

**Public Hearing**  
**Amend Fisher River Valley Fire Service Area Fee Schedule**  
**September 28, 2023, 6:00 PM at the Fire Station, 70 West Camp Road Libby, MT 59923**

Present were Commissioner Teske, Commissioner Hammons, Commissioner Letcher, and Clerk and Recorder Corrina Brown

6:00 PM **Public Hearing: Amend Fisher River Valley Fire Service Area Fee Schedule:** Present were: Kirk Kraft, Nikki Crisp, Dennis Parsons, Pierson Dean, Pat Nunley, David Anderson, Ron Pederson, Mike Munro, Mabel Beito, Rhonda Francis, , Jerry Auger, Stu Crismore, Mary Kujawa, Jackie Swanson, Jim Swanson, Martin Gilman, Tom Hill, Gary Isaacson, David Morrill, Deanna Uithof, Deb Sassaman, Ron Sassaman, Michael Roediger, Lynette Kelly-Shaver, Lisa Hanks, Mike Hanks, Delane Duffy, Eric Duffy and Ray Stout. FRVFSA Board members: Jerry Ague, Gary Edwards, Steve Woolley, Agnes Kemp, David Morrill, Dan Burks and Stu Crismore.

Commissioner Letcher opened the meeting citing the Resolution of Intent to Amend the Fisher River Valley Fire Service Area Fee Schedule. This meeting is for gathering public comments for or against the fee schedule amendment and read the fee schedule below.

Class 1 Residential Properties from \$140 per year to \$200 per year  
Class 2 Commercial, standard from \$280 per year to \$340 per year  
Class 3 Commercial selling fuel from \$350 per year to \$410 per year  
Class MOB (Structural Improvements) from \$140 per year to \$200 per year

Stu Crismore FRVFSA Board Chairman, presented an overview of the financials, explaining the need for a rate increase. The current revenue sources include \$53,690 in assessment fees, \$7,800 from cell tower rental, and \$7,500 from rent for the Meadow Peak Site. Operational expenses break down as follows: Utilities: \$14,710 Electricity: \$3,019 Propane: \$6,202 Telephone: \$4,159 Satellite: \$1,330 Fuel/gas/diesel: \$9,069 Supplies: \$15,884 Repairs and Maintenance: \$21,880 Insurance: \$22,324 State fund work comp: \$4,833 Training for firemen and EMTs: \$2,826 new engine payments: \$48,276. Total expenses of \$139,802, while total income stands at \$68,990. The proposed fee increase would raise income to \$98,300, leaving a gap covered by wildland fighting income. This figure accounts for 40 newly assessed properties.

David Morrill inquired about the income from wildland firefighting. Jerry provided information, stating that the gross income for wildland firefighting this year is \$204,000, with roughly half going towards expenses like wages, insurance, and workers' compensation. The net income is estimated to be about \$100,000. However, wildland income is unpredictable and can vary greatly from year to year. Kirk added years ago we got into the wildland fire fighting not just to protect our district but to gain income to build equipment and purchase equipment and items needed but not to support the operational side of the fire department. The operations were always meant to be paid for with the FSA fees. We are at a point where we are using so much of the wildland income that we are not able to build the equipment needed, such as replacing the water tenders. We had to purchase personal protective equipment and have not been able to afford the projects needed. Jerry stated with this proposed increase we will still be making the \$48,000 payment on the structure engine out of the wildland earnings.

Mary Kujawa voiced support for adequately funding the fire service but questioned the rate increases for residential (43%), commercial (21%), and industrial (17%) properties. Stu explained that the rates were determined based on dollar amounts, but Mary argued for more equitable increases. Stu advised there are very few of those properties out there. Mary also brought up a recent request for public comments regarding Happy's Inn RV Park, where the fire department provided a letter indicating adequate resources and funding. She wanted to know if there had been any changes in recent months. Kirk clarified that they view this RV Park similarly to the one at McGregor Lake, as it only adds a minimal number of calls per year and is close enough to the fire station to not require additional resources.

Dan Burks inquired about the total cost of the new engine, which Kirk stated was \$327,000. He explained that purchasing a stock engine without customization helps save on costs such as engineering.

Lynette Kelly, President of Chain of Lakes HOA, raised concerns about properties that do not have full-time residential property assessments, such as campers and other non-taxed arrangements. She asked how this issue, along with ambulance fees, could be addressed to fund the fire department. Stu and Commissioner Teske discussed the challenges of changing the assessment definitions at the state level. Commissioner Teske confirmed the definition of developed land is set up by state statute and we need to get state or local legislature to carry a bill forward to change that definition to something like occupied land. Kelly asked if there is anyone specific in the legislature to work with. He advised the current legislature who in this district is Mr. Durham. Kelly asked to partner with Commissioner Teske to address this. Stu added Jerry will be attending a Trustee State Association meeting where they hope to get answers on how other FSA's around the state are assessing differently than we do. Our exposure goes up expediential in the summer with all the people out here camping. Kelly advised that she and others on local boards greatly appreciate the services they do have and recognize the area is growing and want to make sure the funding is taken care of. Commissioner Letcher stated this is a state-wide concern. As a member of the Land Use and Development Committee he advised each county is a bit different, but all are going through this. Part of the problem is covenants regarding time frames campers can be on the land. They had some resolutions last year but found no "one-size fits all" and are continuing to work on this. Kelly asked if any ambulance funding will be allocated to this township. Commissioner Teske had no specifics, however, he has talked with Stu and this will be going before the Ambulance Board to see how they feel about some kind of split. You guys are a long way out here and it's great that you have an ambulance, but it is not a requirement of an FSA to have an ambulance. Libby's ambulance doesn't get paged out here because you provide that service. If you didn't have the service, they'd get paged, and you would wait. Tom Lane is EMA now and there will be funding discussions as not having to come out here is convenient for them as well. Stu advised they have asked for each of the three districts to give up 5% and the 15% would be a starting point. Stu advised we are working to change this from conversation to action.

Mabel Beito stated property assessments are usually done spring/early summer so the assessments on campers should not be a problem. If this assessment happens and our rates are raised, once the statute verbiage changes and you then get additional funding, are we going to be refunded? Commissioner Teske advised the state legislature has to set this language in the state statute and the legislature only meet every two years. He clarified what he is getting from this board that this fee increase is to offset the funds currently being taken from the wildland funds to help lift the burden just to make this budget cycle. If you didn't have to do that this money could be used to make the improvements. Kirk advised they added that fourth category to bring in some other structures resulting in a total of 15 at this time. Jerry

stated we have added over 100 properties to the FSA roles since beginning this process. We are now reviewing growth and assessments annually, actively identifying new structures to be assessed.

Tom Hill shared an experience with the ambulance service and raised questions about billing. Adding that emergency service calls outnumber fire calls 3-1. Stu confirmed service calls. Kirk advised they have a billing agent that should be doing this and he will look into this and cited an issue they are working to correct specifically regarding Medicare and Medicaid. We have two people working on this, as far as private pay or insurance pay, there should not be an issue. Stu stated they have twice signed paperwork to get this rolling and sees it as a bureaucracy. Commissioner Teske advised this is agency specific and not a county wide pot. Each agency has to bill out and go through the process. Tom suggested talking with other agencies in the county for billing advice. Stu agreed.

Dan Burks asked if homes were separately taxed for wildland fire fees. Kirk clarified that the Department of Natural Resources and Conservation (DNRC) receives those funds.

Rhonda Francis asked about the allocation of ambulance funding between Libby, Troy, and Eureka. Commissioner Teske explained the tax allocation. Rhonda expressed frustration about not being able to use the ambulance service despite paying taxes. Commissioner Teske advised you can use it. Stu stated we don't get funds from it. Rhonda questioned if we pay Libby, we are using our tax money but if we use the ambulance out here, we are out of luck. Commissioner Teske stated that is a service provided that is not mandated or required of a FSA. Rhonda asked when we pay our taxes, can we pay this part of it under protest? Commissioner Teske stated you can protest any tax. Rhonda stated this has been an issue for at least four years. This is a long lag time to be asked to pay for something that should cover our area. Commissioner Teske stated that we did an increase for the Fortine, Stryker, Trego and Eureka fire departments and they don't have an ambulance. That is not a service they provide, and they still needed an increase to function. The tax to DNRC, the wildland fires is a service this department provides. It looks like you are paying double, but you are not. It's a service they provide like the ambulance, but your actual tax dollars are going to the State DNRC for wildland fires and the ambulance for that service. If you didn't have an ambulance out here it would be a burden on Libby to respond. This is a subject to be brought up when we meet with them as it is very convenient for them. Commissioner Letcher stated the rules are so stringent that Eureka has doctors that won't accept Medicare and Medicaid. It's pretty intense and I think if we can be patient, they will work it out.

It was asked who controls the ambulance board. Commissioner Teske advised the County Commissioners to approve board members, but they really don't answer to anyone specifically. He stated the commissioners have no political influence over boards, they are an entity by themselves. Commissioner Letcher advised where he lives in the West Kootenai, we are in the Eureka area, yet our volunteer fire department is looking at taking on an ambulance because we are a minimum of an hour for the Eureka ambulance to show up. Our fire department doesn't take any fees at all, it's all donations.

Tom Hill sought clarification regarding this being a convenience as there are provisions in MCA for FSA for emergency services. Commissioner Teske said yes, you can provide that service but that doesn't mean you get tax dollars specifically for that service. You can do a fee which is what you have got here to cover that service. Again, that is a conversation we have to have with the Ambulance as this is a convenience taking on the burden. Commissioner Letcher advised the West Kootenai Fire Department provides a stocked old ambulance with some form of cooperative agreement for a quicker response. Stu advised they are fighting tooth and nail for funding.

Lynette Kelly asked about the wildland fund and the stated purpose being to help fund this fire department. Kirk advised there is the equipment side and the operational side. Wildland was meant to help build up equipment and pay for matching funds for the grants such as the ambulance but not to cover operational expenses such as fuel, electricity, or insurance. Kirk advised the wildland income allowed for better equipment which helped obtain an ISO6 rating. This meeting is an attempt to correct the budget, so funds are being used as intended. Fees covering operations and wildland funds providing needed equipment.

Mabel Beito advised Libby provides one thousand dollars per year for medics to get training. Stu stated they will continue to work on this until they get some funding from the ambulance tax dollars.

Mike Hanks questioned the use of the wildland funds, specifically the remaining funds after the \$48,000 payment for the new engine. Stu and Kirk explained that the funds are earmarked for capital projects, primarily for equipment improvements. Stu advised the real need in the department is to replace the tired old water tender. Last year we had to replace dated turnouts to meet federal requirements, reallocating the tender funding. Stu advised our number one goal is to serve and protect. Keeping the ISO6 rating requires having up to date and efficient equipment. Kirk read the list of planned purchases this year. \$23,550 EMS, \$1,220 ice rescue equipment, \$5,000 structure engine hose. \$640 to replace the non-compliant traffic vests. \$43,104 for turnouts, \$51,823 remaining balance was to be invested in the water tender but had to be used to balance the operational budget. Kirk stated the annual revenue was \$68,990 and expenses were \$139,000. That is where the money went. Mike asked if this figure is used to come up with these rates. Stu advised with the rate increase, there is still a deficit. Mike questioned if all property owners were paying, would the rates go down? Stu advised he doesn't see the fee going down, with growth comes expense. Commissioner Teske stated impact fees may be leveraged against a developer and generally when the planning documents go out, they ask for the fees from emergency services. There hasn't been a history of Planners or agencies in Lincoln County requesting impact fees. This is a one-time fee. Kirk advised when the Fisher Pines subdivision went in they put the water cistern behind the station to support that. The Meadow Peak subdivision is installing a 30,000-gallon cistern for the fire department. They put it as close as they can to the ACM road so we can utilize it. Another subdivision going in is paying for electrical power installation for a pressurized pump system. Even though there is not an impact fee I am working with Planning and developers who are actually helping us.

Gary Iverson asked how they will fill that cistern. Kirk advised they will fill them with the trucks, 30,000 gallons for emergencies.

Mike Munro returned to earlier discussion advising the water tender has a DOT inspection and if they don't meet the criteria, we will lose our ISO6 rating. We build these for about half what it would cost to buy one. Our fire department can't continue to use wildland money to do maintenance. If we have two years where we can't go out on wildland fires, we can go broke and that is why we need this fee increase.

Ron Sassaman praised the identification of additional properties for assessment and inquired about the process. Stu explained the methodology they used but acknowledged that there are likely more properties that need to be assessed. Stu advised they started with the FSA boundary map and used postal addresses, reviewed with Cadastral and then the assessment detail from the Treasurer office. We have driven and looked and know we are not catching them all. Come November the state will update and then we can tie in. Commissioner Teske advised the Department of Revenue assesses every two years and at some point, they update MT Cadastral to reflect the changes. We know a property owner has built but the state hasn't assessed it yet so we can't assess against it. They do special assessments if it's reported to the DOR, site specific. Ron asked if you learn of a property structure do you notify the state. Stu advised he didn't know that was an option until now and there are some properties, he's aware of that need assessed.

Ron Pierson suggested using property sales or permit applications as triggers for assessments. Stu advised the black and white of it. Per MCA, it has to be a structure. Ron suggested just taxing them and letting them fight the fee. Commissioner Teske advised we do see septic permits run through the county whereas state permits like electric are not seen by the county. Ron advised several years ago a run at this fee had you advising us to rat people out. Stu advised I don't like this any more than you do. Commissioner Teske clarified it's the state DOR that goes out and assesses properties.

Tom Hill suggested changing the tax definition from structure to infrastructure. Commissioner Teske advised this is not how it's looked at on a state level.

David Anderson asked about similar issues in Flathead County. Commissioner Letcher provided insights into their experiences. The state only has a couple assessors for Lincoln County so when we push, they respond that we need to have building permits. We don't have the revenue or manpower to do this, nor do I think you all want permits for your woodsheds. David asked who do we go after, Senator Cuffe? Stu advised the MCA is state level and that is where to go.

Rhonda Francis asked if phone and internet expenses could be consolidated. Stu and Kirk explained the need for certain lines to meet ISO standards. Rhonda inquired how many non-fire personnel who fill from our water system. Kirk advised some community folks come in occasionally and it's just been a public service for the community. Mable thought it took forever to fill the cistern. Kirk advised they fill out of the well.

Jacky Swanson expressed concern about the high tax rates and potential increases.

Debbie Sassaman asked if non-fee-paying properties that require firefighting services can be assessed or billed. Kirk confirmed that they do bill in such cases.

Marty Gillman emphasized the importance of maintaining the ISO6 rating and expressed support for the fee increase. Kirk advised we started the increase five years ago and had prior commissioners out here and we had an audit to start this process and here we are still needing an increase. Kirk advised they received the results and had no discrepancies in the financials. There were nine areas of documentation we needed to improve on and we have corrected those nine items. Ron asked for a copy of the audit. Stu confirmed everything we do is available to you Ron. Ron has heard rumors and said like Marty, he is willing to do this but would like to see some financials. Jerry advised they hold a meeting the fourth Wednesday of every month and at those meetings I provide copies of minutes and financial statements for the month and year to date so that documentation is available to the public. I post public notices and put the sandwich board out at the highway and have a few community members show up who are provided what you are asking for. Commissioner Letcher stated the Lincoln County Clerk and Records office keeps a copy of those approved minutes which you can request.

Delane Duffy voiced appreciation for the information presented and expressed comfort with the proposed increase.

Stu thanked everyone for coming. Commissioner Teske stated the Resolution of Intent started the process. This is the public meeting held as part of the process and there will be a Resolution to be voted on with the final outcome.

**\* Announcements \***

Commissioner Teske commented on the Speed Zone Studies. The study at Happy's Inn got push back at the state level out of confusion as they saw most submittals as event specific rather than a community issue and they tabled it. I am going back to testify again and if you have interest in having a speed zone roughly between Horseshoe Lake Road to east of West Camp Road then please take my card and send me an email. We need to address it as a community issue not an event issue by mid-October. The state has a design standard that dictates specifics. Kelly questioned if Representative Zinke has supported this. Commissioner Teske confirmed he has letters of support from him.

Commissioner Letcher advised everyone when you get your property tax bills this year pay close attention to pie graphs and where your taxes actually go. The county is limited on how much we can increase the budget or revenue and it is a very small increase of half the rate of inflation averaged over years minus a few things to do with population and area. The state does not adhere to those same standards so if there is a large increase it is not going to be on the county portion of your taxes, it will be on the state portion. You may read where the county and state battle over school equalization funds which is a misnomer as it doesn't actually go to the local schools. When you read about this please don't come beat us up for taking from our local schools because this goes to the state general fund and not local schools.

07:35 PM **Adjourned**

**LINCOLN COUNTY BOARD OF COMMISSIONERS**

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Josh Letcher, Chairman

**ATTEST:** \_\_\_\_\_  
Corrina Brown, Clerk of the Board