ALFALFA FIRE DISTRICT

Business Meeting

Alfalfa Fire Station

25889 Alfalfa Market Rd., Alfalfa, OR
September 9, 2026 -6:00 p.m.

PLEASE MUTE OR TURN OFF CELL PHONE
https://us06web.zoom.us/j/81747213195?pwd=z8sICW7RYboqHyPRI0bCg9REcqYEJx.1

The meeting is accessible to people with disabilities and will be recorded.

"The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations should be made at least 48 hours before the meeting to: Alfalfa Fire District Phone: 541-382-2333 Email: info@afdist.org

AGENDA

1. Call to order / Pledge of Allegiance / Roll Call

2. Visitor Input / Public Comment

3. Reports

A. Review of Bills

4. Agenda items:

Old Business

A. Approval of invoice from SeaWestern for SCBA packs.

B. May 13, 2026 minutes. KTVZ has not provided permission to use their video for the minutes. Accordingly, written minutes will need to be drafted from the video they have on their website. Board will need to discuss who will be drafting those minutes for Board approval at the next regular Board Meeting.

New Business.

A. Officer Election. The Board will elect officers for the remainder of the fiscal year.

B. Fire Chief Interview Committee and Recruitment Schedule. The Board will discuss the creation of an Interview Committee and appoint members therein. The Board will also be discussing a schedule for the recruitment and selection of a Fire Chief.

C. Consideration of August 10, 2026 "Operational Assessments and Strategic Recommendations for Board Consideration. This will be an opportunity for the Board of Directors to discuss the document received by members of the public at the August 10, 2026 business meeting, and what actions they would like to take as a result thereof.

D. Bank Records. The Board has received request to make its financial records openly available online. This would be a new policy for the Board to consider. Typically, bank records have been reviewed by the Board at the meeting; however, not part of the actual packet.

E. Accuity Engagement. Update on the work with Accuity, LLC for providing financial audits for years ending in 2024, 2025, and 2026.

F. Agendas. Agendas are currently posted online as required by law. In addition, the Board has posted meeting agendas on Facebook and community bulletin boards. Based on these postings being done by volunteers, these postings are not consistent. The Board of Directors will discuss what policy it would like to institute regarding the posting of Agendas.

G. Public Comment. The Board will discuss a proposal regarding the timing of the public comment period within the public meeting.

H. Training Opportunities. Attorney Reid will discuss public meeting training for the Board to consider.

I. Rural Fire Protection Agency Strategy. Councilor Laucks wants to discuss the option of converting to a Rural Fire Protection Agency.

Board member reports/comments:

-- Dustin Piggott -- Carolyn Chase -- Mark Laucks –Robert Kathman – Melody Holliday

Adjourn The next board meeting will be Wednesday, October 14, 2026 @ 6 PM.

Invoice

MES | SeaWestern

(877) 637-3473

Invoice #	IN2573713
Date	08/25/2026
Customer #	C270906
PO #	Chief Chad Lavallee 12.8.2025
Sales Rep	Settles, Alan

Bill To
ALFALFA FIRE DISTRICT
25889 ALFALFA MARKET RD
BEND OR 97708
United States

Ship To
ALFALFA FIRE DISTRICT
Chad Lavalle
25889 ALFALFA MARKET RD
BEND OR 97708
United States

Item	Description	QTY	Units	Back Ordered	Unit Price	Amount
Scott X3	SCOTT X3 Pro Scott X3 3M I Scott Air-Pak X3 Pro SCBA NFPA 1981/1982, 2018 Edition Ordering Part Number: X8914026005304	17			$7,045.00	$119,765.00

Order: SO38932

Subtotal	$119,765.00
Shipping Cost	$0.00
Tax Total	$0.00
Total	$119,765.00
Amount Due	$119,765.00

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.
Custom orders are not returnable.
All payments must be clearly marked with the Customer and Invoice numbers. Payments not marked will be applied to the oldest invoice first.

PLEASE NOTE OUR REMITTANCE ADDRESS HAS CHANGED AND CHECKS WILL BE RETURNED IF NOT SENT TO THE ONE ON THE REMITTANCE SLIP.

Wire/ ACH:
Routing#: 121000248
Acct#: 4865475180
Bank Name: Wells Fargo Bank, N.A.

Wire/ ACH Remittance Advice: AR@MESLIFESAFETY.COM
Please include Customer# and Invoice#

Please call us for invoice questions:
1-877-MES-FIRE (1-877-637-3473)

IN2573713

Remittance Slip

Customer	C270906 Alfalfa Fire (OR)
Invoice #	IN2573713
Amount Due	$119,765.00
Amount Paid	____________

Make Checks Payable To

MES SERVICE COMPANY LLC
PO BOX 851792
MINNEAPOLIS, MN 55485-1792

JERED REID
OSB #112155
jeredwreid@gmail.com

LAUREN M. KAUFFMAN
OSB #203293
lkauffmanlaw@gmail.com

REID KAUFFMAN

Madras Office
35 SE C Street, Suite D
Madras, Oregon 97741
541.475.1111

Prineville Office
545 NE 7th Street
Prineville, Oregon 97754
541.447.3910

To: Alfalfa Fire District
From: Jered Reid
Date: September 9, 2026
Re: Alfalfa Fire District Chief Selection

The Board discussed the creation of an Interview Committee at its September 2, 2026 Special Meeting. The Board discussed creating an Interview Committee made up of six members. This committee would interview the candidates on September 23, 2026 and make a recommendation of two candidates for the Board to interview. Potentially, the Board of Directors would meet on September 30, 2026 to interview the two candidates recommended by the Interview Committee.

Interview Committee. The Board discussed creating six members: Don Willis and David MacKenzie joined by two Directors and two fire chiefs from the Central Oregon area. Melodie Holliday has already volunteered to be on the Committee. Mr. Laucks will be presenting fire chiefs who have volunteered and are available.

The Committee will need to be approved and members appointed. Additionally, a schedule will need to be adopted. On September 2, 2026, the Board discussed the following:

- September 23, 2026 – Interview Committee interviews four candidates and makes recommendations of two candidates.
- September 30, 2026 – Board of Directors meets to interview the recommended candidates. The public would have an opportunity to comment on the candidates. The Board then would determine which candidate to make a conditional offer to.
- October 14, 2026 – Fire Chief is announced

August 10, 2026

ALFALFA FIRE DISTRICT

OPERATIONAL ASSESSMENTS AND STRATEGIC RECOMMENDATIONS FOR BOARD CONSIDERATION

The Alfalfa Fire District operates as a volunteer fire district supported by a part-time manager/fire chief. This operational model reflects the financial limits of our regular tax base and defines the scope of services the district can safely and affordably provide.

First and foremost, we express our profound gratitude to our volunteer firefighters. They are the true heroes of our community, and their dedication to our safety is invaluable.

While we recognize that the volunteer Board of Directors has attempted to expand district services through short-term funding opportunities, efforts that were initiated with good intentions, the district has repeatedly failed to analyze the long-term costs and administrative resources required to sustain these expansions. Consequently, the board has overextended its management capacity, bypassed critical legal requirements, and placed the financial and physical safety of the district in jeopardy.

Specific areas of concern include:

- Deploying personnel and aging equipment out-of-state for wildfire response to generate revenue, leaving our immediate taxpayers vulnerable and accelerating the wear on equipment nearing the end of its serviceable life.
- Utilizing primary emergency vehicles for commercial, out-of-district medical transports. This practice leaves our community without an ambulance and down two vital personnel, without a clear cost-benefit analysis regarding the administrative overhead required for insurance, hospital, estate, and legal billings.
- Operating an active training facility without securing the necessary local building and occupancy permits, exposing the district to immense liability.
- Constructing a dormitory, exterior deck, and exit stairways completely outside of the mandatory regulatory process, lacking both building permits and occupancy certification.

To protect our firefighters, our taxpayers, and the structural integrity of the Alfalfa Fire District, the board must immediately halt these unpermitted expansions, address outstanding legal non-compliance, and return its focus to the core, sustainable services our community relies upon.

FOLLOWING ARE EXAMPLES OF FAILURES OF THE BOARD THAT REQUIRE IMMEDIATE CORRECTION:

AUDIT REPORTS TO THE STATE: The District is currently facing a critical regulatory crisis due to repeated failures to comply with basic state financial oversight.

- The board failed to submit mandatory annual financial audit reports to the State of Oregon as strictly required under Oregon Revised Statutes (ORS) Chapter 297.
- This administrative failure has occurred consecutively for three years, ignoring multiple official warning letters sent by the state to the board following the first missed deadline.
- Because of this prolonged neglect, the state has issued a formal notice to the county to initiate the legal dissolution of the district.

- The fire chief appears to have hired his wife as a full-time district employee. According to a letter from the chief to the state, this hiring action was executed with the explicit consent and approval of the Board of Directors.
- The salary for this full-time position was funded using the proceeds of a state grant, raising serious compliance questions regarding the proper allocation of public grant funds.
- As a direct result of this hiring arrangement, it is reported that the Alfalfa Fire District is currently under active investigation by the state for nepotism and ethics violations.
- Allowing a conflict-of-interest hiring of this magnitude violates standard public ethics laws, jeopardizes future state grant eligibility, and creates massive legal and financial liabilities for the district.
- The Oregon State Fire Marshals office, Citing multiple ongoing investigations including the nepotism charge, decided not to grant a summer wildfire grant to the district

UNSUSTAINABLE AMBULANCE SERVICE AND COMMERCIAL OPERATIONS: The board's implementation of an ambulance transport service relies on volatile funding, creates local coverage gaps, and operates at a financial deficit.

- The ambulance service is entirely funded through short-term state grants. It has no permanent funding mechanism within the district's regular tax base, making its long-term survival impossible.
- The district is only authorized to provide Basic Life Support (BLS). It lacks the certification, advanced equipment, and specialized personnel required to provide critical Advanced Life Support (ALS).
- The district spent $43,000 on a single motorized gurney. This massive capital outlay was made without a clear return on investment or a sustainable budget to back it up.
- The district conducts commercial, out-of-district transport services between Redmond and Bend. During these long trips, our community is left entirely unprotected, with zero local ambulance coverage and two vital personnel away from the district.
- The board estimates an annual income of just $15,000 from these transports. Simply paying off the loan for the $43,000 gurney completely wipes out nearly three full years of this projected revenue. It is not clear if personnel are paid for services on these transports.
- It is not clear if the board launched this program with any consideration for the management costs required to handle complex medical billings, collections, and legal correspondence with insurance companies, hospitals, and estates.

LADDER TRUCK: The acquisition of a ladder truck represents an egregious misuse of district resources, as this specialized apparatus serves no practical function within our rural community.

- Ladder trucks are designed for high-density urban areas. They are utilized for second-alarm responses to multi-story high-rise buildings and expansive commercial roofs—neither of which exist within the Alfalfa Fire District.
- A ladder truck requires a continuous, high-volume connection to a pressurized municipal fire hydrant system to operate its elevated master streams. Our district entirely lacks the hydrant infrastructure necessary to support this vehicle.

- Major fire apparatus and emergency response vehicles appear to be bought and sold with the minimum of transparency and apparently without the mandatory legal requirements for public property disposal, including formal declarations of surplus, professional appraisals, and public auctions.

VOLUNTEERS SERVING AS BOARD MEMBERS:

Serving simultaneously as a Fire District Board member and a volunteer firefighter creates an inherent conflict of interest that compromises objective governance. This dual role disrupts the essential chain of command, resulting in a structural paradox where a board member acts as a policymaker who oversees the Fire Chief, yet simultaneously serves as a volunteer field firefighter who answers to that same Chief. When the board makes critical decisions on the annual budget, gear and equipment allocation, or personal safety rules, these individuals face an unavoidable conflict between the district's broad fiscal responsibilities and their own hands-on operational interests as firefighters. This overlapping authority blurs the lines of accountability, risks creating double standards in training or enforcement, and ultimately damages public trust during a period when the Alfalfa Fire District must prioritize strict financial compliance and absolute transparency.

RECOMMENDATIONS:

1. Make a comprehensive or strategic plan outlining the district's capabilities, goals and objectives. Revisit the plan annually and include it as the foundation for the budget process. Examples of planned improvements to include:
    a. In lieu of physical ambulances, Provide comprehensive medical kits including AEDs to be stored at volunteers homes withing the district and in a response vehicle stored at the station
    b. Install 10,000 gallon fire water storage cisterns at the fire station and throughout the district.
2. Inventory all existing apparatus and a list of apparatus that the district should acquire to best serve the needs inside the district boundaries.
3. Create at least one annual 1st class newsletter that would also serve as public notice of the planned critical dates for the budget process.
4. Create a budget calendar. The budget calendar would include planned dates for each critical date of the budget process as mandated by state law including:
    a. Public notice annual mailer (mid March)
    b. Appointment of Budget Officer and Budget Committee (mid April)
    c. Distribution of first draft of the budget (end of April)
    d. Budget Committee Meeting (mid May)
    e. Budget Hearing (mid June)
    f. Budget resolutions to the county (early July)
5. Revise district policies to limit out of district responses only to adjacent districts where the AFD has existing mutual aid agreements.

6. Return to seven day advance public notice for meetings. If special meeting times do not align with the current red neighborhoods signs indicating “This Wednesday” make special alternate accommodations as needed.
7. All items handed out at public meetings to be posted to district website along with the meeting minutes (or video) no later than one week after public meetings. Typical items include financial records (bank statements and general ledger reports), chiefs report and resolutions.
8. Update district policies to exclude volunteer fire fighters from being board members.
9. Sell the ladder truck.
10. Sell both ambulances.
11. Sell the motorized gurney.
12. District apparatus shall not be stored off site without appropriate contractual agreements and insurance coverage.

DISTRICT ELECTORS IN SUPPORT:

John Brooks, Deschutes Rd
Ole Olsen, Deer Ln
Ian Walker, Cultus Ln
Dave Henneman, Cultus Ln
Robin Rudiger, Fremont Rd
Whitney Griffin, Bachelor Ln
Megin Brooks, Deschutes Rd
Brent Sullivan, Cultus Ln

Sarah Linden, Cultus Ln
Gabriele Mimler, Alfalfa Market Rd
Denis Sieben, Cultus Ln
Roxy Andrade, Cultus Ln
Ted Rudiger, Fremont RD
Val Shewell, Juniper Rd
Justin Wilks, Elk Ln

- To put this acquisition into perspective, the City of Prineville—which features a significantly larger population, commercial core, and multi-story structural footprint—does not own or operate a ladder truck because their infrastructure does not justify it.
- Purchasing and maintaining an urban aerial apparatus consumes vital maintenance funds and occupies valuable bay space that should be dedicated to brush trucks, tenders, and engines suited for a rural tax base.

DENIAL OF PUBLIC RECORDS ACCESS AND TRANSPARENCY VIOLATIONS: The board fails to comply with mandatory transparency standards, actively withholding critical financial and governing documents from the public website.

- While the district uploads basic meeting minutes to its public website, it fails to include the vital supplemental documents distributed and discussed during those meetings.
- Taxpayers are blocked from digital oversight because the board does not post the financial ledgers, budgets, and expense reports that correspond with public meeting agendas.
- Official resolutions—which carry the weight of local law—are passed and noted in minutes, but the actual written text of these policies is entirely withheld from the website.
- Failing to make these foundational records accessible alongside meeting minutes is a violation of Oregon Public Records Law (ORS Chapter 192), denying electors of their statutory right to monitor local government and exposing the district to formal legal penalties.

VIOLATIONS OF OREGON PUBLIC MEETING LAWS AND ASSET MISMANAGEMENT: The board has consistently compromised public oversight by failing to provide adequate notice, hiding meeting access, introducing unlisted agenda items, and possibly liquidating public assets in secret.

- The board routinely posts different versions of meeting agendas on physical community bulletin boards than what they upload to the public website, creating confusion and spreading contradictory information.
- The district abruptly shortened its public notification window. It formerly provided a transparent seven-day advance notice for agendas and on-site signage, but has recently reduced this timeline to a bare-minimum 48 hours, limiting the community's time to prepare.
- The physical "Meeting This Wednesday" notification sign is posted late – or not at all if a meeting occurs on a different night of the week, failing to give a consistent and reliable alert to residents.
- Online meeting links are buried deep within uploaded PDF files as impossibly long text strings. To ensure open access, a standardized, static virtual shortcut must be prominently featured on the homepage of the Alfalfa Fire District Website.
- The board regularly introduces, debates, and passes resolutions that were omitted from the published public agenda, a practice that deprives taxpayers of their right to witness or testify on local policy decisions. One example is a resolution from a recent meeting to pour concrete floors in the training facility boxes.
- Published topics are obfuscated to hide significant actions from public scrutiny. The board lists abstract resolution numbers with no written descriptions, or uses brief phrases like "Discuss Juniper Acres" instead of explicitly disclosing a massive, 70,000-acre territorial expansion.

- This failure is not a minor administrative oversight. It represents an existential threat to the district's legal existence and its ability to protect the community.
- The district remains delinquent on the 2024 and 2025 reports.
- The 2026 report is due in December 2026. Failure to submit this upcoming report will prompt the state to issue an immediate third dissolution mandate to the county.

TRAINING FACILITY: The district appears to operate a black smoke training facility behind the station. The facility consists of six shipping containers bolted together and stacked two high and is used for live smoke training purposes by the district, the community college, Bend Fire and Rescue, and possibly others.

- The county building department shows no records of building permits or occupancy permits for the facility so it appears that it is being operated illegally.
- The District projects an income of $2,000 per year from the community college, but none from other agencies. There is no reporting available on income from the use by other agencies.
- The costs to pay training personnel construct, operate, manage and maintain the facility have not been disclosed.

NON-COMPLIANT AND FINANCIALLY VIABLE CROOK COUNTY ANNEXATION: The board's attempt to expand the district's boundaries into Crook County bypassed necessary voter engagement, violated statutory mileage limits, and created immediate illegal tax liabilities. The board also appears to have promised Juniper Acres residents a new fire station and apparatus.

- The board failed to properly inform or engage existing district electors. While meeting agendas listed "Discuss Juniper Acres," they omitted the legally consequential words "annex" or "annexation."
- Under Oregon boundary change rules (ORS 198), fire district annexations are limited to seven road miles from the existing district. This statutory cap would limit any legal annexation to roughly one-third of Juniper Acres, yielding a meager $4,500 in new tax revenue.
- The boundary change that the District submitted to the State of Oregon exceeded legal annexation limits severalfold. The board attempted to absorb 70,000 acres in Crook County, including territory on the east side of the Prineville Reservoir.
- Much of this unauthorized 70,000-acre expansion consists of Bureau of Land Management (BLM) land. This land generates zero local tax revenue, forcing local taxpayers to subsidize protection for federal acreage that is already funded through federal taxes.
- The expansion offers virtually no practical benefit to Juniper Acres residents. Emergency response times exceed 40 minutes, the distance is too far to qualify homeowners for fire insurance discounts, and the tax yield cannot fund a new station, equipment, or management.
- By failing to follow the mandatory legal steps for a boundary change or expansion, the district filed non-compliant paperwork with the state. This administrative failure has caused numerous Crook County residents to be illegally taxed.

NEPOTISM AND STATE INVESTIGATION: The board's hiring practices appear to have violated basic conflict-of-interest standards, exposing the district to severe regulatory scrutiny and ongoing state investigation.

April 06, 2026

Management and Those Charged with Governance
Alfalfa Fire District
25889 Alfalfa Market Rd
Bend, OR 97701

We are pleased to confirm our acceptance and understanding of the services we will provide for Alfalfa Fire District for the year ended June 30, 2024.

You have requested that we prepare the modified cash basis financial statements of tle governmental activities, each major fund, and the remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Alfalfa Fire District as of and for the year ended June 30, 2024, and perform a compilation engagement with respect to those financial statements..

Our Responsibilities

The objectives of our engagement are to:

1. Prepare financial statements in accordance with the modified cash basis of accounting based on information provided by you.
2. Apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with the modified cash basis of accounting.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care, when preparing the financial statements and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, conclusion, nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the District or noncompliance with laws and regulations.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities since performing those procedures or taking such action would impair our independence.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with the modified cash basis of accounting and to assist you in the presentation of the financial statements in order for the statements to be in accordance with the modified cash basis of accounting. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of the modified cash basis of accounting as the financial reporting framework to be applied in the preparation of the financial statements.
2. The preparation and fair presentation of financial statements in accordance with the modified cash basis of accounting and the inclusion of all informative disclosures that are appropriate for the modified cash basis of accounting.
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
4. The prevention and detection of fraud.

5. To ensure that the District complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
7. To provide us with:
   - Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
   - Additional information that we may request from you for the purpose of the compilation engagement.
   - Unrestricted access to persons within the District ofwhom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

As a part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. Circumstances may arise in which it is necessary for us to modify our report or withdraw from the engagement. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, to obtain our permission to do so.

Other Relevant Information

Glen Kearns is the engagement partner and is responsible for supervising the engagement and signing the compilation report or authorizing another individual to sign it.

Fees for our services are based on the value of the services provided plus direct out-of-pocket expenses. We estimate that our fees will be $4,000. Payments for services are due when rendered and interim billings may be submitted as work progresses and expenses are incurred. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination, and we will not be liable for any damages that occur as a result of our ceasing to render services.

Venue of all matters arising from this agreement, this engagement, and subsequent engagements shall reside in Albany, Linn County, Oregon.

Any dispute, controversy, or claim arising out of this agreement shall be settled by binding arbitration under the arbitration rules of the Linn County Circuit Court. There shall be one arbitrator selected from the Circuit Court Panel of Arbitrators and the proceeding shall follow the Oregon Rules of Civil Procedure. The arbitrator shall have the authority to award any remedy or relief that an Oregon court could order or grant, including, without limitation, specific performance of any obligation created under this agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process, except that the arbitrator shall not have authority to award punitive damages or any other amount for the purpose of imposing a penalty as opposed to compensating for actual damages suffered or losses incurred. With respect to any action relating to this agreement, the prevailing party shall be entitled to recover from the losing party its reasonable attorney's fees, paralegal fees, expert fees, and all other fees, costs, and expenses actually incurred and reasonably necessary in connection with such action as determined by the arbitrator.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to Alfalfa Fire District and believe that this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign it where indicated below and return it to us.

Very truly yours,

Glen Kearns — April 06, 2026

Glen Kearns — Date

Accuity, LLC

RESPONSE:

This letter correctly sets forth the understanding of Alfalfa Fire District.

Chad LaVallee — 04/06/2026

Chad LaVallee — Date

April 06, 2026

Management and Those Charged with Governance
Alfalfa Fire District
25889 Alfalfa Market Rd
Bend, OR 97701

We are pleased to confirm our understanding of the services we are to provide to Alfalfa Fire District for the year ended June 30, 2024.

We will apply the procedures described in the attachment to this letter. By signing this engagement letter, you agree to those procedures and acknowledge that the procedures to be performed are appropriate for the intended purpose of the engagement, which is compliance with ORS 297.435. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the AICPA. Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgment that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. A refusal to provide such agreement and acknowledgment will result in our withdrawal from the engagement. No other parties will be requested to agree to the procedures and acknowledge that the procedures performed are appropriate for their purposes. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Because the agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the items tested in accordance with ORS 297.435. In addition, we have no obligation to perform any procedures beyond those to which you agree.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to management and those charged with governance. If we encounter restrictions in performing our procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our report. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. You understand that the report is intended solely for the information and use of management and the Oregon Secretary of State Audits Division and should not be used by anyone other than these specified parties.

There may exist circumstances that, in our professional judgment, will require we withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement.
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representations, or we conclude that the written representations provided are otherwise not reliable.
- We determine that the description of the procedures performed or the corresponding findings are misleading in the circumstances of the engagement.
- We determine that restrictions on the performance of procedures are not appropriate.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, should any such matters come to our attention, we will communicate them in accordance with professional standards and applicable law. In addition, if, in connection with this engagement, matters come to our attention that contradict the items tested in accordance with ORS 297.435, we will communicate such matters to you.

You are responsible for the items tested in accordance with ORS 297.435. In addition, you are responsible for providing us with (1) access to all information of which you or the appropriate party are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request from the appropriate party for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the items tested in accordance with ORS 297.435.

Glen Kearns is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fees for these services will be based on the value of the services rendered, plus out-of-pocket expenses. We estimate that our fees for these services, including out-of-pocket costs (such as report reproduction, typing, postage, copies, and travel), will be $8,500. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

Our invoices for these fees will be rendered as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

If this engagement letter is written in support of any existing bid or contract, in case of any conflict between such agreement and this letter, this letter will control.

If any of the above sections or clauses are held to be invalid for any reason, or are declared to be null and void, all other sections and clauses of this agreement shall remain valid, will not be nullified, and are hereby further affirmed.

Venue of all matters arising from this agreement, this engagement, and subsequent engagements shall reside in Albany, Linn County, Oregon.

Any dispute, controversy, or claim arising out of this agreement shall be settled by binding arbitration under the arbitration rules of the Linn County Circuit Court. There shall be one arbitrator selected from the Circuit Court Panel of Arbitrators and the proceeding shall follow the Oregon Rules of Civil Procedure. The arbitrator shall have the authority to award any remedy or relief that an Oregon court could order or grant, including, without limitation, specific performance of any obligation created under this agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process, except that the arbitrator shall not have authority to award punitive damages or any other amount for the purpose of imposing a penalty as opposed to compensating for actual damages suffered or losses incurred. With respect to any action relating to this agreement, the prevailing party shall be entitled to recover from the losing party its reasonable attorney's fees, paralegal fees, expert fees, and all other fees, costs, and expenses actually incurred and reasonably necessary in connection with such action as determined by the arbitrator. Our audit engagement ends upon delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new specific engagement letter for that service.

We appreciate the opportunity to be of service to Alfalfa Fire District and believe that this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign it where indicated below and return it to us.

Very truly yours,

Glen Kearns　　　　April 06, 2026

Glen Kearns　　　　Date

Accuity, LLC

RESPONSE:

This letter correctly sets forth the understanding of Alfalfa Fire District.

Chad LaVallee　　　　04/06/2026

Chad LaVallee Date

ATTACHMENT

The type of procedure is noted in parentheses after each procedure or procedure category and includes the following:

I -- Informational/Procedural

A -- Accounting/financial reporting

IC -- Internal Control over either accounting/financial reporting or compliance

C - Compliance

OBTAIN AND REPORT GENERAL INFORMATION (I)

(a) Municipal Corporation Name

(b) Fiscal Year-End date (Month XX, 20XX)

(c) Municipal corporation type and Oregon Statute of formation (for example: Water District, ORS 264)

FINANCIAL REPORT

(a) Obtain a copy of the municipal corporation's financial report.

(b) Threshold Calculation (I): For the purposes of performing these procedures, calculate a threshold where the threshold equals total expenses multiplied by five percent. Total expenses are the total primary government expenses reported on the government-wide statement of activities, including depreciation if applicable to the basis of accounting used. If the municipal corporation reports only Proprietary funds, expenses for the purposes of calculating the threshold include operating and non-operating expenses.

(c) Compare amounts reported on the financial report to the municipal corporation's general ledger/trial balance used to prepare the financial report plus all the adjustments to the financial report basis. Inspect any differences greater than the calculated threshold and inquire of management about the reason for difference(s). The accountants' report should include a list of the reporting categories (for example: Materials and Services, or Accounts Payable) and management's description justifying the differences noted. (A)

(d) Does the financial report include the names and addresses of officers of the municipal corporation and members of its governing body? (A)

(e) If a special district, does the financial report include the name and address of the registered agent or the fact that one has not been designated? (OAR 162-040-0095)

(f) Does the financial report include the statements and schedules required by GAAP as dictated by GASB and considering the basis of accounting used? (A)

(g) Does the financial report include a budget to actual schedule for each fund for which budgets are legally required? (OAR 162-040-0060) (A/C)

(h) Does the financial report include management's representations regarding compliance required by rule? (OAR 162-040-0096) (C)

OPERATIONS, POLICIES + PROCEDURES

(a) Obtain and inspect the municipal corporation's written policies and procedures and determine whether they address each of the categories listed in subsection (b): (IC)

(b) A municipal corporation's written policies and procedures should address each of the following topics:

A. Budgeting
B. Purchasing
C. Disbursements
D. Receipts/collections
E. Payroll/personnel
F. Contracting + procurement
G. Travel and expense reimbursement
H. Credit cards (debit, fuel cards, P-cards)
I. Ethics
J. Debt service

(c) Report Y or N next to each category, or report N/A if the category does not apply to the municipal corporation.

PUBLIC MEETINGS (C)

(a) Public meetings are generally governed by ORS 192.610 to 192.695.

(b) Obtain access to (or copies of) meeting minutes of the governing body.

(c) Haphazardly select two meetings held during the reporting period and perform the following:

A. Was required notice given?
B. Did the notice include an agenda?
C. Was there a process for public comment?
D. If a portion of the meeting was closed to the public, determine that:

(i) before the meeting was closed, the reason for holding the closed meeting was documented in the meeting minutes and a roll call vote was taken,

(ii) the reason for closing the meeting was permitted under statute.

ACCOUNTING RECORDS

(a) Inquire of management regarding whether policies and procedures are current and reflect the operations in place during the reporting period. Report management's response. (I)

(b) Inquire of the governing body chairperson whether they receive periodic financial information updating them on budgeted vs. actual spending and report the chairperson's response. (I/IC)

(c) Inquire of the governing body chairperson whether the governing body, or certain members of the governing body, approves payments and contracts and report the chairperson's response. If not, report the position title approval authority is delegated to. (IC)

RELATED PARTIES (A/IC)

(a) Obtain a list of payments during the reporting period by payee/vendor.

(b) Inquire of management whether any of the payees listed are related parties (as defined in standards).

(c) Recalculate payments to related parties and report the total paid to each party, and the nature of the payments (for example: goods or services, reimbursement).

PAYMENT CARDS (A/IC)

(a) Obtain from management a complete listing of all active payment cards (i.e., credit cards, purchase cards) for the fiscal period, including the name(s) of the person(s) who maintained possession of the cards.

(b) Haphazardly select one month and request the monthly statement from each active card (but not more than 5 cards) and observe whether:

(A) The card had assessed finance charges or late fees. Report amounts if applicable.

(B) The monthly statement was reviewed and approved for payment, in writing by someone other than the cardholder (for example: initials and date, or electronically approved, approved as noted in the governing body meeting minutes).

PROPERTY TAXES (A)

(a) If the municipality receives property tax revenue perform the following:

(b) Obtain a property tax revenue schedule or turnover report from the municipality.

(c) Report the property tax revenue received by type (for example: permanent rate tax, local option tax).

(d) Trace amounts to the financial records, such as the trial balance or general ledger.

FUND BALANCE/NET POSITION (A)

(a) Agree beginning fund balance/net position to prior year ending fund balance/net position and reconcile any differences.

(b) If there are any changes to beginning fund balance/net position, confirm that the financial report discloses the changes to fund balance/net position and the reason for the difference (for example: error, implementation of new accounting policy, change in accounting estimate, change in reporting entity).

REVENUE -- CHARGES FOR SERVICES (A)

(a) If the municipal corporation reports charges for services, perform the following:

(b) Obtain the fee schedule(s).

(c) Haphazardly select a sample of 10 transactions (or transactions totaling the calculated threshold, whichever is less).

(d) Based on the fee schedule(s), recalculate the charges for services.

PAYROLL (A)

(a) If the municipal corporation has employees, perform the following:

(b) Calculate the amount of payroll expenditures for the reporting period (year) compared to total operating costs. If payroll expenditures are greater than 20 percent of annual operating cost, perform the following:

(A) Obtain all payroll checks or direct deposit records, but not more than five, for one haphazardly selected month during the reporting period. Compare the names and pay rates to employee records.

(B) Obtain a listing of employees and officials employed during the fiscal period. Haphazardly select five employees or officials (or all, if fewer than five) and obtain related paid salaries or pay rates and personnel files. Person(s) with the ability to enter payroll or who approves payroll related payments must be included in the sample selected.

(i) Agree annual paid salaries and bonuses to authorized salaries/pay rates in the personnel files.

(ii) Observe that individuals selected and receiving pay have a corresponding personnel file and were employees or officers during the reporting period.

CASH (A/IC/C)

(a) Obtain a listing of all bank accounts from management.

(b) Obtain year-end statements and trace ending balances to the year-end bank reconciliations. If possible, the year-end statement should be viewed via online account access as confirmation.

(c) If the independent accountant can view accounts online, vouch that each account listed online was included in the list of accounts provided by management.

(d) For each depository account, obtain the year-end bank reconciliation and one additional month's reconciliation, haphazardly selected from a different quarter, and observe whether:

(A) Reconciliations were prepared and reviewed within 2 months of the related statement's closing date. If not, report the date prepared and reason given by management for why the reconciliation was prepared after two months.

(B) The statement balance traces to the reconciliation.

(C) The reconciled book balance traces to the general ledger and the trial balance or summary schedule.

(D) Mathematically, the reconciliation and detailed supporting schedules are accurate.

(e) Obtain a check register for the fiscal year and confirm if there are any gaps in check numbers issued during the year. Account for all voided checks by obtaining supporting documentation (for example: voided check).

(f) Inquire of the municipal corporation whether they are required to maintain any separate bank accounts for a particular fund, program, loan, grant, or other purpose. If yes, observe whether the municipal corporation maintains a separate bank account as required.

(g) If account(s) were opened or closed during the year (determined by comparing the current listing to prior years), inspect the minutes of the governing body and observe that the decision(s) are included. If approval authority is delegated to open and close accounts and not approved by the governing body, report the position title that authority is delegated to only if there were new or closed accounts during the year.

(h) Determine whether deposits are covered by Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) insurance or deposited with institutions participating in the public funds collateralization pool. (ORS 295 -- Depositories of Public Funds and Securities)

DEBT (A/C)

(a) Obtain a complete list of debt (loans, mortgages, bonds, notes, or other debt instruments) and management's representations that the listing is complete.

(b) Obtain supporting documentation for all newly issued debt (new during the engagement period and fiscal period reported) and carried forward debt.

(c) Reconcile new debt to the list of debt, and the list of debt to the reported amount(s) on the financial report, as applicable.

(d) Inquire of management about any debt covenants, such as a required cash reserve or coverage ratio. If such covenants exist, report the requirement(s) and report management's responses on:

(A) how the entity monitors the requirement(s) and

(B) whether the municipal corporation met the requirement(s) throughout the year.

LOCAL BUDGET LAW (C)

(a) This section describes procedures over compliance with legal requirements relating to the preparation, adoption, and execution of the annual or biennial budget for the fiscal year engaged for AUP and included in the annual financial report, and the preparation and adoption of the budget for the next succeeding year. If the municipal corporation is subject to local budget law (ORS 294) complete the following procedures (b) through (f):

(b) Adopted Budget

(A) Obtain a copy of the original approved and adopted budget.

(B) Determine whether the budget was adopted before the start of the budget year. (ORS 294.408)

(C) Determine whether the budget committee passed a motion to approve each tax levy and the budget dollar amount. (ORS 294.428)

(D) Compare the original adopted budget levy and the budget amount to the approved budget levy and budget. If there were any changes/differences, determine whether procedures were followed to make the change. (ORS 294.456)

(E) If resources do not equal requirements, document which funds are not balanced and report management's response as to why they are not balanced. Report N/A if the budget is balanced.

(c) Budget Resolution - obtain a copy of the resolution and observe whether the municipal corporation has appropriated by organization unit or program. (ORS 294.388(2))

(d) Budget Meetings

(A) Obtain a copy of budget committee meeting notice(s).

(B) Compare the dates of published notice to the meeting dates and conclude whether notices were published timely. (ORS 294.426)

(e) Budget Hearing

(A) Obtain a copy of the notice of budget hearing (LB-1, ED-1, UR-1 or CC-1).

(B) Observe each statement to ensure the notices of budget hearing are complete and published timely. (ORS 294.438)

(f) Budget Execution, Resolution Transfer, or Supplemental Budget: The following procedures relate to the execution of the budget for the fiscal year engaged for AUP and as reported in the annual financial report.

(A) Compare the budget resolution to final, actual spending and report whether the municipal corporation overspent any appropriation category. If a budget exception exists per ORS 294.338, there is no violation and the accountant should exclude an overspending comment from the report. (ORS294.338)

(B) Obtain a copy of any resolution transfer or supplemental budget.

(C) Determine whether the transfer or changes were made prior to overspending appropriation authority. (ORS 294.463 and ORS 294.471)

FIDELITY BOND + INSURANCE (C)

(a) Obtain from management a copy of the fidelity or faithful performance bond covering the principal responsible official (those responsible for receiving and disbursing moneys on behalf of the municipality).

(b) Observe that the bond was in force during the fiscal period.

(c) Observe that the bond was in an amount sufficient as required by ORS 297.435(3).

CONTRACTING + PROCUREMENT (A/IC/C)

(a) Obtain, from management, a list of contracts and agreements for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period.

(b) For contracts or agreements over $25,000 or the calculated threshold, whichever is greater, obtain the procurement documentation and observe whether there is evidence of obtaining multiple quotes (or bids if required due to the total contract amount) or documentation as to why sole source selection was reasonable in the circumstance. (Y/N) If N, document the goods or services purchased and the total amount of the purchase or contract.

PROGRAMS FUNDED FROM OUTSIDE SOURCES (C)

(a) Inquire of municipal corporation management and obtain a listing of any grant or similar funding, to identify any outside sources of funding, and whether there are requirements restricting the use of those funds or related to the timing of spending the funding.

(b) Report on the source(s) and amount(s) received during the year reported for any source that exceeds the calculated threshold, or 10 percent of revenues, whichever is greater.

Training

Oregon Government Ethics Commission
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(/ogec/Pages/default.aspx) › Training (/ogec/training/Pages/default.aspx) › Public Meetings Law Training

Public Meetings Law Training

Site Navigation

Public Meetings Trainings

There are several training options available for Public Meetings Law, both through the Oregon Government Ethics Commission (OGEC) and other approved entities.

OGEC currently offers Public Meetings Law trainings in-person, online, and via hybrid formats.

Live Public Meetings Law Webinars

OGEC offers weekly live webinars on Public Meetings Law.

Sign up for webinars. (/ogec/training/Pages/Webinars.aspx)

Request Public Meetings Law Training

OGEC offers Public Meetings Law training in-person, online, and via hybrid formats for groups, agencies, associations, and entities. These trainings are free.

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Other Entities

Frequently Asked Questions on Public Meetings Law Trainings

An official website of the State of Oregon »
(http://www.oregon.gov)

Does the public body need to keep track of which governing body members have attended the trainings? +

How often are governing body members required to take the training? +

If a governing body member is up for re-election, do they need to wait until after the election to take the training again? +

Can I take the training from someone other than OGEC to meeting the training requirement in ORS 192.700? +

Can we take the training virtually by hosting it on one screen with multiple governing body members in one room? +

Updates on Public Meetings Law Trainings

Sign up for email updates about Public Meetings Law trainings, or access your general OGEC email subscriber preferences.

Sign-up For Public Meetings Law Training Updates (https://public.govdelivery.com/accounts/ORGEC/subscriber/new?topic_id=ORGEC_45)

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Commission Calendar (/ogec/about-us/Pages/Calendar.aspx)

Commission Newsletter (/ogec/about-us/Pages/Newsletters.aspx)

Contact Info

An official website of the State of Oregon
(https://www.oregon.gov)

Oregon Government Ethics Commission
3218 Pringle Road SE, Suite 220 Salem, Oregon 97302-1680
Phone: (503) 378-5105Fax: (503) 373-1456E-mail: mail@ogec.oregon.gov (mailto:mail@ogec.oregon.gov)
Website: www.oregon.gov/OGEC (/ogec)

Social Media

(https://www.linkedin.com/company/oregonethics) (https://youtube.com/%40governmentethicscommission8038?si=lOHmn-BDSkPJit-c)

(https://bsky.app/profile/did:plc:55bgpbskqtqlk6jqsifa4o72) (https://twitter.com/ORGovEthics)

About Oregon

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