

Spokane County Fire Protection District 8
Minutes of Regular Commissioners Meeting
October 10, 2007
6:00 p.m.

CALL TO ORDER

The regular meeting of the Board of Fire Commissioners was called to order by Board Chair Hesse at 6:02 p.m. Present were: Commissioner Hesse, Commissioner Ferraiuolo, Chief Walkup, Deputy Chief Blystone, Deputy Chief Nielsen, Deputy Chief Rash, Administrative Assistant Carol Trescott, and members of the district. Commissioner Boling's prearranged absence was excused.

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

Motion: Ferraiuolo/Hesse to approve the Agenda for the meeting. The motion carried unanimously.

APPROVAL OF CONSENT AGENDA

Motion: Ferraiuolo/Hesse to approve the Consent Agenda. The motion carried unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Budget Hearing for 2008 Revenue and Levy Certifications: Chief Walkup reviewed the process for approval of the district's 2008 budget: 1) Adopt the 2008 Expense Plan; 2) Hold a Public Hearing for revenue sources; 3) Adopt a Resolution for increase in levy from the previous year; 4) Review the 2008 Expense Plan and staff recommendations; 5) Certify a Levy Request; 6) Submit a Levy Request and balanced budget to Spokane County before November 30th; 7) Adopt the 2008 Expense Plan.

Chief Walkup then outlined 2008 revenue projections. The chief explained that SCFD8 always certifies slightly higher than the assessor's projections in order to collect all monies available to the district. Taxes for fire are estimated to be \$2,541,000. Taxes for EMS are estimated to be \$1,175,000. The District's citizens passed an EMS Lid Lift earlier in 2007 which levies \$.50 on assessed value in the district. Chief Walkup referenced Journal of Business estimates showing the increase in assessed valuation in Spokane County at 18.5%. Also included in the budget, but not included in the Revenue Hearing, is City of Spokane annexation monies, miscellaneous revenue and grants, and cash-carried-forward monies from 2007. The total certification amount is \$3,717,000. Total revenue, including miscellaneous monies, will be just under \$4,000,000.

Commissioner Hesse opened the Public Hearing on revenue sources for 2008 and invited comment regarding the 2008 revenue proposal.

No comments were received and Commissioner Hesse closed the Public Hearing.

The board signed Resolution 07-03, Authorizing an Increase in the District's Tax Levy from the Previous Year, Levy Certification, and Resolution 07-04, Resolution Adopting Tax Limit Factor for EMS Levy.

B. 2008 Draft Budget Presentation: Chief Walkup presented a 2008 budget overview to the board and the year-end fund balances for those accounts maintained by the district. He reviewed the General Fund report inclusive of revenue projections and division budget expense plans. In addition, he detailed the Reserve Fund, the Resident Trust Fund, the Bond Fund, as well as cash-carried-forward projections and expenditures from CCF recommended by staff. Chief Walkup said proposed additions in 2008 include the previously authorized 18th FTE and the addition of three FTE positions which all which will enhance emergency medical services. Staff recommended funding the Capital Replacement Program for 2008 with City of Spokane annexation proceeds. Chief Walkup told the board that by the end of 2007 two years of those proceeds will have been placed in the General Fund account, in addition to two years of apparatus replacement monies, which together total approximately \$500,000. These monies can be used for future apparatus replacement. Commissioner Ferraiuolo recommended funding the CRP with an additional year of the City of Spokane annexation payment. Staff also recommended funding new accounting software – the cost which will be disbursed over a five year period. In addition, monies will be set aside if the board chooses to fund a regular levy lid lift in 2008 to complete the district's staffing plan and to regularly fund the Capital Replacement Plan. Chief Walkup recommended a balanced budget for 2008 of \$3,990,800. The chief also recommended setting aside \$75,000 to be carried forward for the 2009 Expense Plan. Included in the budget is a 2.9% COLA (June – June, Seattle/Bremerton CPIU as agreed on during the collective bargaining process) for both represented and non-represented personnel. He also recommended including a placeholder for non-represented adjustments which will be calculated using the same comparables that were used in bargaining unit negotiations.

Chief Walkup detailed 2007 year-end projected balances and proposed expenditures for each fund account. Commissioner Ferraiuolo asked for clarification on funding for apparatus in relation to the Capital Replacement Plan. Chief Walkup noted the board's earlier commitment, as adopted in the Budget Principles, to fund a Capital Replacement Program rather than to create a Capital Replacement "Fund". He clarified earlier direction to submit options to the board for funding the capital replacement needs. The chief addressed the board's desire from the previous meeting to fund the CRP for 2008 using the City of Spokane payment and bond monies, and study options for long-term funding in the out years.

Commissioners Hesse and Ferraiuolo spoke to the proposed workshop as a good setting to discuss the district's future needs, CRP expenditures, the use of bond monies, and proposed new programs. Chief Walkup reminded the board staff is in the process of putting together specs for a new rescue pumper to coincide with the CRP and the board indicated they were aware of the rescue pumper needs and were supportive of this purchase.

Chief Walkup detailed those items which staff recommended purchasing using 2007 cash-carried-forward monies.

Chief Walkup summarized staffs recommendations. The proposed 2008 Budget Expense Plan is consistent with the vision statements adopted in the district's Strategic Plan. It also enhances the abilities to meet the objectives of the plan and is consistent with the expressed desire of the board to be creative with the volunteer members from the community. The budget is consistent with the

Levy Certification as signed earlier in the meeting as well as the budget principles as adopted during September's meeting. In addition, it provides the district the ability to correct some deficits with recruitment, retention & selection, and takes care of members' health and wellness. The chief said the 2008 Budget Expense Plan, as proposed, is responsive to the desires of the public.

Chief Walkup asked the board for discussion, comment or approval to: 1) Approve a balanced budget as required by statute; 2) Approve the contingency budget; 3) Approve the draft bond budget; 4) Authorize FTE vacancies included in the budget; 5) Authorized a COLA for non-represented staff; 6) Authorize salary adjustments for non-represented staff at the November meeting.

Commissioners Hesse and Ferraiuolo were supportive of the budget process as presented. Commissioner Hesse requested additional information and figures on the salary adjustments for non-represented staff prior to making a decision. Commissioner Ferraiuolo stated that he was supportive of using the same comparables that were used during the collective bargaining process and indicated his support for making adjustments to non-represented staff to keep their wages competitive regardless of the impact. Commissioner Ferraiuolo stated the District is in much better shape due to the qualified staff we have on board and to ensure keeping such we had to be competitive in today's marketplace. Chief Walkup will provide additional information to the board at November's meeting.

Motion: Hesse/Ferraiuolo to accept and approve items 1 – 5 of the draft budget as presented by Chief Walkup. The motion carried unanimously.

EXECUTIVE REPORT

A. County Ambulance Agreement: Chief Walkup presented the board with a draft Request for Proposal for the County Ambulance Agreement. The board had previously received the draft agreement. The chief told the board he will be asking for action and concurrence on these items in the future and invited them to ask questions as they advance through the process. The third component of the contract is an agreement for a contract administrator – someone who will administrate the contract on behalf of all county agencies involved.

Commissioner Hesse asked that staff contact our legal counsel in order to solicit his opinion on having one of the agencies involved act as administrator for the contract. He would also like them to evaluate if it would be in the best interest of the district to have an outside agency act as administrator. Chief Walkup will do so.

B. State Auditor: The assistant state auditor has completed his work on the district's 2005-2006 audit. Initial inquiries show no outstanding issues at this time. The auditor's work product has been submitted to his supervisor for review and the district will be notified when they are ready to schedule an exit interview.

C. AMR Agreement: Chief Walkup informed the board that some time ago he discovered a service agreement from prior years between SCFD8 and AMR. He subsequently met with AMR's general manager, who was unaware of the agreement. After investigation, AMR found they were not in compliance with the contract and now have a revised plan in place and have repositioned two postings. Response will be moved from 8th & Cowley to 29th & Regal, and from Broadway by Eastern to University & Sprague. Both locations should substantially reduce response time to District 8 customers. The results will be reviewed and evaluated to determine if additional changes are needed in order for AMR to meet their contractual obligations.

Commissioner Hesse thanked the chief and staff for addressing issues such as these that have improved operations in the fire district and service to its citizens.

CORRESPONDENCE

- 1) Thank you from Spokane Valley Fire Department
- 2) Thank you from John Serben, AMR
- 3) From Steve Bailey regarding SCFD8's successful Fill the Boot campaign

On behalf of the board, Commissioner Hesse expressed appreciation and special thanks to those members of the district who volunteered their time to the community and to the MDA Fill the Boot campaign.

ANNOUNCEMENTS

- WFCA conference is scheduled for October 25-27th, Pasco, WA.
- The next regular meeting of the Board Fire Commissioners: Tuesday, November 13th, 6:00 pm at Station 82.

PUBLIC COMMENTS

None

EXECUTIVE SESSION

None

ADJOURNMENT

With no further business, Commissioner Hesse adjourned the meeting at 7:25 pm.

Gregory A. Hesse, Chair
Fire District 8 Commissioner

ATTEST:

William A. Walkup
District Secretary