

Spokane County Fire Protection District 8

MINUTES

Regular Board of Fire Commissioners Meeting

Station 82

November 15, 2011

6:00 p.m.

CALL TO ORDER

The regular meeting of the Board of Fire Commissioners was called to order by Chair Hesse at 6:00 p.m. In Attendance: Commissioner Lee Boling, Commissioner Greg Hesse, Commissioner Dennis Ross, Chief William Walkup, Deputy Chief Tony Nielsen, Deputy Chief Lonnie Rash, Carol Trescott, Administrative Assistant, members of the public and members of the District.

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

- **Moved to December meeting:** New Business, Oath of Office – Jason Wilkins
- **Add:** New Business, Proposed City of Spokane Annexation

Motion made by Commissioner Boling, and seconded by Commissioner Ross:

The meeting Agenda is approved as amended. The motion carried unanimously.

APPROVAL OF CONSENT AGENDA

Motion made by Commissioner Ross and seconded by Commissioner Boling:

The Consent Agenda is approved as presented. The motion carried unanimously.

UNFINISHED BUSINESS

- 2012 Revenue Hearing**
- 2012 Levy Certification**
- Expense Plan**

Items A, B & C were taken as one item – SCFD8's ballot measure, Proposition 1, received a 50% Yes vote by District citizens, however, it did not receive the 60% required for passage. Levy measures in District 11 and District 13 were also unsuccessful.

Chief Walkup gave a presentation on the development of the 2012 budget including the organization, vision, process, and budget principles.

The Chief suggested the Board hold a budget workshop shortly after the first of the year to begin planning for 2013 and 2014 expense budgets.

Revenue for 2012 is projected to be \$4,645,440 inclusive of \$50,000 of miscellaneous revenue. The Chief reviewed areas of the proposed budget that were cut or underfunded. In 2012, there will be no new programs, capital equipment purchases, or FTE authorizations requested.

General Fund revenue from Fire and EMS taxes is projected to be \$4,601,440. The certification amount is slightly higher than the county assessor's office figure in order to accommodate any additional new construction and add-ons. Certification is also exclusive of new construction, refunds,

and add-on. Because the District is currently at its statutory limit of \$1.50, any taxes from new construction will be added to 2013 revenue. Taxes assessed from the 2000 Bond will be \$300,000. Total 2012 levy certification is \$4,901,440.

Commissioner Hesse closed the Board of Fire Commissioners regular meeting and opened the 2012 Revenue Hearing in order to receive comments on 2012 revenue projections.

Chuck Vyverberg asked the age of the District's current servers. Chief Walkup responded that the servers are more than 7 years old. The majority of replacement expense is the cost of software and licenses. The District is currently running software several versions behind. Mr. Vyverberg cautioned the Board that servers should be replaced after five years. He added that at seven years the servers are at a critical point and may cause problem that cannot be repaired.

There were no further comments.

Commissioner Hesse closed the 2012 Revenue Hearing and reopened the Regular Board of Fire Commissioners Meeting.

Chief Walkup presented a 2012 General Fund balanced budget of \$4,645,440. All current positions will remain funded with the exception of the Support Services Division Chief position. The proposed budget includes \$189,000 continued funding of the Capital Replacement Plan. By Board fiscal policy, the CRP is to be funded at \$123,000 per year but has been overfunded in recent years per Board adoption.

As a result of two open positions, and by efforts from staff to negotiate and reduce costs for equipment and services, the District will have approximately \$230,000 in cash-carried-forward moneys at the end of 2011. Staff recommended miscellaneous expenditures totaling \$120,000 from CFF funds. Prioritized needs are: server/software upgrades; emergency reporting software; SCBA SU80 test equipment and RAKS; training prop completion; education/training; and partial full funding of the Temporary Hourly and Resident programs.

The cost of hiring a consultant to assist in development of a strategic communications plan was not included in the budget. At an estimated cost of \$10,000, the expense could be allocated from the reserve fund if the Board elects to do so.

Chief Walkup said the Washington Fire Chiefs plans to make levy passage by a simple majority requirement a priority during the next legislative session. The 60% voter passage provision was put into place at a time when people traveled to polling stations to vote. With the implementation of mail-in voting there has been a higher voter turnout and no problem with levy validation.

Up to this point, reserve balances have not been used for operational expenses. Chief Walkup said the Board may find a time where they may need to do so. There is approximately \$531,000 in reserves as a result of three years of annexation payments from the City of Spokane. Because it is not reoccurring revenue, the Chief cautioned the Board on relying on reserves for on-going expenses.

The remaining end-of-year fund projections are: Reserve Fund - \$725,461; Construction Fund - \$229,762; LID #2 Fund - \$11,442. One or two storage buildings are scheduled to be built utilizing the balance of the Construction Fund. Station 85 improvements are planned which will expend the balance of the LID#2 fund.

A proposed contingency budget from the Reserve Fund will include the cost of a PPE grant match, professional services, election placeholder and unemployment compensation together totaling \$85,000. Projected year-end balance in the Reserve Fund is \$649,498.

The Board was asked to approve the 2012 balanced budget, approve the 2012 contingency budget, approve bond fund expenditures, make a recommendation regarding a cola for non-represented staff, and provide additional feedback on the proposed 2012 budget. CPI June to June was 3.7%. By contract the bargaining unit will receive CPI plus 1%. Total cost of a 3.7% cola for all non-represented staff in 2012 would be \$19,200.

Discussion followed on maintaining the Support Services Division Chief position and whether or not to include a cola for non-represented staff. The Board determined to include a cola placeholder for non-represented staff out of cash carried forward monies and will make a final decision at an upcoming meeting. The Division Chief position will remain vacant for 2012. If the Board should elect to hire a strategic communications consultant the cost will be expensed to the Reserve Fund.

Motion made by Commissioner Boling and seconded by Commissioner Ross:

Approved the balanced budget, the contingency budget, the bond fund expenditures, and include a placeholder for a cola equal to that of the bargaining unit to be discussed at a later date.

The motion carried unanimously.

Clarification was made that any cola for non-represented staff would include CPI only.

Commissioner Hesse adjourned the meeting at 6:52 pm for Recruit Academy graduation.

Commissioner Hesse reconvened the meeting at 8:00 pm

NEW BUSINESS

A. Information on Proposed City of Spokane Annexation – Chief Walkup reported that the City of Spokane received an annexation request for a seven acre parcel on 55th Avenue, west of Freya, between Freya and Regal. He gave the Board a map showing the City of Spokane boundary and the urban growth boundary. The City received this annexation request August 30th but the District did not receive notification until November 1st. SCFD8 has a notice provision stating it shall receive notification of such items before they are put before the city council. This item has been on the council's agenda several times prior to the District receiving notification. The Chief contacted Brian Snure and requested that he prepare a letter advising the City that the District intends to hold them compliant with their contractual agreement. The parcel in question is currently valued at approximately \$900,000. There is a large 109 unit apartment complex under construction on a small piece of the parcel off of 55th. It appears the applicant may have applied for annexation into the city in order to receiving low income housing credit and avoid paying property taxes for 10 years after the property is developed. City staff has prepared a recommendation and resolution for the city council. The recommendation states they find no reason to reject or geographically modify the request. The District will need to address whether or not to raise the issue of response times or geographic modification of the boundary. The next city council meeting is December 6th. Chief Walkup will keep the Board informed of further developments.

EXECUTIVE REPORT: Chief Walkup

A. Survey Results – The Board reviewed results from September's District's Customer Satisfaction Survey. All responses to date have been extremely positive and several include personal statements. Staff is continuing to work on improving deliverability of the survey cards.

The Board also reviewed graphs showing the District alarm activity year-to-date and in comparison with the previous year.

B. Recruit Graduation Ceremony at 1900 – Recruit Academy Graduation was held at 7:00 pm.

CORRESPONDENCE

Attached

PUBLIC COMMENTS

None

ANNOUNCEMENTS

Representatives from the Washington State Auditor’s office will present results of the District’s 2009-2010 financial and accountability audit during an exit interview on Wednesday, November 16th, 10:00 am at Station 82. Commissioner Hesse will attend on behalf of the Board.

Deputy Chief Tony Nielsen received the professional designation of *Chief Fire Officer* from the Commission on Professional Credentialing. Chief Nielsen was recognized by the Board, the Fire Chief, and the meeting attendees for his achievement.

EXECUTIVE SESSION

ADJOURNMENT

With no further business, the meeting was adjourned at 8:15 p.m.

Gregory A Hesse, Chair
Fire District 8 Commissioner

ATTEST:

William A. Walkup, District Secretary