

Whatcom County Fire District No. 11
Board of Fire Commissioners
Special Meeting for the Financial Planning Workshop
3809 Legoe Bay Road, Lummi Island, WA. 98262
March 22nd, 2021

CALL TO ORDER: Commissioner Bill Lee at 3809 Legoe Bay Road, Lummi Island, WA, 98262 called the Special Meeting for the Financial Planning Workshop for March 22nd, 2021 to order, at 9:00 a.m.

PRESENT: In attendance were Commissioner Bill Lee, Commissioner Steve Kopanos, Commissioner Wendell Terry, Chief Duncan McLane and Board Secretary Lisa Lish.

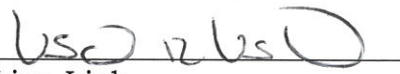
GUEST: Asst Chief Michael Lish

NEW BUSINESS:

Chief McLane presented an updated rough draft version of the 2014 power point presentation. Commissioner Terry thanked Chief McLane for his work in 2014. Discussion followed. For the April regular meeting on the 13th, Chief McLane will gather costs for the next 6-10 yrs, including operations and capital. Commissioner Kopanos will send Secretary Lish a copy of his "Fire Commissioners 2021 Community feedback Request" draft and so that it can be attached it to the meeting minutes.

Motion: **There being no other business to come before the Board of Commissioners, Commissioner Steve Kopanos moved and Commissioner Wendell Terry seconded, to adjourn the meeting, AND PASSED 3-0.**

The meeting was adjourned at 10:08 a.m.



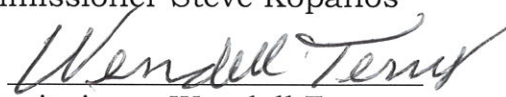
Lisa Lish,
Board Secretary

By: 

Commissioner Bill Lee

By: 

Commissioner Steve Kopanos

By: 

Commissioner Wendell Terry

Fire Commissioners 2021 Community feedback Request

Every few years, due to tax valuation changes and other factors, the rate at which the voters approved funding for Fire District 11 through EMS and Fire levies changes. This means a lower percentage of tax revenue to the department in most cases (more detail on this is available below).

At the same time, Federal, State, and Local requirements on the district generally result in increased costs for compliance, and inflation lowers the value of the funding received in relative dollars. Additionally, Island specific factors can drive other costs. In 2020, COVID-19 had a large impact on the district's budget, and a reduction in the number of responders over the past few years has necessitated the need for at least some non-volunteer staff and volunteer member incentives. Taken together, this presents a situation where the operating budget exceeds the tax revenue available for district operations. In 2021, we have an almost \$50,000 budget deficit that is being covered by emergency funds.

All this means that every few years, the Commissioners must look at what are the best options for meeting the emergency service needs of the community in the best way possible. This is where you come in. As we assess our options for funding District 11, we seek your feedback to guide us in our decisions.

There are several options for ensuring ongoing operations of the district.

- 1) Issue Bonds for large purchases such as Fire Engines rather than setting funds aside each year from the annual budget. (this is a tax with interest on property owners)
- 2) Returning the approved levy amount back to the original percentages approved in the past levy vote (or higher where allowed). This is our ongoing tax approved by voters every 6 years usually.
- 3) Using Special Taxing authority outside the Fire and EMS levies for capitol improvements.
- 4) Reducing operating costs of the district in the least disruptive way to community emergency services.

One or a combination of the above are necessary to the ongoing operation of District 11. It is clear that the Commissioners must make some decisions by July of this year regarding the future of the District. We hope you will be a constructive part of those discussions.

While we may have a preference on what would work best for the district, your feedback and support is critical.

We will hold a series of question and answer sessions May through July just prior to our regular Commissioners meetings to go over these options and their potential impacts to the community. We hope these meetings will answer your questions and will provide the commissioners the feedback we seek to initiate the best course of action. Topics planned include.

May: Basic overview of Fire and EMS Levies and how they work

May: Why Costs increase, What the District Budget covers

June: Commissioners Favored option

July: Open question and answer time

Below is some very basic information looking at the Fire and EMS levies for the District from 2013 through 2021. (<https://www.whatcomcounty.us/178/Annual-Tax-Book>).

Year	FIRE LEVY Rate	Fire \$ to District	EMS LEVY Rate	EMS \$ to district	Available funds	Inflation
2013	0.58	140,282.83	0.14	34,246.68	\$174K	1.22
2014	0.654	141,045.23	0.139	30,526.57		1.83
*2015 (new Fire levy)	1.49	338,569.29	0.139	32,172.93		1.34
*2016 (new EMS levy)	1.4325	343,532.43	0.39	94,421.92		2.24
*2017 (County EMS levy)	1.408	348,818.54	0.205	51,242.76		3.0
2018	1.336	353,558.33	0.194	51,972.36		3.21
2019	1.225	360,378.16	0.178	52,806.61		2.54
2020	1.223	365,598.47	0.266	80,125.66		1.71
2021	1.172	371,190.38	0.279	89,124.86	\$460K (160% increase)	.98 (18.07% total)

* Levy's impact to district tax revenue

* In 2015, the Fire levy rose to 1.49 of assessed value increasing the tax revenue to FD 11

* in 2016, The EMS levy rose to .39 of assessed value increasing the tax revenue to FD 11

* in 2017, the County EMS levy required a reduction in FD 11 levy rate due to rate limits of .50 leading to a functional reduction in the FD 11 EMS Tax revenue. The county reimbursed FD 11 initially but will not going forward.

This is a Draft, unedited and incomplete as of 03-22-21