

MONTHLY MEETING OF THE BOARD OF
COMMISSIONERS OF FALL CITY METROPOLITAN PARK DISTRICT
OF KING COUNTY, WASHINGTON
HELD October 26, 2010

The regular meeting of the Board of Commissioners of Fall City Metropolitan Park District (FCMPD) of King County, Washington, was held October 26, 2010, at the Fall City Library located at 33415 SE 42nd, Fall City, Washington, at 7:00 p.m. Commissioners Wilkins, Harris, Moderow, Schneider, and Pettersson were present.

Also present were Terri Divers, Teresa Appleseth, Fire Chief Chris Connor, Tall Bill Blakely, Del Moore, Nancy Moore, Johann Sasynuik, and Terri Campbell.

1. Call to Order

Commissioner Harris acted as Chairman of the meeting and business was conducted as follows. Terri Campbell will be taking the meeting minutes.

2. Minutes and Resolutions (review, approval and sign)

Minutes of the Special Meeting held September 14, 2010, were read and approved. Minutes of the Regular Meeting held September 28, 2010, were read and approved.

3. Financial Report and Vouchers

The King County Voucher request form totaling \$2,115.28, which included various vouchers drawn on the District's Maintenance Fund, was reviewed.

Upon motion duly made and seconded, the Board of Commissioners unanimously approved and authorized payment of Maintenance Fund Voucher Nos. 42 through 51 in the amount of \$2,115.28

Terri Campbell prepared and submitted to the Commissioners a Master Financial Report that includes actual income and expenditures from January 2010 to present, as well as a draft budget for 2011 for Commissioner review.

4. Business from the Floor

A. Chief Chris Connor, Fall City Fire District, spoke about the levy rate issues currently facing King County. The Washington State Constitution states that the total amount of property taxes cannot exceed 1% of the property value, with certain exceptions. This equates to \$10 per \$1,000 of assessed valuation. There are some Levy's that are exempt from the 1% limit, such as excess levies needed to pay back voter-approved bonds. Of the \$10 amount, the state reserves \$3.60 of this taxing authority. The County is allowed to levy up to \$4.05, which includes \$1.80 for general County purposes and \$2.25 for County road purposes. There is a \$0.50 buffer built in to the system that is not specifically unaccounted for.

There is a maximum \$5.90 levy allowed between the County and local districts. That leaves \$1.85 for Special Purpose Districts and entities like the Fire District, FCMPD, Library, Cemetery District and Hospital District. In essence, all these entities share the \$1.85. The Library is allowed to collect \$0.50 per \$1000. The Hospital has two rates, the first is \$0.50 and then they have the ability to collect another \$0.25. The Fire District has three \$0.50 rates. The FCMPD has two rates, a \$0.50 amount and also a \$0.25 rate. The total amount of each of these maximum levy rates is \$3.50, which exceeds the \$1.85 maximum amount. Therefore there has to be some give and take on what can be levied by each of these entities.

The County Assessor does real market comparisons and arrives at what they think each property is worth. There are separate levy codes in case the District's overlap each other. 2011 tax assessments will be based on January 1st of 2009 assessed values. There is a lag in the system and because property values have continued to decrease since 2009, there will be continued challenges with establishing levy rates below the maximum amounts that would fund the budget amounts that are equivalent to the previous years.

FCMPD can set its budget at what it was the previous year, plus 1%, plus the value of new construction. If you take the Levy amount, plus 1%, plus the new construction that has occurred, one can arrive at the new rate. Because of the devaluation, when the property values go down, the levy rate would increase to fund the requested budget.

This year, in 40 of the levy code areas, the County predicts the \$5.90 limitation will be exceeded and some of this is expected to occur in the Fall City area. When this situation occurs, levy suppression, or pro-ration, has an order of where and in what order cuts will occur. For the FCMPD there is the \$0.50 and \$0.25 maximum levy rates, and the \$0.25 is subject to elimination or proration. Because the County is over the \$5.90, some proration is going to occur unless there is some type of give and take.

In order to address this situation this year, the Flood Control District is proposing to buy down the capacity from other Districts. This is because they are the most junior of the other senior Districts and their levy is the first to be eliminated. They collect \$0.11 per thousand across the whole county which generates about \$35,000,000 per year. Their goal is to not have their levy pro-rated. The Fire District represents \$0.15 over the \$5.90. The Fall City area residential values, as of a few months ago, dropped 7.9% for the collection in 2011, on top of the 12% already decreased last year. The outlook for property values is not good for the next few years. In general, government property assessments lag the private sector by 1 ½ to 2 years.

B. The Fire District was approached by the Flood District to agree to a plan to buy down the rate. What it means is that the fire taxes would be \$0.15 lower which allows the FCMPD to collect its full amount. Without any action, the Flood District

would be eliminated. When you look at the order of precedence during a down year, the first to be affected is the Flood District, then the Park District, then the Library District, then the Fire District and then the Hospital District. With the agreement with the Flood District, the FCMPD would be allowed to collect the full amount. The Fire District will reduce the levy, which will reduce the levy to the tax payers, then the County would reduce it down and the Flood District would pay dollar for dollar to buy that down. Deadline is November 8th.for agreement between the Fire and Flood Districts.

C. The Flood District is not currently working on any dredging to improve the amount of water expected to come out of the falls this year. The Flood District is currently buying out housing along the flooded areas. Any place that floods is eligible for the elevation projects i.e. what we are seeing in City of Snoqualmie, where they are raising the houses.

5. Correspondence

No report.

6. Committee Reports

A. Administrative Committee – Commissioner Harris

- Document Storage Solutions – Chief Chris Connor has received Fire District Board approval to allow FCMPD to store a fire-proof file cabinet on site at the Fall City Fire Department. This approval would likely require FCMPD to sign an agreement to hold the Fire District harmless should anything happen to the file and/or documents contained within. The Fire District Board would likely draft up this agreement and submit it to the Park District for its approval.
- Policies and Procedures Manual – Terri Divers has forwarded a policy manual from the Water District to use as an example. We also received a draft copy from Si View. Commissioner Wilkins offered to begin preparing a draft policies and procedures manual using the documents received as a template.
- Office Administrator Action Items – Terri Campbell to distribute a list of monthly tasks to the Commissioners by the end of the evening.

B. Vision, Mission, and Goals Committee – Commissioner Pettersson

Upon motion duly made by Commissioner Pettersson it was suggested that the current Comprehension Plan be modified to a draft state. This was not seconded by the remaining Board of Commissioners, who chose to keep the current Comprehension Plan as a current document until there are changes to be made, at which time it will be updated.

C. Park Lands Committee – Commissioner Moderow

- Park District Survey – Request for Proposal (RFP). No bids have been received to date. The intent is to have the survey completed by March 2011. The survey RFP was reviewed by legal council before being issued. The RFP

was published in the Daily Journal of Commerce and a notarized State of Washington Affidavit of Publication was received and is on file.

- Fall City Park maintenance schedule
No Report.

7. Communications Liaison Representative Report – Commissioner Wilkins

A. Snoqualmie River/Fall City recreation meeting

- FCCA met and the topic came up to have a community and government meeting to discuss the issues related to the summer activity along the river during. It was suggested by some of the Commissioners, that FCCA take the lead role, however FCMPD will assist in a facilitator role to get the dialogue started. Terri Campbell will take meeting minutes at this meeting. The meeting is scheduled at the Fall City Fire Station, November 8th, at 7pm.

Upon motion duly made and seconded, the Board of Commissioners has as split vote with Commissioners Wilkins, Harris, Pettersson, and Moderow supporting, and Commissioner Schneidler abstaining, to approve and authorize \$200 to be spent on facilitating a community meeting related to the Snoqualmie River Summer Clean-Up.

B. Snoqualmie Tribe

- No Report.

C. King County

- No Report.

8. Old Business

A. Expense Budgeting for FY 2011 – Process/Timeline

- Financials were submitted by Terri Campbell for 2010 and a draft budget for 2011. Recommendations from the open floor that it is industry standard for a budget increase of 1%.
- A decision will need to be made to roll-over unused funds, ear-mark for another area, or keep as a reserve. Terri Divers suggested keeping (6) six months reserve for the operating budget since our income typically funds only twice per year. Absolute drop dead budget submittal date is December 3, 2010. A budget hearing and subsequent budget approval will occur during the Regular Meeting on November 23, 2010, at the Fall City Library at 7pm.

Upon motion duly made and seconded, the Board of Commissioners unanimously approved to have a Special Meeting on November 9th, 2010, at the Fall City Fire Station to discuss the budget.

B. State Auditor's Office – Accountability Audit

- No report.
- C. FCES/CKMS – Student Directory Ad/Sponsor
 - Payment was made and an ad was submitted.

9. New Business

A. Snoqualmie Valley Trail

- Johann Sasynuik submitted (5) sets of labeled documents to the Commissioners related to the Raging River Trail. The Commissioners were requested to review the documents.

10. Adjourn

After discussion, upon motion duly made and seconded, the meeting was adjourned at 9:03pm.

President and Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Clerk and Commissioner