

ISLAND COUNTY FIRE DISTRICT #3
SPECIAL MEETING
5535 Cameron Road, Freeland, Washington
February 23, 2012– 5:30 P.M.

MINUTES

In Attendance:

Chairman Kenon Simmons
Commissioner Mike Helland
Commissioner Bob Elliot
Chief Rusty Palmer

In Attendance: AC Busch, DC Cotton, DC Beck, DVC Shields, Vicki Lange, Liz Loomis, Ben Watanabe, Dean Enell, Sherry Wyatt, Gary Gabelein, Roy Simmons, Gordon Simmons, John Hyde, Bill Stolcis

- I. Call to Order – Chairman Simmons called the meeting to order at 4:30pm.
- II. Chairman Simmons defined the purpose of the special meeting to be a discussion of a potential levy increase with Ms. Liz Loomis, hired to advise the District with public information distribution, and the individuals attending the meeting. He advised that he would also open the floor for public comment.
- III. Chief Palmer – reviewed the current financial status of the District presenting a five year history of the tax revenues based on the assessed valuation and levy rates. The District has been losing revenue since 2009, when values peaked, due to the decreasing assessed values of properties. The District takes advantage of the 1% annual increase in tax revenues, the maximum allowed without an election. In order for the 1% increase to be reflected, as assessed valuation decreases, the levy rate must increase. The District levy rate for 2012 will be 0.61/1000.00 of assessed value for properties. The Assessed Valuation for the District for 2012 is 686 million below the 2009 assessed valuation. The result in actual revenue losses has resulted in budget cuts on equipment and operations funding. The District is currently short two emergency response vehicles due to aging equipment that is not repairable and a lack of funds to replace them with new vehicles.
- IV. Chairman Simmons – spoke directly to the audience about the decreasing revenues and the impact on the Districts ability to purchase the required equipment and supplies to operate at our current levels. The District has a long history of placing 25% of revenues into a Capital Fund for replacement of capital equipment and facilities. As a result of decreasing revenues, the 2012 budget has a 20% Capital Fund deposit due to shortages in funding for general operations. As the revenues continue to decrease, the Capital Fund will continue to diminish to fund operations eventually resulting in a lack of funding for equipment and facilities maintenance and replacement. By 2014 the operation expenses will begin to consume the current Capital Fund if revenues are not increased. The District is currently debt free and replaces equipment and facilities on a cash basis to save tax dollars.
- V. Public Input -
 - a. Dean Enell expressed concerns about a recent spending trend for facilities listing the projects the District has completed over the last four years. Mr. Enell stated that his main concern is that the funds are being used to build unnecessary facilities during a difficult economic time.

Chairman Simmons addressed the list of projects as the timeline for building is inaccurate and spans a 20 year period of time to replace facilities that were no longer adequate. Chief Palmer gave the accurate dates from the time of property acquirement to actual building of the facility for each in question.
 - b. Gary Gabelein responded to the building of facilities; stating that the buildings that were replaced were no longer adequate to hold the new required fire engines and equipment.

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- c. John Hyde asked how the Fire Department fits into the response on a medical call. Are they the first responders and work with the hospital for medical care. Mr. Hyde also asked if the District was party to aid agreements with other agencies. Mr. Hyde also asked if the District took advantage of grants to help support operations.

Chief Palmer explained that the fire department is the first responder in the MERV's that are staffed by Volunteers and they work with the hospital staff for care before being transported by Whidbey General Hospital EMS. Chief Palmer explained that the District has numerous mutual aid agreements with surrounding agencies. Chief Palmer also explained that the District budget has \$680,000 in grant funds to directly support operations. The district was unsuccessful in one grant. These grant funds do not include grant funds from the Port of South Whidbey and a private donor to purchase a boat for the District.

- VI. Chief Palmer – discussed the suggested levy increase of 0.15 broken down by need.
 - .06 to .08 - Apparatus and Facilities maintenance
 - .04 – Training
 - .02 – Operations
 - .01 – Unknown expenses and cost of operational increases

Chief Palmer explained that this increase would allow the District to continue to fully fund its Capital Fund. Chief Palmer explained that this levy would support the District for at least 6 years under the current economic challenges.

- VII. Liz Loomis – discussed the possible election times and the best option in November as turnout to vote will be at the highest level for the year. She is currently working on a plan to educate the public about the need for a levy increase through newsletters, news releases and social media such as Facebook. She pointed out that the District has the lowest levy rate in Island County and has not had an elected levy increase in 20 years. She also commented that she is impressed with our current recruitment and retention program for Volunteers.

- VIII. Chairman Simmons closed the meeting with a summary of the need for an increase in revenue by levy election to support the operational needs of the District in coming years. The goal is to educate the tax payers about the need for an increase to continue services at the current level for our community.

- IX. Adjournment – 5:54pm

Cindy Rehberg
District Secretary