



**KING COUNTY FIRE PROTECTION DISTRICT NO.16**  
7220 NE 181<sup>st</sup> Street  
KENMORE, WA 98028

**BUSINESS: 425-354-1780 FAX: 425-354-1781**

---

**REPORT OF PUBLIC HEARING  
TO REVIEW AND ESTABLISH BENEFIT CHARGES AND OTHER REVENUE SOURCES  
FOR CALENDAR YEAR 2018**

---

The Board of Commissioners established October 16, 2018, beginning at 5:00 PM as the date and time for a public hearing to review and establish the Fire District benefit charge for Year 2019, as required by RCW 52.18.060(2). The Board also set a simultaneous hearing on the District's Year 2019 budget and other revenue sources as required by RCW 84.55.120.

Notice of the public hearing to be held on October 16, 2018, was posted at the District's Headquarters Station 51, on the Northshore Fire Department website, and in local media outlets the Bothell-Kenmore Reporter and Shoreline Area News.

**October 16, 2018**

**I. OPENING OF PUBLIC HEARING**

Board Chair Dave Maehren opened the Revenue Source Hearing pursuant to RCW 84.55.120 and the Benefit Charge Hearing pursuant to RCW 52.18.060 at 5:10 PM.

Persons in attendance were Commissioners Don Ellis, Dave Maehren, Rick Verlinda, and Ron Gehrke, Fire Chief Jim Torpin, Deputy Chief Eric Magnuson, Legal Counsel Kinnon Williams, Finance Specialist Dawn Killion, Board Secretary Kate Hansen, Battalion Chief Jeff Tagart, Firefighter Ken Hofschulte, and three members of the public.

Chair Maehren read the following opening statement:

*"This hearing is being held for the purpose of meeting the requirements of two separate state laws. RCW 84.55.120, Public Hearing-Revenue Sources-Adoption of Tax Increase RCW52.18.060 (2), Public Hearing-Required-Report-Benefit Charge-Notification to Property Owners*

*The intent of the hearing is to provide the public with information related to the expenses and revenues of the District and to offer an opportunity for public comment in reference to revenues or tax increases that may be proposed.*

*Following a report on the current year budget and staff's recommendation for the 2018 budget and associated revenue requirements there will be an opportunity for questions and comments."*

**II. FINANCIAL OVERVIEW OF THE FIRE DISTRICT**

Commissioner Maehren expressed his gratitude to the Chief and staff for their work on the budget preparation.

Chief Torpin provided an overview of the District’s financial condition and 2018 budget utilization. The Chief stated that there is 24.6% of the 2018 budget remaining and remaining expenditures are on target.

The Chief noted that the projected end fund balance for 2018 will be less than has been experienced in the last few years.

**III. PRESENTATION OF THE 2019 DRAFT BUDGET**

Chief Torpin provided an overview of the proposed 2019 budget materials, which were provided to the Board and made accessible to the public on the District’s website.

The maximum allowable levy in 2019 is currently projected to be \$5,366,805.

The Chief stated the budget proposal would increase expenditures by 5.95% and revenue collections would increase by 8.3%.

The 2019 budget proposal includes funding for special projects requested by board members, increased suppression staffing costs, and station landscaping improvements.

Chief Torpin clarified questions about the 2019 budget.

- o Commissioner Maehren recommended that the district use donation funds instead of the general fund for his proposed CPR program enhancement.
- o Commissioner Verlinda inquired about the increased cost in Windows software. Chief Torpin clarified that the department is changing to an improved Windows platform that will allow for better organization of district records.

The 2019 budget includes an allocation to the Reserve Fund to maintain funding levels established by Resolution 17-02. The Chief is also recommending a transfer from the General to the Reserve Fund of \$300,000 for the Station 57 remodel project. These additional funds come from excess operational reserves in the General Fund.

Chief Torpin stated he has performed an analysis for the need of a levy lid lift. Based on current factors, the chief recommends the Board reevaluate the need to reestablish the levy rate back to the statutory maximum of \$1.00/1000 in 2019.

**IV. STAFF RECCOMENDATION FOR 2019 TAX LEVY AND BENEFIT CHARGE ASSESSMENT**

Chief Torpin provided the following recommendations:

- o Levy the maximum allowable levy amount in 2019
- o Increase the Fire Benefit Charge to \$3,350,000
- o Levy \$1,350,000 to make the principle and interest payments on the 2009 GO Bonds
- o Transfer \$300,000 from the General Fund to the Reserve fund for the Station 57 Remodel Project

**V. PUBLIC COMMENT**

The public comment section of the public hearing was opened at 6:09pm

Lake Forest Park resident Mike Dee addressed the Commissioners with the following comments:

- Mr. Dee inquired about the collection of impact fees by the District on new construction and what the budget would look like if the Fire Benefit Charge renewal did not pass. Chief Torpin clarified that fire districts cannot collect impact fees. Municipalities have the authority to collect impact fees on behalf of a fire district, but that is not being done here. Legal Counsel Williams clarified that if a Fire Benefit Charge fails, the amount of taxing authority that was lost from use of the benefit charge would be reinstated. Additional funding would be required to meet district needs.
- Mr. Dee hopes to see the trend of responsible budgeting that has been established in recent years continue with the new board.

**VI. BOARD DISCUSSION AND REVIEW OF BUDGET PROPOSAL**

No additional discussion occurred.

**VII. CONCLUDE OR CONTINUE THE PUBLIC HEARING**

With no further citizens wishing to address the Board, at 6:18pm Commissioner Maehren closed the public comment period and continued the public hearing to the next regularly scheduled meeting on November 6, 2018.

**November 6, 2018**

**VIII. RE-OPENING OF PUBLIC HEARING**

Chair Dave Maehren re-opened the Revenue Source Hearing pursuant to RCW 84.55.120 and the Benefit Charge Hearing pursuant to RCW 52.18.060 at 5:01PM.

Following the re-opening of the hearing, Chief Torpin updated the Board on changes that have been made to the preliminary budget proposal, as outlined in the budget proposal update memo of October 31, 2018.

Chief Torpin recommended the approval of Resolutions 18-06, 18-07, 18-08, 18-09 and 18-10.

Commissioner Verlinda inquired about the difference between the increase in revenue and carryover, and the decrease in the benefit charge recommendation. Chief Torpin clarified that it is not necessary to have revenues and expenses match exactly. He explained that the expense budget is a planning tool and there are frequently expenses that are not planned. The Chief stated there is a good chance of several retirements which would cause for significant vacation and sick leave cash out expenses that are not planned for in the budget. He further explained any unused funds roll forward and would be used to offset future revenue collections.

**IX. PUBLIC COMMENT**

Lake Forest Park resident Mike Dee addressed the Commissioners with the following comments:

- Thanked the Commissioners for continuing the public hearing to give the public additional time to comment
- Mr. Dee thanked the Chief for his work on potential meeting recording options and would like to see recordings available to the public at no cost

Commissioner Maehren closed the public hearing at 5:14PM.

DATED this 6<sup>th</sup> day of November 2018.

**ATTEST**

  
\_\_\_\_\_

**KATE HANSEN**, Secretary

King County Fire Protection District No. 16