

THURSTON COUNTY FIRE DISTRICT THREE

BOARD OF FIRE COMMISSIONERS

MINUTES OF THE MEETING

November 7th, 2024

The meeting was conducted remotely via Zoom and with in-person attendance at Station 31.
1231 Franz St SE, Lacey, WA 98516

Present:	Present (Virtual):	Excused:
Commissioner Kelling Commissioner Hetzler Commissioner Gamble	Commissioner Roberts	Commissioner Kirkbride

I. CALL TO ORDER

Commissioner Kelling called the meeting to order at 5:30 PM, followed with a salute to our Nation's Flag.

II. APPROVAL OF THE AGENDA

MOTION: To approve the agenda as published.

Motion: Commissioner Hetzler
Second: Commissioner Gamble
Carried: Unanimous

III. HEARING OF THE PUBLIC /MEMBERS PRESENT

None.

IV. APPROVAL OF THE CONSENT AGENDA

- A. Draft minutes of the October 17, 2024, meeting of the Board of Fire Commissioners.
- B. Draft minutes of the October 19, 2024, Board of Fire Commissioners Workshop.
- C. Warrants (AP 11A 2024):
 - General Fund 001 (Acct #6630) EFTs numbered 5458 through 5464; checks numbered 24143 through 24158 for a total amount of \$77,733.59.
 - Reserve Fund 102: Check number 24159 for a total amount of \$615.00.

- Equipment Repair and Replacement Fund 103: EFT number 5465 for a total amount of \$5,259.68.
 - Capital Projects Fund 301: Check number 24160 for a total amount of \$30,740.69.
- D. Payroll 11A-2024 in the amount of \$652,477.32.

MOTION: To approve the consent agenda as published.

Motion: Commissioner Hetzler
Second: Commissioner Gamble
Carried: Unanimous

Chief Brooks commented that a question was submitted. Chief Cerovski mentioned purchases that were related to capital improvements for the new 700 radio system, the TCERN project. The costs are related to the infrastructure for all of the stations.

Commissioner Kelling inquired if there are any additional capital outlays for the radio systems. Chief Cerovski responded that it is not believed so, but it will depend on if things are encountered along the build-out and the implementation, which is scheduled for November 19th. Those will be addressed as they arise.

There were no other questions about the consent agenda and it was approved.

V. COMMITTEE REPORTS

- A. Thurston County Medic One
No report; Commissioner Kirkbride is excused.
Chief Brooks reported that the operations committee for November was canceled.

B. Thurston 9-1-1 Communications (TCOMM)

Commissioner Roberts reported from the November 6th meeting:

- Budget is looking good: up in revenue and down in expenditures. However, it is important to note, and Lenny Greenstein also mentioned the same with the city, that the sales tax is a lower collection than it was last year. So far, it is not significant, but it is something to watch.
- The big topic of the meeting was TCERN. The cutover will be taking place on November 19th. Everything seems to be in place. For Station 82, the permit was issued and construction began on October 21st. Hopefully, it will be done around Thanksgiving or shortly thereafter. There has been previous discussion about the in-building emergency responder radio coverage. There has been work with a consulting firm, AHJ, for development of a testing and review process for these systems. Hopefully, this will be completed before cutover.
- Chief Brooks mentioned that Chief Roberts from community risk reduction and Chief Patti are working on known buildings. There are about 20 systems that were on the old or legacy system that will not be functional. They have been going

around and leveraging the public education crews during the month of October and are going back and following. Largely, improvements are being seen under the new system. There are some that will be problematic, and there is being work done on alternative plans to fill the gap until the property owners or managers can make the necessary changes. Crews will be working through contingency plans on how to address those.

- There has been a budget committee working for the 2025 budget. It was approved at the last meeting. It is basically the same as this year's. The only thing of interest that is newly included is 2.75 more FTE. Those are primarily in the dispatcher area. There was some discussion within the budget about TCERN capital expenditures.
- Staffing is going pretty well with TCERN. Depending on how it is viewed, staffing is either down four or down ten. The four is in regard to people who have been there who have left. There are currently five people in training and hopefully they will all be successful. The other six are positions that have been in budget but have not been filled. It can be difficult to keep people in the dispatch area.
- The other topic of interest was support being given, similar to the support that the first responders get for PTSD and trauma, to dispatchers for some of the calls they have taken.
- The December meeting is canceled. The next meeting will take place in January.

C. City/District Liaison

Commissioner Kelling reported on the November 7th meeting:

- The city manager, the mayor, and the deputy mayor were present at the meeting, along with Commissioner Kelling, Commissioner Hetzler, Chief Brooks and Chief Schmidt.
- The majority of the discussions revolved around the Quiemuth Village build-out and what both parties understood to be true and what they were assuming. Further discussions are needed.
- The future status of the existing casino is still undetermined. The city manager opined that he thought it would remain a casino even after the new casino is built out.
- There was additional discussion about the storm water mitigation by Station 34.
- There was interest on the mayor's part about the ongoing at the Reserve community, which is on the corner of Pacific and Carpenter. The mayor was interested in hearing the fire service perspectives. The understanding is that there has not been a significant spike in call volume. Chief Schmidt relayed the significant points from the freeze incident of last winter and some of the challenges in mitigation for the district. The city has concerns about the management of that complex and has received some community member input and complaints.
- There was discussion about fire station options as far as properties for a training facility and/or a potential additional fire station, all dependent on how discussions go with the Tribe.
- The next meeting is anticipated to take place in January.

D. Thurston County Fire Commissioners Association

No report; the next meeting is on November 19th. They will be taking nominations for the three officer positions.

E. Thurston Regional Planning Council

Commissioner Hetzler reported from the November 1st meeting.

- The agency assessment was approved, which is a very small amount and will not hugely affect the budget.
- Commissioner Hetzler will provide additional information at the next meeting.

F. Community Outreach

Chief Brooks shared:

- October, Fire Prevention Month, was successfully wrapped up. The crews were well received as always. Tonight, there is a crew at South Sound Stadium as standby for a football game.
- Focus is now on Santa visits. The first planning meeting for the holiday events has taken place. December 2nd will be the first Santa visit. The City of Lacey is not doing the full parade, but they are still having the event in Huntamer Park. They have asked LFD3 to continue to be Santa's ride to the park. Chief Roberts and Chris DeBell are working on coordinating with the city.
- Dates have been set for the additional Santa visits. There will be eight opportunities for the Santa Mobile to go out in the community. The dates will be published on the website soon.
- The newest member of the fleet, the bus, will be involved this year as well. There have been some fun ideas to decorate it and incorporate it into the holiday events.

G. Capital Facilities and Equipment Activities

Chief Brooks shared:

- There has been preliminary work on looking at opportunities. There have been bids coming in on some of the work being done. There was a request by the chair to look at a subsequent meeting, either the second November meeting or the first December meeting, about giving the commissioners a tour of the facility after the meeting to see the plans for adjustments or additions.

VI. OLD BUSINESS

A. No items.

VII. NEW BUSINESS

A. 2025 LFD3 Budget (see Appendix A) – Public Hearing

Chief Brooks reported:

- Thanks to Director Kirkwood and the entire finance team for all the work that has gone into the development of the budget.
- At the last fire commissioners meeting, there was a detailed preliminary look at the budget. Director Kirkwood has continued to do a lot of work on updating the numbers.

Director Kirkwood reviewed the relevant changes and updates to the budget:

- There have been updates to the preliminary assessed value for the district from the county. Those are happening about every two weeks at this point. They anticipate having final numbers this month. Revenue is capped at 6%. That amount is in addition to 7.4% approximately from 2024, so there is not much impact on revenue at this point in time.
- The property tax amount did change. The main reason for that change is because when it was presented last time, it was presented on the full levied total tax amount. What is actually expected to be received for revenue is about 99% of the total tax levy, so that number was reduced by 1%. This number is now \$32.137 million expected in property tax revenue next year as of now until final numbers are given from the county on the AV.
- The other change in revenue for the general fund is in the area of goods and services, mostly in regard to the revenue received from Medic One. That has changed due to some updates made for state taxes. LFD3 was able to get a couple of rates for taxes next year, and those adjustments were made. Some of the costs increased. The amount of revenue received from Medic One to cover those costs should increase as well.
- Total projected revenue for next year is at \$48.98 million.
- In the executive and legislative portion of the general fund budgets, the personnel, taxes, and benefits line were also updated to \$619,000. This was due to changes made for taxes. The total number for executive and legislative is \$775,000.
- In the administrative area, personnel taxes and benefits went to \$4.8 million, again due to the change made to the state taxes that are received. The subtotal for the administrative area is \$7.79 million.
- For operations, which includes BLS, ALS, and training staff: the total amount for personnel taxes and benefits was updated to \$30 million. That again was due to those updates rates received from the state.
- The total bottom line for total appropriations is \$39 million for the year. The transfers did not change. The total for appropriations and transfers is \$41.7 million with projected ending cash balance of \$7.2 million, which represents 18.3% of appropriation.
- Commissioner Hetzler has a question about each section of the budget showing how many FTEs. Executive/legislative has 1.25 FTE. Director Kirkwood

clarified that yes, there is budgeting for one quarter of two fire chiefs next year. This is because Chief Brooks will be present for the first quarter. This category also includes all the commissioner pay, but that is not counted as FTEs.

- Moving on to the sub funds: in Donation Fund Budget 101, there is a rollover of cash in the amount of \$24,500 with anticipated interest of \$1,400 for a total revenue of \$25,900. The budgeted supplies are \$8,000 with a total ending cash of \$17,900.
- In Reserve Fund Budget 102, which is used mostly for extraordinary costs in relation to unemployment and LEOFF1, there is anticipated rollover of cash in the amount of \$998,000 with the interest level at about \$15,000. Transfers in the general fund, which is done every year, is \$125,000. Total revenue and transfers are \$1,138,000. Budgeted unemployment costs and LEOFF1 costs are at \$105,500, with a total ending cash projected at \$1,032,500.
- Commissioner Kelling inquired about how this fund continues to grow year over year and if there are options to reallocating some of that money. Director Kirkwood responded that the money can be reallocated if needed. All of the sub funds – 101, 102, 103 – are part of the general fund, and money can be moved around within these funds. Chief Brooks commented that he would discourage moving very much from this fund until the LEOFF1 liability is removed. Down the road when that is no longer an issue, the money could be reallocated with less risk. He further clarified that LEOFF1 is the earliest pension system that was through 1977. Part of the provisions of that is for the district to remain wholly responsible for all healthcare costs for anyone who retired under the LEOFF1 system. There are still six remaining LEOFF1 members. There are insurance policies on a certain number of them to help offset the costs, but there are a few of them who are uninsurable.
- The Equipment Replacement and Repair Fund Budget 103: there are a significant amount of transfers coming into this fund as there are a large number of apparatus expected to be received in 2025. The beginning balance, which is cash rolled over from 2024 to 2025, is at \$1.9 million. Interest is expected at \$30,000. There is a transfer in amount of \$1.2 million for total revenue transfers for \$3.1 million. Expenditures in this area total \$3,078,000. There is an ending cash balance of \$98,000. With the expected next purchase of major apparatus in a few years, there should be some time to replenish this fund. Chief Brooks added that two of the vehicles that were expected to arrive in 2025 are now not likely to arrive until Q1 of 2026 which will lead to a healthier carryover of the budget.
- Limited Tax General Obligation Bond Fund Budget 201: this is the non-voted bond that occurred in 2012. It is funded directly from transfers from the general fund. In the past, large amounts of money have been transferred into this fund. It was realized coming into this year that a large amount of cash was sitting in this fund. Since it is already known how much will be spent on debt service, that is the specific amount of money that should be transferred in, and it should be zeroed out by the end of the year. That is what was done this year. The total revenue and transfers is \$89,900, and the total expenditures are \$89,900 for an ending cash balance of \$0.

- Unlimited Tax General Obligation Bond Fund Budget 202: the total revenue and taxes is \$1.46 million. The total expenditures are \$1.3 million. The ending cash balance is \$136,057.
- Capital Projects Fund 301: this is directly funded out of the general fund to cover facilities costs and other capital equipment. The total revenue and transfers is \$1.45 million. Total expenditures are \$1.2 million. The ending balance is \$212,900.
- Capital Bond Funded Projects Budget 307: the total revenue and transfers is \$845,000. The total expenditures is \$845,000. The ending balance is \$0.
- Commissioner Kelling commented that there is a pretty significant disparity between last year's budget and this year's budget for the executive legislative position; is that because this is a nonstandard year? Director Kirkwood confirmed that this is the reason.

Commissioner Kelling formally opened a public hearing for the 2025 Lacey Fire District 3 budget and called for any engagement or questions from the public based on the presentation and the material in the meeting packet. There were no comments. The public hearing was closed at 6:05 p.m. on the budget discussion for Lacey Fire District 3 2025 budget.

VIII. ADMINISTRATIVE REPORT

Chief Brooks reported:

- There was recently an officer development course, the first of its kind. All of the new officers that are applying for promotion in 2025, along with those who were promoted this year, participated. There was a total of 20 members participating. Thanks to the finance team and HR for assisting with this.
- Commissioner participation is welcome during the planning of the Christmas events. A calendar of events will be coming out soon.
- Tomorrow is the final day for the four new lateral firefighters. They have wrapped up their six-week academy with the training division. They will be starting their shifts next Tuesday. Their swearing in is expected to take place at the next commissioners meeting.

IX. COMMISSIONER COMMENTS

Commissioner Roberts – an inquiry to the Chief about charities. At the next meeting, it would be helpful to have information available, possibly even sooner if it is possible to have it before Thanksgiving. Chief Brooks responded that information will be given as soon as possible. Commissioner Roberts also commented with congratulations to the finance department on getting the budget ready for next year. It also looks like the audit went very well.

Commissioner Gamble – thanks to the finance team for all their hard work.

Commissioner Hetzler – no comments.

Commissioner Kelling – commented on having to look hard in the accountability audit report for the actual findings. Chief Brooks responded that there were no findings; rather, exit items. Commissioner Kelling also mentioned that there will be member recognitions coming up and it is anticipated that there will be discussions about that for the board members. Commissioner Kelling also reminded the commissioners to provide Commissioners Hetzler and Roberts with their input on the commissioner handbook development. Also, a reminder that Monday is Veteran's Day. Per the governor's proclamation, this year's theme is: A Legacy of Loyalty and Service. This is not unlike what the fire service members do every day. Commissioner Kelling asked staff to pass on the commissioners' thanks and consideration to the members for their service.

X. CORRESPONDENCE

None.

XI. HEARING OF THE PUBLIC / MEMBERS PRESENT

None.

XII. EXECUTIVE SESSION

- A. In accordance with RCW 42.30.110(1)(g) to evaluate the qualifications of a candidate for public employment.
- B. In accordance with RCW 42.30.110(1)(b) to consider the selection of a site or the acquisition of real estate.

The administrative session began at 6:14 PM with an estimated time of 30 minutes.

The administrative session ended at 6:45 PM. No decisions were made.

XIII. ADJOURNMENT

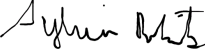
The meeting adjourned as of 6:45 PM.

***Next Regular Meeting: November 21, 2024 – 5:30 p.m.
Available via remote meeting.***

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Chair

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