

BUDGET *from page 1A*

Cuts were not deep enough, citing a host of longstanding issues. Among them were concerns that administrative staff are making well above comparable districts, a scheduling model that is reliant upon overtime, supervisors seen as being overpaid for their work, and questions about sharing administrative costs with Siuslaw Valley Fire and Rescue.

“As I look at the budget, I share the view that somewhere in the past we got upside down with the compensation levels in this district — and I believe they’re unsustainable,” said WLAD board vice-chair Larry Farnsworth.

The meeting began with Schick giving an overview of the budget as proposed, with two caveats: It is unknown what union negotiations will eventually end up with in June, and what the long-term fallout from the COVID-19 shutdown will mean financially.

Schick reported that WLAD is on target for expenses and revenue ahead of projections, with predictions coming in around \$200,000 to \$300,000 more than initially projected.

“This is even with the effect of the pandemic,” he said. “Of course, we’re going to have to talk about COVID-19 and I’m going to look at impacts on the property taxes we receive, and on our transportation revenue.” Transportation revenue, which is collected from ambulance fees, for example, had been going up for the fiscal year. The result was an unanticipated increase in revenue prior to March, when things took a downturn as a result of the pandemic.

“The question is, is this our normal seasonal variation?” Schick asked.

Call volume has remained steady, though the types of calls may have changed.

“Instead of people wanting to be transported to the hospital, where we make revenue, they may just want to have a paramedic come and help them out, or do some minor assistance — and then we leave the patient at their home,” Schick said. “We’re happy to do this if it’s appropriate, but we don’t get any revenue from that.”

Later in the meeting, Farnsworth questioned if the region’s lack of tourism will affect transportation revenue.

“We don’t have the dunes open, we don’t have people need-

ing the assistance of our paramedics, we may see a shortfall,” he said. “We typically have many events during the year in Florence, and most of those events are being cancelled.”

Another potential COVID-related shortfall could be a drop in property tax revenue, though Schick pointed out that rate would have to drop 30 percent before it would begin to effect the already low threshold WLAD uses to determine taxes.

“Even if we did see the 30 percent decline in property value, it would only be a deferral,” he said. “The taxes owed would still remain the same. We assume at some point we would recoup [those tax dollars]. So, our conclusion, at least in the near term, is we won’t see an impact from the pandemic on tax revenue. We won’t know for certain until November. We might see a two percent decrease, but there’s a lot of unknowns right now.”

But Budget Committee member Joel Marks questioned whether or not people who were out of work could end up refusing to pay the tax if they were unable to afford it.

“Has the district thought about lowering their tax mileage?” Marks asked.

“I would be very reluctant to recommend a decrease in revenue at this point,” Schick replied.

Despite the projected low impact from COVID, WLAD has been plagued with financial issues for years. The last time WLAD had carryover cash from year to year was 2017. Since then, it’s been slightly under — and deficits continued to grow in the coming years, particularly when factoring in the district’s PERS unfunded liability.

Schick stated the reason for this was the last contract signed with the union.

“In the contract agreed to three years ago, it set the district on a path we feel is unsustainable,” he said. “Our current position is we cannot maintain the status quo without either a dramatic increase in revenue, which is very difficult to achieve, or a decrease in expenses. And that’s what you’re going to see with our proposed budget — a decrease in expenses.”

Approximately \$300,000 in cuts were proposed, beginning with a rate freeze for all employees, and no cost of living increase. Step raises are still to be determined, while bonuses for getting a Critical Care Paramedic certification will also be halted.

One of the biggest changes will be in health insurance, as WLAD will switch employee plans from a low-deductible to a high-deductible plan. VEBAs, which are similar to health savings accounts, will be removed, and the amount WLAD pays for dependent coverage will also be dropped from 90 percent to 50 percent.

“And then within our retirement (PERS) obligation, we propose changing the Individual Account Program from employer-paid to employee-paid,” Schick said.

To cover the costs of the lost benefits, employees would expect to see cuts in their own take home pay.

“We are absolutely aware of the tremendous impact it will have on our employees, and we didn’t come up with those proposals lightly,” Schick said. “We know it will be tremendously hard on everybody, but we’re just in a situation that we have to make some difficult cuts in order to assure we are sustainable for the long term.”

However, the proposed cuts are not set in stone. Labor contract negotiations were supposed to be finished earlier in the year, but the pandemic response moved the deadline to June 30 — the same day the district’s budget is due. Instead of a three-year contract, the two sides are only negotiating a one-year contract to allow time to determine the long-term impacts of the pandemic.

“With negotiations ongoing, we can’t predict what our final labor costs will be, but we put in our best estimate,” Schick said.

Some Budget Committee members questioned whether or not the benefit cuts were deep enough, with Marks asking if employee wages should actually be reduced this year in the event that individual taxpaying households can’t pay.

The meeting soon gave way to a host of concerns over how WLAD compensates its employees, with Farnsworth looking at fundamental flaws in work scheduling. He pointed to paramedics who work for 48 hours, then get 96 hours off.

“Our employees who come to work and work two full days a week get eight hours of overtime the first two days. Then they come back after their 96 hours off and get another day of overtime,” he said.

He mentioned the common use of optional overtime, used to

cover absent employees.

“Last year, the district had 7,418 hours of overtime that was used to backfill for vacation, sick leave, training, bereavement and military training. That’s a cost of \$282,431,” Farnsworth said. “Overtime should be exceptional services, unplanned events — cataclysmic events.”

He called into question what he stated was a business model based around overtime “for no other reason than the preference of employees.”

Compensation in relation to position responsibilities was also questioned.

“Honestly, I think we should get rid of that supervisor position and make it a lead position,” said Budget Committee member RJ Pilcher. “They’re supervising so few people. If they are truly managers, then we need to take them out of the role they are, put them on salary and have them do a manager’s role with more responsibility.”

Supervisors oversee around six employees, but Farnsworth pointed out that they do not have the ability to hire, fire or make capital decisions.

“You can’t have paramedics making \$90,000 a year and you can’t have supervisors making \$120,000 a year. When you look at the scope of responsibility for managers and supervisors, you don’t find anybody making that kind of money ...” he said. “That’s more money than physician’s assistants make in our community.”

Questions then turned to the Western Lane Fire and EMS Authority (WLFEA). WLAD and SFVR split the costs of WLFEA, which employs the administrative employees of both agencies, including Schick. WLAD pays 51 percent, while SFVR pays 49 percent. This is because WLFEA employees are stationed in SFVR’s main building, with WLAD’s extra 1 percent covering building costs.

“It’s awkward to have the fire district setting a budget the WLAD has to pay 51 percent of, and that probably could be done in a better format,” Farnsworth said. “But we’re still concerned that we’re paying 51 percent of basically a million dollars. What would it cost us to do that on our own?”

Farnsworth stated that WLAD has long had problems with personnel, “which drove us to the

IGA and this budget. I think it’s a fair question to see if we’re getting good value — or if the cost of substitution is a direction we want to go in.”

In particular, Farnsworth wanted to look at how much WLFEA’s administrative staff was being paid in comparison to other industries. He pointed out how some administrative staff received compensation between \$90,000 and \$100,000 annually.

“On average, our wages are 30 percent higher than competing services,” he said.

But WLAD board member Mike Webb pointed out that the employees had earned their salaries over time. In response to an example of a former employee, he said, “The reason she was paid as well as she was is cost of living increases and being a long-term employee of the district.”

Webb also pointed out that the employee also worked at a different time, when responsibilities were different, and that the district has grown since then.

Budget Committee chair John Murphey interrupted the conversation surrounding the larger issues surrounding compensation.

“I’m going to stop this conversation and get on my soapbox,” he said. “I have had a problem with the way WLAD has been doing business concerning the budget the last few years. Staffing and wages should be gone over.”

But he said those decisions should be left up to the WLAD board, not the budget committee.

“If the chief is going to recommend a raise for an employee, we should know that ahead of the budget document so we don’t get surprises, and that can all be said and done before it gets put into the budget. But it’s not the budget committee’s place to determine staffing and salaries for employees,” Murphey concluded.

“We’re not setting policy, but we certainly have an advisory role to give our opinions,” Marks said.

“You need to come to a board meeting, sign in, and speak to us as a board,” Murphey told him.

The conversation continued as Budget Committee members argued whether or not WLAD was setting enough money aside for PERS, and if enough had been done to decrease spending in the department itself.

As the committee prepared to vote on the budget, Pilcher announced he wouldn’t vote for it.

“Well, I just think that the contract we have right now is burying us, and things need to change drastically for the organization to survive,” Pilcher said.

He later added, “I honestly feel that this budget needs to be worked over more. I realize there’s negotiations going on. I feel that the proposed budget should reflect exactly what the district wants and its bottom line.”

Marks asked what would happen if the vote failed.

“We would plan another meeting and hopefully get some suggestions on what we need to change,” Schick said. “Keep in mind that with negotiations, that confuses the issue a lot.”

Murphey pointed out that if the budget was passed by the committee, the discussion would not end there. If union negotiations were to end before the board made a final vote, “the board has the ability to adjust the budget by a 10 percent margin — up or down,” he said

But if the budget did not pass, feedback would be sent to the chief, and another public meeting would be scheduled.

Webb, Budget Committee member Jodi O’Mara and WLAD board members Rick Yecny and Cindy Russell voted yes to approve the budget.

Farnsworth, Marks, Pilcher and Murphey voted against it, with Murphey casting the last deciding vote.

“So, we have a tie vote,” Murphey said, meaning the vote failed. “It’s a new land we’re in.”

Schick stated that he was not sure what another meeting would accomplish, as the union negotiations will still be ongoing and some of the issues discussed would not have a final resolution.

“Everybody, please send their emails to the chief,” Murphey said. “Remember that there are some things, like RJ talked about and the chief agreed with, about knocking some of the line items down. But that might only amount to \$20,000. So, we’ll see what they come up with, then have a budget meeting and start all over.”

The next budget meeting will be held Tuesday, May 26, beginning at 5 p.m.

For more information, go to westernlaneambulance.com.

COUNCIL *from page 1A*

Public Works Director Mike Miller started the evening by walking councilors through the background of Ordinance No. 6, Series 2020, requesting an amendment to city code by extending fees and waivers associated with development charges to incentivize development of affordable housing.

Miller also made the case for an expenditure of \$288,929 for an engineering and design services contract with RH2 Engineering Inc. The engineering services are needed to continue work on the Rhododendron Drive realignment project.

In addition, Miller asked the council to approve spending \$122,000 for a 2019 Vermeer Brush Chipper and a 2014 TrommAll 5100 Powerscreen used during roadside maintenance. He provided examples of the type of situations that arise regarding the need for both pieces of equipment, adding practical experience his department gained using the requested equipment.

“Vermeer is the go-to chipper for arborists, contractors and tree care crews that are looking to efficiently and effectively clear wood debris, limbs and handle material from small to medium diameters,” Miller said. “This particular model will chip material up to 12-inches in diameter. The City currently owns a small brush chipper that is only capable of handling small-diameter material (3-4 inches in diameter) and limbs.”

He said that Public Works staff was able to demonstrate the effectiveness of the Vermeer by chipping tree and brush debris at the river access park on Rhody Drive.

“The Vermeer BC 1000XL made quick work of the many debris piles that our volunteers created during their 145.4 hours of labor trimming, delimbing, removing dead trees, and removal of Scotch broom,” Miller said.

The council approved all of the funds requested.

Next, Florence Planning Director Wendy FarleyCampbell presented Resolution No. 9, Series 2020, requesting the council

to postpone the scheduled fee adjustments for local solid waste haulers.

Then, Community Economic Development Assistant Sarah Moehrke presented Resolution No 10, Series 2020, authorizing the city to apply for an Oregon Department of Transportation grant to be used for the Florence Transportation System Plan.

Councilors approved both requests.

City Recorder Kelli Weese rounded out the meeting with a presentation covering the steps that need to be taken, from the city’s perspective, by residents wishing to run for municipal office in the November 2020 election.

Weese went over the four main steps of the process and shared some general information about the city council and mayoral positions, providing these basic steps to be followed for those seeking office:

1. File prospective petition
2. Gather signatures
3. File completed petition

4. Follow campaign finance reporting requirements

There are two four-year term positions opening up at the end of the year on the Florence City Council, along with the two-year term of mayor.

The filing period for these positions runs from Wednesday, June 3, through Tuesday, Aug. 14.

At the end of the council meeting, Greene raised concerns regarding the use of face masks in public places, acknowledging the difficulty of implementing any regulations in that regard.

He also shared his unease at going to retail environments and seeing so many individuals without masks, particularly following the May 15 Phase One Reopening for Lane County.

Toward the end of the meeting, Councilor Lucio announced that she was married, receiving best wishes from Henry, Greene and Woodbury.

The Candidate Application Packet can be downloaded at ci.florence.or.us.



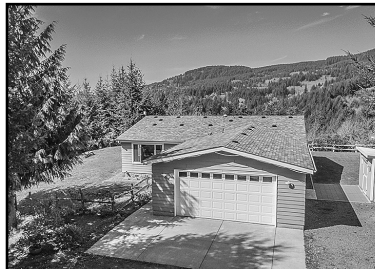
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