

BUDGET AND FINANCE ADVISORY COMMITTEE MEETING MINUTES

December 19, 2023 - 9:00 – 11:00 AM

Attendees: Doug Parks (Chairman), Dick Keiling, Don Nederostek, Brian Reynolds, Don Bonafede, John Wherrity, George Solyak, Collette Horn, Monica Rakowski (Board liaison), John Viola, Steve Phillips.

Other Attendees: A. Peck, T. Stauss, R. Clifford – Public.

1. **Open Meeting:** D. Parks, called to order 9:07 am
2. **Pledge of Allegiance**
3. **Approval of Meeting Agenda:** Motion to approve by GS, 2nd by DK. Approved
4. **Approval of B&F Committee Meeting Minutes of 11/29/23:** Motion to approve by CH, 2nd DK Approved
5. **Public Comments** - None
6. **Review of OPVFD 2024-25 budget.** Present for OPVFD – Joey Widgeon- Fire Chief; Steve Grunewald-Asst Fire Chief; Joe Enste – President; Dave Van Gasbeck – Vice President.
 - A. **Operating expenses were reviewed:** There is an increase of \$12k in the Department Uniform expense, \$3K 2023 to \$15K 2024. This is due to the necessity for new Class A uniforms. Turnout gear is increase \$10k for the new budget, \$30k to \$40k. This is because of the necessity to have new gear every 10 years. This will be a continuous expense for the next budgets as outdated gear is phased out. EMS expenses are up \$5k, \$44k to \$49k for extended warranties. Apparatus maintenance is up \$28k, \$70k to \$98k. This is due to unexpected repairs that could arise. Professional Fees were noted to be up by \$6k. This expense is for the company, PKS, who provides all legal financial guidance and tax filings as well as investment of OPVFD funds. This is their new fee.
 - B. **Compensation and related costs:** This shows increases in Salary; Employee Health insurance; Pension; Workers Compensation and EMS Training. It was noted that the Insurance deductions decreased by \$4500. This is due to some employees not utilizing OPVFD Health Insurance. There are 15 full time EMS/Fire fighters and one administrative person for a total of 16 full time employees. Part Time employees are on a call list and the number working fluctuates based on need to keep the require persons on duty at all times.
 - C. **Revenue:** EMS Billing revenue is anticipated to increase by \$46k to \$567k. County EMS revenue increased by approximately \$142k. A large portion of this is \$115k from a one-time supplement from the Covid year. Total revenue increase of \$188k. JV questioned if OPVFD had taken the OP recommendation to look into higher yield investments. DV stated that this was done with CDRs and T-bills.

- D. Capital Equipment:** OPVFD clarified the replacement issue regarding the Ferrara Pumper. It is unclear as to how the new motor scenario came to be. The fact is the Ferrara Pumper is being replaced as the life span of 20 years is ending. A new Pumper has been purchased with anticipated delivery in 2025. The cost is \$869k. Payment will not be made until delivery. It was noted by both SG & DV that apparatus material costs have increased and that is accounting for much of the increase in future estimated costs of equipment. They stated that they use Charles City Board of Fire and Rescue to provide the cost of the new equipment. They further stated this organization is well respected and does extensive studies to obtain the estimate costs.
- The contribution by OP for this 2024-25 budget to the Apparatus Replacement reserve is \$241K. DP summed it up that with the new contribution, the changes to how OPVFD puts monies into the reserve fund for apparatus replacement, in the next 2 years the reserve would increase to approximately 1.7ml and possibly higher. It was noted that the new pumper cost of \$869k would come out of this amount.
- JV advised that he would have SP update the Apparatus replacement reserve scheduled based on the meeting today.
- E. Requested Monies from OP:** The bottom line after review of the budget presented by OPVFD is a contribution to OPVFD by OP of \$987,345. The contribution amounts for this will be \$706,918 to operating funding and \$280,427 to Capital reserve for the \$987,345 total. This is an increase of \$3000 from the 2023-24 amount.

7. Review of Matt Ort Companies Food Services. Matt Ort in attendance

- A. Yacht Club:** Items of note included total revenue down \$106k from 2023-24 estimate with banquet food and regular beverage being the main cause of the down number. The number of banquets on the future banquet report showed some months with either no banquets or few banquets. MO stated that it is early and they are now starting to have a number of inquiries and tours of the facility. He fully expects this number to increase. MO clarified the Facility Rental line as the charge for adding a ceremony to the banquet event. He stated that he is now having a special for the banquets by omitting the ceremony charge if the wedding is booked by a certain date. Salary and wages costs are down for the next budget. MO attributed this to the hiring of good staff and how through the years he has learned how to better operate the Yacht club. Doing more with less, better efficiency. The final net operating for the Yacht Club is down \$53k from the 2023-24 final estimate for the year. MO & JV both stressed that the one issue that could affect the numbers is weather. MO stated that his main goal is to right size the budget. There was discussion on the appropriate place to account for the vendor rebates. SP to categorize the rebates in the revenue for next year's reports.
- B. Beach Club:** Net operating for the budget is down \$72k from the full year estimate for 2023-24, yet an increase of approximately \$16k from the 2023-24 budget. Again, MO stated his goal is to right size the budget and weather is the one uncertain item that can negatively affect the performance. Insurance cost showed a significant increase. This is an allocation by SP for each of the MOC locations.

C. **Clubhouse Grill:** No significant items. Net operating for the budget is down \$20k from the full year estimate for 2023-24, yet an increase of approximately \$7k from the 2023-24 budget.

8. Review of November 2023 financials: Because the November Financials were only available this morning and the committee did not have a chance to review prior to the meeting it was decided to have the committee review them after the meeting and send any questions to DP to forward to JV for response. Any issues would then be reviewed at the upcoming budget meetings in January.

9. Other questions/comments: None

10. Motion to adjourn: GS made motion; 2nd CH; Motion passed. Meeting adjourned at 11:04am