



UNIFIED FIRE AUTHORITY BOARD FINANCE COMMITTEE MEETING MINUTES

Friday, December 17, 2021, 10:00 a.m.

Meeting was held both electronically via Zoom Webinar/UFA Headquarters

1. Call to Order
Meeting was called to order by Chair Council Member Stewart at 10:07 a.m.
2. Public Comments
No public comment
3. Minutes Approval - Chair Stewart
Chair Stewart seeking a motion to approve the May 6, 2021, Finance Committee Meeting Minutes
Mayor Silvestrini moved to approve the minutes from the May 6, 2021, Finance Committee Meeting as submitted
Council Member Perry seconded the motion
Verbal vote taken. All in favor, none opposed
4. Discussion of Budget Impacts in FY21/22 and Projections for FY22/23 – Chief Petersen
Issues impacting the budget
 - Staffing for sick leave-We are seeing an average of 1.5 extra positions of sick in staffing daily-This is partly covid and partly fatigue. Chief is hoping this increase is temporary. However, he would like to be prepared if it becomes our new normal. The financial cost to fill these positions is between \$500,000-600,000 per year. This is a new impact to the budget
 - Fuel forecast- We have been within the target area. We don't want to over forecast or be too conservative. We are anticipating \$160,000 over budget
 - URS reductions- There is a \$230,000 savings with the reduction in URS
 - Ambulance Revenue- Coming in strong. We will have good projections for the next finance meeting
 - Relieve Stress/Maintain Sustainability-
Our crew members would like to work a little less overtime. To achieve this, we will need to add 12 new firefighter positions to help with staffing. This will be offset by a reduction in overtime but will cost an estimated \$240,000. (approximately \$20,000 per person)
 - Time needed for training impacts us this fiscal year, but we will see the benefit when they start shifts
 - We are overhiring by 6 more than normal for the February academy and six more in June which will impact the budget
 - Budget Needs- We need to have roughly 2.5 million in under expend for next year's budget. Chief is asking all Divisions to watch their spending carefully and drop any programs that can be delayed to a future budget year. Chief is hoping for this but preparing committee this

could be a challenging target to hit with the increased sick leave from Covid and the inflationary increases on fuel and other items.

The billing for replenishing the capital fund may be required for use in the General Fund to help meet the budget target for FY22/23.

- Focus for upcoming year-
Maintaining market position
Manage inflation
Target at least a 3% CPI
Manage fuel and inflationary items
 - Chief has discussed a 5 ½% budget increase. The increase will cover the focus items for the fiscal year. There may not be space for additional issues inside the budget
- Wage Comparable Tables-
HR will update the wage comparable tables in January
We will be looking to see how other fire department made adjustments in January

Chair Stewart mentioned that fuel and other inflationary products have had a very large impact on business. The increases are not a surprise

5. Review/Approve Fiscal Year 20/21 Financial Report and Audit – CFO Hill

Phyl Warnock with Keddington & Christensen LLC joined meeting to report on the Financial Audit
An audit does not relieve the finance committee of responsibilities
No significant difficulties encountered during the audit. No material uncorrected financial statement misstatements. No disagreements with management. No material corrected statements brought to the attention of management as a result of the audit

- Opinions, refer to page 4 of the audit report
- Internal Control-refer to page 54 of the audit report
 - Mayor Silvestrini- Confirming we have not crossed the threshold in respect to federal grants that require a federal single audit?
 - Phyl Warnock confirms no federal single audit is required

CFO Hill recommends review of page 16 of audit and the Statement of Revenue and Expenditures. These tell a good story of the fiscal year's finances

Chair Stewart asks for a motion of approval

Mayor Silvestrini made motion to approve the Fiscal Year 20/21 Financial Report and Audit as presented

Mayor Sondak seconded the motion

Verbal vote taken

All in favor. None opposed

CFO Hill asked for Chair Stewart's direction in presenting this to the UFA/UFSA Board next week.

Decision made to have Chair Stewart and CFO Hill present this to the board.

6. Review Proposed Exhibit A to the UFA/UFSA Interlocal Agreement for Services for Calendar Year 2022 – CFO Hill

- This is revenue to UFA- Expenditure to UFSA. Documents UFA Employees and time allocated to provide service for UFSA
- Note an increase due to construction/projects-

- Questions- Chair Stewart wants to ensure the seismic improvements have been properly accounted for regarding UFA/UFSA buildings
 - CFO Hill- DC Robinson has been very good at balancing cost
- Council Member Perry- With increased time on UFSA construction projects, is this hindering work accomplishments for UFA?
 - Chief Petersen- Staff is aware of the impact on their time for these projects and has reduced the expectation to work on UFA projects. We recognize this is for a limited time, but it is the best use of resources at this point in time.

Chair Stewart seeking a motion to approve Exhibit A to the UFA/UFSA Interlocal Agreement
 Mayor Silvestrini moved to approve Exhibit A to the UFA/UFSA Interlocal Agreement for Services for Calendar Year 2022

Mayor Petersen seconded the motion

Verbal vote taken

All in favor. None opposed

7. Possible Closed Session

No closed session needed

8. Mayor Peterson asked for clarifying information regarding agenda item 4.

- With projections going forward for budget impact, do you expect the member fee to be in the 5 ½% range as well?
 - Chief Petersen- To maintain wages in the top 3 category, he believes the member fee will be at the 5 1/2 % level. His concern is how the wage analysis looks in January. The analysis was moved up a few months purposely. He would like to get a snapshot so we can prepare for inflation and wage issues. Please consider it preliminary until we have a clear picture of what it will take to hold on to the top 3 wage
- Mayor Silvestrini- Does that include the COLA?
 - Chief Petersen- Targeting a 3% COLA, however, CPI will be much greater than that. Benefits and Compensation will have to determine how close we try to reach the CPI. To maintain market, we need about 1.5% to hold on to the top 3%. Overall, a 5 ½% includes inflationary issues, a 3% COLA, and market increases. You may decide to go higher based on the analysis. This is very preliminary.
- Chair Stewart- CFO Hill has been in contact with service area leaders. This has been brought up in his area meetings as something to be prepared for

9. Adjournment

Chair Stewart seeking for a motion to adjourn

Mayor Silvestrini moved to adjourn the December 17, 2021, Finance Committee Meeting

Mayor Peterson seconded the motion

Verbal vote taken

All in favor. None opposed

Present:

Chair Stewart

Council Member Perry

Mayor Silvestrini

Mayor Peterson

Mayor Sondak

Council Member Bowen

Chief Petersen

Kate Turnbaugh

CFO Hill

CLO Roberts

Pat Costin

Ryan Love

Steve Quinn

Shelli Fowlks