

**NEHALEM BAY FIRE AND RESCUE DISTRICT
BUDGET COMMITTEE MEETING MINUTES**

Thursday April 23, 2026

The Budget Committee met in person at the District's Station 13 headquarters, 36375 Hwy. 101 N, Nehalem, OR 97131, to review the proposed FY 2026-27 budget. Members of the public were invited to attend in person or via Zoom Meeting ID: 835 4069 8197 access code 161635; Zoom audio only (669) 444-9171.

I. CALL TO ORDER

Board President Mike Sims called the meeting to order at 3:03 p.m. In addition to budget committee members, also present were Fire Chief/Budget Officer Frank Knight III and Executive Assistant Kristen Coyle. No members of the public were in attendance. In addition to Sims, seven members of the committee were present at the time meeting commenced: Chuck Bridge, Dan Carroll, Meadow Davis, Bob Forster, Jim Neilson, Michael Sommers, and Lance Stockton. Dave Cram arrived at 3:08 p.m.

II. ELECTION OF CHAIR

Sims solicited nominations for the Budget Committee Chairperson.

Bridge nominated Davis to serve as Chairperson; Stockton seconded. Sims called for the question; the committee unanimously approved Davis's appointment as Budget Committee Chairperson 8-0.

Chair Davis asked Chief Knight to present the budget.

III. BUDGET MESSAGE PRESENTATION BY FIRE CHIEF

Knight read his Fiscal Year 2026-27 Budget Message. Highlights include Federal and State grants to fund specific personnel expenses, increases in personnel expenses as a result of a salary study and workers comp. insurance changes, and capital improvements to both stations. Knight explained that the budget book contains justifications for each line item within the District's three funds.

IV. PUBLIC COMMENT ON PROPOSED BUDGET

No public comment rendered.

V. OVERVIEW OF BUDGET BY BUDGET OFFICER

Knight reviewed the revenue justifications. He highlighted the property tax revenue calculation based on a 3% assessed value increase for existing structures and a 1% increase in District growth. in existing and other income items such as interest, rescue reimbursement, and fire contracts. Knight provided an overview of budgeted grant proceeds. He noted the FEMA Hazard Mitigation Grant for the solar panel / battery system project is carry-forward from FY 25-26; he clarified that the expenditures of the project are still forecasted to be incurred in FY 25-26, but the grant reimbursement will not occur until FY 26-27. He also explained the SAFER grant program and noted

the majority of the four-year grant proceeds will be exhausted by the end of FY 26-27. Finally, Knight noted a Wildfire Season Staffing grant from the State Fire Marshal is anticipated to be received in FY 25-26 to fund seasonal part-time employees during the May-October 2026 fire season.

Knight walked the committee through the Personnel Services justifications. He explained the full-time personnel wages have been increased to more closely align with those of a salary study conducted with seven coastal fire departments. He also explained the increase in the workers' comp. insurance is due to allocation changes unveiled during a carrier audit. Knight also highlighted the Length of Service Award Program (LOSAP) deferred compensation plan for volunteers.

Knight then walked the committee through the Material and Services appropriation within the General Fund. He noted several annual conferences which were held in Seaside in FY 25-26 will be held elsewhere in the state in FY 26-27, thereby driving increases in the training travel budgets. Knight noted that the Occupational Safety account includes funds for voluntary full NFPA (National Fire Protection Association) 1582 physicals. Carroll inquired if this program could offset workers comp insurance rates; Knight indicated he would follow up with the carrier.

Knight noted the fire prevention budget includes funds to replace the District's chimney cleaning supply inventory; discussion ensued regarding hold harmless agreements. In response to a question from the committee, Knight noted the solar panel project will allow for the "sale" of energy back to the grid. Knight noted the EMS Supplies budget has been this fiscal year in order to allow for replacement batteries for the LUCAS chest compression device. Discussion ensued regarding the stock of emergency supplies of various local entities.

In response to a question from the committee, Knight provided a brief status of the new Tillamook County communication system to be installed in the future. He noted the District's FY26-27 budget does not include purchases for new radios and pagers, as they will become obsolete when the new county system is installed. In response to a question from the committee, Knight noted the reasons a new flagpole being included in the building maintenance budget.

Within the capital expenditures appropriations, Knight noted the Station 13 HVAC replacement and land preparation costs at Station 11 for a future training facility.

Within the Debt Service Appropriation, Knight noted the fifth of seven annual lease payments for Timberwolf Type III Engine. Knight noted the interest rate used in the lease/purchase agreement is lower than the rate the District is getting in its Local Government Investment Pool (LGIP) account.

Knight then referenced forecasted future capital expenditures to be paid from the two reserve accounts. He explained it is a working forecast, not a budget. Knight explained the rationale for a \$55,000 contingency built within the General fund, and the justification of a 46% budgeted ending fund balance to carry meet cash requirements before November's receipt of property taxes.

In response to an inquiry from Cram, Knight noted budgeted versus forecasted vehicle sales for FY 2025-26. The meeting was turned back over to Davis.

VI. APPROVAL OF BUDGET AND TAX LEVY RATE

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Davis read a motion for the committee to consider:

1. To approve the 2026-27 budget in the amount of \$4,148,535 as follows:

General Fund

- Personnel Services \$1,490,863
- Materials & Services \$490,228
- Capital Outlay \$0
- Debt Services \$71,577
- Fund Transfers \$100,000
- Contingency of \$55,000

Total General Fund requirements of \$2,207,668

Equipment Reserve Fund

- Capital Outlay \$0

Construction Reserve Fund

- Capital Outlay \$132,000

Total Unappropriated and Reserve Funds \$1,808,867

2. To approve the tax rate of \$1.15/\$1,000 of assessed value to be imposed on assessed values for tax year 2026-27

Bridge made a motion to approve the motion as read by Davis; Forster seconded. Davis called for the question; motion passed unanimously 9-0.


VIII. ADJOURNMENT

Chair Davis turned the meeting over to board president Sims for final comments; no items were noted. The meeting adjourned at 4:21 p.m.

MINUTES APPROVED BY BOARD
May 21, 2026

ATTEST:


Dan Carroll, Director


Charles Bridge, Vice-President