

Whatcom County Fire District #5

Point Roberts Fire Department

2030 Benson Road, Suite A

Point Roberts, Washington, 98281

Special Meeting of the Board of Commissioners

May 17th, 2023

MINUTES

In Attendance: Commissioner Virginia Lester
Commissioner Norm Katz
Commissioner Pat Harper
Chief Christopher Carleton
District Secretary Linda Hughes

Absent: Financial Manager Patty Markel

Guests: All Point Bulletin - Pat Grubb
Allison Calder
Bill Zidel

A. CALL TO ORDER

The meeting was called to order at 4:04 p.m. by Commissioner Lester.

B. DISCUSS POTENTIAL LEVY/BOND FOR DISTRICT

Chief Carleton announced that the approved Capital Facilities Plan has now been posted to the District's website at www.WCFD5.com

Chief reviewed the purpose of these Special Meetings is to present the Commissioners with the anticipated needs of the District and consider how best to fund those needs. Additionally, the District needs to continue to function for this community going forward and, as the Chief noted, the fact that our current levy does not meet anticipated demands is an important topic that the public should be thoroughly informed on.

Commissioner Lester asked Chief to review the options being considered; a levy lid lift, a bond, or a combination of the two. Chief responded that a bond issue would provide the District with immediate funds to accomplish a number of objectives of the Capital Facilities Plan, but that debt

would need to be serviced with additional income. A levy lid lift could provide that additional revenue, but if the bond issue were to be passed and the levy lid lift was not, the District simply would not be able to service the debt and would quickly be operating in a deficit.

Chief presented a worksheet of the prospective results of varying levels of a levy lid lift, demonstrating the potential revenue results and taxpayer cost. He noted that the current property valuation of all of Point Roberts is \$993,096,921.00. Chief's chart shows that a:

\$0.20 levy lid lift would result in additional revenue of \$187,019 per year;

\$0.30 levy lid lift would result in additional revenue of \$280,529 per year;

\$0.40 levy lid lift would result in additional revenue of \$374,039 per year;

\$0.45 levy lid lift would result in additional revenue of \$420,793; and a

\$0.50 levy lid lift would result in additional revenue of \$467,548 per year.

Chief noted that these are estimates only, based on figures provided by the County, but actual figures would be available and presented to Voters, if a levy lid lift were to be presented on the ballot. The full chart of these projections will be available on the Fire District website for the public to review.

Chief also pointed out that if the voters approved one of the higher level levy lid lift options, then the District would be able to achieve the objectives of the Capital Facilities Plan, albeit on a slower schedule than projected in the Plan. If a bond option is chosen to present to voters, then a lower levy lid lift would be enough to service the debt of the bond.

A discussion was held about the interest on an issued bond, as interest rates fluctuate, and Chief indicated that he would look into whether an issued bond could be renegotiated in the event interest rates became more favorable.

Chief reviewed different scenarios of utilizing the funds from a levy lid lift. Whereas the use of bond funds would be restricted to capital projects, revenue from a levy lid lift could be utilized in operational costs as well. If the levy lid lift is the option pursued and approved by voters, then he anticipates that a large portion of the revenue would be held in the reserve account for capital expenditures, and a small portion would be used for increasing operational costs; one such cost is the need for an additional paid position (or two) at the fire station. After some discussion of who would fill that role, Chief noted that he would ask the District's counsel if a volunteer fire fighter could also hold a part-time paid position.

The next scheduled Special Meeting to continue discussion of these revenue options is Monday, May 22nd, at 4:00 pm. There will be additional meetings scheduled in June and July and Chief hopes that they will be well attended by the community.

Commissioner Lester asked if a levy lid lift were approved, whether it stays in effect or expires. Chief responded that any levy lid lift would be permanent, and the 1% allowable increase would also remain available to the Commissioners each year. He cautioned however that continued inflation could eventually outpace any new levy and we may be in the position again in several years.

Chief noted that he will invite district counsel Brian Snure and the bond specialist Jim Nelson to return to our next Special Meeting to continue to offer their guidance to the Commissioners and the public on these issues.

Commissioner Katz asked Chief Carleton which of the options did he consider the better one. Chief replied that both have pluses, in that a bond issuance would allow for some of the necessary upgrades to be accomplished immediately, but again cautioned that any bond would have to be supported with new revenue. After confirming that Commissioner Katz was asking for the Chief's personal opinion, he replied that he favors the levy lid lift option, largely because it avoids the pitfalls of also having to secure additional support income.

When the Commissioners were asked to make their preference known, it was clear that more time and consideration of the issues is needed. All Commissioners are unanimously looking forward to another opportunity to hear from Mr. Snure and Mr. Nelson, before making any decision.

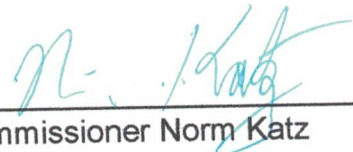
Chief indicated that once the Commissioners hear from Mr. Snure and Mr. Nelson, and have an opportunity to pose any further questions to them, he would look forward to the determination of which option(s) should be pursued. Once decided, it will be important to help the community understand the issues in a continued series of public meetings.

C. ADJOURNMENT

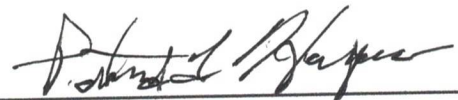
As there was no further business, Commissioner Harper moved to adjourn the meeting at 4:55 pm. Commissioner Katz seconded the motion. **Motion passed 3 – 0.**



Commissioner Virginia Lester

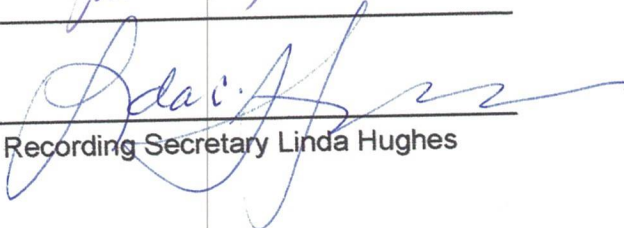


Commissioner Norm Katz



Commissioner Pat Harper

Dated June 14, 2023

Attest: 
Recording Secretary Linda Hughes