



**Thurston County Fire Protection District 8
Special Board of Fire Commissioners' Workshop
July 27, 2020**

MINUTES of the SPECIAL Board workshop held July 27, 2020, as a video-conference call, at the South Bay Station 8-1. Commissioners Gleckler, Harper, Zvirzdys, Kilpatrick and Long were in attendance. Chief VanCamp, Assistant Chief LeMay and Secretary Stumpf also participated. The meeting was called to order at 1:20 pm.

Chief VanCamp opened the meeting, explaining that the purpose was to review the work directed by the Board at the last workshop. Items of concern include possible changes to Policy 1-60 "District Funds & Budgets" and potential timing of future ballot measures. He went on to explain three worksheet handouts that showed different financial impact scenarios.

- **Worksheet A** showed maintaining a minimum 4-month balance of Fund 6680 and a 2-month minimum balance of Fund 6683 Reserves. Transfers of monies would be needed to maintain funding levels, and funding for improvements to Station 8-3 and for the new firestation would be eliminated. These projects could be potentially be funded from an Unlimited Tax General Obligation (UTGO) Bond. This scenario could only be sustained through 2026 due to the limitation of future revenues.
- **Worksheet B** showed maintaining minimum funds balances for both Fund 6680 Operations (*4-months*) and Fund 6683 Reserves (*2-months*) and adding a 2023 voter approved Maintenance & Operations Levy to be implemented for 2024 - 2027 to maintain fund balances. This additional revenue would support projects for improvements to Station 8-3 and planning work for the new firestation.
- **Worksheet C** was a hybrid proposal that showed additional funding to support minimum fund balances for Fund 6680 Operations (*4-months*), Fund 6683 Reserves (*4-months*) and Fund 6685 Capital Facilities. It proposes a 2023 voter approved M & O Levy be implemented for 2024 - 2027 to balance budgets for all funds and provide additional revenue for improvements to Station 8-3 and planning work for the new firestation. Fund transfers would still occur in 2021, 2022 and 2023 to maintain the 4-month minimum level.

Scenarios were discussed and questions asked for clarity. Topics discussed included:

- Asking for voter approval of an M & O levy, and at some point, at a later period ask for voter approval of Unlimited Tax General Obligation bond to fund the new fire station and possibly other capital projects.
- Preparations necessary for future ballot measures
- The pro's and con's between the restoration of the current \$1.50 base levy and the implementation of voter approved excess levies (i.e. Maintenance & Operations Levy)
- Communication with the public about the District strategic plan (operational, capital and financial)
- Concern for changes in District leadership (both elected and appointed)
- Concern with overwhelming voters with too many requests
- Reduction in service levels may be needed unless adequate levels of revenues are maintained
- The overarching District goal to staff two strategically placed firestations
- Lengthy discussion on minimum fund balances
- Clarification of how the Capital Repairs and Replacement Plan is funded with adjustments for inflation with annual cash contributions to pay for anticipated future asset replacements
- Earning trust and confidence with the citizens and voters by providing outstanding service and staffing both stations
- Our total labor costs equal an average of 70% of our operating budget which is generally less than the comparable districts

- Options and impacts in delaying building the new eastside firestation
- Spending-down funds in existing accounts as appropriate

Following the discussion, Chief VanCamp recommended the Board agree to a plan that can be presented to stakeholders for support. Specifically, he recommends an M & O Levy request to voters in 2023, to take affect 2024-2027. Further, he recommends a 4-month minimum cash balance in Fund 6680 and to continue fully funding the Capital Repairs & Replacements budget.

Most of the Board generally preferred Worksheet C; Commissioner Gleckler preferred worksheet A. Chief VanCamp was directed to draft a revised Fund policy with a four- month operating fund reserve for their review.

Commissioner Harper summarized his opinion that we need to 1) maintain 4 months of operating funds in our operating fund; 2) maintain our CR&R fund; 3) maintain our reserve account (2 or 4 months of operating); and 4) use any additional funds for discretionary capital spending. He also thanked the Board for their time and effort put forth with this teamwork endeavor.

Adjourn:

The Board announced that next regular meeting is scheduled on August 11, 2020, beginning at 5:30 pm and will be a conference call to be held at the South Bay Station 8-1. There being no further business, the motion was made and seconded to adjourn. The motion was passed, and the meeting adjourned at 2:45 pm.

ATTEST:


Richard Gleckler, as Chair for TCFPD 8

Douglas Kilpatrick, as Commissioner for TCFPD 8

Pamela Long, as Commissioner for TCFPD 8


Gloria Zvirzdys as Commissioner for TCFPD 8


William Harper, as Commissioner for TCFPD 8


Heidi Stumpf, District Secretary for TCFPD