

## City of Marysville, City of Arlington and Fire District 12

### RFA Planning Committee Meeting

August 24, 2017

5:00 – 7:00 PM

Marysville Council Chambers

*Meeting objectives: Approve statement of shared values and principles; provide direction to staff on proposed work plan for this fall; review and provide feedback on proposed committee charter; additional informational briefings time permitting*

#### Proposed Agenda

1. Welcome and Introductions (5 min.) Mayor Nehring and Mayor Tolbert
2. Review of Agenda; and Goals for meeting; approval of agenda (3 min.) Mayors
3. Approval of Meeting Summary of July 27 (3 min.) Mayors
4. Roundtable: Reflections on Year-1 Service Levels/Avoided Costs presentation (15 min.) Chiefs/Committee
5. Discussion/Potential Action: Statement of Shared Values and Principles (15 min.) Karen
6. Review/Discussion: Work Plan for September-December 2017 (45 min.) Karen
  - a. Sample RFA Plan
  - b. RFA Plan Issues List
  - c. Meeting Dates for September-December
  - d. Draft work plan
  - e. Draft communications plan
7. RFA Planning Committee formation issues Karen
8. Review/Discussion: Draft Planning Committee Charter (15 min.) Karen
9. *Time permitting:* Governance Briefing –options and issues (25 min.) Karen
10. *Time Permitting:* Expected growth in property taxes versus other costs (5 min.) Chelsie, Sandy, Kristin
11. *Time permitting:* Template for defining sustainable services assumptions: building baseline costs *Model and options* (10 min.) Karen, Chelsie, Sandy, Kristin
12. Next steps / Next meeting
13. Adjourn



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MINUTES OF THE MARYSVILLE / ARLINGTON / FIRE PROTECTION DISTRICT #12  
REGIONAL FIRE AUTHORITY PLANNING COMMITTEE

Arlington City Council Chambers  
110 East Third Street  
July 27, 2017

**Marysville Councilmembers Present:** Jeff Vaughan, Jeff Seibert, Steve Muller

**Arlington Councilmembers Present:** Chris Raezer, Marilyn Oertle, Jessica Stickles, Mike Hopson, Debora Nelson, Jan Schuette.

**FPD #12 Commissioners Present:** Pat Cook, Tonya Christoffersen

**Also known to be present** were Karen Reed, Bob Nelson, Chris Andersson, City of Marysville Mayor Jon Nehring and staff members Gloria Hirashima, and Sandy Langdon; City of Arlington Mayor Barbara Tolbert and staff members Paul Ellis, Kristin Garcia, Kristin Banfield, Bruce Stedman, David Kraski, Greg Koontz, Brandon Asher, Bob Beam, Jason Abrahamson, Jason Nyblod, Willy Harper, Paul Lizarraga, Aaron Boede, Logan Harding, Nich Sacha, and Gregg Haddick; Fire Protection District #12 staff members Martin McFalls, Tom Maloney, Jeff Cole, Krista Longspaugh, and Darryl Neuhoff.

Arlington Mayor Barbara Tolbert called the meeting to order at 5:05 p.m.

Karen Reed provided the planning committee an overview of the agenda, the goals for the meeting, and requested approval of the agenda. Approval of the agenda was pass unanimously.

**MINUTES OF THE JUNE 29, 2017 MEETING**

Ms. Reed requested the language on page 6 of the minutes from the June 29, 2017 meeting be clarified. The sentence will now read "She commented that if they created an RFA, the levy rate for Marysville and FD 12 people would be the same, and for Arlington people it would be two cents less."

Councilmember Steve Muller moved to approve minutes from June 29, 2017 meeting with the clarification provided on page 6. Councilmember Jessica Stickles seconded the motion which was passed unanimously.

**DISCUSSION OF COUNCIL AND COMMISSION MEETING DELIBERATIONS ON WHETHER TO PROCEED**

**Arlington**

Mayor Tolbert summarized the Arlington City Council's conversation held on July 10, 2017 on whether to proceed further. She noted that the Council agreed unanimously to continue the discussions and examination with District 12 and the City of Marysville on the potential of an RFA. The Council hopes the discussion will clarify what sustainable means in respect to future operations, both in level of service and cost effectiveness. It is the Council's desire to see a clear business plan for joint operations that also addresses future growth as the City populations and businesses expand. They hope to see agreement on levels of service, cost of service and appropriate funding to meet the service needs.

On the question of values and principles that are important to Arlington in the RFA discussion, Mayor Tolbert shared that Arlington has great pride in the members of the Arlington Fire Department and feel a culture of civic pride is important. Questions were brought forward in how forming an RFA could meet the vision of expanding the existing teams as opposed to perceptions of a takeover. The Council values more efficiency in terms of resources, opportunities for training and staff development. A principle important to the Council is the ability to have strategic and growth plans in place to move to a more pro-active planning of fire and EMS services. It is important to meet the expectations of the tax payers in service provision and civic engagement. The Council also expressed the desire to be able to fully articulate to the Arlington tax payers the advantages of an RFA, both in service levels and sustainable funding. The discussion indicated that more definition than just saying better service is needed. The Council values an organization that is appropriately balanced for service delivery and administration. With respect to governance, it was important to Council members that Arlington's interest would be represented fairly in an expanded regional organization.

On the question of recommended process changes to make the future deliberations more productive, Mayor Tolbert reported the Arlington City Council is favorable to a facilitated process and indicated a need to continue to contract with Ms. Reed for facilitation.

### **Marysville**

Mayor Nehring summarized the Marysville City Council's conversation on whether to proceed further. The Marysville City Council would also like to continue to study the RFA. The last RFA planning meeting advanced the discussion with good information coming from the Fire Chiefs.

As to what values and principles are important to the City of Marysville, Mayor Nehring reported that among the objectives for the RFA are better service or cost savings. The Marysville City Council would like to know the RFA is sustainable, not necessarily requiring continuous levy increases. The Council would like to see increased financial stability, improving the current situation. The Marysville Council values a governing structure that provides for an accountable board that considers the impact of taxation on citizens.

On the question of recommended process changes to make the future deliberations more productive, Mayor Nehring shared that the Marysville Council believes the addition of a facilitator has been helpful. The Council would like to hear from cities that have both formed

and rejected RFA's in recent years. He shared that there were varied opinions on the current monthly meeting schedule, with some members feeling that increasing the meeting frequency might be helpful and others feeling meeting once a month is sufficient.

### **District 12**

Commissioner Christoffersen shared that District 12 is willing to continue the RFA discussions with the other two jurisdictions. The District sees positive potential of developing an RFA. They look forward to the opportunity to work as a unit to provide a better level of service for all three communities.

On the question of values and principles that are important to District 12 in the RFA discussion, Commissioner Christoffersen reported that the Commission sees value in the three agencies working together maintaining their mission and identities while increasing their core values and principles.

On the question of recommended process changes to make the future deliberations more productive, Commissioner Christoffersen noted the Commission would like to see two meetings per month, with one being a work session and the second being a regular meeting for taking actions. In addition, the Commissioners would like to see the entire elected bodies at benchmark meetings to help with communication.

Discussion followed. Ms. Reed asked clarifying questions of each agency to ensure deep understanding of the deliberations.

### **DOES THE PLANNING COMMITTEE AGREE TO CONTINUE TO WORK THROUGH THE REMAINDER OF 2017 TO EXPLORE THE FEASIBILITY OF AN RFA**

Councilmember Stickles moved and Commissioner Christoffersen seconded the motion to have the Planning Committee continue to work through the remainder of 2017 to explore the feasibility and advisability of an RFA encompassing all three jurisdictions that will provide the same or better levels of service to the public, and to explore the terms and conditions under which such an RFA should be proposed. Discussion followed. The motion was approved unanimously.

### **DEVELOPING A STATEMENT OF SHARED VALUES AND PRINCIPLES**

Ms. Reed distributed a copy of the statement of shared values and principles that Snohomish Fire District No. 1 and the City of Lynnwood developed at the start of their RFA discussions. Ms. Reed asked those in attendance to share any items they felt were missing, needed to be deleted, or needed to be further refined. Councilmember Stickles stated she would like to see some reference to planning for growth that did not relate solely to capital needs. Ms. Reed asked the group if sustainable should be listed under the shared operating principles or if the language in item F covered it. Discussion followed with requests to refine the level of service definition, to include language that discusses contracts for outside agencies, and includes language sustainable funding and service provision.

Ms. Reed indicated that a revised version would be brought back to the August meeting for further review and refinement.

**OUTLINE OF PROPOSED APPROACH FOR THE NEXT PHASE OF EFFORT (AUGUST-DECEMBER)**

Ms. Reed circulated a proposed outline for the next phase of the effort. Ideas were shared on the meeting schedules for August through December, including increasing meetings to two per month, extending current monthly meetings by an hour, and keeping the one meeting per month schedule and determine the 2018 schedule as we draw closer. It was noted that there is a conflict for the August and December meeting dates. A poll will be sent out to set dates for these two meetings.

Topics to be discussed in the next five months include confirming the decision making process, developing a charter, adopting a statement of values and principles, determining our expectations on services and costs, how to address governance. The committee will send a short end-of-year report to the full elected bodies that will outline accomplishments and work to be completed.

**MEASURING CURRENT LEVELS OF SERVICE (LOS) AND ANTICIPATED IMMEDIATE CHANGES IN LOS IF AN RFA WERE CREATED**

With the use of a PowerPoint presentation, Chiefs McFalls and Stedman reviewed the current levels of service for the departments and the anticipated immediate changes in levels of service if an RFA were created. Discussion followed.

**NEXT STEPS / NEXT MEETING**

Next meeting will be in Marysville. The date will be set based upon the results of the poll.

**ADJOURN**

With no further business to discuss, the meeting was adjourned at 7:01 p.m.

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Barbara Tolbert, Mayor

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Jon Nehring, Mayor

## **Year 1 RFA Operations Review – Summary of June 27 Presentation**

At the July 27, 2017, RFA Meeting, the Chiefs presented their assessment of “Year 1 RFA Operations,” assuming no new staff or facilities are added. The Chiefs identified four operational adjustments they would make immediately:

1. Combine Station 63 and Station 48.
  - a. *Save money by stopping the lease of Station 48 and re-locating some of the staff and apparatus to Station 63.*
2. Create a dedicated ladder crew.
  - a. *Using existing staff, ensure that a ladder truck can always be deployed.*
3. Create a dedicated EMS transport crew.
  - a. *Using existing staff, ensure one additional transport vehicle is always staffed.*
4. Move some existing personnel, a fire engine and hazmat unit to Station 47.
  - a. *To address service demand in a quickly growing area.*

The Chiefs shared their assessment of how unifying the two departments and making these four operational changes would immediately impact service levels from several perspectives:

- **Effects on response times**
  - The Chiefs would expect a slightly improved overall response time.
  - Response times in the area north of Station 48 would on average still be about 6 minutes, but could be slightly higher than today. (there are less than 100 responses a year to this area)
- **Additional services and programs provided by agency consolidation**
  - Marysville would see a service level increase from gaining more support for Chief Officers and having a medical services officer on all shifts.
  - Arlington would see a service level increase and cost avoidance from gaining 24-hour command and control, a medical services administrator, and fire prevention services. Arlington would also benefit from having an in house mechanic fir apparatus
- **Firefighter training improvements**
  - Both agencies would realize cost avoidance, efficiencies and service level improvements from expanded training capacities internal to the new agency, and an overall more consistent training level.
  - Overtime associated with providing training would decrease.

- **Increase in number of apparatus staffed**
  - A ladder truck would be staffed at all times.
  - Of the 5 engines in service, 2 would have dedicated staffing, 3 would be cross staffed
  - Overall, the Chiefs believe this will result in more effective use of existing vehicles and service level improvements.
  
- **Elimination of mutual aid and response duplication**
  - Eliminating mutual aid responses between MFD and Arlington will increase the time that units are available for calls—a service level improvement, efficiency and avoided costs for all agencies.

The presentation concluded by identifying some unresolved issues that would need to be addressed beyond the first year of formation. The listed issues were:

- Aging equipment and facilities
- Further response time improvements with a new site for Stations 63/48
- Population growth
- Expansion of current services
- Personnel attrition
- Limitation of property tax revenue compared to inflation of salaries, benefits and other costs

# City of Arlington – City of Marysville– Fire District 12 RFA Planning Committee

## Statement of Shared Values and Principles

Draft dated August 2, 2017

The RFA Planning Committee members endorse the following statement of shared values and principles for the operation of a proposed Regional Fire Authority (RFA) encompassing the territory of their three jurisdictions.

*Values and Principals are not presented in rank order of priority.*

### Our Shared Values Include:

1. **Providing high quality service to citizens and first responders.** Service levels under an RFA should be the same or better than current services. The RFA should meet or exceed service levels that the Board of the RFA adopts.
2. **Making data-driven decisions.** The RFA should take strategic action based on the facts after a thorough and objective analysis of the issues.
3. **Building a sustainable financial model.** The RFA should have a secure, stable and sustainable financial model that ensures consistent services levels over time.
4. **Being an effective and efficient steward of public funds.**
5. **Participatory Governance.** Jurisdictions which are part of the RFA should have a meaningful voice in the operating decisions of the RFA. We will make decisions by consensus whenever possible.
6. **Promoting interagency collaboration, communication and strong working relationships.** We seek to act in the collective best interests of all our public safety partners, not just those served by the RFA. We are open and honest with each other.
7. **Pro-Active Oversight, Planning and Continuous Improvement.** We are committed to planning for the future and proactively identifying and addressing the needs of our communities, identifying and implementing ways to better meet those needs.

### Our Shared Operating Principles Include:

- A. We strive to operate nimbly, with the ability to make decisions and respond quickly when necessary.



- B. We seek to understand and address the unique needs of the communities we serve. We strive to address these needs equitably in all operating and financial decisions.
- C. We work to attract, develop and retain high quality staff.
- D. We strive to employ rigorous quality assurance and reporting practices.
- E. We manage agency budgets to control or reduce costs.
- F. We seek to limit spikes in budgets from year to year, by use of planning capital investments over time, developing reserves and other means.
- G. We commit to being transparent, accessible and responsive to our customer agencies and the public.
- H. *In contracting to provide services to other agencies, we are mindful of our own costs of service: communities within the RFA boundaries should not incur additional costs as a result of these external service contracts.*

### RFA Issues List

<b>Addressed in August-September</b>	<b>Key Operational Issues</b>	<b>Key Financing Issues</b>
<b>Governance</b>	<b>Labor Issues</b>	

	<b>Over-arching Issues</b>
A	Problem/Need Statement
B	Operational Efficiencies and other benefits that can be secured through the RFA
C	Overall Schedule and Work Plan
D	Public Outreach Plan
E	Council and Commission Communications
F	Public Education Plan (Post RFA Plan Adoption)
G	Transition Plan (Post RFA Plan Adoption)
	<b>Structure, Services, Staffing, Financing Issues</b>
1	Proposed RFA Boundaries
2	RFA Name <i>Follow up: outreach to public, employees on possible names</i>
3	Service Start Date, Levy Start Date
4	What Services will the RFA Provide? <ul style="list-style-type: none"> <li>○ Ambulance services</li> <li>○ Fire Marshal and inspection services</li> <li>○ Contracts to serve other agencies</li> </ul>
5	What services will the RFA contract for from member agencies?
6	Governance <ul style="list-style-type: none"> <li>○ Values / Principles</li> <li>○ Legal Options / What have others done</li> <li>○ Examples meeting the values &amp; principles</li> </ul>
7	Interlocal Service Agreements with Other Agencies (SERS, SNOFAC, DEM) <ul style="list-style-type: none"> <li>○ Assignment to RFA, what assets/liabilities are transferred to RFA? Which are retained?</li> <li>○ Valuation at transfer for purposes of audit</li> <li>○</li> </ul>

8	Facilities – transferred to RFA, leased, or retained by City/District? <i>Follow up: terms of transfer of stations to be discussed at Council/Board</i>
9	Equipment – transferred to RFA, leased, or retained by City/District?
10	Existing Debt Obligations Related to Fire Service—future responsibility
11	SERS debt responsibility (if any)
12	RFA Standards of Cover/Service Levels
13	RFA Staffing Levels <ul style="list-style-type: none"> <li>○ Existing staff: transferred to RFA or retained by City or District</li> <li>○ Employee Salary assumptions</li> <li>○ Employee Benefits Assumptions</li> </ul>
14	LEOFF 1 Retirees <ul style="list-style-type: none"> <li>○ Liabilities</li> <li>○ Reserves</li> <li>○ Firefighter Pension System responsibility(?)</li> </ul>
15	Employee Transfer Issues <ul style="list-style-type: none"> <li>○ Assigning the Current Liability for Sick Leave/Vacation Hours Accrued in “Time Banks”</li> <li>○ Employees on Long-Term disability</li> <li>○ Deferred Comp program—retain current or start new program?</li> </ul>
16	Labor Management Issues: <ul style="list-style-type: none"> <li>○ How do current union contracts compare?</li> <li>○ What will be the “comparables” under an RFA if the Units combine?</li> <li>○ What is the strategy/timeline for bringing the two labor agreements under a single agreement?</li> </ul>
17	Funding the RFA – Options / Implications <ul style="list-style-type: none"> <li>○ Property Tax</li> <li>○ Benefit Charge- components, growth rate (N/A)—but retain authority to do this in the future under RFA Plan.</li> <li>○ EMS Levy(s) interim transfers from City, District</li> </ul>
18	Continuing Service Contracts with third parties <ul style="list-style-type: none"> <li>○ Review re-opener terms, assignment clauses.</li> </ul>
19	RFA Reserves – Initial and Target Balances
20	Existing City/District Reserves -- transfer/disposition
21	7 year financial plan <ul style="list-style-type: none"> <li>○ Target Cash Level Policies/ Initial Capitalization / Minimum Cash balances</li> <li>○ How frequently will levy lid lifts be required to sustain service levels?</li> <li>○ Inflation Assumptions</li> </ul>

**RFA Planning Committee Meeting Dates – September-December 2017**

September: Thursday, 28th

October: TBD. (no date works so far)

November: Thursday, 16th

[December Council Meetings—direction to proceed]

December: Tuesday, 19th

## DRAFT RFA Planning Committee Work Plan V. 8.17.17

### Assumes:

- short written updates to be provided to each Council monthly
- target date of RFA election: August 7, 2018 Primary

### Standing items at each agenda:

- *Introductions/Agenda Review*
- *Review and Approve summary of prior meeting summary*
- *Communications Update*
- *Response to questions from prior meeting*
- *[Union comment]*

Meeting # / Month	Proposed Agenda <b>Bold face font = action/approval; <i>Bold italicized font = preliminary. decision</i></b> <i>Italicized font = Standing agenda items; <u>Underlined items</u> = major topics</i>	Notes
#3/ August	<ul style="list-style-type: none"> <li>• Review/<b>Action</b>: Statement of Values and Principles</li> <li>• Information: RFA Plan Contents/ Review of sample RFA Plan/Issues List</li> <li>• Review/Discussion: Draft Work Plan, Schedule</li> <li>• Review/Discussion: Communications strategy/website/ FAQ</li> <li>• Review/Discussion: RFA Planning Committee Charter / formation issues</li> <li>• <i>Time permitting</i>: Governance briefing &amp; discussion: considerations / legal parameters, proposed principles</li> <li>• <i>Time permitting</i>: Property tax growth versus salaries and benefits</li> <li>• <i>Time permitting</i>: Sustainable Services and Finances—issues/sample assumptions</li> </ul>	
#4/September	<ul style="list-style-type: none"> <li>• <b>Action</b>: RFA Planning Committee Charter</li> <li>• <b>Action</b>: Communications strategy</li> <li>• Continued discussion: governance principles/options</li> <li>• Year 1 Operations Review (cont'd)</li> <li>• Sustainable Service Levels and Finances—continued discussion</li> <li>• Baseline Option / Assumptions</li> </ul>	

	<ul style="list-style-type: none"> <li>○ Combining labor units—cost implications</li> <li>○ Reserve requirements</li> <li>○ Other cost assumptions</li> <li>● Option(s) above Baseline -- Capital/Staffing Proposals from Chiefs</li> </ul>	
#5/October	<ul style="list-style-type: none"> <li>● Continued governance discussion: options discussion</li> <li>● Sustainable Services Levels and Finances – continued discussion <ul style="list-style-type: none"> <li>○ Discussion of remaining key assumptions</li> <li>○ Model results—what does this mean for levy rates, frequency of lid lifts?</li> <li>○ Unresolved issues / Next Steps</li> </ul> </li> </ul>	
#6/November	<p>Continued governance discussions:</p> <ul style="list-style-type: none"> <li>● <i>Preliminary recommendation on governance structure, or finding that there are irreconcilable differences.</i></li> </ul> <p>7 year preliminary financial model results—preferred services option and implications for levy financing needed</p> <p><b>Go/No-Go Recommendation from Committee to Councils</b></p> <ul style="list-style-type: none"> <li>● Direction to staff on briefing materials for Council</li> </ul>	
	<p><i>NOTE: Ideally the December Planning meeting occurs before the Council briefing. However, that seems unlikely if it remains on December 19. This means we will need to finish up this phase of work in November.</i></p>	
DECEMBER	<p>Councils/Commission Briefing/Decision Go/No Go</p> <ul style="list-style-type: none"> <li>● Governance recommendations</li> <li>● Major assumptions that are part of sustainability model</li> </ul>	
#7/December	<p>If Councils/Commission concur, begin work to develop RFA Plan:</p> <ul style="list-style-type: none"> <li>● Confirm preliminary recommendations based on work from the prior months, map out list of remaining details needed for plan.</li> <li>● Boundaries</li> <li>● Name (employee survey launched)</li> <li>● Service Start Date/Levy Start Date</li> <li>● Governance—any remaining issues</li> <li>● Services that the RFA will provide <ul style="list-style-type: none"> <li>○ Ambulance</li> <li>○ Fire Marshal</li> </ul> </li> <li>● Standard of Cover</li> </ul>	

	<ul style="list-style-type: none"> <li>• Staffing levels</li> </ul>	
#8 / January	<ul style="list-style-type: none"> <li>• Confirm/complete direction on issues from December meeting <ul style="list-style-type: none"> <li>○ Service Start Date/Levy Start Date</li> <li>○ RFA Services (Ambulance, Fire Marshal)</li> <li>○ Standard of Cover</li> <li>○ Staffing levels</li> </ul> </li> <li>• Services to be contracted from other agencies <ul style="list-style-type: none"> <li>○ Vehicle maintenance</li> <li>○ SERS</li> <li>○ 911 Dispatch</li> <li>○ Admin</li> </ul> </li> <li>• Facilities</li> </ul>	
#9 / January	<ul style="list-style-type: none"> <li>• Confirm /complete direction on issues from prior meeting <ul style="list-style-type: none"> <li>○ Standard of Cover</li> <li>○ Services to be contracted</li> <li>○ Facilities</li> </ul> </li> <li>• Equipment</li> <li>• Existing Debt</li> </ul>	
#10 / February	<ul style="list-style-type: none"> <li>• Confirm /complete direction on issues from prior meeting <ul style="list-style-type: none"> <li>○ Equipment</li> <li>○ Existing Debt</li> </ul> </li> <li>• LEOFF Obligations</li> <li>• Reserves/Cash Transfers to RFA</li> <li>• Briefing Packet for Council/Commission</li> </ul>	
Mid February	Public Meetings <ul style="list-style-type: none"> <li>• Information about service challenges</li> <li>• Information about RFA</li> <li>• Information on preliminary recommendations of Planning Committee</li> </ul>	
Late February	Council / Commission Briefing <ul style="list-style-type: none"> <li>• Bring forward all preliminary recommendations available from Committee &amp; any public input from meetings</li> </ul>	
#11 / February	<ul style="list-style-type: none"> <li>• Confirm /complete direction on issues from prior meeting <ul style="list-style-type: none"> <li>○ LEOFF Obligations</li> </ul> </li> </ul>	

	<ul style="list-style-type: none"> <li>○ Reserves/Cash Transfers to RFA</li> <li>● Salary Assumptions</li> <li>● Other service contracts</li> </ul>	
#12 / March	<ul style="list-style-type: none"> <li>● Confirm /complete direction on issues from prior meeting <ul style="list-style-type: none"> <li>○ Salary Assumptions</li> <li>○ Other service contracts</li> <li>○ Other outstanding issues</li> </ul> </li> </ul>	
#13/ March	<ul style="list-style-type: none"> <li>● Draft RFA Plan Review</li> </ul>	
LATE MARCH	Public Meetings on RFA preliminary recommendations to date	
LATE MARCH	Council / Commission Briefing <ul style="list-style-type: none"> <li>● Additional recommendations from Committee &amp; public input</li> </ul>	
#14/ April	<ul style="list-style-type: none"> <li>● Draft RFA Plan, Ballot resolution</li> <li>● Public Education Plan/Budget</li> </ul>	
MID APRIL	Council/Commission Briefing (includes public testimony opportunity) <ul style="list-style-type: none"> <li>● RFA Plan</li> <li>● RFA Ballot</li> <li>● Public Education Plan/Budget</li> </ul>	
#15/ April	Adjustments to RFA Plan, Ballot based on Council, Commission input	
APRIL/MAY	Council/Commission Action to Approve RFA Plan / Submit Ballot Measure to County Elections <ul style="list-style-type: none"> <li>● Resolution/Ordinance approving RFA Plan, directing submittal of measure to ballot</li> <li>● Identify Pro-Con Committee Members (<i>need not be council/commission action</i>)</li> </ul>	
<b>May 11, 2018</b>	<b>Deadline to submit measure to County Elections Office for August 2018 Primary</b>	
After May 11	Planning Committee would continue to meet 2X month to oversee public outreach effort, begin transition work.	
After August election	Planning Committee continues to meet to plan transition to RFA	



## Marysville-Arlington-Fire District #12 Regional Fire Authority Planning Committee

### Proposed Communication Plan

Draft dated August 9, 2017

<p>Key Messages (as of August 2017— these will evolve)</p>	<ul style="list-style-type: none"> <li>• The Planning Committee is advisory to the City Councils and the Board of Commissioners.</li> <li>• The Planning Committee is tasked with developing a Regional Fire Authority Plan, which, if approved by all 3 jurisdictions, will be submitted to the voters.</li> <li>• The Planning Committee began working early in 2017, and will be making a recommendation in December 2017 as to whether work should continue to finalize an RFA plan in 2018.</li> </ul>
<p>Audiences:</p>	<p>Primary:</p> <ul style="list-style-type: none"> <li>• City Councils and FD 12 Board of Commissioners</li> <li>• Management Teams of jurisdictions</li> <li>• Employees of Arlington Fire Department and Marysville Fire District.</li> <li>• Contract cities/districts</li> </ul> <p>Secondary (in initial planning phase):</p> <ul style="list-style-type: none"> <li>• Residents and businesses in the jurisdictions</li> <li>• Local media</li> <li>• Emergency service providers</li> </ul>
<p>Strategy</p>	<ul style="list-style-type: none"> <li>• Provide regular, balanced, accurate, high level information to City Councils and Board of Commissioners to enable them to quickly stay informed on project status and next steps.</li> <li>• Ensure an opportunity for two-way input – information out from the Planning Committee and information and feedback in--to and from all Primary and Secondary Audiences.</li> <li>• Progress should be transparent. Project schedule, status, meeting agendas, meeting summaries, meeting materials should be posted on the website unless otherwise directed.</li> <li>• At specific in-person briefings of Councils/Commission, each agency should be asked to confirm that it wants the effort to continue.</li> </ul>
<p>Tactics</p>	<ul style="list-style-type: none"> <li>• Host a website with an overview of the role of the Planning Committee, FAQs, Proposed Boundary Map, Planning Committee Meeting agendas and minutes. Links to website on homepage of all three jurisdictions.</li> <li>• Press releases/ media outreach</li> <li>• City and District newsletters</li> <li>• Fact sheets</li> <li>• Handouts</li> <li>• Powerpoint presentations</li> <li>• Meetings with community groups, businesses, organizations</li> <li>• Informational briefings to contract cities/districts</li> </ul>



**City of Marysville – City of Arlington --Fire District #12  
Regional Fire Authority Planning Committee**

***Draft Charter / Operating Rules***

Version dated 8.9.17

- A. **Mission of the Regional Fire Authority (RFA) Planning Committee:** The mission of the Planning Committee is to create and propose to the elected leadership of the City of Marysville (Marysville), the City of Arlington (Arlington), and Snohomish County Fire District #1 (“the District”) a plan for a regional fire authority (“Plan”) encompassing the entire territory within the jurisdictional boundaries of Marysville and Arlington (collectively, the Cities) and the District, including the proposed governance, design, financing and development of fire protection and emergency service facilities and operations, and maintenance and preservation of facilities and systems, all as authorized by Ch. 52.26 RCW. The Planning Committee is advisory to Mayor and City Council of the Cities of Marysville and Arlington and to the Board of Commissioners of the District. The Planning Committee shall seek to develop an RFA Plan which, if approved by the voters within the Cities and District, will achieve the following goals and outcomes:
1. To provide stable, secure, affordable and sustainable funding and service levels over time to meet the needs of the growing population in the Cities and the District.
  2. To improve efficiency and effectiveness of operations of the Cities and the District.
  3. To provide service at levels equal to or better than those currently provided within the three participating jurisdictions.
  4. To ensure the Plan addresses the concerns and needs of both the Cities and the District and is ultimately supported by both t City Councils and the District Commissioners.
  5. To provide transparent, understandable information to the public about the potential impacts of the proposed RFA.
  6. To ensure meaningful public input opportunities during the planning process, and to consider public input received in the drafting of the Plan.
  7. To ensure the governance plan for the RFA provides equitable representation of the three member agencies, and to provide sufficient flexibility in the Plan to allow additional cities and fire district to join the RFA in the future without needing to re-submit a new RFA plan to the voters of the Cities and the District.
- B. **Membership:** The Planning Committee membership shall include 3 elected representatives from the City of Marysville, 3 elected representatives from the City of Arlington, and the three the Fire District #1 Board of Commissioners. The Mayors of Marysville and Arlington shall serve as non-voting Members and Co-Chairs of the Planning Committee.

[Alternates?]

**C. Process:**

1. Schedule. The Planning Committee will meet approximately four times from August 2017 through December 2017, and twice a month from January through May 2018 at times convenient to the Planning Committee to ensure a quorum and participation by all three agencies at all Planning Committees. The goal of this schedule is to complete the Plan with sufficient detail, based on documentable information, and by a reasonable date, so that the City Councils and Board of Commissioners may review and deliberate on the Plan and make an informed and timely decision whether to place the proposal on the ballot for voter approval at the **August 7, 2018** primary election.
2. Developing Preliminary Recommendations, Public Outreach Process. The Planning Committee will accomplish its mission by reviewing staff-developed reports, information, options and recommendations and considering public input. The Planning Committee will identify preliminary recommendations with respect to all items that must be included in the Plan. The Planning Committee shall also provide advice on the public outreach effort accompanying the development of the Plan and public education effort after the Plan is approved.
3. Periodic Updates to Councils and Board. The Planning Committee will provide periodic updates to the City Councils and Board of Commissioners in the form of preliminary recommendations, in order that the Council and Board may provide timely input on the development of the Plan.
4. City Council and Board Deliberations. A City Council or the Board of Commissioners may determine it needs additional time to deliberate on a preliminary recommendation from the Planning Committee, and if so, the Planning Committee will shift its work plan so as to not delay the schedule any further than necessary. A City Council or Commission seeking additional time to deliberate on a preliminary recommendation will make every effort to conclude its deliberations by the end of its next regularly scheduled meeting.
5. Reconciling Direction from City Councils and Board. If either City Council or the Board of Commissioners is opposed to any preliminary recommendation of the Planning Committee, they will so advise the Planning Committee. The Planning Committee will then work to amend the preliminary recommendations to reconcile it with input from all three legislative bodies, and bring revised recommendations back for their review. In the event of any apparently irreconcilable conflicts between the parties, the Planning Committee will so notify the Councils and Board and propose a resolution. Work on the project will cease at any point at which either Council or the Commission adopts a resolution to halt work on the project.

- D. **Public Input.** All meetings of the Planning Committee shall be open to the public and shall be duly noticed as public meetings as required by law. The Planning Committee is required by statute to ensure there are opportunities for public input in the development of the Plan. The Planning Committee shall adopt a plan for public input, which will at a minimum include conducting two public information and input sessions before the Plan is approved by the Council and District. The City and District will also host a website where the public and other stakeholders can gather information and review the agendas, proceedings and materials considered by the Planning Committee. The Planning Committee may determine whether to take public comment at its meetings, and shall provide the public a means to submit written comments at Planning Committee meetings and online. If the Planning Committee determines to take public comment at its meetings, it shall adopt rules relating to such public comment.
- E. **Public Communications.** Members of the Planning Committee may be called on from time to time to comment about the activities of the Planning Committee or the subject matter under deliberation. In such communications, Members will take care to distinguish any adopted Planning Committee positions from individual Member positions. Members agree to refer inquiries from the press to the Co-Chairs of the Planning Committee for response on behalf of the Planning Committee.
- F. **Co-Chairs of Planning Committee:** The Mayors of Marysville and Arlington shall serve as non-voting Co-Chairs of the Committee. The Co-Chairs will review and approve agendas in advance of meetings. The Co-Chairs will take turns presiding over Planning Committee meetings, shall serve as spokespersons for the Planning Committee, shall sign transmittals and reports of the Planning Committee, and assume such other duties as may be delegated to them from time to time by the Planning Committee. Any vacancy in the post of Co-Chair may be filled by the Planning Committee upon a vote of a majority of the Planning Committee, provided that at no time shall the Planning Committee have more than nine (9) voting members, three from each jurisdiction.
- G. **Resignation and Appointment of Replacement Members.** Any Member of the Planning Committee may resign, and such resignation shall be effective upon submitting written notice to the Chair and the resigning member's agency CEO (Mayor or Fire Chief). The legislative body of the resigning Member's agency shall take prompt action to appoint a replacement member.
- H. **Planning Committee Meetings.** Notice of all meetings of the Planning Committee shall be given by the Chair or his/her designee in writing by electronic mail or personal delivery to all Members at least seven (7) days prior to the date on which the meeting is to be held;

provided, however, the Panel Chair may call for special meetings, and not less than three (3) days' notice may be given for a special meeting. Any notice shall specify the date, time and place of the meeting; provided, however, notice may be waived in writing signed by the person or persons entitled to such notice, whether before or after the time at which the notice is required to be given, which shall be equivalent to the giving of such notice.

1. Attendance. Panel members may participate in meetings via conference call but are strongly encouraged to attend each meeting in person.
2. Agendas. Prior to each regularly scheduled meeting, the Planning Committee, the Co-Chairs shall work with staff to confirm an agenda for the meeting. At the beginning of the meeting, any Member may request that an item be added to the Agenda. The decision whether to add an item shall be made by the presiding Co-Chair, but this decision may be overturned by a vote of not less than 6 planning committee members including two from each jurisdiction. Agendas will be made available to the Members electronically (by email) at least 3 days prior to the meeting. Staff supporting the Planning Committee shall make best efforts to provide all meeting materials to the Panel at least 2 days prior to the meeting date.
3. Quorum. A quorum at any meeting shall consist of Planning Committee Members who represent a simple majority.
4. Rules of Order. All meetings of the Planning Committee shall be conducted in accordance with the latest edition or revision of Robert's Rules of Order, except as otherwise provided in this Charter.
5. Minutes. Summary minutes shall be kept of Planning Committee meetings, recording attendance, general discussion items, decisions and votes (where taken). The Planning Committee shall approve all such summaries, which shall, be provided to the City Councils and Board of Commissioners and posted online.

**I. Decision Making:**

1. Votes. The Planning Committee shall attempt to make decisions by consensus, defined as approval from not less than two-thirds of the Planning Committee members from each of the three participating jurisdictions. Where such consensus cannot be achieved, items may be approved by a majority of the Planning Commission Members, however, the lack of consensus shall be noted. The minutes shall reflect the votes of each member. Each

Member of the Planning Committee has one vote, excepting the Co-Chairs which are non-voting. No proxy voting is allowed.

2. Routine Items. Routine actions of the Planning Committee (for example, approval of the meeting summary) will be confirmed by the vote of a majority of the Members of the Committee.
  3. Approval of Final RFA Plan. Notwithstanding the terms of Sections I.1-2, the final proposed Plan must be approved by not less than two-thirds of the voting Planning Committee members from each of the three participating jurisdictions.
- J. **Staff support for Task Force**: Staff support will be provided by the employees of the Cities and the District, and an independent facilitator, and legal counsel appointed by the jurisdictions for the project. The Planning Committee members acknowledge that additional consultant support may be necessary to develop all the information needed to develop a final recommended RFA Plan.
- K. **Funding**: The parties have entered into a separate agreement addressing how costs of the Planning Committee process will be shared. That agreement may need to be amended from time to time as work on the project proceeds.
- L. **Approval and Amendment of this Charter**: This Charter shall be approved by vote of not less than two-thirds of the voting Members of the Planning Committee including at least two members from each jurisdiction. Any amendments to this Charter must be similarly approved.

Marysville-Arlington-Fire District 12 RFA Planning Committee

**Issue Paper**

Prepared by: Karen Reed

Date: August 17, 2017

**Title: Governance –scope of issues and basic rules**

**Summary Description of issue:**

One of the major decisions for the Planning Committee is how the governance board for the RFA should be structured initially, and whether the RFA Plan should also include a transition plan for how that initial board structure should evolve over time.

Considerations include:

- A. Number of board members
- B. How are positions filled—by voters or council/commission appointment?
- C. Terms of office
- D. Allocation of seats between participating agencies
- E. Should we anticipate a change in board structure over time?
- F. Are there decision making rules that we can/should add (i.e., require supermajority vote for some items)?
- G. Is it possible other agencies will want to join the RFA in the future? How does that impact the governance plan?

**Options:**

There are a very wide array of options available to the Planning Committee. The parameters and considerations are outlined on Attachment A.

**Staff Recommendation and Rationale:**

Staff recommends ensuring the RFA Plan incorporates basic provisions (mostly statutory references) necessary to (1) allow the RFA territory to expand in the future (by annexation or merger), and (2) to adjust the governance structure in the future by vote of the Governing Board—to avoid having to resubmit the entire plan to the voters of the City and District.

The rationale for this is to preserve maximum flexibility to the future governing board.



Staff recommends that the Planning Committee deliberate on governance issues over several meetings, starting with an understanding of the legal parameters and reviewing how other RFA's have approached this issue. After that, the steps would be:

- developing a general set of principles that the Committee agrees should characterize the governance proposal,
- reviewing some "straw man" options from staff consistent with those principles,
- seeking input from the City Councils and Fire District Commissioners and the public, and then

NOTE: Legal counsel will need to be involved in reviewing the proposed board structure. The rules around "one-person-one-vote" are somewhat opaque.

Direction from Planning Committee:

Attachments:

1. Governance Considerations and Legal Parameters
2. Population and Assessed Value Comparisons

## Attachment 1: Governance Considerations and Legal Parameters

### Considerations:

1. All board members must be **elected officials from a member jurisdiction** (RCW 52.20.080) **or elected directly** by the electorate of the RFA.
2. **Initial board seats need to be appointed** by Cities and District, since there won't be an election between the time the RFA is approved by voters and when it starts to meet.
3. Board structure **may change over time:**
  - a. RFA Plans typically allow the governing board to change the governance structure in the future by majority vote of the board. The Plan can expressly limit this authority—supermajority vote requirement for change, or require resubmittal to voters in order to change.
  - b. For example, the Board could evolve from all appointed members to a mix of **appointed and elected members** (there are legal limitations here—see below #8). Alternately, the Board could evolve to election by **commissioner districts**, or **“at large”** positions – or a **mix of districted and at-large positions**.
  - c. It is important to consider the time commitment involved in serving both on a Commission or Council as well as the RFA Board.
4. There is no legal limit on number of members—but there is a practical limit. Typically, an odd-number of seats is preferred to reduce the likelihood of tie votes.
5. The Board can include non-voting members, appointed to the Board. Any non-voting members need to be elected officials.
6. RFA board members' terms may not exceed 6 years, and election terms must be staggered (RCW 52.26.080(3)(b)).
7. In an RFA with “districted” board positions, the candidates must **reside in the district**.
  - a. The **primary vote is by district** (to identify the top two candidates).

- b. In **the general election vote, all voters in the RFA vote on all positions.**
  
- 8. As noted above, Board members may be a mix of “directly elected” and “appointed.” However, if the board is comprised of a majority of members who are elected, the *elected positions* are subject to the state constitutional **one person, one vote principle.**
  - a. “One-person, one vote” principle requires a relatively equal population base to be represented by each *elected* position.
  - b. **How is an appointed position defined versus an elected position?** Any situation where the Commissioners or Councils must select members from amongst the whole group of elected officials in their jurisdiction is considered an “appointed” position. By contrast, any **“automatic appointments”** from the Cities or District to the RFA Board—e.g., “the Mayor” or “the Council President” or “Commission President”—or “all commissioners” **are deemed to be “elected”** positions, not appointed positions, because there is no discretion involved in the appointment process.

The one-person, one-vote principle is relevant in any transition from a board where all members are initially appointed to where some are considered “elected.”

**Sample Board Structures and the “One-Person-One-Vote” Rule**

	Marysville	Arlington	FD 12	Meets 1-person, 1-vote test?
1	3 councilmembers	2 councilmembers	1 commissioner	Yes
2	3 councilmembers	3 councilmembers	3 commissioners	Yes
3	3 districts	1 district	1 district	Yes
4	Mayor	Mayor	Board President	No

- 9. If an RFA EMS levy is approved to replace the 3 local EMS levies, the only reason for Fire District 1 to remain as a separate entity would be to appoint members to the RFA Board. If the Plan provides for the RFA Board positions initially held by Commissioners to convert from appointed to elected positions, the District could (and probably should) be dissolved. Until the District is dissolved, the Board of Commissioners must continue to meet monthly. Dissolution of the Fire District requires a majority vote of the District voters.

10. A city or district desiring to join the RFA after it is created may do so by law. The process for this is outlined below:

- i. City/District desiring to join RFA adopts a resolution requesting annexation;
- ii. The governing board of the RFA then adopts a resolution agreeing to the annexation and amending the RFA Plan to identify terms and conditions for the annexation;
- iii. The jurisdiction seeking to annex must adopt the RFA's resolution approving the annexation and the RFA plan amendment;
- iv. Voters in the annexing jurisdiction must approve the annexation and RFA Plan amendment (simple majority vote required). The effective date can be as specified in the ballot (does not need to be January 1 or July 1).

How have other RFA's addressed governance?

See RFA Matrix. Note that some of the configurations adopted by other RFAs arguably do not comply with the one-person-one-vote requirement: Staff recommend against following those examples.

The RFA Planning Committee Resolutions/Motions:

Language relevant to governance from these documents/statements is as follows:

**Marysville:** "Governance of said RFA shall be by seated Councilmen/Commissioners and allocated/indexed in proportion to the participants associated population or assessed valuation."

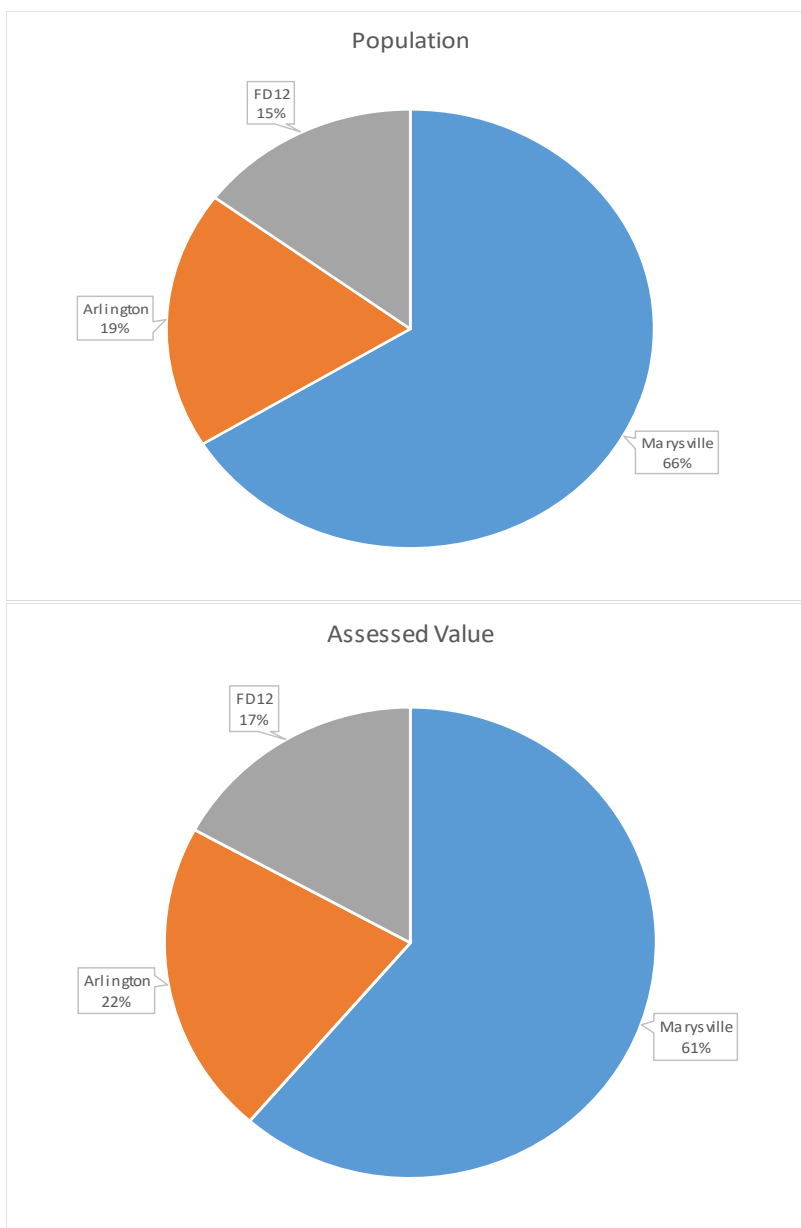
**Arlington:** (Resolution speaks only to joining discussion with City of Marysville)  
"WHEREAS, the plan should result in a governing board that proportionally represents the taxpayers in the RFA; and WHEREAS, representation of the RFA board shall be based on the respective assessed values and populations in Marysville and Arlington"

**Fire District 12:** "WHEREAS, the plan should result in a governing board that proportionally represents the taxpayers of the RFA"

## Population and AV Comparisons

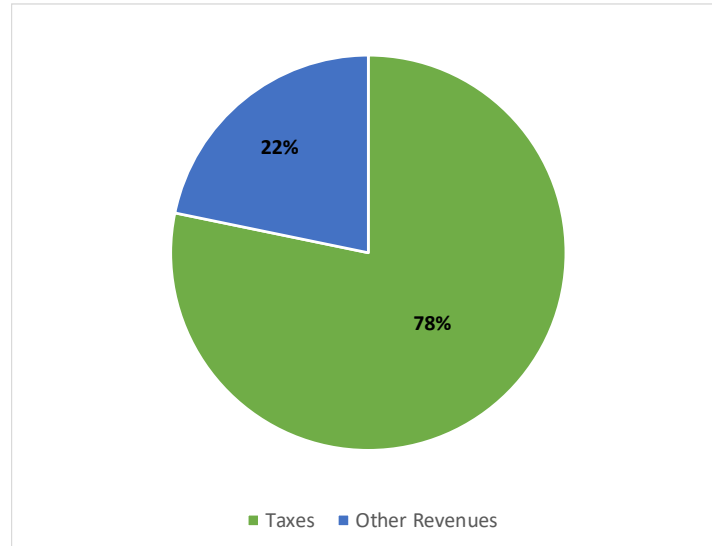
	FD 12	Marysville	Arlington	TOTAL
<b>2016 Population</b>	14,512	64,940	18,620	98,072
<b>% of total Pop.</b>	14.7%	66.2%	19%	99.9%
<b>2016 AV</b>	\$1,785,173,12 3 <sup>i</sup>	\$6,425,149,097	\$2,265,698,000	\$10,476,020,220
<b>% of total AV</b>	17%	61.3%	21.6%	99.9%

For example, on a 5-member board, each board seat (if districted/elected) would represent about 20,000 population

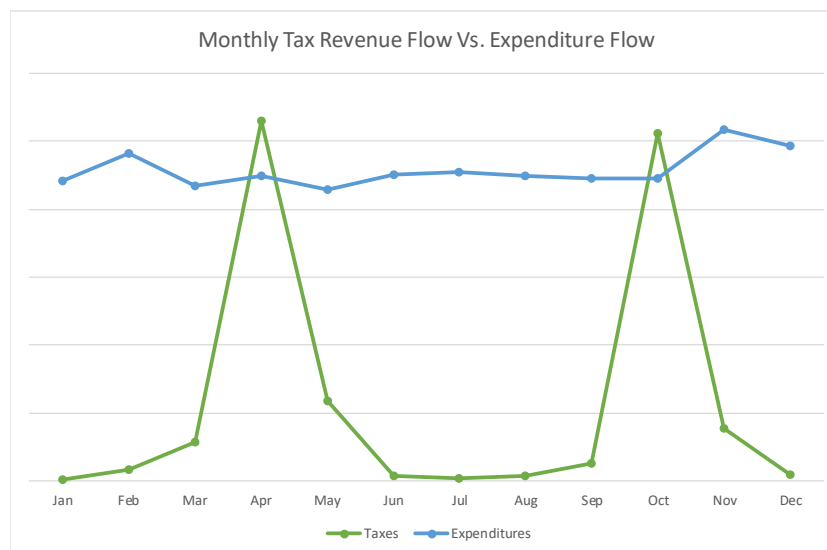


## REGIONAL FIRE AUTHORITY PROPERTY TAX SUMMARY

Property taxes are the primary funding source of RFA operations: RFA's impose a fire levy of up to \$1.50 per thousand, and may also impose an EMS levy of up to \$0.50 (or receive local EMS levy monies). RFA's can also enter into service contracts (transport fees, ambulance response, etc.) but these are a relatively minor source of revenue. For comparison, if the MFD and AFD 2017 budgets are combined, about 22% of total revenues are from transport fees/service contracts and 78% of revenues are from local taxes.



Property taxes flow into an RFA each month. Most money is received in April and October. This requires an RFA to maintain a minimum fund balance sufficient to insulate against those months where very few funds are collected. The graph below illustrates a typical year of RFA property tax collection vs monthly expenditures<sup>1</sup>. An operation the size of the combined MFD and AFD 2017 budget would require an estimated minimum fund balance of \$9.5 Million –enough to fund 4-5 months of RFA operations.

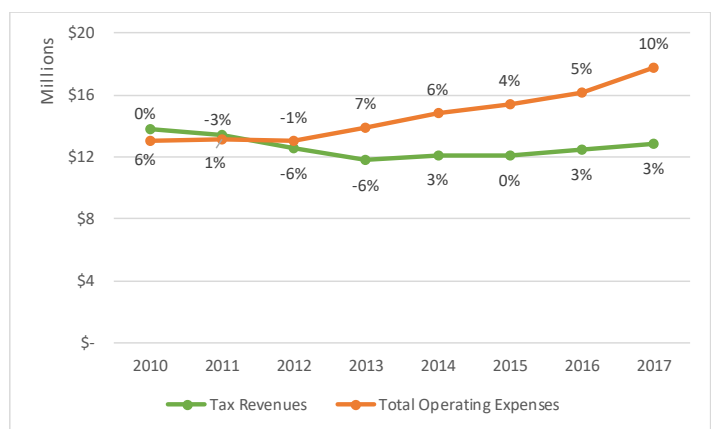
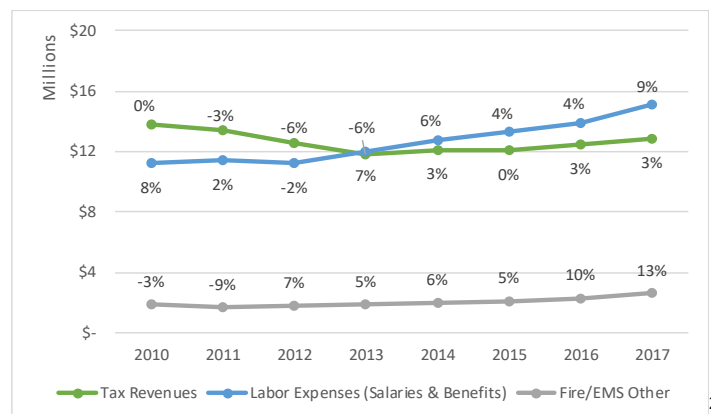
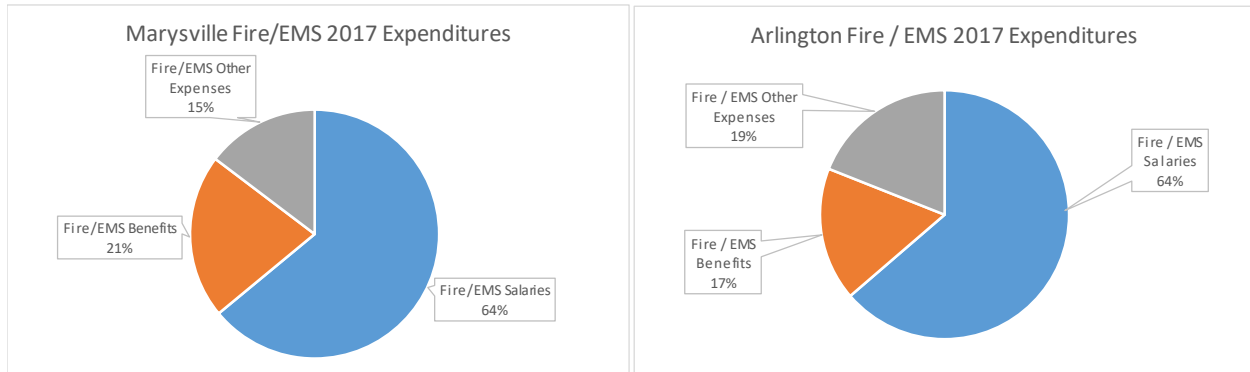


<sup>1</sup> Sourced from actual 2016 FD12/MFD property tax collection and monthly expenditure trends.

## PROPERTY TAX GROWTH VS EXPENDITURE GROWTH

Without levy lid lifts, a taxing authority is limited to an annual property tax increase of 1% plus new construction, state assessed utilities, and refunds. This typically results in a total property tax revenues increase of between 1.5% to 3% a year -- generally less than the annual growth in the cost of fire service.

The primary driver in this gap between property tax growth and growth in expenses is the cost of salaries and benefits. Combined, salaries and benefits constitute about 81-85% of annual expenses. Since 2017, MFD labor expenses have grown an annual of 4.75% a year

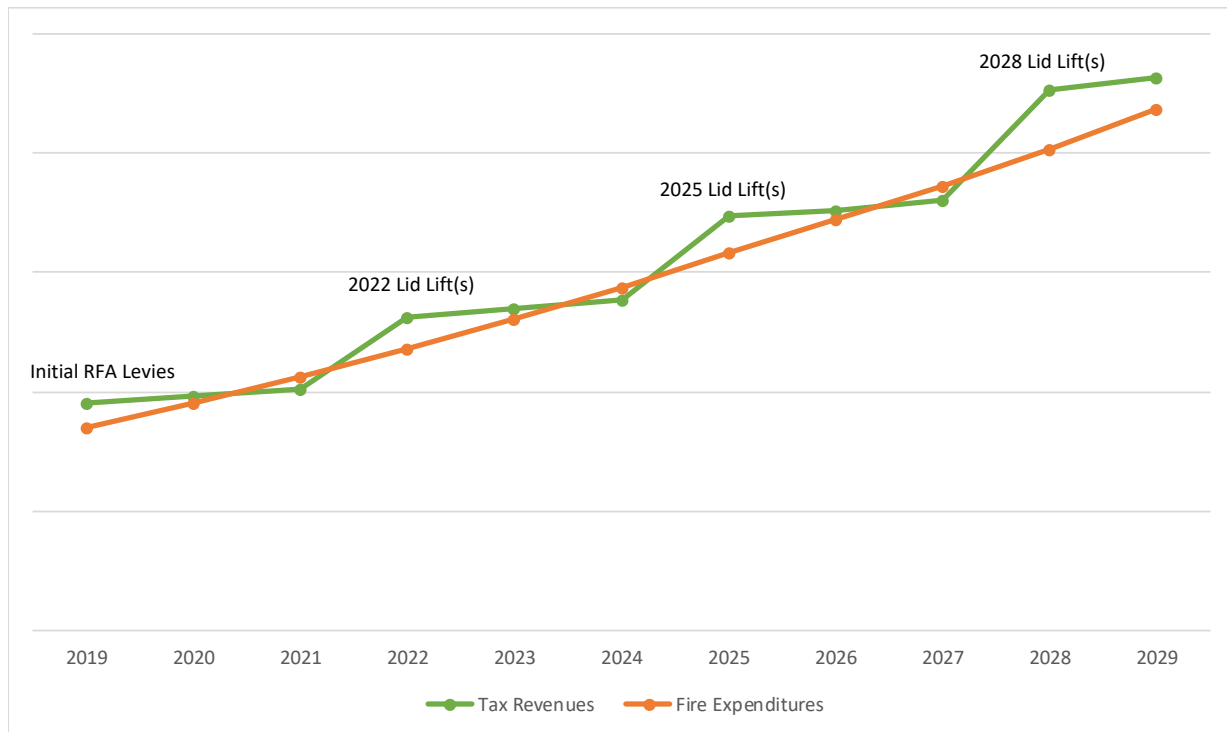


2010-2017 average annual increase in property taxes: minus 1% per year (includes the recession). For 2013-2017, property taxes increased an average of 2.25% per year. 2010-2017 average annual increase in total expenditures: 5% per year.

<sup>2</sup> Source: MFD 2010-2016 Actual Data, 2017 MFD Estimated Data

## RFA MODELS FOR SUSTAINABLE FUNDING

“Sustainably funding” for an RFA—or any property tax dependent unit of government in this state—means addressing the mismatch between the growth of primary revenue sources and expenses. The basic mechanism for correcting this challenge is periodic voter approved levy lid lifts—to restore the purchasing power of the levies. The required frequency of lid lifts depends on the level of agency reserves, and the actual growth rates in expenses (both operating and capital) and revenues. With multiple levies involved (basic fire levy and EMS levy(s)), there are multiple lid lifts to coordinate.



The graph above illustrates a hypothetical 3-year lid lift cycle; this does not represent an official proposal.

Agency	Levy Type	Statutory Maximum
RFA	Regular	\$1.50
City of Marysville	EMS	\$0.50
City of Arlington	EMS	\$0.50
Fire District 12	EMS	\$0.50

The RFA could choose to ask voters to approve a single RFA-EMS levy, which would replace all three local EMS levies.

All three agencies, as they exist today, have historically required the use of levy lid lifts to sustain funding.

CITY OF MARYSVILLE			CITY OF ARLINGTON			FIRE DISTRICT 12		
Year	Levy	Approved %	Year	Levy	Approved %	Year	Levy	Approved %
2004	EMS	69%	2004	EMS	77%	2004	EMS	66%
2006	Regular	54%	2011	EMS	85%	2006	Regular	56%
2008	EMS	61%	2014	Regular	53%	2008	EMS	59%



## Sustainable Services and Financing – Key Assumptions

The objective of this document is to outline the major assumptions that would go into modelling the revenue/levies necessary to provide sustainable service levels for an RFA.

**Draft dated 8.17.17**

#	ISSUE	SAMPLE ASSUMPTIONS
1	Proposed RFA Boundaries	Territory of all 3 jurisdictions
3	Service Start Date, Levy Start Date  Current EMS levies: (2018 rate/year levy expires) Arlington: Marysville: FD 12:	Service Start date: October 1, 2018  RFA Fire Levy Start date: January 1, 2019  EMS Levies: assume local levies continue until year that next one needs to have a lid lift (policy call—rate level of ?)
4	What Services will the RFA Provide? <ul style="list-style-type: none"> <li>○ Ambulance services</li> <li>○ Fire Marshal and inspection services</li> <li>○ Contracts to serve other agencies</li> </ul>	All current services that MFD and AFD currently provide will be provided by the RFA <ul style="list-style-type: none"> <li>● No contracting out for private ambulance services</li> <li>● Fire Marshal: contract to provide services to Marysville and Arlington</li> <li>● Existing service contracts to other agencies will be continued; may be renegotiated in future</li> </ul>
5	What services will the RFA contract with member agencies?	<ul style="list-style-type: none"> <li>● RFA will purchase the following services from Marysville: <ul style="list-style-type: none"> <li>○ IT</li> </ul> </li> </ul>
6	Governance	Board members compensation  District Commissioner election costs will be borne by RFA
7	Interlocal Service Agreements with Other Agencies (SERS, SNOBAC, DEM?)	SERS, SNOBAC Contracts associated with Fire/EMS will be assigned to RFA
8	Facilities – transferred to RFA, leased, or retained by City/District?  (no approved facilities plans)	All currently owned facilities will be transferred to the RFA at no cost.  What new / different facilities will be funded within the next 7 years?

#	ISSUE	SAMPLE ASSUMPTIONS
		Marysville Station 61—continue to lease? Station 47 land lease – continue?
9	Equipment – transferred to RFA, leased, or retained by City/District?  (MFD and AFD have approved equipment replacement plans)	All currently owned equipment will be transferred to the RFA at no cost.  What new equipment is assumed to be needed in the next 7 years, when, at what cost?
10	Existing Debt Obligations Related to Fire Service—future responsibility	Existing debt obligations assumed to be handled as follows:  Arlington debt service:  Marysville debt service:  FD 12 debt service:
11	SERS debt responsibility (if any)	Arlington:  Marysville:  FD12:
12	RFA Standards of Cover/Service Levels	Current standards of cover:  Arlington:  Marysville:  FD 12:  Future standards of cover:
13	RFA Staffing Levels <ul style="list-style-type: none"> <li>○ Existing staff: transferred to RFA or retained by City or District</li> <li>○ Employee Salary assumptions</li> <li>○ Employee Benefits Assumptions</li> </ul>	All current FTEs assumed to transfer over.  In next 7 years, staff count assumptions are as follows:  FTE changes proposed in response/rationale:

#	ISSUE	SAMPLE ASSUMPTIONS
	<p>Projected growth in population in combined service territory over next 7 years:</p> <p>Projected growth in Calls for Service over next 7 years:</p> <p>Major differences between union contracts:</p> <p>Union comparables—will they change if units are combined? Cost impact?</p>	<p>Employee Salary growth rate assumptions:</p> <ul style="list-style-type: none"> <li>• Year 1: current contracts</li> <li>• Thereafter:</li> </ul> <p>Employee benefits assumptions:</p> <ul style="list-style-type: none"> <li>• Year 1: current contracts</li> <li>• Thereafter:</li> </ul>
14	<p>LEOFF 1 Retirees</p> <ul style="list-style-type: none"> <li>○ Liabilities</li> <li>○ Reserves</li> </ul>	<p>LEOFF 1 Retirees assumptions/payment responsibilities assumed as follows:</p> <p>Arlington:</p> <p>Marysville:</p> <p>FD 12:</p>
15	<p>Liability for Sick Leave/Vacation/ Employees on Long-Term disability/ Deferred Comp program</p>	<p>Assumptions as follows: must be assumed by RFA per statute.</p>
16	<p>Labor Management Issues</p>	<p>Labor cost assumptions</p>
17	<p>Funding the RFA – Options / Implications</p> <ul style="list-style-type: none"> <li>○ Property Tax</li> <li>○ Benefit Charge- components, growth rate (N/A)—but retain authority to do this in the future under RFA Plan.</li> <li>○ EMS Levy(s) interim transfers from Cities, District</li> </ul>	<p><i>Assume an FBC is not sought as part of initial financing.</i></p> <p><b><i>Tax levels for Fire Levy will be addressed after we determine the cost side of the equation— what is necessary to stable support desired service level?</i></b></p> <p><i>RFA can ask voters for EMS levy to replace local levies.</i></p>

#	ISSUE	SAMPLE ASSUMPTIONS										
18	Continuing Service Contracts with third parties <ul style="list-style-type: none"> <li>○ Review re-opener terms, assignment clauses.</li> </ul>	Assume all contracts remain in place, with cost acceleration under current terms (See attached list).										
19	RFA Reserves – Initial and Target Balances	Assume RFA will need sufficient reserves to operate w/o borrowing from third parties from Day 1.  Additional assumptions:										
20	Existing City/District Reserves -- transfer/disposition	Assume all reserves held for fire/EMS services /facilities are transferred to RFA  <table border="1" data-bbox="789 779 1398 1020"> <thead> <tr> <th data-bbox="789 779 1013 856">Agency</th> <th data-bbox="1013 779 1398 856">Type of Reserve/Current balance</th> </tr> </thead> <tbody> <tr> <td data-bbox="789 856 1013 898">Arlington</td> <td data-bbox="1013 856 1398 898"></td> </tr> <tr> <td data-bbox="789 898 1013 940">Marysville FD</td> <td data-bbox="1013 898 1398 940"></td> </tr> <tr> <td data-bbox="789 940 1013 982">Other?</td> <td data-bbox="1013 940 1398 982"></td> </tr> <tr> <td data-bbox="789 982 1013 1024"></td> <td data-bbox="1013 982 1398 1024"></td> </tr> </tbody> </table>	Agency	Type of Reserve/Current balance	Arlington		Marysville FD		Other?			
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Other?												
21	7 year financial plan <ul style="list-style-type: none"> <li>○ Target Cash Level Policies/ Initial Capitalization / Minimum Cash balances</li> <li>○ How frequently will levy lid lifts be required to sustain service levels?</li> <li>○ Inflation assumptions</li> </ul>	Target funding levels for reserves, ending cash balances will be sufficient to address operating costs <i>without outside borrowing</i> , pending receipt of property tax revenues each May and October.  Initial capitalization assumption (reserves, cash on hand) (and how long would this support operations as modelled in year 1?):  Assume current local EMS levies continue until the year that the lowest levy declines to \$0.XX, and then an RFA levy is proposed to replace all three local EMS levies.  In the year before the year in which revenues are anticipated to be insufficient to meet the above target, a lid lift will be proposed.										