



Clackamas Fire District #1

Board Meeting Briefing Packet

**June 27, 2022
Revised**



Here for you

CLACKAMAS FIRE DISTRICT #1

**Board of Directors' Meeting
Monday, June 27, 2022
Meeting Location: Hybrid: Station 5/Remote Video Conferencing
5:00 pm**

AGENDA

REGULAR SESSION

- I. **CALL TO ORDER PER ORS 192.610 TO 192.690**
ORS 192.650 – The meeting is being recorded.
- II. **CHANGES TO AGENDA**
- III. **APPROVAL OF MINUTES OF THE BUDGET COMMITTEE MEETING ON (Packet Pg. 5,
MAY 10, 2022, AND THE REGULAR BOARD MEETING ON MAY 16, 2022 Packet Pg. 15)**
- IV. **PUBLIC COMMENT** *(The President will call for statements from citizens regarding
District business, not to exceed three minutes per person.)*
- V. **SUPPLEMENTAL BUDGET HEARING**
 - B-1 **Request Board Approval of Resolution 22-02 – Adopting and Appropriating
Supplemental Budget for Fiscal 2021-22 –**
Chief Financial Officer Mark Whitaker **(Packet Pg. 22)**
- VI. **BUDGET HEARING**
 - B-2 **Request Board Approval of Resolution 22-03 – Adopting the Budget, Making
Appropriations, and Levying Taxes for Fiscal 2022-23 –**
Chief Financial Officer Mark Whitaker **(Packet Pg. 27)**
- VII. **PRESENTATION – ANNUAL WORKERS' COMPENSATION RENEWAL**
– Agent of Record Jeff Griffin from Wilson-Heirgood Associates **(Packet Pg. 35)**
- VIII. **BUSINESS – Action required**
 - B-3 **Request Board Approval of Workers' Compensation Renewal –**
Human Capital Manager Trish Noble **(Packet Pg. 31)**
 - B-4 **Request Board Approval of Intergovernmental Agreement (IGA) with
Aurora Fire District for Fleet Services – Fleet Manager Bill Bischoff (Packet Pg. 59)**



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B-5 Request Board Approval of Ambulance Transport Billing Contract –
Finance Manager Michael Wong **(Packet Pg. 70)**

B-6 Request Board Approval of Financial Audit Contract –
Chief Financial Officer Mark Whitaker **(Packet Pg. 73)**

IX. OTHER BUSINESS – No action required

OB-1 Annual Fire Chief Evaluation – Director Wall

OB-2 Legislative Update – Lobbyist Genoa Ingram

OB-3 Board Committee/Liaison Reports
Executive Committee – President Joseph/Director Wall
Foundation Liaison – Director Cross
Interagency Committee – President Joseph/Director Syring

OB-4 Board Informational Updates/Comments

X. INFORMATIONAL ONLY

A. Division/Department Reports

R-1a Office of the Fire Chief – Fire Chief Nick Browne **(Packet Pg. 76)**

R-1b Office of Strategic Services – Assistant Chief Brian Stewart

R-1c Office of Business Services – Assistant Chief Steve Deters

R-1d Office of Financial Services – Chief Financial Officer Mark Whitaker **(Packet Pg. 78)**

R-1e Office of Emergency Services – Division Chief Dan Mulick

R-1f Professional Firefighters of Clackamas County Local 1159 –
Shop Steward Andrew Gordian

R-1g Volunteer Association Report – Interim President Jerry Kearney

B. Correspondence (Packet Pg. 81)

C. Informational Items (Packet Pg. 82)

D. Next Meeting



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The next Board of Directors' meeting will be on Monday, July 18, 2022, at 5:00 pm. The meeting will be hybrid with the public invited to attend by remote video conferencing.

X. ADJOURNMENT

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BUDGET COMMITTEE MEETING MINUTES
Tuesday, May 10, 2022
Meeting Location: Remote Video Conferencing
5:00 pm

I. CALL TO ORDER PER ORS 192.610 TO 192.690
ORS 192.650 – The meeting was recorded.

President Joseph called the meeting to order at 5:08 pm.

II. INTRODUCTIONS AND ROLL CALL

Board President Joseph introduced the budget committee.

Present:

Budget Committee Members: Erin Anderson, Jay Cross, Charles Gallia, William Gifford, Chris Hawes, Heidi Hicks, Thomas Joseph, Tim Powell, Jim Syring, Marilyn Wall

Clackamas Fire District: Nick Browne, Steve Deters, Heather Goodrich, Dan Mulick, Ariel Roberts, Brian Stewart, Mark Whitaker, Michael Wong

III. ELECTION OF BUDGET COMMITTEE CHAIRPERSON

President Joseph opened nominations for Budget Committee Chairperson.

Director Syring nominated Ms. Hicks for Budget Committee Chairperson. Mr. Gifford seconded. No other nominations.

Ms. Hicks was unanimously voted to be the Budget Committee Chairperson.

Chairperson Hicks opened the nominations for Budget Committee Recording Secretary.

Director Syring nominated Mr. Gifford. No other nominations.

Mr. Gifford was unanimously voted to be the Budget Committee Recording Secretary.

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IV. OPENING REMARKS ON THE FY 2022-2023 PROPOSED BUDGET – FIRE CHIEF NICK BROWNE

Chief Browne expressed his gratitude to the Budget Committee and the Board for their time and their service. This budget was created with the resources allocated and with the District's purpose, vision, and mission guiding them.

He said that the last couple years have been challenging for the Fire District. He reminded everyone that last year they brought forth a budget with a \$1.8 million deficit. When he became Fire Chief, they identified financial health and stability as one of their core priorities. With expenditures outpacing the revenues, they made some pre-fiscal year changes to get that number down to \$1.4 million. Later in the year, Chief Financial Officer (CFO) Whitaker identified an error in the budget that increased that to \$3.6 million. The District had to make difficult mid-year reductions to administration and station staffing to put them back on the path to financial stability. As difficult as these decisions were, he is proud of the way the District responded to these challenges.

Despite all these challenges, Chief Browne was proud to present a balanced budget to the committee at this meeting.

V. BUDGET MESSAGE AND OVERVIEW– CHIEF FINANCIAL OFFICER MARK WHITAKER & FINANCE MANAGER MICHAEL WONG

CFO Whitaker explained that he will cover the current year, the beginning fund balance, the overview of revenues and expenses, the capital plan, the five-year forecast, and special funds.

He reviewed the Budget Committee's role in this process as well as the three items they will need to vote on.

CFO Whitaker presented an overview of the current year. With the changes they made mid-year, he expects to end the year with a \$2 million deficit.

He then presented the proposed budget. He refers to this budget as the status quo or stabilization budget. They are going to maintain service levels and staffing levels, but not expand or add any new programs or staff. They want to continue to maintain a balanced budget throughout the fiscal year while rebuilding some capacity to fund capital outlay and add to reserves.

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Some new things in the budget would be an IGA with Gladstone Fire and the implementation of a new apprenticeship program thanks to a \$2 million state grant.

He explained that in order to simplify the budget and have more transparency, they are proposing to consolidate the equipment replacement fund and the capital project fund into a single capital replacement fund. He also proposed to close the enterprise fund and create a new grants fund.

Mr. Gifford was concerned that if they created a grants fund those funds would be expected. Budgeting for money that they don't have yet, isn't a good practice. CFO Whitaker explained that the grants fund would only be used once they are awarded the grant. If there aren't any grants, the fund won't be used. He is concerned that if the grant funds are included in the general fund, it will be difficult to differentiate what is funded by the grants. This was an issue in the past. Director Joseph agreed and said this line item will provide clarity and better tracking of the grant funds. Director Hawes agreed. If the grant funds are added to the general fund, it also skews any projections on available funds.

Mr. Gallia expressed concerns over the consolidated funds. Most capital reserve funds are created in association with bonds. These funds have restrictions. Will this create issues? CFO Whitaker explained that there is a separate capital construction fund that is only for G.O. bonds. He agreed that it's important to have those funds separate. With proper reporting and accountability, he's confident they will be able to manage this fund.

CFO Whitaker continued with his presentation by going over beginning fund balance. He showed a chart showing FY 2020-21 having \$24.6 million, FY 2021-22 having \$22.4 million, and FY 2022-23 estimates being \$21.2 million. This estimate reflects the deficit and where he expects to end the current fiscal year. The goal is to have the beginning fund balance increase as they balance the budget each year. Due to the beginning fund balance being low, CFO Whitaker projects that they might need to do some short-term borrowing to meet cash flow needs to make it until November.

He then went over the general fund revenue, property tax revenue, and AV growth.

Mr. Gifford asked if the AV growth grows with the property values. This projected increase seems a lot less than projected property values. CFO Whitaker explained that AV is assessed value not market value, which is where a lot of the increases are. For existing properties, unless there is a major improvement, assessed value is capped at 3% growth. Anything above 3%, they are relying on new development/construction.

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Mr. Gifford asked what processes are in place to make sure that the budget error from last year is not repeated. CFO Whitaker said there are transparent practices in place and the numbers are there for all the public to view. Mr. Gifford replied that these processes were in place before. Is there outside auditing? CFO Whitaker said the audit takes place at the end of the fiscal year, so it does not help them plan for the next fiscal year. Last year's budget did not include the property tax calculations from the county for AV Growth. He feels they have greatly improved the transparency and process around this.

CFO Whitaker then presented a slide on the general fund expenses and explained the details on that slide.

Mr. Gallia asked if there are standard capital replacement guidelines to follow. How do they determine how much to set aside? CFO Whitaker said there are general guidelines that recommend setting aside 3-5% of the total asset value each year. He prefers that they build a robust capital plan; this is a project he's already started.

CFO Whitaker presented a slide showing personnel expenses. They are budgeting healthcare expenses relatively high as these expenses can be unpredictable. There is also a new payroll tax that is coming into effect January 1 which is the State's new paid family and medical leave insurance program.

Director Syring asked if there are revenue funds budgeted to get the SAIF refund that they get every year. CFO Whitaker said that the SAIF dividend and SAIF refund are conservatively projected in the "Other Revenues" line that he's planned for.

Director Wall brought up that she thought they had a stop loss for healthcare expenses at \$5 million. What else is included in that number? (Slide showed about \$6.6 planned for FY 22-23.) CFO Whitaker said the \$5 million stop loss is only for health insurance claims. This doesn't include dental, administrative fees, and a couple other expenses.

Director Joseph asked if healthcare expenses included the Wellness program. CFO Whitaker said the Wellness program is under Materials & Services and in personnel.

CFO Whitaker then presented on Materials & Services. This spending has been relatively flat over the years and his chart showed this. For FY 2022-23, they have \$7.5 million budgeted. He explained that this is up from their original budget due to much higher fuel prices.

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Financial Manager Michael Wong presented the Capital Plan. He explained that a capital improvement plan is a blueprint that identified current inventory, capital needs, years in which funding each project should occur, and the methods of funding. Having a capital improvement plan is a best practice as it ensures the District is accountable to the community in respect to the expenditure of public funds and the maintenance of public assets. Scheduled replacement of capital assets is vital to the safety of fire personnel and the public and it allows the District to maintain uninterrupted services and reduce unnecessary costs.

He explained that the District recognizes two different definitions for capital assets. For depreciation, capital (fixed) assets are assets with an initial cost of \$5,000 or greater and an estimated life in excess of two years. For budgeting and capital planning purposes, the definition of a capital asset is broadened so it doesn't need to meet the \$5,000 requirement. This allows the District to plan for expenses that are significant, even if the cost is under \$5,000.

Financial Manager Wong presented a slide showing the major categories of capital projects includes facilities, apparatus, technology, firefighting equipment, EMS and rescue equipment, and exercise equipment. He showed a slide with these categories and their financial needs for the upcoming five budget cycles. For FY 2022-23, the capital replacement needs are \$1.29 million. However, due to the limited budget, they are only proposing funding about \$669,000 of the highest priority items. He showed that for the next four years, the identified capital needs exceed the available resources.

Director Hawes said that he appreciated all the work that they put into this capital plan.

Mr. Gallia asked if Gladstone Fire was included in this capital plan. CFO Whitaker said no, under the current IGA the City of Gladstone was still responsible for major maintenance of their station. This IGA also gave possession of their newest engine over to CFD, which is only a year old. This wouldn't require replacement for another 15 years. It's still a great point to bring up that the capital plan will need to be updated in the future with any IGAs and assets that are acquired.

Director Cross commended them on creating this plan. This was a gap that was much needed for the District's planning.

Director Syring thanked them for doing a great job. He asked what the \$2.7 million for communications was for in FY 2024-25. CFO Whitaker replied that it is an estimate for replacing the portable radios.

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CFO Whitaker presented the five-year forecast. His projections showed some modest surpluses in future years thanks to the projected AV growth and PERS costs. This forecast shows that the District is on the right track with recovery being slow and steady. He reminded everyone that a forecast comes with a lot of caveats and the next time they see a forecast, it will look different. However, what's important is that they continue in the right direction.

Mr. Gallia said he sees modest increases each year and this doesn't take into account current inflation which would obviously change the forecast. CFO Whitaker agreed; if materials and services costs increased 7% annually, that would definitely change the forecast.

Next, CFO Whitaker wanted to cover the District's loan payoff. In 2018, the District took out a \$7 million loan. Currently, there is \$1.6 million left in the capital replacement fund. Annual debt service is about \$506,000 each year through FY 2032-33. In FY 2032-33, the loan resets and the bank can either require repayment of the entire remaining principal amount of \$2.2 million or it will allow the District to continue debt service through the next five years at a new interest rate.

There are concerns about the possible balloon payment or another five years of debt service; therefore, he came up with an alternate proposal. His plan proposes using \$1.4 million of the remaining loan proceeds to make principal pre-payments for the next four years. The FY 2022-2023 proposed budget includes a \$506,000 principal pre-payment. If they make these principal pre-payments as well as continue to pay debt service, in 2033 the loan would be paid off without a balloon payment or extending the debt service.

He shared that this proposal doesn't come without drawbacks. Putting money towards the pre-payments means these funds are not going toward capital projects. The capital replacement plan shows that there are outstanding needs that the District can't fund. The remaining loan funds could help fund these projects. Inflation is also high and capital costs are only going to increase. Perhaps they should be using the loan to cover these costs now rather than in the future.

CFO Whitaker said that these are just a couple options of what to do. If they wanted to move forward with the pre-payment, they are only allowed to do this once a year on June 15. They can choose to look at the budget further along in the year and decide whether or not to proceed with the payment on June 15 or use it for other projects.

Director Hawes really liked the option of the pre-payment or putting it toward something mission critical, if needed.

Director Cross agreed. Having options in the current financial situation is a good choice.

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Director Syring also agreed. He asked what the \$7 million loan was for. CFO Whitaker believed it was for a new administrative building and to finish up G.O. Bond projects. Director Cross remembered that there were cost overruns with building Stations 16 and 19. Director Wall further explained that they did not anticipate when they accepted the bond money that they would have to replace Station 16. The expectation at the time the bond was requested was to have the money go toward fixing up Station 16. However, once they looked into Station 16 further, they realized it would need to be fully replaced. Similarly, Station 19 wasn't originally in the plan but the opportunity arose and the District made the decision to go forward with that. They were looking at building the new administrative building on a Clackamas Community College site, but they couldn't get a building at a size they could afford.

Mr. Powell asked about Urban Renewal dollars. Will the County allow them to use the funds for other capital projects? CFO Whitaker said that it requires the County's approval, but they have been fairly open with the District's requests. Mr. Powell asked how that impacts the budget for this year. CFO Whitaker said they are forecasting using about \$300,000 of the Urban Renewal funds. If they identified more projects sooner, then they would ask for approval to use more of those funds.

Director Joseph asked if Urban Renewal funds were used for the property next to Station 1. CFO Whitaker said yes, Urban Renewal funds are being used to convert that home into office space. Director Joseph asked what the total budget on that project was. CFO Whitaker said they budgeted \$75,000 but believes they will be under budget. This project is not in the proposed budget as it's in the current year's budget.

CFO Whitaker presented on the general obligation bond debt. One of the budget committee's roles is to approve the tax amount for this debt. Principal and interest payments total under \$2.3 million in FY 2022-23. The bonded debt levy, plus prior year tax collections, interest earnings, and beginning fund balance in the debt service fund should be sufficient to cover the general obligation debt payments. The staff's recommendation is for the committee to approve a bonded debt levy of \$2,259,050.

Director Wall asked what the amount of that fund per dollar would be. CFO Whitaker said it would be around \$0.10. Director Wall said they had told the public in the past that it would not go above \$0.10 so she wanted to be sure.

VI. GENERAL DISCUSSION

Chairperson Hicks opened up general discussion.

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Director Joseph said he has been privileged to work with Chief Browne and his team throughout the last year. They have left no stone unturned in finding ways they can save money. They have gone to great lengths to go through all the District's expenses and not just go with the status quo. He thanked them for all their hard work.

Mr. Gifford asked with the increase in gas prices, if electric vehicles have ever been discussed. Director Hawes said there are many pros and cons to electric vehicles, but it's really more of a subject for the Board rather than the budget committee. Keeping the budget committee focused on the budget and not operational details and policies, makes a good budget.

Mr. Powell asked about the Gladstone IGA. Is CFD absorbing the employees, equipment, etc.? How will this impact CFD specifically in regard to employees and training? Assistant Chief (AC) Stewart said the contract for service is for all fire and emergency services. CFD will provide service to the City of Gladstone just like they provide service to the City of Milwaukie and CFD's other areas. However, instead of receiving tax dollars directly from the residents, CFD will be paid from the City of Gladstone. As far as employees, Gladstone Fire's three full-time employees will be joining CFD. They also have a group of part-time, on-call firefighters that will join CFD's volunteer group. The salaries be will at the rate in which they are placed in the organization. The benefits and training are rolled into the contract costs. They will become CFD employees starting June 1.

Mr. Powell asked if it made sense operationally to have an ambulance in the Gladstone area as it's an aging population, or if they are fully depending on the fire apparatus. This could impact the dollars received from ambulance service. AC Stewart said CFD is contracted to provide a fire engine with three firefighters, with at least one being a paramedic. The City of Gladstone sets the service level in their station.

Mr. Anderson asked about the D-shift rotation. How does this affect the budget? AC Stewart explained that the schedule change referred to as D-shift is a rearrangement of the days firefighters work. This doesn't affect the total number of hours or shifts per year. The intent of this schedule is to look at the rest and recovery rehabilitation time for the members. There has been a lot of research around shift workers, specifically firefighters, that looks at the amount of recovery time needed to recover from hypervigilant states. CFD worked with Local 1159 and one of the ways to address this health and safety concern was this rearrangement in shifts. The personnel would work one day, have two days off, work one day, have four days off. About every 24th day, they would work an extra shift back. Director Joseph added that one of the

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priorities of the Board was changing the firefighters' quality of life and to attract and keep the best people for CFD.

Director Syring reminded the group that last year, for the first time in CFD's history, they passed a \$1.4 million deficit budget which later ballooned to \$3.7 million. To come from that situation and still present a balanced budget is amazing and he commended Chief Browne, CFO Whitaker, and their teams on their exceptional work.

Mr. Powell commented on how well-defined and digestible the proposed budget was. He appreciated the explanations in each area and it was a very intuitive document. Director Joseph added that CFO Whitaker has done a wonderful job creating reports that anyone can understand.

Mr. Gallia asked Chief Browne and CFO Whitaker if they were confident that the issues and concerns that were brought up in the last few months, would not be concerns again. Do they feel that the processes they have put into place will prevent this? Chief Browne said they are in the business of natural disasters so he cannot predict if they will have another wildfire season like in 2020. However, the strategies they have implemented are currently working. The prompt and decisive moves they made have proven to work and this shows in the forecasts. CFO Whitaker added that he believed they are on the right path. This budget required a lot of difficult choices but it's balanced. There are still some risks and challenges, but it will not be remotely close to the magnitude that they encountered in January. He's also built-in conservative assumptions.

Mr. Gifford asked if the budget committee could be looped into major items like the Gladstone IGA so they aren't surprised. Chief Browne said it was approved two weeks ago but he will work on giving them more of a heads up in the future.

Director Joseph wanted to specifically mention and thank Division Chief (DC) Mulick, AC Stewart, and AC Deters for all their hard work.

VII. PUBLIC COMMENT

Executive Assistant Roberts said that Richard Nepon was signed up for public comment but he had just left the virtual meeting. She shared that he wanted to suggest funding for CERT groups to cover communications, emergency supplies, handouts, and PPE.

VIII. APPROVAL OF THE FY 2022-2023 PROPOSED BUDGET

Mr. Anderson made a motion and Mr. Gallia seconded to approved the FY 2022-2023 proposed budget. The motion passed unanimously.

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Mr. Gifford made a motion and Director Hawes seconded to approve the permanent tax rate of 2.4012% per \$1,000 of assessed value for FY 2022-23. The motion passed unanimously.

Mr. Powell made a motion and Mr. Gallia seconded to approve the levy bonded debt at \$2,259,050. The motion passed unanimously.

IX. ADJOURNMENT

The meeting was adjourned at 6:51 pm.

Minutes were recorded by Executive Assistant Ariel Roberts and prepared by Administrative Technician Jessamyn Ode.

Approved by:

Recording Secretary, William Gifford

Accepted by:

President Thomas Joseph

Secretary James Syring

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REGULAR BOARD OF DIRECTORS' MEETING MINUTES May 16, 2022

ATTENDANCE

Board of Directors: Jay Cross, Chris Hawes, Thomas Joseph, Jim Syring, and Marilyn Wall

Others present: Nick Browne, Michael Carlsen, Steve Deters, Heather Goodrich, Tracey Grisham, Jerry Kearney, Melanie Kinne, Dan Mulick, Brandon Paxton, Ariel Roberts, Josh Santos, Brian Stewart, Scott Vallance, Mark Whitaker, Doug Whiteley, Ted Willard, and Station 14 – Clackamas Fire; Phil Schneider – Sandy Fire; Genoa Ingram – Court Street Consulting

Other community members and citizens were in attendance. The full video conferencing attendance can be provided upon request.

I. CALL TO ORDER PER ORS 192.610 TO 192.690 ORS 192.650 – The meeting is being recorded.

President Joseph called the meeting to order at 5:05 pm.

II. CHANGES TO THE AGENDA

Chief Browne reported that there was one change to the agenda. Shop Steward Gordian was under some time constraints so there will be no update from the Local 1159 this month.

III. APPROVAL OF THE REGULAR BOARD MEETING MINUTES ON APRIL 18, 2022.

Minutes were approved as written.

IV. PUBLIC COMMENT

No comments.

V. BUSINESS – Action required

No items.

VI. OTHER BUSINESS

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OB-1 Legislative Update

Genoa shared that they are heavily involved in the campaign season. Genoa has been involved in the Firefighter Capacity group. Recently they discussed hindrances to fire districts and ways to help fire districts respond. Under the topic of budgets, she added the topic of urban renewal and other programs that impact fire districts.

She also shared the Oregon Volunteer Firefighters Association (OVFA) conference is scheduled for June 9-12 in Hermiston, OR. She invited the legislators to sit in on these courses.

OB-2 Board Committee/Liaison Reports

Executive Committee

Director Wall said the committee met on April 28 and May 12. They discussed the C800 update, the strategic plan, organizational priorities and strategies, and the Fire Chief evaluation process.

Taskforce for Future Funding Streams

Director Hawes reported that they've met three times. At the first meeting they discussed where the District was, where they wanted to be, and possible ways to get there. At subsequent meetings, they invited others to attend and give their expertise and insights such as Chief Financial Officer (CFO) Whitaker and Operations Division Chief (DC) Mulick. They are currently finalizing recommendations, which they will be bringing to the Board at the work session on June 7. Director Hawes thinks the group has made great progress and has come up with solid ideas for a path forward.

OB-3 Board Informational Updates/Comments

Annual Fire Chief Evaluation Process – Director Wall

Director Wall reported that it's been a year since Nick Browne became the fire chief, therefore it's time for his annual review. The Executive Committee met with Chief Browne and asked how the Board's feedback could be best presented and what information would be the most useful. Chief Browne presented a format to the committee that could be used this year. This evaluation would have feedback solely from the Board of Directors. In the future, the process would include 360-degree feedback. Executive Assistant Roberts sent the Board a draft of the online form they would like to utilize. After the form is completed, the Board would then meet in Executive Session before the next Board Meeting to go over the responses with Chief Browne. The findings would then be presented in the public regular Board Meeting. These standards and process aren't

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the same as lined out in the Fire Chief contract, but this is the process that Chief Browne would like to utilize.

Director Wall pointed out the salary for the Fire Chief has not changed. The Fire Chief is not receiving any increase in pay, and he has not requested one. At his request, he has been paid less than his contract states.

Director Syring thought the proposed process and standards were acceptable.

Director Cross asked when the deadline was. Executive Assistant Roberts said that she has only sent out the draft and that the final has not been sent out with a deadline yet.

Director Hawes thought it covered everything and it was well-crafted and focused.

VII. INFORMATIONAL ONLY

A. Division/Department Reports

R-1a Office of the Fire Chief – Fire Chief Nick Browne

Chief Browne highlighted that this is Battalion Chief (BC) Brandon Paxton's last Board Meeting as his last day is May 18. Chief Browne thanked him for all his years of service. He began his career as an Explorer in 1999, then became a volunteer, and was hired full time in 2005. BC Paxton has been the face of CFD, including during the ice storms and the wildfires of 2020. Chief Browne expressed his gratitude to BC Paxton and wished him the best.

The Board Directors expressed their gratitude to BC Paxton for his service.

BC Paxton thanked them for the opportunity to serve. It was an honor to speak on behalf of CFD and work alongside the Board.

R-1a.1 Health & Safety – Health & Safety Chief Heather Goodrich

Health & Safety Chief Goodrich shared that through the peer support team, they were able to offer two classes to firefighters for new parents taught by a mental health professional. They received excellent feedback on the courses.

R-1b Office of Strategic Services – Assistant Chief Brian Stewart

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Assistant Chief (AC) Stewart shared that Gladstone Fire will begin receiving full services on June 1, 2022. CFD has already started covering the station based on staffing needs. They are working on the communication plan with the city administrator.

AC Stewart said that Chief Technology Officer (CTO) Hicks attended the Oregon Digital Government Summit. He had the opportunity to focus on cyber security as well as equity and access. CTO Hicks is working with CFO Whitaker to move more processes to mobile devices.

AC Stewart said Inspector Matt Amos is preparing CFD for an ISO visit. The last visit was in 2017.

R-1b.1 Support Services – Division Chief Michael Carlsen

DC Carlsen shared that his division had been busy preparing to transition Gladstone Fire over to CFD for services. They've worked with CCOM on run cards. They also took an extensive inventory of the Gladstone station. They additionally are doing outreach to the firefighters and officers.

R-1c Office of Business Services – Assistant Chief Steve Deters

AC Deters shared that there will be a special meeting of the Civil Service Commission where they will request certification of the entry-level lists.

He also shared they have completed the technical review of the feasibility study with Sandy Fire and have returned it to AP Triton. They hope to have it wrapped up and ready to present later this summer.

R-1c.1 Community Services – Division Chief Doug Whiteley

DC Whiteley shared that they are getting a lot of requests for participation in community events. May was Wildfire Preparedness Month. CFD participated in a series of wildfire preparedness events hosted by Clackamas County. His department is preparing to participate in larger events this summer such as safety fairs. They are also working with Gladstone Fire Chief Huffman so they are prepared for any events that are coming up in Gladstone.

R-1d Office of Financial Services – Chief Financial Officer Mark Whitaker

CFO Whitaker thanked everyone for their efforts in making the Budget Committee meeting go smoothly. He shared that at the June Board Meeting, he will be requesting that they adopt the 2022-2023 Budget, approve a supplemental budget for FY 2021-2022, and approve a contract with a new auditor.

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Director Joseph asked if they reached out to a broader area for a new auditor. CFO Whitaker confirmed that they advertised in several places and sent direct emails to the auditors on the State's municipal auditor list.

R-1e Office of Emergency Services

R-1e.1 Operations – Division Chief Dan Mulick

DC Mulick shared that Crew 30 is training and working on prescription burns. During the Oregon Fire Chief's Association (OFCA) meeting in Bend, chiefs from around the state could watch Crew 30 work. He gave kudos to BC Brent Olson on this program.

DC Mulick shared that Recruit Academy 22-01 with ten lateral entry firefighters had begun. He was excited for the experience they will bring to CFD. The Training Department is also hosting a Fire Officer 1 class with 27 students. A few weeks prior, they held an Apparatus Officer academy. In the Board packets, he highlighted Training's CCOM exercise with LifeFlight. It was an excellent collaborative exercise.

He reported that a contract with Oregon State Fire Marshal (OSFM) has been signed for joining State Team 3 with HazMat. CFD will be a partner with Gresham Fire for regional HazMat response. He gave kudos to BC Palmer, DC Carlsen, and Captain Kilgras.

DC Mulick announced that Lieutenant Mike Bauer will be promoted to the captain at the Gladstone station. He's worked for many years with the boat program at Station 8 and Station 19 and will be an excellent leader in Gladstone.

He reported that Josh Santos was reclassified to a line battalion chief and a new chief will be transitioning into the role of Division Chief of Medical Services.

R-1f Professional Firefighters of Clackamas County Local 1159

No report.

R-1g Volunteer Association Report – Interim President Jerry Kearney

Interim President Kearney shared the drill topics and station coverage for April.

He reported that two volunteers recently competed in mentoring and proctoring the USA High School Firefighter Competition, which CFD hosted on April 15 and 16. One of the competitors from Silverton went on to represent Oregon at the national level.

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He shared that he participated in a conference call with the Governor's Fire Service Policy Council, and he plans to participate in another next month.

B. Correspondence

Noted.

C. Informational Items

Noted.

D. Next Meeting

The next Board of Directors' meeting will be on Monday, June 27, 2022, at 5:00 pm by remote video conferencing. There will be an Executive session preceding that meeting at 4:15 pm.

There will be a Board of Directors' Work Session on June 7, 2022 at 1:00 pm.

VIII. REGULAR BOARD MEETING RECESSED

The regular Board of Director's meeting recessed at 5:47 pm.

IX. EXECUTIVE SESSION CALLED TO ORDER UNDER ORS 192.660(2)(d) TO DISCUSS LABOR CONTRACT NEGOTIATIONS

X. REGULAR BOARD MEETING RECONVENED

The regular Board of Directors' meeting reconvened at 5:56 pm.

Chief Browne requested that the Board approve and ratify the contract with the Local 1159 Battalion Chief bargaining group.

Director Wall pointed out that this wasn't added to the agenda so she isn't sure if they can vote on it tonight. Does it need to happen expediently?

Discussion followed.

The group decided to schedule a Special Board Meeting before the upcoming Work Session and they will vote on this item at that time.

XI. ADJOURNMENT

The regular Board of Directors' meeting adjourned at 6:02 pm.

Clackamas Fire District #1



Minutes recorded by Executive Assistant Ariel Roberts and prepared by Administrative Technician Jessamyn Ode

President Thomas Joseph

Secretary James Syring

Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne

From: Chief Financial Officer Mark Whitaker

Date: June 27, 2022

Re: Supplemental Budget Request

Action Requested

Staff requests approval of the FY 2021-22 Supplemental Budget as presented in Resolution 22-02.

Background

A supplemental budget is necessary to adjust the budget to reflect revenues and expenses that were not anticipated at the time of budget adoption. Supplemental adjustments are largely necessary because the district experienced higher operational replacement costs than budgeted for in the Adopted Budget and because of a shortfall in property tax revenue compared to the original budget. The supplemental budget also makes adjustments for the revenues and expenses related to the contract for service with the City of Gladstone for June. Lastly, the supplemental budget recognizes the \$2 million grant from the state for the apprenticeship program, for which grant revenues have already been received. The supplemental budget will ensure that the fire district does not overspend any of its appropriation categories and remains in compliance with local budget law.

Year-End Forecast

The table on the next page shows the current General Fund projection for the completion of FY 2021-22. The current forecast estimates that the district will end the year with deficit spending of approximately \$2.1 million—expenditures for the year will be \$2.1 million greater than revenues earned during the year, with the difference supplied by the district's General Fund balance.

A few highlights:

- Property taxes are expected to be about \$1.27 million less than originally budgeted.
- Staffing reductions and vacancies have created savings compared to the budgeted amount for salaries.
- Operational replacement, which was trending toward \$8 million for the budget year, is expected to be under \$7 million due to the staffing reductions implemented in March.

- The district received \$2 million from the state for an apprenticeship program. This inflates General Fund revenues and expenses for the year, as the \$2 million is shown as grant revenue and a “transfer out” to the Grants Fund.

General Fund Year-End Estimates				
Revenues				
	Original	Revised	Proposed	Year-End
	Budget	Budget	Supplemental	Projected
			Budget	
Tax Revenue	\$60,367,923	\$60,367,923	\$59,177,923	\$59,097,000
Investment Interest	\$200,000	\$200,000	\$200,000	\$129,000
Charges for Services	\$2,781,205	\$3,191,205	\$3,191,205	\$3,234,000
Conflagration Reimbursement	\$0	\$1,366,000	\$1,366,000	\$1,355,000
Grant Revenue	\$200,000	\$200,000	\$2,200,000	\$2,142,000
Other Revenue	\$1,235,000	\$1,235,000	\$1,585,000	\$1,776,000
Transfers In	\$44,000	\$49,375	\$49,375	\$49,375
Total	\$64,828,128	\$66,609,503	\$67,769,503	\$67,782,375
Expenditures				
	Original	Revised	Proposed	Year-End
	Budget	Budget	Supplemental	Projected
			Budget	
Salaries & Premiums	\$30,186,665	\$29,969,565	\$30,052,736	\$29,544,000
Overtime	\$453,893	\$323,617	\$323,617	\$326,000
Operational Replacement	\$4,939,841	\$6,536,142	\$7,036,142	\$6,958,000
Congflagrator Labor	\$0	\$634,000	\$634,000	\$635,000
Benefits	\$20,972,247	\$20,971,293	\$21,226,322	\$20,870,000
Materials & Services	\$7,028,088	\$6,855,492	\$6,950,092	\$6,855,000
Debt Service	\$2,075,504	\$2,075,504	\$2,075,504	\$2,075,504
Transfers Out	\$628,104	\$628,104	\$2,628,104	\$2,628,104
Total	\$66,284,342	\$67,993,717	\$70,926,517	\$69,891,608
Projected Deficit				-\$2,109,233

General Fund Supplemental Budget

The Oregon Department of Revenue requires that expenditures are appropriated by functional areas. The district’s functional area budgets are shown in the figure on the next page.

Currently, Emergency Services and Business Services are expected to overspend their appropriation, so the supplemental budget will add funds to those two areas. The funding sources for the appropriation increase are the \$2 million grant from the state and general fund contingency. The appropriation categories are slightly inflated to provide a comfortable cushion, ensuring that the district does not overspend its appropriations as it did in FY 2020-

21 (as discussed in the FY 2020-21 audit findings). As shown in the table, we expect total expenditures to be under \$70 million, meaning that most, if not all, of this cushion will remain unspent and be added to the beginning fund balance.

FY 2021-22 General Fund Appropriations				
	Original Budget	Revised Budget	Proposed Supplemental Budget	Year-End Projected
Fire Chief's Office	\$1,518,270	\$1,154,088	\$1,154,088	\$1,081,000
Emergency Services	\$45,895,569	\$47,842,386	\$48,668,186	\$48,202,000
Business Services	\$16,094,895	\$16,293,635	\$16,400,635	\$15,905,000
Debt Service	\$2,075,504	\$2,075,504	\$2,075,504	\$2,075,504
Transfers	\$628,104	\$628,104	\$2,628,104	\$2,628,104
Total Expenditures	\$66,212,342	\$67,993,717	\$70,926,517	\$69,891,608

The supplemental budget also adjusts the beginning fund balance to match the actuals from the FY 2020-21 audit and recognizes the revenue reduction resulting from the error in estimating FY 2021-22 property taxes. These two changes reduce the estimated unappropriated ending fund balance from the original adopted budget.

Other Changes

The supplemental budget also creates the district's new Grants Fund. The Grants Fund will immediately receive a transfer of \$2 million from the General Fund for the apprenticeship program. There will not be any expenditures from the Grants Fund in FY 2021-22, and it will open FY 2022-23 with a \$2 million beginning fund balance.

Recommendation and Why

Staff recommends approval of the supplemental budget for FY 2021-22 as presented in Resolution 22-02 and Exhibit A to recognize unanticipated revenues and expenses.

Clackamas Fire District #1



CLACKAMAS FIRE DISTRICT #1 RESOLUTION #22-02

ADOPTING AND APPROPRIATING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2021-22

Whereas, Oregon Local Budget Law ORS 294 allows governing bodies of municipal corporations to prepare supplemental budgets to allow for expenditures necessitated by unforeseen circumstances; and

Whereas, the District has experienced a loss of expected property tax revenue and received additional revenues attributable to grant funding; and

Whereas, the District's expenses have increased related to operational replacement overtime and associated benefits; and

Whereas, the District is establishing a new fund to better account for grant funds; and

Whereas, these changes necessitate a supplemental budget to authorize appropriations according to Oregon Budget Law; now therefore be it

Resolved, that the Board of Directors of Clackamas Fire District #1 hereby authorizes the adjustment of appropriations for the fiscal year beginning July 1, 2021, including the establishment of a new Grants Fund, as indicated in Attachment A.

Adopted this date, June 27, 2022.

President, Board of Directors

Secretary, Board of Directors

Attachment A

Fiscal Year 2021-22 Supplemental Budget

General Fund	Original Budget	Previous Supplementals	June 2022 Supplemental	Adjusted Budget
Beginning Fund Balance	\$18,505,460		-\$435,674	\$18,069,786
Revenue:				
Current Year Property Taxes	\$59,639,923		-\$1,100,000	\$58,539,923
Prior Year Property Taxes	720,000		-\$90,000	630,000
Other Taxes	8,000			8,000
Interest	200,000			200,000
Charges for Services	2,781,205	410,000		3,191,205
Conflagration Reimbursement	-	1,366,000		1,366,000
Grant Revenue	200,000		2,000,000	2,200,000
Other Revenue	1,235,000		350,000	1,585,000
Transfers In	44,000	5,375		49,375
Total Revenues	\$64,828,128	\$1,781,375	\$1,160,000	\$67,769,503
TOTAL RESOURCES	\$83,333,588	\$1,781,375	\$724,326	\$85,839,289
Expenditures:				
Fire Chief's Office	\$1,518,270	-\$364,182		\$1,154,088
Emergency Services	45,895,569	1,946,817	825,800	48,668,186
Business Services	16,094,895	\$198,740	107,000	16,400,635
Debt Service	2,075,504			2,075,504
Transfers	628,104		2,000,000	2,628,104
Total Expenditures	\$66,212,342	\$1,781,375	\$2,932,800	\$70,926,517
Contingency	2,587,718		-932,800	1,654,918
Unappropriated End Fund Balance	\$14,533,528			\$13,257,854
TOTAL REQUIREMENTS	\$83,333,588	\$1,781,375	\$2,000,000	\$85,839,289
Grants Fund	Original Budget	Previous Supplementals	June 2022 Supplemental	Adjusted Budget
Beginning Fund Balance				
Revenue:				
Transfers In			\$2,000,000	\$2,000,000
Total Revenues			2,000,000	2,000,000
TOTAL RESOURCES			\$2,000,000	\$2,000,000
Expenditures:				
Total Expenditures				\$0
Unappropriated End Fund Balance			\$2,000,000	\$2,000,000
TOTAL REQUIREMENTS			\$2,000,000	\$2,000,000

Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne
From: Chief Financial Officer Mark Whitaker
Date: June 27, 2022
Re: Budget Adoption for Fiscal Year 2022-23

Action Requested

Staff requests the Board adopt Resolution #22-03 – Adopting the Fiscal Year 2022-23 Budget, Making Appropriations, and Levying Taxes.

Background

The Clackamas Fire District #1 Budget Committee approved the Proposed Budget on May 10, 2022.

The resolution adopts the appropriation levels, permanent tax rate, and general obligation bond amount exactly as approved by the Budget Committee.

There is one minor technical change between the approved and adopted versions of the budget. The Adopted Budget decreases the appropriation in Information Technology by \$14,850 and adds \$14,850 to Planning & Strategic Services--a new organizational unit. These transfers simply offset each other and do not affect the overall appropriation authority because both organizational units are within Business Services. This will allow for better internal controls on certain contract spending.

Recommendation

Staff recommends the Board adopt Resolution #22-03 – Adopting the Fiscal Year 2022-23 Budget, Making Appropriations, and Levying Taxes.

Clackamas Fire District #1



CLACKAMAS FIRE DISTRICT #1 RESOLUTION #22-03

Adopting the Fiscal Year 2022-23 Budget, Making Appropriations, and Levying Taxes

Whereas, Oregon Local Budget Law ORS 294 requires governing bodies of municipal corporations to prepare, present and adopt budgets estimating resources and requirements prior to the beginning of a fiscal year; and

Whereas, Oregon Local Budget Law ORS 294 also requires consideration and approval of the proposed budget and tax levy by the Budget Committee prior to adoption; and

Whereas, the Clackamas Fire District #1 Budget Committee approved the FY 2022-23 Proposed Budget and tax levy on May 10, 2022; it is

Resolved, that the Board of Directors of Clackamas Fire District #1 hereby adopts the budget for the fiscal year beginning July 1, 2022, in the total sum of \$76,495,947.

Resolved, that the appropriation amounts and purposes for the fiscal year beginning July 1, 2022, are hereby appropriated as follows:

General Fund

Fire Chief's Office	\$	487,527
Emergency Services		47,553,333
Business Services		17,251,295
Debt Service		2,811,300
Transfers Out		192,000
Contingency		2,702,580
Total General Fund Appropriations	\$	70,998,035

Grants Fund

Emergency Services	\$	629,550
Contingency		125,000
Total Grants Fund Appropriations	\$	754,550

Equipment Replacement Fund

Transfers to Other Funds		76,000
Total Equipment Replacement Fund Appropriations	\$	76,000

Capital Replacement Fund	
Emergency Services	78,000
Business Services	571,000
Debt Service	560,000
Total Capital Replacement Fund Appropriations	<u>\$ 1,209,000</u>
Capital Construction Fund	
Business Services	<u>\$ 3,333</u>
Total Capital Construction Fund Appropriations	<u>\$ 3,333</u>
Enterprise Fund	
Transfers to Other Funds	<u>23,600</u>
Total Enterprise Fund Appropriations	<u>\$ 23,600</u>
Debt Service Fund	
Debt Service	<u>\$ 2,259,050</u>
Total Debt Service Fund Appropriations	<u>\$ 2,259,050</u>
Wildland Mitigation Fund	
Wildland Mitigation Operations	\$ 1,035,379
Transfers Out	47,000
Contingency	90,000
Total Wildland Mitigation Fund Appropriations	<u>1,172,379</u>
TOTAL FY 2022-23 APPROPRIATIONS	\$ 76,495,947

Resolved, that the Board of Directors of Clackamas Fire District #1 hereby imposes the taxes provided in the Adopted Budget at the rate of \$2.4012 per \$1,000 of assessed value for the permanent tax rate and in the amount of \$2,259,050 for debt service on general obligation bonds; and that these taxes are hereby imposed and categorized for the tax year 2022-23 upon the assessed value of all taxable property within Clackamas Fire District #1.

Resolved, that the following allocation and categorization, subject to the limits of section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy:

	<u>General Government</u>	<u>Excluded from Limitation</u>
Permanent Tax Rate	\$2.4012 / \$1,000	\$0
General Obligation Bond	\$0	\$2,259,050

Resolved, that the Secretary certify to the County Assessor and the County Treasurer of Clackamas and Multnomah Counties, Oregon the tax levy made by this resolution and shall file with them a copy of the budget as finally adopted.

Adopted this date, June 27, 2022.

President, Board of Directors

Secretary, Board of Directors

Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne

From: HR Manager Tricia Noble

Date: June 15, 2022

Re: Worker's Compensation Policy Renewal

Action Requested

Staff requests review of the Workers' Compensation proposal and approval of the Worker's Compensation policy.

Background

The District's Workers' Compensation policy period is from July 1, 2021 through June 30, 2022 and is up for renewal. Wilson-Heirgood Associates (WHA), as the District's Agent of Record for General Liability and Workers' Compensation Insurance, requested proposals from the available carriers in Oregon. WHA conducted a market survey and found two companies that would offer Firefighter coverage that would be competitive, and six companies declining to quote. Of the proposals received, one was from our current carrier SAIF Corporation. The other was 7710 Insurance/Benchmark Insurance. Please note Special Districts Insurance Services (SDAO) provided a quote last year but declined to quote the upcoming policy term.

There are several determining factors that are used to calculate Workers' Compensation premiums. Initially, premiums are calculated on the expected payroll for the ensuing year; as personnel service costs increase so do Workers' Compensation expenses. Once applicable payroll is determined, the base premium is calculated using a pure rate factor based on the job type. The 2022 pure rate is \$2.24 per hundred dollars in the Firefighters and Drivers Class Code 7710, which is the bulk (81%) of the payroll used for calculating premiums.

Last year, SAIF provided a proposal with an experience modifier that was a 0.71 based on losses for policy years 2017-2019. Effective 7/1/2022, the experience rate modifier will decrease to 0.66 using policy year losses for 2018-2020. The Loss History Summary may be referenced on Page 13 of the WHA Renewal Proposal. The 0.66 experience modifier was used in both SAIF and 7710 proposals.

Known Facts

SAIF's proposal allows the District to prepay the premium for the year and take a 3.5% discount. This saves the District \$25,568.18 for an annual estimated premium of \$642,833.94.

7710 Insurance/Benchmark Insurance (A Rated AM Best) provides multiple options including options to pay in full or monthly installments. There is no discount for paying in full and no payment fees for paying monthly. The 7710 Insurance estimated annual premium is \$588,466. If the monthly option were chosen, the District would have a down payment of \$138,601 and 9 equal monthly payments of \$49,985 for a total premium of \$558,466.

Further consideration should be made regarding the two proposals:

Dividends:

Since 2007, the District has received \$2,153,714 in dividend revenue from SAIF. Full details of the dividends received by SAIF since 2007 may be found on Page 19 of the WHA Renewal Proposal.

In 2021, SAIF's Board of Directors declared a \$210 million dividend. CCFD#1's dividend factor as 38.14% of the 2019 policy premium of \$696,720.80 resulting in a dividend amount of \$265,729. SAIF's formula for calculating dividends continues to evolve to include a percentage of standard premium. The past two declarations did not include a percentage based upon loss ratio. A factor was applied to premium to calculate the dividend regardless of loss ratio. There is no guarantee that further dividends will be declared by SAIF.

7710 Insurance/Benchmark Insurance now offers an individual policyholder Dividend Plan for risks where most of the payroll is in class code 7710 and premiums are greater than \$75,000. If declared, the payout schedule is based upon a risk's loss ratio with a maximum factor of 25% with a loss ratio of 5% or lower. Loss ratios between 5.1% and 25% would qualify for a sliding scale payout between 5% to 20%. Loss ratios over 25% would not qualify. If a dividend is declared by the Board of Directors, the payment will not be more than 19 months after the policy expiration.

Claims Management:

SAIF adopted an end-to-end claims management model. This eliminated the unnecessary handoffs created between the compensability and the disabling adjusters. There will be a dedicated adjuster to minimize these handoffs – but still recognizing when it is still essential when a different level of experience is required. SAIF will continue to use specialists depending upon the complexity of the claim. SAIF feels specialty units help to mitigate cost:

- Medical Only – quickly processes smaller claims
- Critical Claims - specialists in areas such as spinal or head injuries
- 3rd Party Adjusters – reviews claims for potential recovery i.e., MVA's.
- Nurse Consultants – Each SAIF claims team has a nurse consultant assigned who is available to review claims
- Vocational Rehabilitation Counselors

SAIF recognizes the opportunities associated with evolving customer expectations, aging infrastructure and increasingly complex regulatory environment. In response, the claims division embarked on a multi-year transformation effort to improve SAIF's ability to respond to customer needs as well as market changes.

7710 Insurance/Benchmark uses Benchmark Administrators, LLC (BMA) to adjust all claims. BMA is the inhouse claims operation for 7710/Benchmark. The claimant typically receives a claim number within 24 hours following receipt of notice of a claim. Additionally, a 7710 Claims team member will reach out to the District and the injured worker within 24-72 hours of receipt of the claim

to discuss all concerns with the parties, as well as to provide a point of direct contact at 7710. In most cases, only one adjuster will be assigned to a claim. 7710 Insurance provides quarterly claim reviews with the department to discuss open claims, loss runs and development of the ER Mod.

7710 Insurance/Benchmark Insurance partnership with Rebound provides a seamless claim process between claimant, fire department management, provider network and BMA.

Immediate Response Team:

SAIF's Immediate Response Team can be reached 24 hours a day. This is a team of claims, legal, medical, and investigative specialists.

Benchmark Administrators, LLC has a hotline number which is responded to 24/7, 365 days a year. 7710 Insurance/Benchmark Insurance provides each new client with an onboarding phone call with our Claim Manager, prior to coverage beginning, to make sure the department understands the claim's process. Benchmark Administrators follows best claims practices to either call or email the employer and claimant within 24-hour of receipt of the claim.

Industrial Hygiene:

SAIF's Loss Control Department includes an Industrial Hygienist. There is no cost for their services or for their Hygiene Laboratory Testing. Industrial hygiene is the science of anticipating, recognizing, evaluating, and controlling workplace conditions that may cause workers' injury or illness.

7710 Insurance has access to an Industrial Hygienist, fitness professionals and speakers on topics such as PTSD; also available are both on-site, and remote risk surveys, safety committee involvement, accident investigation, and other loss reduction services focused on fire and EMS. These resources are available as needed at no additional cost. 7710 Insurance Risk Control Director is always available and is an extension of the department staff.

Medical Audit of Bills:

SAIF reviews all medical bills they receive for correct billings. In 2020, SAIF saved policyholders \$149.9 million in overcharges. The staff includes audit specialists, medical auditor and nurse utilization reviews who are trained to analyze coding, spot problem billing and audit hospital and surgical bills.

Benchmark Administrator, LLC uses advanced bill review software as well as experienced bill review staff to make sure that the provider's procedure coding is consistent with the medical reporting and that all services that are billed are appropriately supported. The goal of their bill review is to ensure that the injured worker has access to the most professional and appropriate medical care available in their community in a cost-efficient manner. Bill review adjusts the bills to any appropriate fee schedule and leveraged discounted rates from any applicable Preferred Provider Organization (PPO) network in their area.

Legal:

SAIF's attorneys handle all claims. They have assigned an attorney who is currently working on all the cancer presumption cases. SAIF also has research, trial, and appellate attorneys on staff.

In the event a claim is litigated, 7710 Insurance/Benchmark uses local outside counsel to appear before the Workers' Compensation Division of Oregon at no additional cost to the District. 7710 Insurance/Benchmark Insurance is familiar with all presumptive laws in the State of Oregon.

Policy Implications

The purchasing policy requires Board approval for any purchase over \$50,000. The total purchase price of the Workers' Compensation policy, if pre-paid, is \$642,833.94.

Budget Implications

The total change for renewing the Workers' Compensation policy with SAIF is an increase of approximately \$12,272.61 from last year's Workers' Compensation premium of \$630,561.33. The 2022 premium reflects payroll increases and the Premium Assessment charge increase from 9.0% to 9.8%.

Recommendation and Why

Staff recommends approval of the purchase of the SAIF Workers' Compensation policy proposed for Fiscal Year 2022-23. The SAIF policy is recommended for the following reasons:

- On the whole we continue to be pleased with SAIF's service and added programs of worth particularly including in house legal representation and medical audit of all billings
- While the annual dividend is not guaranteed, there is a general expectation that we will see another dividend awarded this year just as it has been in past years and the dividends have historically provided a significant cost savings to the district
- The SAIF dividend is not dependent upon loss ratio outcomes

Clackamas County FD #1

Workers' Compensation
7/1/2022 – 7/1/2023



Jennifer King
Workers' Compensation Account Executive

Eugene & Wilsonville offices
Direct: (541) 284-5835 | Mobile: (541) 870-0937
Fax: (541) 484-5434 | Phone: (800) 852-6140
Email: jking@whainsurance.com

WHA



INSURANCE

WHA



I N S U R A N C E

Our Mission **Statement**

To **Lead Our Industry** By
Providing Services That
Help Our Clients Manage
And Protect Their Assets

Toll Free (800) 852-6140 | Local (541)342-4441 | FAX (541) 484-5434

2930 Chad Drive, Eugene Oregon, 97408

www.WHAINSURANCE.com

YOUR SERVICE TEAM WORKERS' COMPENSATION

It is our desire to work with you and your personnel to establish direct, efficient communications with our office. We are committed to serving your insurance needs with excellence.



JEFF GRIFFIN

ACCOUNT EXECUTIVE

jgriffin@whainsurance.com

DIRECT: (541) 284-5852

CELL: (541) 954-5707



JENNIFER KING, CPIW CPIA

ACCOUNT EXECUTIVE

jking@whainsurance.com

DIRECT: (541) 284-5835

CELL: (541) 870-0937



BETTY BERRY

CLAIMS CONSULTANT

bberry@whainsurance.com

OFFICE: (541) 342-4441



CHRISTIE MONTERO, CIC CISR

ACCOUNT MANAGER

cmontero@whainsurance.com

DIRECT: (541) 284-5855

CONTACT US!

LOCAL OFFICE (541) 342-4441 **TOLL FREE** (800) 852-6140 **FAX** (541) 484-5434

2930 CHAD DR EUGENE OR 97408

www.WHAINSURANCE.com

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SERVICES WE OFFER

ONSITE SERVICES

Loss Control Evaluation
Safety Committees
Competitive Quotes and Plan Comparisons

REMOTE SERVICES

Daily Early Claims Identifier Report
Monthly Loss Ratio Review
Unit Stat Review
Experience Modifier Calculation
Road Observation Reports
Nondisabling Claims Reimbursement Analysis

ONLINE RESOURCES

ZYWAVE

  Now a **KPA** Company



PROGRAM INFORMATION

The following pages constitute what we refer to as a Proposal of **Insurance**.

The coverage, definitions and limits explained hereafter is a simplified outline of the insurance policies we recommend.

THE POLICY ITSELF SHOULD BE USED AND READ FOR EXACT COVERAGES, DEFINITIONS, CONDITIONS AND EXCLUSIONS PERTAINING TO YOUR SPECIFIC INSURANCE PROGRAM, COVERAGE MAY DIFFER BY STATE

WORKERS' COMPENSATION COVERAGE

EFFECTIVE DATES

07/01/2022 – 07/01/2023

STATES COVERED

Oregon

LIMITS OF INSURANCE

Workers' Compensation Insurance: Part One

Exclusive Remedy means that if any injury is work related, it is covered, regardless of who is at fault. The employee can't sue the employer for workplace accidents and illnesses and the employer can't frivolously deny claims.

Employers Liability: Part Two

Bodily Injury by Accident	\$ 500,000 each accident
Bodily Injury by Disease	\$ 500,000 each employee
Bodily Injury by Disease	\$ 500,000 policy limit

Employers Liability coverage protects your company should an employee claim that his or her injury or illness was caused by your company's negligence or failure to provide a safe workplace.

PREMIUM BASIS (auditable)

Remuneration

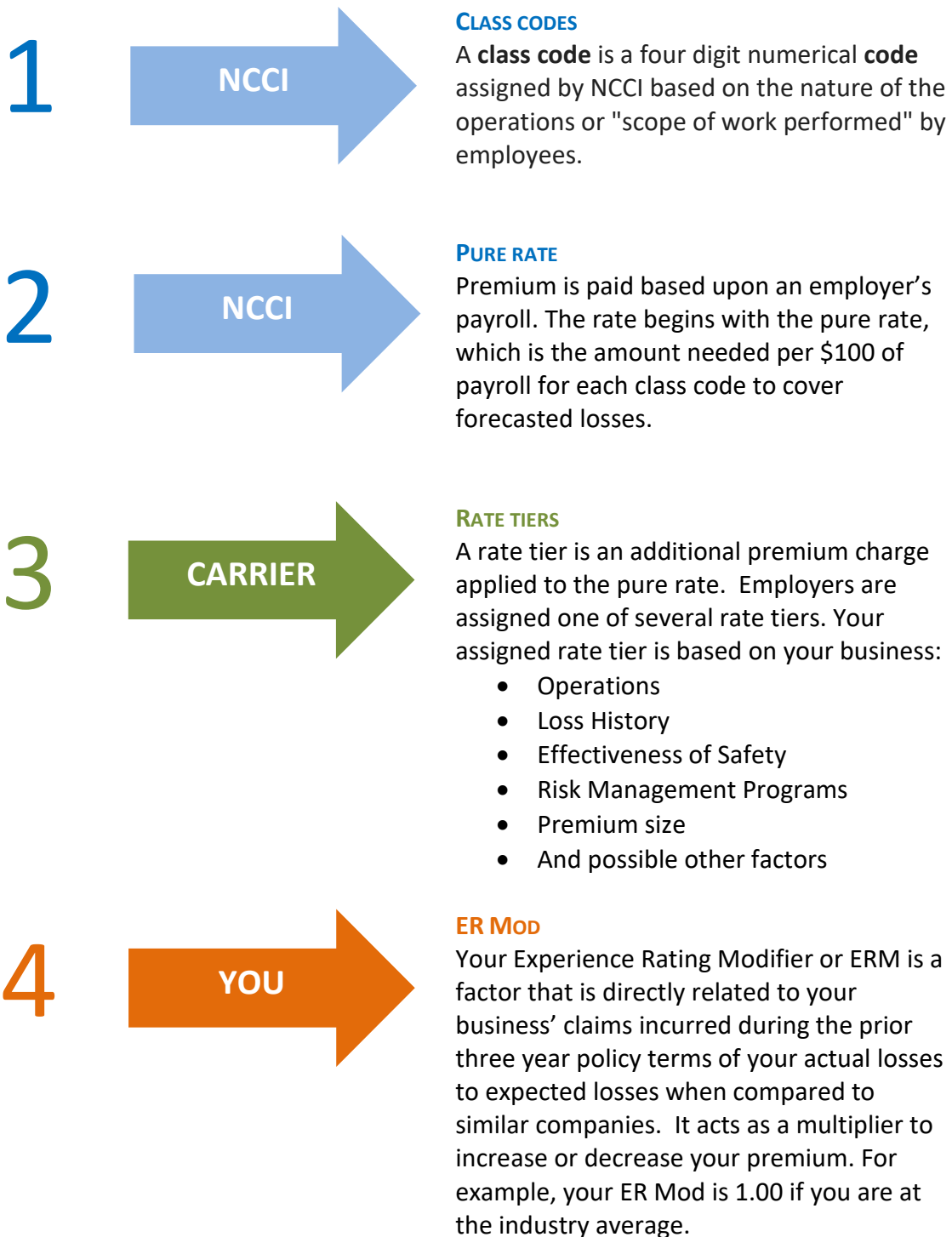
PREFERRED WORKERS

None

LOCATIONS

Primary Address	11300 SE Fuller Road	Milwaukie, OR	97222
Mailing Address	11300 SE Fuller Road	Milwaukie, OR	97222
Building Address	22024 S Beaver Creek Road	Beavercreek, OR	97004
Building Address	16100 SE 130 th Avenue	Clackamas, OR	97015
Building Address	18081 S Harding Road	Oregon City, OR	97045
Building Address	300 S Longview Way	Oregon City, OR	97045
Building Address	12900 SE King Road	Portland, OR	97236
Building Address	2930 Oak Grove Blvd.	Milwaukie, OR	97267
Building Address	3200 SE Harrison Street	Milwaukie, OR	97222
Building Address	6600 A SE Lake Road	Milwaukie, OR	97222
Building Address	18265 S Redland Road	Oregon City, OR	97045
Building Address	15990 SE 130 th Avenue	Clackamas, OR	97015
Building Address	25675 S Beaver Creek Road	Beavercreek, OR	97004
Building Address	22295 S Lower Highland Road	Beavercreek, OR	97004
Building Address	49001 South End Road	Oregon City, OR	97045
Building Address	19340 Molalla Avenue	Oregon City, OR	97045
Building Address	624 7 th Avenue	Oregon City, OR	97222
Building Address	20100 SE Highway 212	Damascus, OR	97089
Building Address	28655 SE Highway 212	Boring, OR	97009
Building Address	32200 SE Judd Road	Eagle Creek, OR	97022
Building Address	19750 SE Damascus Lane	Damascus, OR	97089
Business Address	525 Portland Avenue	Gladstone, OR	97027
Audit Address	11300 SE Fuller Road	Milwaukie, OR	97222
Audit Address	9339 SE Causey Avenue #5	Happy Valley, OR	97086

UNDERSTANDING YOUR RATES



CLASS CODES

VERIFIABLE TIME RECORDS

Oregon Administrative Rules require you to report wages under the highest rated classification applicable to any part of the worker's duties if you choose not to keep verifiable time records.

In most instances, if you have more than one classification on your insurance policy and your workers shift duties between those classifications, you can use verifiable time records to separate the payroll of the workers and report it in more than one classification on the payroll report.

Verifiable time records must be supported by original entries from other records, including, but not limited to, time cards, calendars, planners, or daily logs prepared by the employee or the employee's direct supervisor or manager. Estimated percentages or ratios will not be accepted. For more information on how to keep verifiable time records, visit saif.com and choose *I am: An Employer > Reporting Payroll > Verifiable Time Records*.

0124 - Reforestation and Drivers

Reforestation and Drivers; Reforestation-Brush Cutting & Drivers; Slash Piling and Burning & Drivers; Reforestation-Tree Planting & Drivers. This classification includes reforestation work performed after a logging show and non-logging related reforestation work.

Class 0124 applies to employees involved in direct labor, supervision, and driving who are engaged in reforestation. Reforestation includes brush cutting performed in a reforested, plantation, or natural growth area. This includes the incidental cutting of seedling/sapling trees less than 8 inches diameter at breast height (DBH) when part of a brush cutting contract. Cutting trees 8 inches and larger DBH as part of a brush cutting contract is separately classed as 2702. Tree thinning, regardless of tree size, is separately rated under the appropriate logging classification, either 2702 or class 2725.

Slash piling and burning when performed after logging operations have been completed is also classed 0124. Slash piling is where all logging debris is pulled together by tractors or hand. Chain saws may be used to reduce the large pieces to manageable sizes. The debris is then burned. This class includes employees who stand as fire watchmen and post-burn cleaners. Slash piling and burning associated with wildland and forest fire fighting is classed 2704.

Other reforestation activities included in class 0124 are bud capping, scarification, planting site preparation, tree planting, and girding. It also includes limbing and/or lop and scatter operations for the purpose of timber quality or reduction of ladder fuel when performed from the ground. Limbing performed off the ground is separately classed 2702.

Class 0124 also includes tree farms where the trees grown are for future timber use. Growing short rotation trees for pulp or tree stock is classified to class 0005. Harvesting of these trees to be separately classified to class 2702 or class 2725 based on the operations performed.

In addition, class 0124 includes stream clearing such as removing debris, limbs, cuttings, etc., from streams and stream beds to minimize erosion. It also applies to the incidental building of small dams or ponds to improve fish habitation. Such work may be accomplished manually or with mechanical equipment. It also includes construction of fire and hiking trails by use of hand tools and chain saws to create pathways or hiking trails (not roads). By analogy, the construction of fire breaks for the use of firefighting equipment is included in this class as long as no sub-base is required and the construction is not performed during the fighting of a forest fire.

Class 0124 includes the maintenance or repair of equipment, structures, buildings, and vehicles used for this work. Separately rate cone picking or harvesting from ground or trees to 0035; grass planting either by hand or hydro mulch method to 0042; spraying herbicides, insecticides, etc. by hand or truck-mounted sprayer to 0050; forest road/fire trail construction/unimproved roadways built to accommodate firefighting equipment to 5511; trapping rodents to prevent damage to seedlings in newly planted areas to 7720; and wildland or forest fire fighting to 2704.

2704 (1) - Wildland Fire Fighting & Drivers

2704 - Wildland or Forest Fire Fighting by Contractor - All Operations at Location & Drivers

Applies to contractors engaged in wildland or forest fire suppression services. Includes all operations such as mobilization of equipment and supplies, construction of fire trails and fire breaks, back burns, hose layout, mop up, training, slash piling and burning, and the maintenance or repair of all equipment in the field. This classification does not include timber falling associated with fire suppression. Travel time pay, stand-by pay, or other idle time pay is included in this classification.

Separately classify all timber falling under the logging classification 2702. Maintenance of wildland or forest firefighting equipment at a permanent location is separately classified under 2703. Class 2703 does not apply to repair work performed away from the shop. Class 0124 does not apply to any work associated with wildland or forest fire fighting clean up.

7090 (1) - Vessels-Boat Livery-State Act

Class 7090M applies to the master and crew members of a vessels under 15 tons operating as boat liveries on waters subject to admiralty jurisdiction. Boat livery is generally associated with the transport of people to unspecified locations as opposed to a ferry which operates on a designated schedule and will carry fare-paying passengers between two or more points. Boat livery-type vessels will usually not carry passengers' vehicles or cargo for others. Activities include the laying up or putting into commission, operation, rental, storage, and maintenance

of vessels under 15 tons aboard the boat and on the shore. The reference to boats "under 15 tons" refers to the displacement of the vessel without store, bunk, fuel, or cargo. Operations include the operation of glass bottom boats as tourist attractions, the operation of boats on a navigable lake as part of amusement parks or resorts, white-water rafting trips on navigable rivers, sightseeing boats, harbor tours, drift fishing boats, chartered fishing boats, and pilot boats. Class 7090M also applies to the master or crew members when they repair vessel, regardless of whether or not the repair work is performed on water or land.

7710 (1) - Firefighters And Drivers

7710 - Firefighters & Drivers; Fire Patrol or Protective Corps & Drivers-No Salvage Operations; Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform emergency medical services. Separately rate employees who perform only EMS duties and no firefighting to Class 7705. Volunteer firefighters and EMS to be separately rated as Class 8411. Wildland or forest firefighting is to be rated to Class 2704.

Class 7710 applies to your employees involved in direct labor, supervision, and driving who are engaged in the operation of municipal fire departments or districts. Class 7710 applies to firefighting performed in cities and residential areas, not to forest firefighting or to special firefighting crews hired by individuals or commercial operations for the protection of their own premises. Class 7710 includes Chiefs, Captains, firefighters, fire truck drivers. Paramedics and ambulance drivers who also fight fires and are employees of the fire department or district are included in Class 7710.

Class 7710 also applies to fire protective corps or fire patrols. Their purpose is to minimize damage to merchandise or equipment when fires occur. These employees do not assist or participate in actual firefighting activities. Their function is to protect merchandise, machinery, and equipment from water damage consequential to controlling and extinguishing a fire. Operations may involve the removal of the merchandise, machinery, and equipment from the premises and placing tarpaulins or other protective coverings over the property to be protected. They may also set up pumps to expel water from structures. Usually, these fire patrols or fire protective corps work under or above the actual fire so as to afford adjacent floors the maximum protection during the blaze. After the fire is out, their duties are confined to guarding the damaged premises until either the merchandise is removed or appropriate security measures have been accomplished by others.

Class 7710 also applies to the repair or maintenance of your equipment, structures, buildings, and vehicles used for this work.

8742 (11) - Salesperson-Outside-No Delivery

8742 - Salesperson-Outside-No Delivery; Estimator-No Job Hazards; Collectors/Sales-Outside; Field Representative; Employment Agency-Field Employees; Real Estate Agency-Agent/Sales Personnel; Real Estate Appraisal Company-Outside Employees; Data Processing Service-Field

Employees; Public Relations/Sales/Promotion; Escrow Service-Field Employees; Stockbroker-Field Representatives; Title Company-Field Employees; Outside Sales/Field Representative

Class 8742 applies to employees who are acting as salespersons; field representatives, outside public relations personnel, collectors away from your premises. Class 8742 also applies to employees who perform bid-estimating duties away from your premises, with no exposure to job hazards. Class 8742 does not apply to job site visits once construction work has begun. Class 8742 includes the demonstration of products being sold, such as calculators, cosmetics or cleaning supplies, when performed by your outside sales personnel. Class 8742 does not apply to employees who demonstrate products such as farm, mill or road construction machinery or to the delivery of merchandise.

Employees who deliver merchandise are properly assigned to the classification applicable to drivers, even if they also collect or sell. If those employees walk or use public transportation, they shall be assigned to the class producing the highest payroll, other than Classes 8810, 8742 or 7380.

Time spent in the office performing clerical duties or phone sales may be separately classed as 8810 - Office Clerical, only if the workers are located in an area that is physically separated from the rest of your operations, there is no physical contact with your customers and adequate payroll records are maintained.

8810 (3) - Office Clerical

8810 - Office Clerical; Boy/Girl Scout Council Non-Camp Employees; Drafting Employees; Secretaries and Bookkeepers; Key Punch Operators; Telecommuter-Clerical Employees

Class 8810 applies to office employees who only perform bookkeeping, drafting and other clerical work in a physically enclosed (by structural partitions) area devoted exclusively to these specific activities. It also applies to artists, designers, electronic typesetters, proofreaders, and editors who work in a physically enclosed office area where bookkeeping and clerical activities are also performed.

Class 8810 also applies to employees engaged in clerical telecommuter activities. The duties of clerical telecommuter employees include creation or maintenance of financial or other employer records, handling correspondence, computer composition, technical drafting and telephone duties, including sales by telephone. Class 8810 applies to depositing of funds at the bank, purchase of office supplies and pick-up or delivery of mail provided the activities are incidental and directly related to the employees duties performed in their residence office. A residence office is a clerical work area located within the dwelling of the clerical employee and must be separate and distinct from the location of their employer.

LOSS HISTORY SUMMARY

<u>Policy Year</u>	<u># of Claims</u>	<u>Incurred Losses</u>
2021*	37	\$284,716
2020	32	\$133,530
2019	38	\$341,718
2018	22	\$145,638
2017	<u>36</u>	<u>\$138,358</u>
Total:	165	\$1,043,960
Average Number of Claims		33
Average Cost per Claim		\$6,327
Average Cost per Year		\$208,792

2021
0.71
2022
0.66

**Claims list as of 05/25/2022*

Policy Performance Summary



Policy: 431322 - Clackamas County Fire District No. 1
Legal Name: Clackamas County Fire District No. 1

Policy Details

Status: Active
 Market Type: Voluntary
 Relation Type:
 Rate Acct:
 Orig Cov Date: 07/01/1984
 Cont Cov Date: 07/01/1984
 Business Type: Fire Protection
 Entity: Political Subdivision: District
 WCD Number: 5710272
 NCCI Number: 360125955
 EIN: 93-1044031
 Principal Class: 7710
 NAICS Code: 922160
 Office: Portland
 Agency: Wha Insurance Agency Inc
 Underwriter: Erin C Matot
 SMC: Ed A Hoeffliger
 Last Audit: 07/01/2019 - 07/01/2020

Current Policy Period Details

Period Status: Open
 Effective Date: 07/01/2021
 Expiration Date: 07/01/2022
 Cancel Date:
 ARD: 07/01/2021
 Sales Plan: Guaranteed Cost
 ELCB Limits: 500,000/500,000/500,000
 ND Reimb: 07/01/2021 - 07/01/2022 Annually
 Group:
 Group Type:
 Rating Plan: ERP - 0.71
 Tier: F - 1.5500
 Rpt Freq / Pmt: Annually / RGN PPAY GC - A

Policy Period History

Policy Year	Mod	Payroll	Claim Freq	Standard Premium	Tier
2021	0.71	37,181,127	0.11	696,037	F
2020	0.75	33,737,010	0.09	624,977	E
2019	0.92	30,328,237	0.13	696,721	E
2018	0.96	30,008,242	0.07	810,664	F
2017	0.77	28,475,448	0.13	790,972	F

Gaps in Coverage

No gaps in coverage for this policy.

Policy Performance History

Policy Year	Prorated Premium	Paid Losses	Incurred Losses	Paid/Std	Inc/Std	Clim Count	Exp Clim Count	Paid TL	Paid Med	ND Reimb	TL Count	Exp TL Count	TL Day
2021	625,737	119,126	284,716	19%	45%	37	46.68	73,742	44,998	0	19	17.83	409
2020	624,977	107,579	133,530	17%	21%	32	49.54	44,552	61,934	-16,082	15	20.15	246
2019	696,721	273,308	341,718	39%	49%	38	45.22	106,962	112,240	-13,051	22	18.40	614
2018	810,664	87,454	145,638	11%	18%	22	46.77	18,071	69,383	-16,529	5	18.75	129
2017	790,972	138,358	138,358	17%	17%	36	47.77	43,996	94,363	-19,909	19	19.66	248

Ten Highest Incurred Loss Claims Received in Last Five Policy Years

Last Name	Claim Number	Date of Injury	Status	Type	Decision	Incurred Loss	Paid Loss	Timely ¹	Inj Class
	8538443	12/07/2019	Closed	PPD	Accepted	157,191	88,782	YES	7710
	8604527	08/27/2021	Denied	Disabling	Denied	136,568	13,705	YES	7710
	8579543	05/07/2019	Open	Disabling	Accepted	88,978	30,793	YES	7710
	8576336	12/12/2020	Open	Disabling	Accepted	55,498	39,548	YES	7710
	8525764	08/28/2019	Closed	PPD	Accepted	51,073	51,073	YES	7710
	8468327	05/29/2018	Closed	Disabling	Accepted	40,249	40,249	YES	7710
	8530729	10/09/2019	Closed	PPD	Accepted	34,287	34,287	YES	7710
	8619502	12/31/2021	Open	Disabling	Accepted	34,224	15,494	YES	7710
	8606295	08/30/2021	Closed	Disabling	Accepted	31,263	24,064	YES	2704
	8611214	10/12/2021	Open	Disabling	Accepted	23,787	18,442	YES	8810

Number of Claims Received in Last Five Policy Years

Claim Type	Count	Claim Status	Count
Disabling	81	Closed	139
Nondisabling	82	Denied	15
PPD	4	New	3
Total	167	Open	8
		Void	2
		Total	167

¹ A claim is "Timely" if the 801 or 827 is received by SAIF within five days of the employer's date of knowledge of the injury.

^ Designates a preferred worker.



Clackamas County Fire District No. 1

Premium estimate for Guaranteed Cost

Period: 07/01/2022 - 07/01/2023

Policy: 431322

Plan: Version #1 (1)

Rating period: 07/01/2022 to 07/01/2023

Location 16: Clackamas County Fire District No. 1

Classification description	Class	Subject payroll	Rate	Premium
Reforestation And Drivers	0124	\$0.00	5.12	\$0.00
Wildland Fire Fighting & Drivers	2704	\$650,000.00	6.81	\$44,265.00
Vessels-Boat Livery-State Act	7090	\$0.00	4.19	\$0.00
Firefighters And Drivers	7710	\$28,314,374.00	3.7	\$1,047,631.84
Vol Frmn @ 1000/Mo Ea	8411	\$745,000.00	1.07	\$7,971.50
Vol Explorer Scouts @ 800/Mo Ea	8411	\$0.00	1.07	\$0.00
Vol Water Tenders @ 800/Mo Ea	8411	\$0.00	1.07	\$0.00
Vol Chaplains @ 800/Mo Ea	8411	\$19,200.00	1.07	\$205.44
Vol Rehab Workers @ 800/Mo Ea	8411	\$0.00	1.07	\$0.00
Salesperson-Outside-No Delivery	8742	\$1,539,000.00	0.2	\$3,078.00
Office Clerical	8810	\$3,591,000.00	0.1	\$3,591.00
Vol Office Clerical	8810	\$0.00	0.1	\$0.00
Vol Board Members	8810	\$5,000.00	0.1	\$5.00

Total manual premium \$34,863,574.00 \$1,106,747.78

Total subject premium \$1,106,747.78

Description	Basis	Factor	Premium
Experience Rating	\$1,106,847.78	0.66	-\$376,328.25

Total modified premium \$730,419.53

Description	Basis	Factor	Premium
Balance to Min EL increased Limits (Admiralty)	\$0.00	1.0	\$100.00
Pre-pay credit	\$730,519.53	0.965	-\$25,568.18

Total standard premium \$704,951.35

Description	Basis	Factor	Premium
Oregon Total Premium			\$704,951.35
Premium Discount	\$704,951.35	0.1769	-\$124,716.24
Terrorism Premium	\$34,863,574.00	0.005	\$1,743.18
Catastrophe Premium	\$34,863,574.00	0.01	\$3,486.36
DCBS Assessment	\$585,400.96	1.098	\$57,369.29

Total premium and assessment \$642,833.94

Premium discount schedule		
First	\$5,000	0.00%
Next	\$10,000	10.50%
Next	\$35,000	16.50%
Over	\$50,000	18.00%

RENEWAL YEAR COMPARISON

Premiums are based upon estimated payrolls and experience modifier.

Code	Description	Payroll	Rate	2022		2021	
				Premium	Rate	Premium	
0124	Reforestation & Drivers	0	5.12	0	5.38	0	
2704	Wildland Fire Fighting & Drivers	650,000	6.81	44,265	6.68	43,420	
7090	Vessels-Boat Livery-State Act	0	4.19	0	4.36	0	
7710	Firefighters & Drivers	28,314,374	3.70	1,047,631	3.43	971,183	
8411	Vol Firefighters @ 1000/mo each	745,000	1.07	7,972	1.05	7,823	
8411	Vol Explorer Scouts @ 800/mo each	0	1.07	0	1.05	0	
8411	Vol Water Tenders @ 800/mo each	0	1.07	0	1.05	0	
8411	Vol Chaplains @ 800/mo each	19,200	1.07	205	1.05	202	
8411	Vol Rehab Workers @ 800/mo each	0	1.07	0	1.05	0	
8742	Salesperson/Outside-No Delivery	1,539,000	0.20	3,078	0.20	3,078	
8810	Office Clerical	3,591,000	0.10	3,591	0.11	3,950	
8810	Vol Office Clerical	0	0.10	0	0.11	0	
8810	Vol Board Members	5,000	0.10	5	0.11	6	
Total Payroll:		5,899,200					
Manual Premium				1,106,747		1,029,662	
Experience Modifier				0.66		0.71	
Modified Premium				730,419		731,060	
Prepay Discount				25,568		25,587	
Vessels-Boat Livery-State Act				100		100	
Estimated Standard Premium				704,951		705,573	
Volume Discount				124,716		124,828	
Net Premium				580,235		580,745	
Terrorism				1,743		1,743	
Catastrophe				3,486		3,486	
DCBS 9.8% - 9%				57,369		52,738	
TOTAL PREMIUM				\$642,834		\$638,712	
Difference					\$4,122		

Final Premium Determined at Audit

DCBS assessment The Oregon Department of Consumer and Business Services (DCBS) charges an assessment on all earned workers' compensation premium collected by insurance carriers. The assessment is subject to change by DCBS at any time, but generally changes on January 1 of each year. Your estimated premium calculation was based on the assessment in force at the beginning of your policy period, and any midterm change to the rate will be incorporated in the DCBS assessment rate at policy reconciliation/audit which occurs after policy expiration.

Clackamas County fire District #1
07/01/2022-07/01/2023

Carrier: enchmark Insurance Company

State	Code	Loc.	Description	Payroll	Base Rate	Premium	Net Rate
OR	0124	1	Reforestation & Drivers	\$0	4.96	\$0	2.93
OR	7090	1	oat Livery- oats Under 15 Tons-Program li-State A	\$0	4.06	\$0	2.40
OR	8411	1	Voluntary Personnel	\$764,200	1.04	\$7,948	0.62
OR	8742	1	Salespersons Or Collectors-Outside	\$1,539,000	0.19	\$2,924	0.11
OR	8810	1	Clerical Office Employees Noc	\$3,596,000	0.10	\$3,596	0.06
OR	77102	1	Firefighters	\$28,964,374	3.04	\$880,517	1.80

Total Payroll \$34,863,574

Total Manual Premium: \$894,985

Policy Limits	1.000	0
Experience Modification	0.660	(304,295)
Total Modified Premium		590,690
Merit Rating Adjustment	1.000	0
OGSERP Factor	1.000	0
C.C.P.A.P.	1.000	0
Premium Discount	0.896	(61,432)
Expense Constant	160	160
Terrorism	0.010	3,486
Catastrophe	0.020	6,973
Assessment Rating	0.924	48,589

OR Premium: \$588,466

QUOTE COMPARISON

Code	Description	Payroll	SAIF		Benchmark	
			Rate	Premium	Rate	Premium
0124	Reforestation & Drivers	0	5.12	0		
2704	Wildland Fire Fighting & Drivers	650,000	6.81	44,265		
7090	Vessels-Boat Livery-State Act	0	4.19	0		
7710	Firefighters & Drivers	28,314,374	3.70	1,047,632		
8411	Vol Firefighters @ 1000/mo each	745,000	1.07	7,972		
8411	Vol Explorer Scouts @ 800/mo each	0	1.07	0		
8411	Vol Water Tenders @ 800/mo each	0	1.07	0		
8411	Vol Chaplains @ 800/mo each	19,200	1.07	205		
8411	Vol Rehab Workers @ 800/mo each	0	1.07	0		
8742	Salesperson/Outside-No Delivery	1,539,000	0.20	3,078		
8810	Office Clerical	3,591,000	0.10	3,591		
8810	Vol Office Clerical	0	0.10	0		
8810	Vol Board Members	5,000	0.10	5		
		<u>34,863,574</u>				
0124	Reforestation & Drivers	0			4.96	0
7090	Boat Livery- State Act	0			4.06	0
8411	Volunteer Personnel	764,200			1.04	7,948
8742	Salesperson or Outside	1,539,000			0.19	2,924
8810	Clerical Office Employees	3,596,000			0.10	3,596
7710	Firefighters	<u>28,964,374</u>			3.04	880,517
		<u>34,863,574</u>				

Manual Premium	1,106,748	894,985
Tentative Experience Modifier	0.66	0.66
Modified Premium	730,420	590,690
SAIF Plus Credit	0	0
Prepay Discount	25,568	0
Estimated Standard Premium	704,951	590,690
Less: Volume Discount	124,716	61,432
Net Premium	580,235	529,258
Expense Constant	0	160
Terrorism	1743	3486
Catastrophe	3486	6973
DCBS (9.8%)	57,369	48,589
TOTAL PREMIUM	\$642,834	\$588,466
Difference		\$54,368

Policy Dividend History



Policy Name: Clackamas County Fire District No. 1
Policy: 431322

Declaration day	Policy period	Standard premium	Loss ratio	Premium dividend factor	Loss dividend factor	Total dividend factor	Premium dividend amount	Loss dividend amount	Computed dividend amount
06/04/2021	07/01/2019	\$696,720.8	26.44%	38.14%	0.0%	38.14%	\$265,729	\$0	\$265,729
09/02/2020	07/01/2018	\$810,663.64	8.66%	17.56%	0.0%	17.56%	\$142,353	\$0	\$142,353
09/04/2019	07/01/2017	\$790,972.06	18.23%	20.29%	8.11%	28.4%	\$160,488	\$64,148	\$224,636
09/12/2018	07/01/2016	\$684,309.76	46.58%	20.59%	3.27%	23.86%	\$140,899	\$22,377	\$163,276
09/13/2017	07/01/2015	\$647,113.44	36.97%	21.38%	5.04%	26.42%	\$138,353	\$32,615	\$170,968
09/14/2016	07/01/2014	\$732,508.72	20.44%	21.99%	3.58%	25.57%	\$161,079	\$26,224	\$187,303
09/09/2015	07/01/2013	\$585,291.61		22.66%		22.66%	\$132,627		\$132,627
09/10/2014	07/01/2012	\$506,462.95		34.69%		34.69%	\$175,692		\$175,692
09/18/2013	07/01/2011	\$497,770.88		29.64%		29.64%	\$147,539		\$147,539
09/12/2012	07/01/2010	\$471,953.15		37.42%		37.42%	\$176,605		\$176,605
06/15/2011	07/01/2008	\$834,245.9		18.71%		18.71%	\$156,087		\$156,087
11/10/2010	07/01/2008	\$397,400.74		23.75%		23.75%	\$94,383		\$94,383
03/10/2010	07/01/2007	\$381,688.75		20.79%		20.79%	\$79,353		\$79,353
11/09/2007	07/01/2005	\$294,708.48		12.61%		12.61%	\$37,163		\$37,163
Totals							\$2,008,350	\$145,364	\$2,153,714

*It is unlawful in Oregon for an insurer to promise to pay policyholder dividends for any unexpired portion of the policy term or to misrepresent the conditions for dividend payment. Dividends will be due and payable only for a policy period that has expired, and only if declared by and under conditions prescribed by the Board of Directors of the Insurer. Furthermore, it is an unlawful rebate and a violation of the Oregon Insurance Code for an insured or a representative of an insured knowingly to accept a dividend pursuant to a promise to pay policyholder dividends if the promise is made before the policy is issued or if the promise is made for any unexpired portion of a policy period.

WEB-SITE FEATURES

Web-site Features

SAIF Corporation's web site provides current information, which will help you manage your Workers' Compensation program. The information listed below is easy to access and is protected by your security password. Here are some of its features:

Claim Profile

- Review your loss history- claim count, loss ratio, time loss days, paid and incurred costs by policy year.
- Individual claim details- Date of injury, open or closed, paid and incurred losses, claim number, type of claim, adjuster, physician, awards, and attorney.
- Ten highest incurred loss claims for the last four years.

Policyholder Profile

- Policy type, experience modifier history, payroll and premium history.
- Listing of your SAIF Loss Control and ERTW Consultants, underwriter and adjuster.

Certificates of Insurance

- Streamline your certificate process by doing it on-line.
- Create new certificates, create bid certificates, reissue certificates, and renew certificates.

SAIF Employee Directory

Printable Forms

- Attending Physician 827
- Employer at Injury Reimbursement Request
- 801 Claim Form (English and Spanish)
- \$2,200 Medical Reimbursement Election form

Customer Services

- How-To information on filing claims, EAIP reimbursement, fraud prevention, extraterritorial coverage, subcontractor requirements
- Loss control programs
- SAIF Corporation's "Tool Box"
- SAIF Corporation's newsletter, *Compnews*.

To Access SAIF Online

- Go to www.saif.com
- Select "Log In"
- Select "Establish Your User ID" "Policyholder"
- Complete the screen and then submit it to SAIF. SAIF will then verify your information, set up your User ID and password and email you with it.
- Once you receive your User ID and password, you can access the SAIF web-site. If you would like assistance, please contact Jennifer King at (541) 284-5835 or jking@whainsurance.com.

MyClaim: This is your Worker Guide (NEW)

Full of up-to-date information about your claim, MyClaim is password protected and included basic claim data, forms, payments info, correspondence and the main elements of the workers' compensation system.



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Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne
From: Fleet Manager Bill Bischoff
Date: June 27, 2022
Re: Fleet Maintenance Intergovernmental Agreement with Aurora Fire

Action Requested

Request Board authorization for the Fire Chief to enter into a fleet services intergovernmental agreement (IGA) with Aurora Fire District.

Background

Attached is a fleet maintenance IGA between Aurora Fire District and Clackamas Fire District to take effect July 1, 2022. Aurora Fire's Board of Directors approved the IGA on June 15, 2022.

Clackamas Fire has an established history of providing Fleet Services to several regional agencies. While each agency pays the same established labor rate, they all have different fleets that determine the total amount invoiced each month. Staff continually manages and changes each individual fleet analysis as needed to help determine an accurate cost. This is done to ensure the district is not subsidizing another agency's fleet maintenance.

Budget Implications

The IGA will result in annual revenue for the district of \$44,604, plus the direct cost of parts and supplies estimated at \$24,500. As noted above, these fees will fully cover the fire district's costs and ensure that the district is not subsidizing another agency.

Recommendation

Staff recommends the Board authorize the Fire Chief to enter into a fleet services intergovernmental agreement with Aurora Fire District..

**INTERGOVERNMENTAL AGREEMENT
FOR THE PROVISION OF FLEET MAINTENANCE SERVICES
BETWEEN CLACKAMAS FIRE DISTRICT #1 AND AURORA FIRE DISTRICT #63**

THIS INTERGOVERNMENTAL AGREEMENT FOR FLEET MAINTENANCE SERVICES (“Agreement”) is entered into pursuant to ORS Chapter 190 (“Intergovernmental Cooperation”) by and between Aurora Fire District #63 (“Aurora”) and Clackamas Fire District #1 (“Clackamas”) (collectively, the “Parties”) to provide for fleet maintenance services. Clackamas Fire and Aurora Fire are both rural fire protection districts formed under ORS Chapter 478. Both are units of local government under Oregon law.

RECITALS

- A. Aurora Fire and Clackamas Fire provide fire, rescue, and emergency services within their respective adjacent jurisdictions, utilizing both career and volunteer personnel.
- B. Clackamas Fire operates a fleet maintenance facility and services; and Aurora Fire desires to obtain such services from Clackamas.
- C. Aurora Fire and Clackamas Fire desire to provide efficient and affordable service to their respective communities by taking advantage of economies of scale and the relative strengths of each Party, and by minimizing unnecessary and costly duplication of services through intergovernmental cooperation.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the Parties hereby agree as follows:

AGREEMENT

- 1. Effective Date, Term. This Agreement shall be effective on the date it is signed by both parties. The term shall be from July 1, 2022 through June 30, 2027, unless sooner terminated as provided herein. The Parties hereby agree to provide the following service on the following dates:
 - 2. From July 1, 2022 until June 30, 2023, Clackamas Fire agrees to provide Full Fleet Maintenance Services as further described in Section 2a, unless otherwise terminated as provided elsewhere in this Agreement.
 - a. Renewal Term. The term of this Agreement shall renew for five (5) additional one (1) year terms unless either Party has provided at least nine (9) months written notice of its intent not to renew. Upon notice of an intent not to renew, both Parties will work in good faith to assist with an effective transition of services.
- 3. Services.

Clackamas Fire will provide service, repair, and maintenance for identified Aurora Fire apparatus and vehicles. The Parties agree that the Services should be as provided in this Agreement and in the attached Scope of Work and Exhibit A which are incorporated into this Agreement by this reference.

4. Compensation.

- a. Clackamas Fire agrees to provide monthly invoices to Aurora Fire and Aurora Fire agrees to pay Clackamas Fire the invoiced amounts, which shall reflect the cost of Services, including the labor, management software, technical support, warehousing, maintenance, parts and supplies, capital equipment, and other goods and services required under Section 2, Services. Invoices will be provided monthly on or before the first of each month, and the payment is due within 30 days of receipt of the invoice. Invoices may be by electronic means.

Any disputes with regard to required payments under this Agreement shall be resolved by referring to Section 17 of this agreement. Any dispute that cannot be resolved by the Fire Chiefs shall be presented to each respective Board or Council for resolution prior to any collection proceedings being initiated by either Party.

- b. From July 1, 2022, until June 30, 2023, Clackamas Fire will invoice Aurora Fire at a monthly rate of \$3717. The total annual cost will be \$44,604 for a demand hour total of 296 hours. Clackamas in consultation with Aurora Fire, shall establish and publish by October 1, 2022, any new rate increase to be effective between July 1, 2023, and June 30, 2024.
- c. After July 1, 2023, Clackamas Fire will invoice Aurora Fire at a rate which Clackamas Fire, in consultation with Aurora Fire, shall establish and have published by October 1 of each year for implementation on July 1 of the following year.
- d. Amounts invoiced shall include all Services provided in Section 2, Services. In the event Aurora Fire requests and Clackamas Fire provides services beyond the Scope of Work, Clackamas Fire may charge additional amounts to the monthly invoice. The Parties shall agree to the rate for such services in advance.
- e. The compensation and Scope of Work is based upon the current number and configuration of the Aurora Fire Fleet, as identified in Exhibit "A." In the event of a change in the number or configuration of the Aurora Fleet, which changes the demand hour total, the Parties shall agree to a revised compensation schedule, which will be accomplished using written addendums to the IGA.
- f. Parts and supplies are not included in the hourly or monthly rates of providing the Services in Section 3 b and c. Aurora Fire will be billed monthly for all parts and supplies used to maintain the Aurora Fire Fleet.

5. Integration of Services.

Clackamas Fire agrees to provide the Services as a fully integrated operation of Clackamas Fire Fleet Services. Services will be provided in the same manner and quality that Clackamas Fire provides such services to its own fleet. The parties agree to work together in good faith to develop protocols as necessary to affect the integration of the services provided.

6. Capacity to Perform Within Scope of Work.

Clackamas Fire will assign priority for Services taking into consideration both Parties' fleet, timelines, and needs, as well as Clackamas Fire's obligations under Section 2, Services and Clackamas's own policies and procedures, as they may be changed from time to time. The Parties will discuss timelines prior to initiating Services under this Agreement.

7. Assignment.

This Agreement may not be assigned by either party without the written consent of the other party. However, pursuant to Clackamas Fire policies and procedures, and as provided in the Scope of Work, when work exceeds Clackamas Fire's capability, training or certification, Clackamas Fire may assign the work to third party vendors, after consultation and/or written approval from Aurora Fire Fleet Services Liaison. When the work has been assigned, Clackamas Fire may, at its discretion, manage the third-party vendor and Aurora Fire agrees to be responsible for payment and final approval of the work. The indemnity provisions of this agreement do not apply when work is assigned to third party vendors.

8. Technician Training and Qualifications and Purchases.

All Clackamas Fire employees shall be licensed or certified for the work performed under this Agreement, if such is required under Oregon law or industry standards. Aurora Fire shall bear the cost of any required specialized training on Aurora Fire apparatus or components if such training is different in type or brand from standards used by Clackamas Fire. Both Parties agree that all supplies, equipment, and services purchased will comply with Oregon's public purchasing guidelines as adopted by Clackamas Fire.

9. Operational Coordination.

a. Clackamas Fire and Aurora Fire will each provide a liaison to coordinate and ensure the efficient provision of day-to-day services. The Liaison for Clackamas Fire will be the Fleet Manager and/or Fleet Supervisor, and the liaison for Aurora Fire will be the assigned Fleet Service Liaison, as designated by its Fire Chief.

b. Each of the Parties shall have the right to inspect, at any reasonable time, such records in the possession, custody, or control of the other Party necessary for review of the other Party's obligations and its rights under this Agreement. The cost of such inspection shall be borne by the inspecting Party. This right does not extend to records privileged or otherwise exempt from disclosure under applicable law. Any Party required under this Agreement to create or develop records must maintain those records for inspection.

10. Safety.

- a. When Clackamas Fire is performing services at an Aurora Fire station or other Aurora facility, at any non-Clackamas Fire location, or roadside, at least one Aurora Fire employee or a volunteer shall remain on-scene until Clackamas Fire releases or transports the apparatus or vehicle. This provision shall not apply to the services provided by Clackamas Fire at the Fleet Services Facility.
- b. Clackamas Fire shall notify Aurora Fire of any faulty equipment or apparatus that it believes jeopardizes the safe operation of any Aurora Fire vehicle or apparatus.
- c. Clackamas Fire shall under no circumstances be required to place a subject of service that Clackamas Fire deems unsafe into service, or perform services or repairs if such cannot, in Clackamas Fire's sole discretion, be performed safely or the repair when done be deemed effective. All decisions to authorize or release a vehicle to use are solely the responsibility of Aurora Fire. If the parties disagree with regard to Clackamas Fire's or the manufacturer's vehicle safety recommendations, either party may initiate the dispute resolution procedure of Section 17. Such procedures shall not delay return of the vehicle to Aurora Fire.

11. Standard of Care.

Clackamas Fire shall provide all services with reasonable care. Should parts or repair procedures fail due to defective workmanship by Clackamas Fire during the first 30 days or within 2,000 miles, whichever comes first, Clackamas Fire shall remedy the repair at no cost to Aurora Fire.

12. Termination.

- a. This Agreement may be terminated by either party, without cause, by giving nine (9) months' written notice to the other party. In such case, the parties will work in good faith to affect a transition of the services to the other service provider chosen by Aurora Fire.
- b. Clackamas Fire may terminate upon 30 days' notice for failure of Aurora Fire to pay any sums when due.

13. Liability; Indemnity.

- a. Each party shall be responsible for the acts of their respective employees, officers, and agents under this Agreement. No party, nor any elected and appointed official, officer, board member, employee, volunteer, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions, failures to act, or willful misconduct of the other party, their officers, board members, employees, volunteers, or agents, in connection with this Agreement or arising out of any work performed under this Agreement.

- b. Notwithstanding anything to the contrary in Section 12 (a) above and subject to the tort limits in Oregon Law (ORS 30.260 through 30.300) and the Oregon Constitution, (Article XI, Section 7), Clackamas Fire and Aurora Fire each agree to defend and indemnify each other against any and all third-party liabilities, causes of action, damages, or costs for injury or damage to life or property related to or arising from actions or failures to act under this Agreement. The obligations assumed hereunder shall survive the termination or expiration of this Agreement.

14. Insurance.

- a. Each party shall maintain comprehensive general liability insurance or sufficient self-insurance reserves to cover all risks of damage or loss in the form of personal injury, bodily injury, or property damage for which either party may be liable for its acts or omissions done in the course and scope of its business, in the minimum amounts for which public entities are liable under Oregon Revised Statutes as those statutes now exist or may be amended, but in no event shall the amount of coverage for such risks be less than \$1,000,000 Combined Single Limit Bodily Injury, Property Damage, and Personal Injury in any one occurrence, and \$3,000,000 in the aggregate.
- b. Neither party shall be liable to the other for any loss or damage to their facilities, vehicles, apparatus, equipment, or other property arising from any cause for which it could have insured against under the parties normal policies, such as fire. Each party, on behalf of its insurer, waives any right of subrogation that it might have against the other party.
- c. Clackamas Fire reserves the right to require additional insurance coverage, limits, and terms. This insurance shall be considered as primary insurance and exclusive of any insurance carried by Clackamas Fire, and the insurance evidenced by the required certificates shall be exhausted first, notwithstanding the fact that Clackamas Fire may have other valid and collectible insurance covering the same risk.

15. Personnel.

- a. Each party to this Agreement agrees to provide worker's compensation insurance coverage to its employees and volunteers and each Party shall supervise their individual employees and volunteers while working under this Agreement. The intent of this provision is to prevent the creation of any "special employer" relationships under Oregon workers' compensation law, PERS regulations, or other state or federal laws.
- b. Each of the Parties hereto is an independent agency for purposes of this Agreement. No representative, agent, employee, or contractor of one Party shall be deemed to be an employee, agent, or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, employee, partnership, joint venture, or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- c. Clackamas Fire and its employees are not employees of Aurora Fire and are not eligible for any benefits through Aurora Fire including without limitation federal social security,

health benefits, and workers' compensation, unemployment compensation, and retirement benefits. Aurora Fire and its employees are not employees of Clackamas Fire and are not eligible for any benefits through Clackamas Fire, including without limitation federal social security, health benefits, and workers' compensation, unemployment compensation, and retirement benefits.

16. Waiver.

The failure of either party to insist upon the strict performance of any of the terms, covenants or conditions of this agreement shall not be deemed a waiver of any right or remedy that either party may have and shall not be deemed a waiver of either party's rights to require the strict performance of all terms, covenants, and conditions thereafter, nor a waiver of any remedy for the subsequent breach of any of the terms, covenants, or conditions.

17. Force Majeure.

No party to this Agreement shall be held responsible for delay or default caused by fires, riots, acts of God and/or war, labor shortages, or other conditions beyond the Parties' reasonable control.

18. Dispute Resolution Process.

In the event there are disputes or claims related to or arising under this Agreement, the following dispute resolution process will be followed. It is the intent of the parties to solve the disputes and claims at the lowest level possible, and the issues and resolutions will be documented by mutually agreeable memorandum, if applicable.

- a. Consideration and resolution by and between the Clackamas Fire Fleet Manager and the Aurora Fire Operations Chief.
- b. Consideration and resolution by and between a Clackamas Fire Assistant Chief and the Aurora Fire Operations Chief.
- c. Consideration and resolution by and between the Clackamas Fire, Fire Chief and the Aurora Fire, Fire Chief.
- d. Consideration and resolution by and between the Clackamas Fire District Board of Directors and the Aurora Fire District Board of Directors.
- e. In the event the disputes or claims cannot be resolved under the above process, the dispute or claim shall be subject to binding arbitration. Arbitration shall be conducted pursuant to the rules of the Arbitration Service of Portland, and shall be conducted in Clackamas County, Oregon, unless otherwise agreed by the parties.
- f. In the event of any arbitration arising out of or relating to this Agreement or the enforcement thereof, the prevailing party in such action shall be entitled to recover its reasonable attorney fees, costs, and expenses from the non-prevailing party.
- g. The laws of the State of Oregon shall be applied in the interpretation, execution, and enforcement of this Agreement.

19. Notices.

All notices under this Agreement shall be deemed to be given when delivered personally to the person designated below or when three (3) days have elapsed after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid, or on the next addressed business day if sent by express mail, or by electronic means, to the party to which the Notice is being given, as follows:

Aurora Fire District #63
21390 Main St. NE
Aurora, OR 97002
Fire Chief Joshua L. Williams

Clackamas Fire District #1
11300 SE Fuller Road
Milwaukie, OR 97222
Fire Chief Nick Browne

20. Written Agreement.

This Agreement represents the entire understanding by and between the parties with respect to the matters contained herein. Any prior or contemporaneous oral or written agreements by and between the parties or their agents and representatives relative to the matters contained herein are revoked and extinguished by this Agreement.

21. Modification.

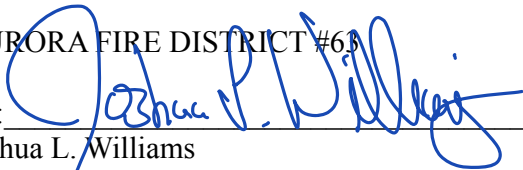
This Agreement may be amended only by written instrument, signed by both Clackamas Fire and Aurora Fire.

CLACKAMAS FIRE DISTRICT #1

By: _____
Nick Browne
Fire Chief

Date: _____

AURORA FIRE DISTRICT #63

By:  _____
Joshua L. Williams
Fire Chief

Date: 6/15/2022

SCOPE OF WORK

1. Clackamas Fire will provide fleet maintenance and repair services (“Services”) for the below-listed apparatus. If Aurora Fire needs Services for additional or different apparatus or additional Services, the Parties must agree in writing to a revised list and compensation rate. Services will be provided consistent with Clackamas Fire Fleet Operations department’s standard of care, best practices, and standard operating guidelines. Such Clackamas Fire standards, practices, and guidelines are determined by the manufacturer’s service recommendations, Oregon Department of Transportation requirements, and the National Fire Protection Association guidelines as determined applicable by Clackamas Fire, and industry-recognized principles and practices.
2. Changes to this Scope of Work must be agreed to by both Parties in writing. Without invalidating the Agreement, either Party may request changes in the Scope of Work consisting of additions, deletions, or modifications regarding the compensation rates, Scope of Work, or schedule of work. All such changes in the Work shall be in writing and signed and authorized by the Parties.
3. Aurora Fire is responsible for requesting Services. The Fleet Manager will propose service levels and timelines for services. Clackamas Fire will confirm if such levels and timelines are acceptable.
4. Clackamas Fire will not provide Services beyond its capacity or capability. If Aurora Fire approves the use of outside vendors for Services, Clackamas Fire may assign work to outside vendors and may, at its sole discretion, manage such assigned Services. All assigned work is subject to this Agreement.
5. Services provided under this Agreement include 24-hour emergency maintenance and repair services. Notwithstanding any contrary provisions in this Scope of Work or this Agreement, if Aurora Fire requests 24-hour emergency services, Aurora Fire acknowledges and agrees that such emergency services may be assigned to outside vendors and potentially be subject to Clackamas overtime rates. Such assigned emergency services may include but are not limited to: mobile fueling at emergency operations or towing. Aurora Fire agrees to promptly pay for such services as provided in this Agreement. Clackamas Fire response regarding requests for 24-hour emergency maintenance or requests after-business hours will be provided pursuant to Clackamas Fire’s policy, as it may be amended by Clackamas Fire from time to time. The Aurora Fire Duty Chief on duty, or designee, will request any after-hours response. Clackamas Fire may, at its sole discretion, determine the appropriate course of action. Clackamas Fire will notify the Aurora Fire Fleet Service Liaison of the after-hours event on the following business day.
6. NO SERVICE WARRANTIES. Clackamas Fire Services are not warrantied unless expressly otherwise provided in this Agreement. If a product or part is warranted by the manufacturer, such warranties will apply.

7. Services that affect the safe operation and readiness of vehicles, apparatus or equipment will not be deferred by either party unless the unit is removed from service until repairs are made. Only Services that have no operational impact, such as decal, paint, and upholstery, may be deferred. The Clackamas Fire Fleet management team and the Aurora Fire Fleet Service Liaison will consult with each other, but either party may make a determination that any issue or combination of issues impacts operational safety or readiness and will not be deferred.

8. Upon an Aurora Fire request for Service, Clackamas Fire is authorized to complete any Service under \$5,000, unless specific limits are established for the work by the Aurora Fire Fleet Service Liaison, or other thresholds of financial or service authority are agreed to between Clackamas Fire Fleet Management and the Aurora Fire Fleet Service Liaison.

9. All Services will be performed and managed by Clackamas Fire Fleet Operations. Any requested Services outside of the Scope of Work or beyond Clackamas Fire's capabilities may either be managed by Aurora Fire at its sole discretion or may be assigned to a third party by Clackamas Fire or Aurora Fire, upon Aurora Fire's approval. If Clackamas Fire assigns work, Clackamas Fire may, at its sole discretion, manage the third party's work. Services performed directly by Clackamas Fire personnel are limited to the capability of Clackamas Fire's Fleet Operations department. Capability is limited by capacity, experience, qualified training, and the required certifications necessary to complete the task. The Parties will discuss any requests for Services which Clackamas Fire determines to be beyond its capability. Clackamas Fire will determine a recommended course of action including, but not limited to assignment, removal from service, deferral of maintenance, or surplus of the subject of service. Such examples include, but are not limited to towing, transmission repair, and major engine overhauls.

10. Aurora Fire shall be responsible for removing apparatus from service with other agencies and emergency response providers, and for coordinating its own work force and services based on the apparatus maintenance and repair schedule and availability.

11. Clackamas Fire will work with Aurora Fire Fleet Service Liaison to establish preferred protocols and processes for repair order requests, work orders, and other documentation.

-End of Document-

**INTERGOVERNMENTAL AGREEMENT
FOR THE PROVISION OF FLEET MAINTENANCE SERVICES
BETWEEN CLACKAMAS FIRE DISTRICT #1 AND AURORA FIRE DISTRICT #63**

EXHIBIT "A"

ID	VIN	Class
E905	2016 Spartan Metro Star- 4S7CU2D97GC080507	Pumper 6-101
E925	2016 Spartan Metro Star- 4S7CU2D99GC080508	Pumper 6-102
WT909	1999 Freightliner- 1FUYSSEB6XLA35200	Water Tender 6-330
WT929	2007 Peterbuilt- 2NPLLZ9X67M690304	Water Tender 6-331
F918	1994 Oshkosh T-3000- 49229	ARFF 6-200
BR908	2017 Ford F550- 1FD0W5HY1HEE28093	Brush Rig 6-301
BR?	2022 Isuzu NPR-HD- 54DB4W1DXMS207289	Brush Rig 6-302

Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne
From: Finance Manager Michael Wong
Date: June 27, 2022
Re: Ambulance Transport Billing Contracting

Action Requested

Requesting the Board of Directors to authorize the Fire Chief to enter into contract negotiations with Systems Design West LLC for Ambulance Transport Billing.

Background

For the past five years, Clackamas Fire District #1 has contracted with EF Recovery LLC for Ambulance Transport Billing. The district released a Request for Proposals (RFP) on April 25, 2022 to solicit formal proposals for Ambulance Transport Billing. The proposal due date was May 25, 2022. Final scoring of the responsive proposals was completed on June 2, 2022.

The most recent term of the EF Recovery contract expired on June 4, 2022. The district executed a bridge contract to extend services through September 1, 2022. This bridge contract will allow services to continue uninterrupted while the district works on negotiations and contract execution with the top-ranking proposer, Systems Design West.

The initial term of the Systems Design West contract would be for one year. Per terms of the RFP, the district will have the option to extend the contract for four additional one-year terms. The rate per billable transport will remain frozen for up to five years.

Budget Implications

Annual spending with the current vendor, EF Recovery, has averaged between \$50,000 to \$60,000 per fiscal year. Systems Design West's proposed rate per billable transport is equal to the rate currently charged by EF Recovery so changes in cost will be minimal. There will be increased costs in the first year of the contract due to transfer fees for moving aged accounts receivables between vendors. This increased cost is anticipated and reflected in the FY 2022-23 budget.

Recommendation and Why

Staff recommends authorizing the Fire Chief to enter into a contract with the top scoring proposer, Systems Design West. A formal RFP is a strict method of solicitation that promotes competition, fiscal responsibility, and transparency. The solicitation method helps ensure that proposers are qualified and that their proposal provides the highest value to the district in relation to price.

The district received four proposals in total. Two of the proposals were deemed non-responsive for failure to meet a minimum qualification set by the RFP solicitation. The minimum qualification stated that proposers must have three years' experience with ambulance billing within Oregon. This is to ensure that the proposers are well-experienced in Oregon medical billing laws.

Attached is a final tabulation of scores from the evaluation committee. Four district members participated in independent evaluation and scoring of the proposals.

Systems Design West						
Criteria	Proposed Cost	Compliance with Specifications	Past History Ambulance Billing in Oregon	Additional Service or Qualities Offered	Total Score	Overall Position
Max points	20	25	25	30		
Evaluator	Evaluator 1	15	23	23	24	1
	Evaluator 2	16	20	21	24	
	Evaluator 3	19	25	25	27	
	Evaluator 4	16	22	23	25	
Total	66	90	92	100	348	
EF Recovery						
Criteria	Proposed Cost	Compliance with Specifications	Past History Ambulance Billing in Oregon	Additional Service or Qualities Offered	Total Score	Overall Position
Max points	20	25	25	30		
Evaluator	Evaluator 1	16	16	11	13	2
	Evaluator 2	14	18	20	22	
	Evaluator 3	17	20	15	18	
	Evaluator 4	15	16	12	13	
Total	62	70	58	66	256	
EMTech						
Deemed Non-responsive						
LifeQuest						
Deemed Non-responsive						

Clackamas Fire District #1

Memo

To: Board of Directors and Fire Chief Nick Browne
From: Chief Financial Officer Mark Whitaker and Finance Manager Michael Wong
Date: June 27, 2022
Re: Financial Audit Contracting

Action Requested

Requesting Board of Directors to authorize the Fire Chief to enter into contract negotiations with SingerLewak LLP for Audit Services.

Background

Clackamas Fire District #1 has contracted with Jarrard, Seibert, Pollard & Co. LLC for Audit Services since FY2015-16. On April 25, 2022, the district released a Request for Proposals (RFP) to solicit formal proposals for Audit Services. The proposal due date was May 25, 2022.

The district advertised the RFP on the district website, Special Districts Association of Oregon (SDAO) website, and in the Daily Journal of Commerce's print and internet publications. In addition to these advertisements, the district directly notified 41 contacts listed on the State of Oregon's municipal auditor roster.

The district did not receive any proposals in response to our RFP. Because the formal RFP process produced no responses, staff proceeded to call local audit firms to request informal quotes and proposals. Of these firms, only two responded that they had the capacity to take the district on as a new client. The two firms were Talbot Korvola & Warwick LLP and SingerLewak LLP.

Staff proposes pursuing a five-year contract with SingerLewak. The initial year of the SingerLewak proposal is \$28,650. The proposed five-year total is \$158,450 if no single audit is required.

Budget Implications

Prices for Audit Services have increased during the past couple years. The district spent \$10,700 for the FY2020 audit and \$17,000 for the FY2021 audit. Due to the change in auditor as well as inflation, staff anticipated that there would be further increased costs for the FY2022 audit. This additional cost has been built into the FY 2022-23 budget.

Recommendation and Why

Staff recommends authorizing the Fire Chief to enter into a contract with SingerLewak LLP. SingerLewak submitted the lowest quote out of the responding firms. In addition to reviewing SingerLewak's proposal, staff attended the firm's annual municipal client meeting, and staff also held an interview with the auditing Partner and Manager who would be assigned to the district. SingerLewak's proposal meets the district's required scope of work, and if contracting is authorized, staff is confident that we would improve the district's financial processes while working in collaboration with this new auditor.

Below is a tabulation of responses from the district's informal solicitation for Audit Services.

Firm Contacted	Quote or Response
SINGERLEWAK LLP	\$28,650
TKW	\$32,000
PAULY ROGERS	Firm did not respond.
GROVE MUELLER & SWANK PC	Firm did not respond.
KERN THOMPSON	Firm did not respond.
MOSS ADAMS	Firm did not respond.
WILCOX ARREDONDO & COMPANY	Firm does not have capacity to take additional audit clients this year.
GROVE MUELLER & SWANK PC	Firm does not have capacity to take additional audit clients this year.
ALDRICH CPAS AND ADVISORS LLP	Firm does not have capacity to take additional audit clients this year.
MERINA + CO	Firm does not have capacity to take additional audit clients this year.
DOUGALL CONRADIE	Firm does not have capacity to take additional audit clients this year.
KUENZI & COMPANY LLC	Firm is incapable of auditing a fire district.
SMITH WAGAR CONSULTING	Firm is incapable of auditing a fire district.
MCDONALD JACOBS	Firm is incapable of auditing a fire district.

Attached you will find the quote/proposal received from SingerLewak LLP.

Proposed Fees – Five Year Contract

Our all-inclusive audit fee will be as stated below. This fee includes the cost of providing paper and PDF copies of the final audit report, any out-of-pocket expenses, and year-round advice on accounting, reporting, or internal control issues.

	For the year ended June 30, 2022		
	Estimated	Hourly	
	Hours	Rate	Costs
Engagement Partner	10	\$ 295	\$ 2,950
Manager	40	175	7,000
Senior Staff	75	110	8,250
Staff	110	95	<u>10,450</u>
Total			<u><u>28,650</u></u>

Single Audit Fee

Should a Single Audit be necessary during any of these years, there would be a base fee of \$6,000 to cover the audit of the schedule of expenditures of federal awards, planning, review, and the audit of the first major program. Additional major programs would be an additional \$2,500 each. Major programs are determined under CFR 200.718, Subpart F of the Uniform Grant Guidance.

Five Year Fee Schedule

	Fiscal Years Ending June 30th				
	2022	2023	2024	2025	2026
Financial Statement Audit	28,650	30,100	31,600	33,200	34,900
Single Audit, if required	6,000	6,300	6,600	6,900	7,200
Total	<u>\$ 34,650</u>	<u>\$ 36,400</u>	<u>\$38,200</u>	<u>\$40,100</u>	<u>\$42,100</u>

Financial statement audit fee includes drafting of the annual financial statement. Annual fee increase is 5% or CPI, whichever is greater. Additional fees will apply in years when new GASB pronouncements have a significant impact on reporting or if the District chooses to produce an Annual Comprehensive Financial Report (ACFR).

Additional fees for extraordinary circumstances or for services outside of the scope of the audit are outlined in our original proposal.

FIRE CHIEF'S REPORT

May 2022



Lt. Davis, AO Miller, & AO Maclennan at
Happy Valley Walk & Roll to School



Capt. DFM Shanklin teaches fire safety to preschoolers

Highlights

- May was Wildfire Preparedness Month. The Fire District partnered with Clackamas County and other community partners to host two Community Wildfire Preparedness Events at Station 10 and Station 18.
- The Fire District re-introduced the Chipper Grant that is supported and funded through the Clackamas Emergency Services Foundation.
- CFD spent considerable time preparing for assuming administrative and operational control of the Gladstone Fire Department.
- Training held academies for 27 future fire officers, 16 apparatus officers, and 10 lateral entry firefighters.
- Fire District staff participated in numerous engine tours and fire safety education at local preschools and schools.

Notable Events/Calls

- Duplex fire on C Street in Oregon City. E309 arrived with smoke showing from the Charlie side. A quick knock down occurred, and the resident was treated by R303 and transported by AMR.
- Content fire on Hartke Loop in Oregon City. The fire had starved itself out after filling the house with smoke and heat. Crews quickly extinguished and searched the structure for occupants.
- Interface E309 manned and responded out of the Gladstone station for six days in May.

FIRE CHIEF'S REPORT

May 2022

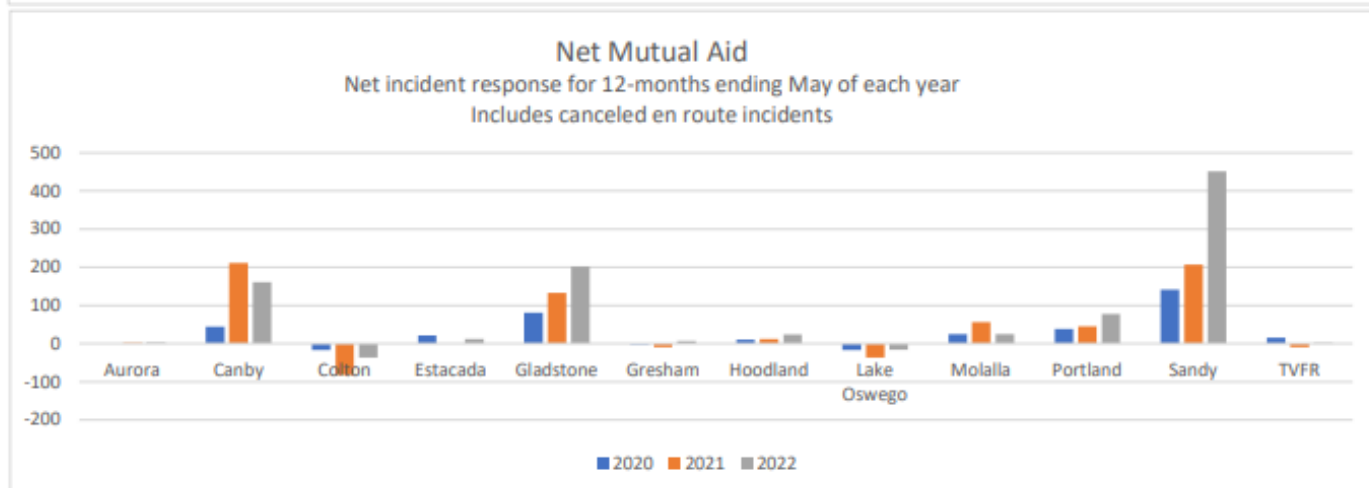
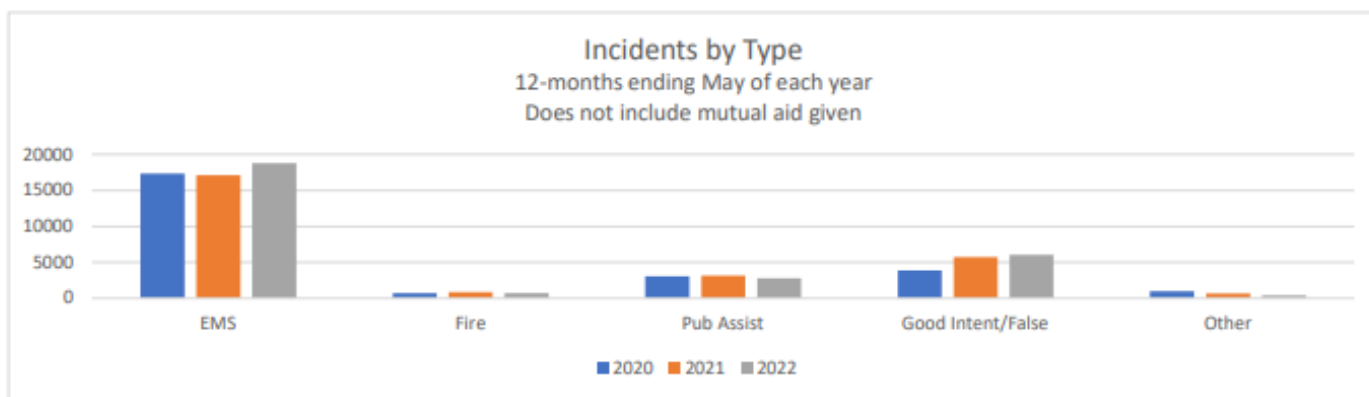
Organizational Data

Staffing

	Response	Risk Reduction	Staff	Suppression Volunteers	Support Volunteers
Allocated	238	12	55		
Filled	238	11	54	25	18
Academy	10	0		0	0

Volunteers

Training		Community Involvement		Duty Shifts	Station 12	Station 13	Station 21	Support
# of Drills	6	# of Events	0	Nights	20/31	3/31	6/31	13/31



Average Company Time Committed	
Time: 268 hours and 21 minutes	Percent of Month: 36.87%
Includes Preparation and Response: Incidents, Apparatus/Equipment Checks, Physical Fitness, Training	

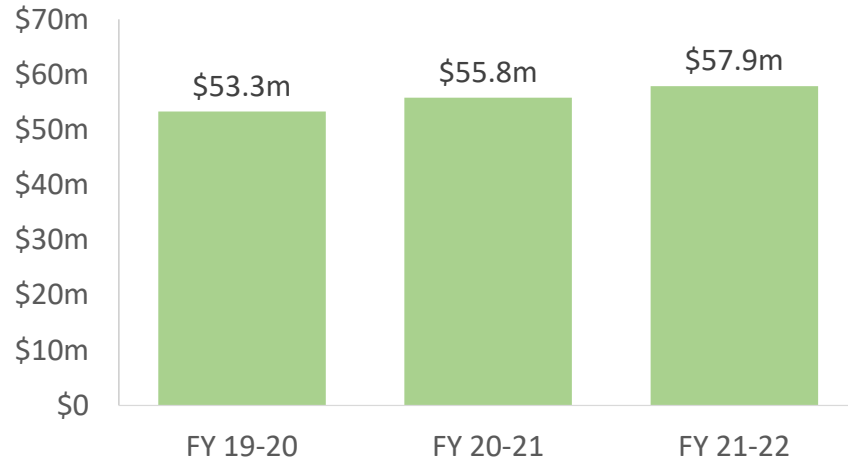


FINANCIAL REPORT

Period Ending May 31, 2022

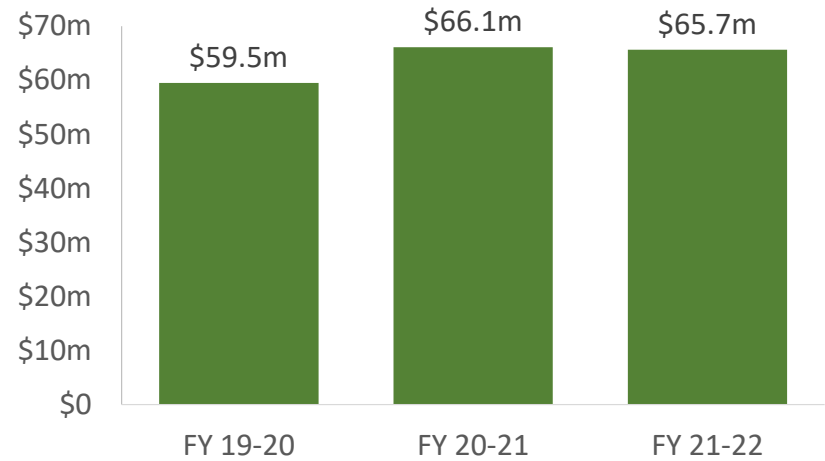
General Fund Property Tax Revenues

Through May



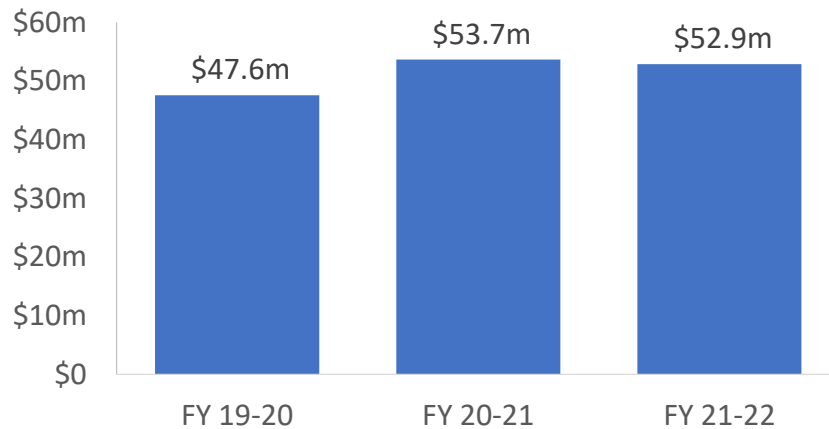
General Fund Total Revenue

Through May



General Fund Salary & Benefits

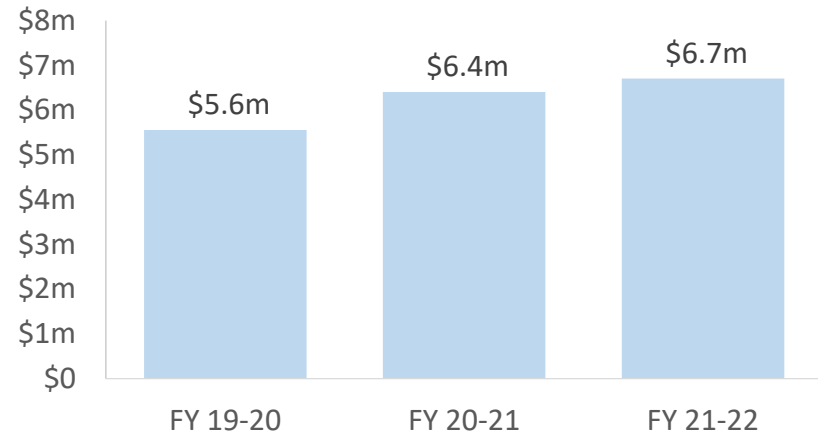
Through May



90.5% of FY budget spent

General Fund Overtime

Through May



97.8% of FY budget spent

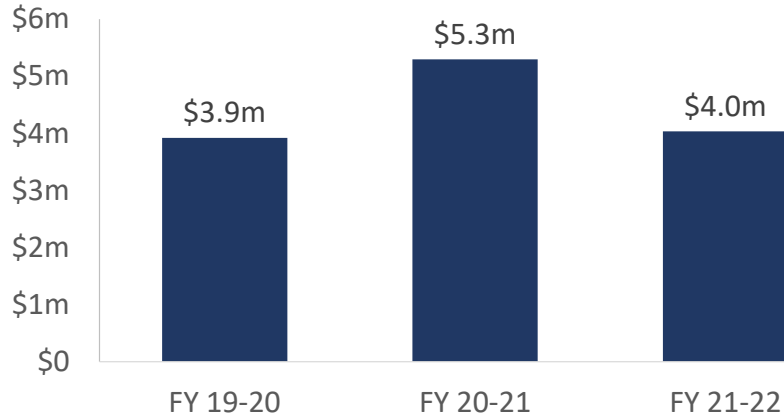


FINANCIAL REPORT

Period Ending May 31, 2022

General Fund Health Claim Expenses

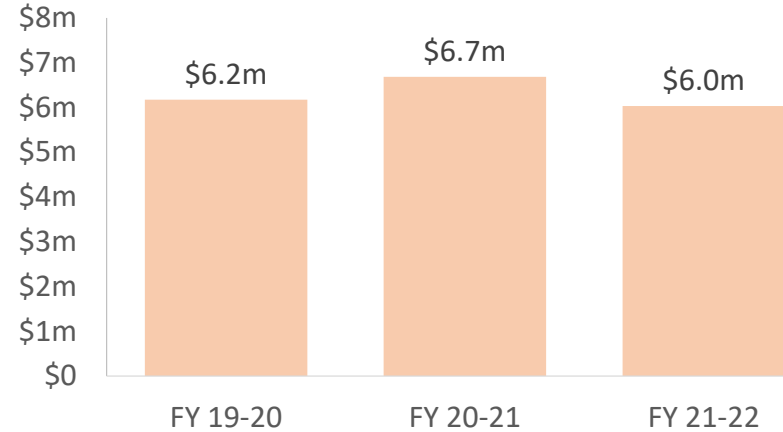
Through May



86.3% of FY budget spent

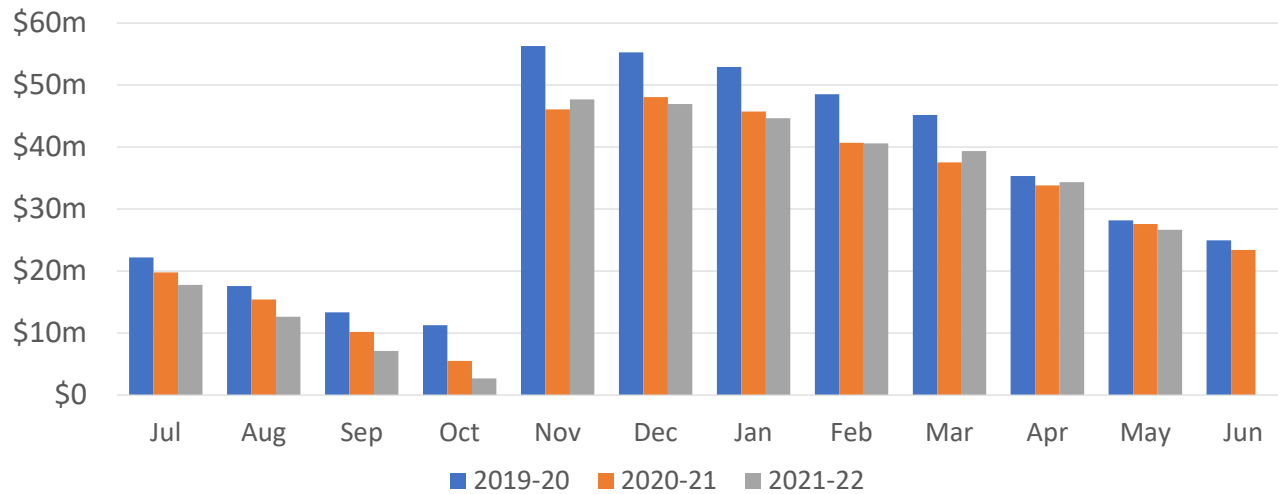
General Fund Materials and Services

Through May



88.0% of FY budget spent

Month-End Cash Balance, All Funds





10 - GENERAL FUND

Budget to Actual Report for Period Ending
May 31, 2022

Clackamas Fire District #1

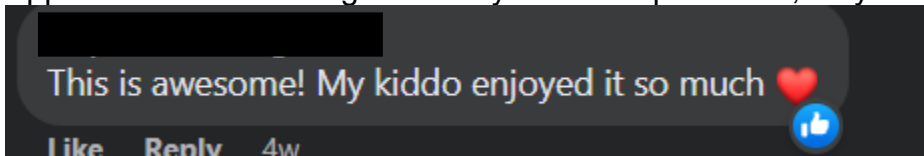
	Original Budget	Revised Budget	Actual YTD	% of Revised Budget
Beginning Fund Balance	\$18,505,460	\$18,505,460	\$18,069,786	97.6%
<i>Revenues</i>				
Current Year Property Taxes	\$59,647,923	\$59,647,923	\$57,337,064	96.1%
Prior Year Property Taxes	720,000	720,000	554,935	77.1%
Interest	200,000	200,000	93,367	46.7%
Charges for Services	2,736,850	4,287,850	3,939,597	91.9%
Grant Revenue	200,000	200,000	2,141,510	1070.8%
Other Revenue	1,279,355	1,504,355	1,590,848	105.7%
Transfers In	44,000	49,375	-	0.0%
Total Revenues	\$64,828,128	\$66,609,503	\$65,657,322	98.6%
Total Available Resources	\$83,333,588	\$85,114,963	\$83,727,108	98.4%
<i>Expenditures</i>				
Fire Chief's Office	\$1,518,270	\$1,154,088	\$974,462	84.4%
Emergency Services	\$45,895,569	\$47,842,386	\$43,959,076	91.9%
Business Services	\$16,094,895	\$16,293,635	\$13,982,714	85.8%
Debt Service	\$2,075,504	\$2,075,504	\$2,075,504	100.0%
Transfers Out	\$628,104	\$628,104	\$0	-
Contingency	\$2,587,718	\$2,587,718	\$0	-
Total Expenditures	\$68,800,060	\$70,581,435	\$60,991,756	86.4%

CORRESPONDENCE

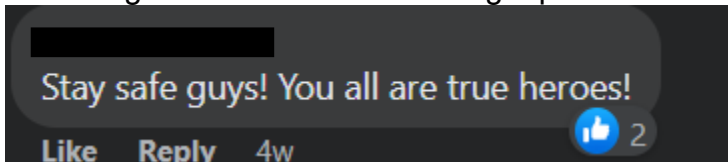
C-1 Social Media Comments

Social Media Comments

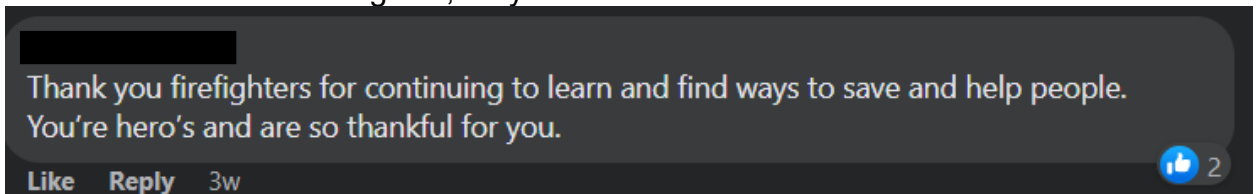
Appreciation for teaching fire safety at a local preschool, May 17:



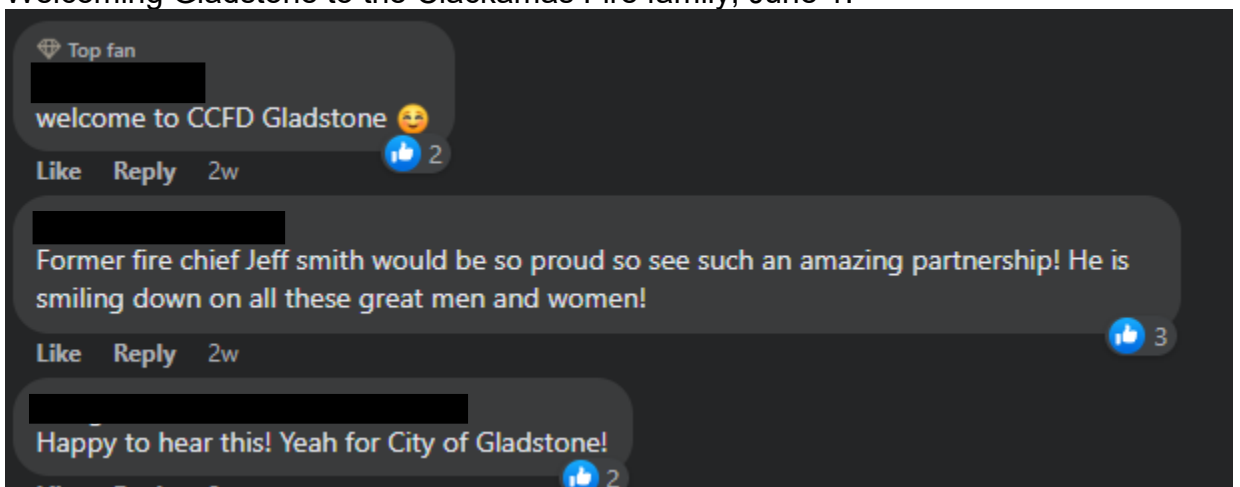
Encouragement for Crew 30 during a prescribed burn, May 20:



Thankful for Trimet training drill, May 24:



Welcoming Gladstone to the Clackamas Fire family, June 1:



INFORMATIONAL ITEMS

- I – 1 KOIN News, May 11, 2022: “ClackCo Crew 30 ‘preparing for wildfire season”
<https://www.koin.com/top-stories/clackco-crew-30-preparing-for-wildfire-season/>