that a brief meeting with stakeholders was held to share research on the necessary steps to advance the project. Key discussion points included identifying the requirements for submission to the county and preparing a package of information for Caldera. It was noted that Crosswater has decided not to move forward. The proposed expansion will exclude the business park.

New Business

5. Monthly Chief/Administrator's Reports

Fire Deputy Chief Bjorvik

Unfortunately, Bjorvik had to step out of the meeting; therefore, Chair Fister reviewed the report. Service calls are currently lower compared to 2024, response times have improved, and a significant number of training hours have been completed. Ambulance billing remains consistent. Mutual aid provided and received is more balanced than in previous years.

Police Chief Rasic

- Calls for service in October were significantly down compared to October 2025, largely due to staff leave. Van Meter remains at the FBI Academy and is performing well. Additional staff were on leave or preplanned vacation.

- Of the nine investigations, two occurred outside of Sunriver.
- There were 42 calls in the Caldera Springs and Crosswater areas in October:
 - 19 responses handled by Sunriver
 - 21 responses handled by DCSO
 - 2 calls where both responded

Chief Rasic noted that most calls in this area are usually proactive patrols.

- Citizen Patrol continued bike path monitoring and assistance with the Otter Walk and Halloween events.
- Bike patrol operations ceased in September.
- SROA Rules Enforcement: The enforcement and bike patrol contracts will be merged into a single agreement. Finalization of minor verbiage and contract amounts is still in progress.
- Police Officers Association: Negotiations on the collective bargaining agreement are ongoing, with current focus on refining language before moving forward.
- Staffing: Open positions remain for lieutenant, sergeant, and lateral police officers. Qualified candidates have been identified, and the hiring process is underway, with the goal of filling positions after the new year. Sergeant Davis and Officer Mann resigned to join DCSO.
- Community Events: Recent events included the Otter Walk, Fraud Protection Training, and community Halloween activities.

Administrator Holliday

- Attended 2025 Fall OGFOA Conference in Eugene, great opportunity to network.
 - Audit Coordination: Continued working with the auditors to address remaining questions and provide information needed to finalize the FY25 audit.
 - Collaborating with ADP to address and resolve tax matters.
 - Ongoing management of QuickBooks Online transactions, including reconciliation of PERS statements, accounts payable and receivable, payroll liability reconciliations, and oversight of District cash flow between First Interstate Bank accounts and Oregon Treasury LGIP funds.
 - Worked with Brittany Fobi, Police Department Executive Assistant, to gather information from ADP to evaluate options for implementing electronic timesheets.
 - Collaborating with ADP to set up new pay codes required under the updated Fire CBA.
 - Joined the Fire Department Safety Committee and we are exploring the addition of Police representatives to establish a unified SSD Safety Committee.
 - Distributed information on 2026 FSA benefits and provided enrollment materials to all employees.
 - Compiling information in preparation for upcoming police union bargaining discussions.
- Operations**
- Gathered and organized materials, information for the 2025 SSD Board Work Session.
 - Conducted both Zoom and in-person interviews for the SSD Executive Assistant position and have extended an offer to a selected candidate.
 - Worked with the Nominating Committee to promote current openings and continued progress on finalizing the updated committee manual.
 - Conducting research related to potential police-only service expansion to the Crosswater/Caldera area.
 - Professional development: PERS webinars, Streamline webinar, FSA webinar

Dir. Stephens recognized Administrator Holliday and the District on a clean audit.

6. Update on SROA Rules and Regulations/Bike Patrol contracts

As discussed earlier in the meeting, the contract has been successfully merged into a single agreement. The primary focus is now on finalizing the dollar amount.

7. Overview of the finalized 2025–2029 Fire Union Collective Bargaining Agreement

Chair Fister provided a brief overview of the negotiations, noting that both sides engaged in fair discussions resulting in a four-year agreement. The agreement includes an approximate 4% increase in overall costs for the first year, followed by a 3% cost-of-living adjustment each year thereafter, along with additional contributions such as VEBA and wellness bonuses. The District was able to maintain overall costs close to the targeted growth rate. Significant time was also devoted to updating the drug policy. Union Representative JJ Johnston, who was in attendance, stated that the negotiations and discussions were primarily focused on the wellness of the firefighters.

8. Discussion on SSD Finance Committee and scheduling Mid-Year SSD Budget Review

Administrator Holliday stated the District is halfway through the fiscal year and she intends to work with the chiefs and Treasurer Zook on a mid-year review, including discussing the upcoming FY 26 717 budget adjustment. She noted the district has been directed to utilize the Deschutes County Budget Committee, and former members of the SSD Budget Committee have been reassigned to the Finance Committee. Discussion was held regarding the future of the Finance Committee due to low membership. Administrator Holliday requested that board members conduct outreach to solicit interest and input from the community.

9. Motion to accept SSD fiscal year 24-25 audit

Administrator Holliday stated there were a few edits received by Dir. Stephens, so she will follow up with Mr. Mullerleile.

Dir. Stephens moved to accept the FY 2025 audit; seconded by Vice Chair Shoemaker. The motion passed unanimously.

10. Proposed Agenda Items for Joint SSD/Deschutes County Meeting

Chair Fister stated that the annual meeting with the Deschutes County Commissioners, the governing body of the District, is scheduled for Tuesday, December 16, at 1:00 p.m. Other Deschutes County officials are also invited. Feedback was requested on potential agenda topics. Suggested items included the SSD update and goals, public safety update, budget adjustment, overall district financials including Expansion and TRT funds, and updates from Fire, Police, and Administration.

11. Motion to approve the 2026 SSD Board Meeting Calendar

Administrator Holliday advised it is best practice to post and approve the yearly meeting calendar. All Regular Board meetings are scheduled for the third Thursday of every month at the Public Safety Building, beginning at 1 p.m. There will be a Teams option, as well.

It was suggested to include the Deschutes County joint meeting in December on the calendar, even though the exact date has not been finalized, to identify the meeting. The annual board work session in November should also be noted. Chair Fister requested it also be indicated where the SROA and SSD Board meetings do not occur in the same week.

Treasurer Zook moved to approve the 2026 SSD Board Meeting Calendar with the suggested changes; seconded by Dir. Kelley. Motion passed.

Administrator Holliday requested reserving one hour on the first Thursday of each month, between regular board meetings on the third Thursday, to be used for special meetings if needed. This time would block calendars in advance in case urgent matters arise that cannot wait until the next regular meeting.

12. Review and approve October 2025 unaudited financials

Dir. Stephens provided Administrator Holliday with suggested changes to the financial statements. Administrator Holliday reviewed the changes for accuracy and will incorporate them into future financial statements shared with the board.

October Unaudited Financials

Fund 715

Receivables:

- Year-to-date tax collections have not yet been received but will be reflected in next month's financial statements.
- Conflag Reimbursement: The total reimbursement amount is recorded, with associated costs reflected on the expense side. Administrator Holliday has prepared a supplemental document providing a detailed cost breakdown.
- Contract Payments: SROA has paid the first half of the Rules and Regulations contract and has made one payment for Bike Patrol. Administrator Holliday noted that, since the contract is under negotiation, it may be helpful to consolidate payments into a single transaction.
- Ambulance Receivables: Collections are currently ahead of budget.

Line Adjustment: An invoice was sent to DCSO in accordance with ORS, which provides if an officer leaves the agency within three years of attending the academy, the District is reimbursed for various wages. This invoice was miscoded in a "services" revenue line.

Expenses:

Police Department

- Personnel: Currently under budget, and this trend is expected to continue through November.
- Materials and Services: On track with budget, but some one-time costs and vehicle repairs are anticipated.

Fire Department

- Personnel: Currently on track with budget.
- Vehicle Repairs & Maintenance: Higher than anticipated, but over Materials and Services are under budget.

Bike Patrol

- Sufficient funds are available to cover the seasonal Bike Patrol program through May and June.

Administration

- The Executive Assistant is expected to begin in the coming weeks, with associated costs anticipated. Overall, salaries and benefits are currently below budget.
- Legal expenses are over budget due to an increase requested after the budget was adopted.
- Utility costs, including garbage and electricity, are higher than projected, reflecting the first year of occupancy in the building and initial cost estimates.
- Overall materials and services remain under budget.

Fund 716

The Fire Department has purchased all approved capital equipment. The Police Department has purchased the suppressors; however, not all items have been received at this time.

Fund 717

Administrator Holliday discussed the current budget and funds remaining (or not) in some of these items. That is why she is concerned about paying any further expenses until she knows what is outstanding, what are anticipating spending, and do the budget adjustment. Ensure the financial viability of that fund and be in compliance with Oregon budget law.

Dir. Stephens moved to approve the October 2025 unaudited financials, with the noted change in revenue error; Vice Chair Shoemaker seconded. The motion passed unanimously.

13. Review of November 2025 SROA Board meeting

Ex-Officio Schneider provided an update on the recent SROA Board meeting, which included discussion on the IT task force, a wildfire taskforce being development, new tunnel by the Nature Center to be built, Circle 2 and 3 pathway easements, SHARC fees and a new off-season pass, a park at Winner Circle park has been completed, and the budget overall is looking good.

Other Business:

Administrator Holliday, the chiefs, Chair Fister, and Director Stephens received a request to meet with Congresswoman Bynam's office.

The SSD family holiday party has been finalized and is scheduled for December 15 and will include a potluck, white elephant gift exchange, and an ugly sweater theme.

A nominating committee manual is being developed, and additional members are being sought.

Dir. Kelley moved to adjourn; seconded by Vice Chair Shoemaker. The motion passed unanimously.

Meeting adjourned at 3:20 p.m.

Submitted by Administrator Holliday