



**KING COUNTY FIRE PROTECTION
DISTRICT #25
BOARD OF FIRE COMMISSIONERS
SPECIAL MEETING
08/06/2015**

DATE/TIME: Thursday, August 6, 2015, 4:00 p.m.
PURPOSE: Special Meeting
LOCATION: Station 16, 12923 156th Ave. S.E., Renton
ATTENDANCE: KCFD #25 RENTON
Chairman Ray Barilleaux Chief Mark Peterson
Commissioner Kerry Abercrombie Admin Secretary Rhonda Heyden
Commissioner Myron Meikle

PUBLIC
None

1. Call to Order:

Commissioner Barilleaux called the Special Meeting to order at 4:16 p.m.

2. Reserve Fund:

Commissioner Barilleaux indicated that he has some concerns regarding turning over all of District 25's reserve fund over to the Regional Fire Authority (RFA). He thought that District 25 would maintain a portion of the reserve fund to use for various expenses, such as the DUI drill. His further concern was that if all of District 25's reserve fund money was turned over to the RFA, and the RFA's Governance Board turned down a request for offering a specific public outreach event, then there would not be a guarantee that there would be the funds to offer the event. He thought that it might be helpful to stipulate that money would be available for public outreach through the paperwork that is drawn up for the RFA. Commissioner Meikle thought that identifying a fund for public outreach would be helpful.

Chief Peterson explained that District 25's assets have already been turned over to the City through a contract and, currently, District 25 does not have any physical assets. He further explained that the RFA becomes the taxing authority and assumes all liabilities (vehicle insurance, errors & omissions, etc.). District 25 and the City join to become a Regional Fire Authority. The only liability District 25 has is the medical and long term care insurance for three Leoff 1 retirees. Chief Peterson indicated that it is the Fire Chief's responsibility to present the budget to the Governance Board, at which point modifications can be made.

Commissioner Abercrombie indicated that the reserve fund is larger than he thought. He is reluctant to turn it all over to the RFA, and recommended District 25 consider turning over a portion of the reserve fund, with the remaining amount being turned over at a later date. Additionally, Commissioner Abercrombie didn't think that the public outreach should be tied to the reserve fund. He thought it should be the Governance Board ensuring that public outreach is available.

Commissioner Meikle thought that District 25 should retain some of the reserve fund for liability purposes. Chief Peterson reiterated that the RFA assumes all liabilities, and that District 25 does not have operational liability, since it becomes part of the RFA.

Chief Peterson recommended setting up a meeting with the District 25 Commissioners and the District 37/Kent Regional Fire Authority to discuss their concerns and find out how their RFA works for them.

Commissioner Barilleaux indicated he would turn over reserve fund if it is written in the agreement and the policy that Fire District 25 still has meetings and the Commissioners receive compensation for attending the meetings. Commissioner Barilleaux asked if the RFA covers the expenses for re-election, to which the Chief stated that he would ask Fire District 37. Commissioner Barilleaux also wanted to have it written that a certain amount of money will be available for public outreach, such as the DUI drill. Chief Peterson stated he was hesitant to write in such detail, since it then becomes details of operation rather than policy, and, if written, would require a vote of the people to change it. He recommended keeping the wording flexible.

Commissioner Meikle asked about the possibility of leaving the reserve money where it is at so that it will continue to grow where it is invested now and have District 25 control the reserve fund. Chief Peterson explained that District 25 couldn't continue to maintain ownership since there would be a co-mingling of the funds. The Governance Board would determine how much should be in reserve, capital replacement, and how to budget the money and allocate the resources.

Commissioner Meikle stated that he sees the Fire District 25 reserve fund becoming the RFA reserve fund and the money should remain as reserve, to be used as a rainy day fund. The question then becomes how to fund DUI drills with the money they have. Will there be enough money to manage the Fire department for 6 years until it goes to voter approval again?

Commissioner Abercrombie asked if the RFA needs the reserve fund money now to get up and running. Chief Peterson stated that this question would be a question for the Planning committee, but that there does need to be a fund for emergencies. Chief Peterson further stated that Administrator Wang's proposal is to finance the RFA until it receives its tax money in April, 2017.

Commissioner Abercrombie asked if the wording in Section 6: Transfer of Assets, 1.1 Reserve Fund, "...for the purposes of establishing a Capital Projects Fund" could reflect "establishing a reserve fund for the Regional Fire Authority"? Chief Peterson replied "yes". Commissioner Abercrombie then asked if the wording could further state "transfer 90% of the reserve fund over. The other 10% to follow in 3 years".

Commissioner Barilleaux supported transferring 90% of the reserve fund to the Regional Fire Authority. He asked if it could be earmarked as a reserve fund for the RFA? Chief Peterson asked the Commissioners to think about if they transferred the money into a reserve fund and chose to keep a percentage, how would that affect them? Commissioner Meikle stated that doing so protects the money. But, Commissioner Meikle added that breaking up the money into a percentage might complicate matters.

Commissioner Abercrombie recommended the wording to read "District shall transfer 90% of the reserve fund for the purpose of establishing an RFA reserve fund. The remaining 10% to be given to the RFA within 3 years." This would give a 3-year window to "feel comfortable", he stated. Chief Peterson stated that, according to the RCW, everything is to be transferred to the RFA. He further recommended not going into detail within the plan. Rather, keep the wording simple, but go into detail when writing the policy. Chief Peterson stated that the problem with having two separate funds, is that there would need to be two methods of reporting and two separate audits. It would be "cleaner" to have one fund. Chief Peterson further stated that the Governance Board has a shared interest in being a good steward of the taxpayer's money.

Commissioner Meikle added that the Commissioners are reliant on funding through the RFA to maintain their positions, while the members of City Council are not. He would like wording to ensure that funds are available for this purpose. Commissioner Meikle agreed that it would complicate matters to have two funds. He agreed that allocating how the money could be used when policies are made would be "cleaner" than separating the reserve fund.

Again, Chief Peterson stated that he would contact Jim Schneider, Fire Chief of the Kent Regional Fire Authority, to set up a meeting and have the Commissioners talk about the dynamics between the City Council and the Fire Commissioners, and how they are working together at the Kent Regional Fire Authority.

Commissioner Barilleaux stated that he would agree to transfer District 25's reserve fund into the RFA as a RESERVE FUND, where it would remain as such.

MOTION made by Commissioner Barilleaux to transfer 100% of the Fire District 25 reserve fund into the RFA, if and when the RFA is formed, with the knowledge that it would be earmarked as a reserve fund for the RFA. **SECONDED** by Commissioner Meikle. **MOTION PASSED.**

3. District Liaison Responsibilities:

Commissioner Barilleaux reported that the Fire District 25 Liaison is in the hospital and stated that there has been some discussion about who will provide the service to the district. Chief Peterson indicated that the Liaison's workload will be shared amongst the administrative staff within the Renton Fire & Emergency's office. Additionally, a member of Finance will also help with the presentation of District 25's budget. Tom Tasa, former District 25 Commissioner, will go over the budget with the administrative staff on Friday, August 7, 2015 and give a historical perspective to Fire District 25.

Commissioner Barilleaux agreed to attend the meeting as well. Chief Peterson indicated that additional cross training would occur and the staff has been fabulous with pitching in to help where needed.

4. Good of the Order:

Commissioner Meikle asked what could be done for the District Liaison, which Chief Peterson replied giving her encouragement while she continues to heal.

5. Adjournment:

The meeting was adjourned at 5:57 p.m. on a **MOTION** made by Commissioner Barilleaux, **SECONDED** by Commissioner Abercrombie and **CARRIED**.

Submitted/Transcribed by:

Rhonda Heyden, Administrative Secretary I
Renton Fire & Emergency Services

Approved:


Signature KCFD 25 Board Member

Dated: 8/18/2015