



KING COUNTY FIRE PROTECTION DISTRICT NO.16

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KENMORE, WA 98028

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

At a regular meeting of the Board of Commissioners held on September 19, 2017, the Board set October 17, 2017, beginning at 5:00pm as the date and time for a public hearing to review and establish the Fire District benefit charge for Year 2018, as required by RCW 52.18.060 (2). The Board also set a simultaneous hearing on the District's Year 2018 budget and other revenue sources as required by RCW 84.55.120.

Notice of the public hearing to be held on October 17, 2017, 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 17, 2017

I. OPENING OF PUBLIC HEARING

Chair Eric Adman opened the Revenue Source Hearing pursuant to RCW 84.55.120 and the Benefit Charge Hearing pursuant to RCW 52.18.060 at 5:11 PM.

Persons in attendance were Commissioners Eric Adman, Carolyn Armanini, Don Ellis, Dave Maehren, and Kae Peterson, Fire Chief Jim Torpin, Deputy Chief Eric Magnuson, Legal Counsel Kinnon Williams, Finance Specialist Dawn Killion, Board Secretary Kate Hansen, Battalion Chief Mike Morris, Lieutenant Anders Hansson, and members of the public.

Chair Adman 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

Chief Torpin provided an overview of the District's financial condition and 2017 budget utilization. The Chief indicated the District was in good financial standing and stated there was 28% of the 2017 budget remaining as of the end of the 3rd quarter.

III. PRESENTATION OF THE 2018 DRAFT BUDGET

Chief Torpin provided an overview of the proposed 2018 budget materials that were provided to the Board and made accessible to the public on the District's website. The Chief stated the budget proposal would increase expenses by approximately 3% and revenue collections would increase by 1.8%.

The 2018 budget proposal includes funding for several succession planning initiatives that would temporarily increase firefighter staffing by two firefighters in preparation of pending retirements and increase funding for employee development training.

The 2018 budget proposal would also add \$75,000 to the LEOFF 1 liability sub-account of the reserve fund and set aside an additional \$50,000 for the Station 57 remodel project.

IV. STAFF RECCOMENDATION FOR 2018 TAX LEVY AND BENEFIT CHARGE

Chief Torpin provided the following recommendations:

- Levy the maximum allowable levy in 2018 which is limited to an increase of .77% from 2017, when new construction is not included. With new construction values included, the maximum allowable levy increase is 2.6%.
- Maintain Fire Benefit Charge collection at \$2,800,000.
- Defer consideration of conducting a levy lid lift until the 2019 budget process. Chief Torpin stated there was sufficient ability to fund District operations with the current levy rate and benefit charge capacity for several more years.
- Chief Torpin recommends the Board establish an election date for 2019 benefit charge revalidation vote as soon as possible so timelines and planning can commence.

Chief Torpin clarified that the adoption of the budget and corresponding resolutions needs to be completed prior to November 15th. The Chief recommends continuing tonight's public hearing until the November 7th regular Board meeting and take action on the proposed 2018 Budget which will maintain the current level of service, provide for a temporary staff increase, and support career developing training opportunities.

V. PUBLIC COMMENT

The public comment section of the public hearing was opened at 5:35pm

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

- Mr. Dee thanked Chief Torpin for the budget review
- Mr. Dee would like to see the hearing continued to the November 7th meeting.

Commissioner Maehren commended the Chief on a thorough budget presentation and overview.

VI. CONCLUDE OR CONTINUE THE PUBLIC HEARING

With no further citizens wishing to address the Board, at 5:37pm Commissioner Maehren moved to close the public comment period and continue the public hearing to the next regularly scheduled meeting on November 7, 2017. Commissioner Armanini seconded. The motion passed with a vote of 5 to 0.

November 7, 2017

VII. RE-OPENING OF PUBLIC HEARING

Chair Eric Adman re-opened the Revenue Source Hearing pursuant to RCW 84.55.120 and the Benefit Charge Hearing pursuant to RCW 52.18.060 at 5:06pm.

Following the re-opening of the hearing, Chief Torpin updated the Board on several minor changes to the preliminary levy limit worksheet and expense budget. The Chief closed by stating the action before Board with the adoption of Resolutions 17-06 through 17-10 will effectively:

- Adopt the proposed 2018 operating budget of \$8,644,995.
- Allocate \$337,516 to fund the Reserve Fund requirements as established in Resolution 17-02.
- Levy the maximum allowable levy of \$5,253,426.
- Levy an additional \$1,300,000 to make the scheduled principal and interest payments of the voter approved 2009 G.O. Bonds.
- Maintain the Fire Benefit Charge Collection at \$2,800,000.

VIII. PUBLIC COMMENT

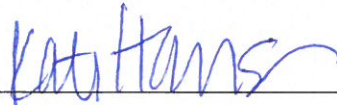
Lake Forest Park resident Mike Dee addressed the Commissioners with the following comments:

- Thanked the Chief for a detailed budget presentation

Commissioner Adman closed the public hearing at 5:11 pm.

DATED this 7th day of November 2017.

ATTEST



KATE HANSEN, Secretary

King County Fire Protection District No. 16