

**Whatcom County Fire District #21
Station 61 – Blaine
9408 Odell Rd., Blaine, WA 98230
9:00 am
September 14, 2019
Budget Work Session**

CALL TO ORDER

Chairman Bosman called the special Whatcom County Fire District #21 Board of Fire Commissioners meeting for September 14, 2019, to order at 9:00 a.m. at Station 61 – 9408 Odell Street, Blaine, WA 98230.

PLEDGE OF ALLEGIANCE

ROLL CALL

Chairman Rich Bosman; Vice-Chairman Bruce Ansell; Commissioners Larry McPhail and John Crawford

Other Attendees: District 4 Commissioner Harry Andrews; Interim Fire Chief Joe Noonchester; Division Chiefs Herschel Rostov and Jason Van der Veen; Business Manager Benita Williams; Administrative Assistant Jennie Sand; Health and Wellness Assistant Kelly Freeman; Labor Representative Kenneth Cunningham; Volunteer Mike Peetom; Community members Jim Hansen and Kathy Berg.

PUBLIC COMMENT

- None

2020 BUDGET WORK SESSION

Chief Noonchester reviewed the district’s mission statement.

“To provide innovative and compassionate care to our community”

There was discussion regarding how the district accomplishes the mission both for the community as well as department members:

- | <u>Community</u> | <u>Members</u> |
|--|---|
| <ul style="list-style-type: none">• Fire Protection• EMS• Prevention | <ul style="list-style-type: none">• Healthy & safe work environment• Competitive wages & benefits• Succession planning – fulfilling career• Excellent volunteerism |

Breakout Session 1

Chief Noonchester facilitated a multi-group breakout session to discuss district visions for 2020; how to deliver the mission; how the budget supports the vision.

2020 vision suggestions include enhanced in-house communication, volunteer and career retention, transparent leadership and relationships, apparatus and equipment replacement planning, mitigation fund planning, resolution with NWFR / District 4 consolidation, create a unified Board, become a leader in the community, take care of district's needs (*don't spread too thin*) and keep up with and anticipate changes.

Timeline

Chief Noonchester recently met with each division head to discuss their budgetary needs and constraints for 2020. Divisions include administrative / legislative, facilities, operations, fleet maintenance, prevention, training, and capital funds.

A public hearing will be held on Thursday, November 21 to pass a resolution allowing the district to increase its budget up to one percent. Another public hearing will be held on Thursday, December 19 to approve the 2020 budget.

September / October

- Initial figures from the County
- Staff budget meetings
- Capital requests

November / December

- Additional figures from the County
- Healthcare cost predictions
- Draft budget completed
- District 4 contract calculations

December / January

- Final healthcare figures
- Budget adoption
- Final figures from the County
- Budget amendments

Revenues

Chief Noonchester provided information regarding the district's property taxes.

Revenues include property taxes, delinquent taxes, ambulance transport fees, contract fees, grants, rents, Ground Emergency Medical Transportation (GEMT), state parks, investment interest, donations, insurance reimbursements, and mitigation fees.

Tax Reform

Chief Noonchester noted that the district can only request a one percent increase in the budget from taxable property if the levy rate is not at its maximum of \$1.50.

Assessed Valuation Estimates

Chief Noonchester reviewed the Assessed Valuation (AV) estimates including preliminary values, highest levy lid allowed (HLLA) and new construction for both District 21 and District 4.

District 21

Chief Noonchester estimates that the HLLA maybe \$61,573.00. New construction is estimated to be \$80,768.98. Chief Noonchester estimates a \$142,341.00 increase to the budget.

District 4

Chief Noonchester estimates that the HLLA and new construction will be approximately \$17,083.00. Chief Noonchester estimates a \$70,695.00 increase to the budget.

Breakout Session 2

Chief Noonchester facilitated a multi-group breakout session to discuss the needs of the district from the eyes of the department.

Program needs identified include community education, utilizing social media, public education and district representation at public events.

Facilities needs identified include a surplus of unused equipment, division head of facilities, renovate Birch Bay Station 63 and Laurel Station 69, relocate headquarter office and possibly add another station.

Tools identified include purchasing technical equipment, replacing self-contained breathing apparatus (SCBAs) and oversight of hydrant maintenance.

It was suggested that all apparatus be evaluated before purchasing any additional apparatus.

Added position suggestions include a division chief of training, volunteer coordinator, deputy fire marshal, public information officer, specialized positions, staffing a BLS transport aid unit, and the addition of a 4th full-time career firefighter at each station. In addition, competitive wages may assist with retention.

Chief Noonchester noted that his vision also includes continuing to build the administrative staff.

2019 Property Tax Estimates

Chief Noonchester reviewed the 2019 tax estimates and increases for both District 21 and District 4.

Commissioner Approved Bond

In 2010, the commissioners approved a ten-year bond to purchase three new engines and a ladder truck. The County collects the payments as part of our levy rate. This year's payment is \$240,000. The bond will be paid off by the end of 2019.

District 4's bond will be paid off in 2020.

District 4 Contract for Services Payment

Chief reviewed the calculations for the District 4 quarterly payments. District 4's contract for service payment for 2020 is estimated to be \$455,766.

Capital Requests

Chief Noonchester reviewed the 2020 capital requests identified thus far:

- Mapping software - \$15,000
- Shop truck - \$50,000
- Computer - \$2,000
- Staff vehicle - \$60,000
- Anticipated - \$75,000

Expenditures

Chief Noonchester continues to work on fine-tuning line items for several divisions. He requested information from the Board regarding their priorities.

Savings Accounts

Chief Noonchester reviewed the districts' fund balances and is confident that the district currently has enough reserves to weather a storm and still provide the level of service that the community has become accustomed.

Health Care

Chief Noonchester reviewed the district's six-year healthcare cost comparison.

The district has had a lot of healthcare claims in 2019 and the district will probably reach the maximum liability for the year. The district's health care committee will be meeting to hear presentations from various health insurance companies before making a recommendation regarding a health care plan for 2020.

Chief Noonchester noted that the current self-funded healthcare plan takes a lot of oversight by the administration and the health care committee will continue to meet on an annual basis to analyze the program.

Labor and Industrial and Insurance

Kelly Freeman provided information regarding the district's L&I experience.

Due to multiple claims and experience over the past five years, the district pays the highest premium allowed by state law.

More than average injuries are not uncommon in the fire service and the safety committee continues to attempt to alleviate some of the risks.

The light-duty and L&I back to work program has been very successful.

The district is expecting a quote from Guide Insurance for 2020.

Challenges

Chief Noonchester noted that district challenges include the one percent statutory limitation, healthcare, Labor and Industries (L&I), personnel, and operational and capital needs.

Breakout Session 3

Chief Noonchester facilitated a multi-group breakout session to discuss the needs of the district from the eyes of the community.

It was noted that most of the community feedback received has been positive. Desires from the community may include a faster, more efficient response, continue to be a good steward of community funds, transparency, staff the Semiahmoo station, increased presence at local events, updating the community via social media and the website, offer more CPR, fire extinguisher classes, education regarding the district's operational needs and ensure patients are comfortable during transports.

In addition, the community expects that the district will be respectful of them and their property during responses.

2020 Unknowns

Chief Noonchester stated that the district does not know what the final property tax will be, healthcare rates, emergencies, unfunded mandates, or apparatus repairs.

Conclusion

Chief Noonchester stated that on the bright side the economy seems to be healthy, new construction continues to increase, GEMT and mitigation revenues are ongoing, the prevention division has revenue potential, cash reserves are healthy and the expense fund has capacity. The district is in a good position, but healthcare costs continue to press hard on the fire district budget.

ADJOURNMENT

MOTION: There being no further business Vice Chairman Ansell moved to adjourn the meeting at 12:31 p.m. The motion was seconded by Commissioner McPhail and approved 4-0.

Respectfully Submitted by:

Jennie Sand, Recording Secretary

ATTEST:

Rich Bosman, Chairman

Bruce Ansell, Vice-Chairman

Larry McPhail, Commissioner

John Crawford, Commissioner

Chief Noonchester, Board Secretary