

# Central Whidbey Island Fire & Rescue 2017 Budget Summary

## Budget Message

During 2016 revision of the District's Strategic Plan, community input reinforced the importance of excellent service delivered in a cost effective manner. Toward that end, CWIFR established strategic goals to be fiscally responsible, to operate with transparency, and to ensure adequate and sustainable funding.

## Fiscal Responsibility

The District is currently debt-free and operates under a balanced budget. The Board of Fire Commissioners has adopted a comprehensive set of financial policies and guidelines intended to provide a solid basis for fiscal responsibility and in 2015, the District successfully completed its first financial audit by the Washington State Auditor which examined five-year of the District's finances and financial practices. This audit was completed successfully.

## Transparency

The District endeavors to be transparent, providing a budget summary to District residents in its fall newsletter and providing access to the complete Budget Document for download on its website ([www.cwfire.org](http://www.cwfire.org)). In addition, the Monthly Budget Position Report, Annual Financial Reports, and Audit Reports are also available for download from the District's web site. The District was honored to receive a Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA) for its annual budget for the fiscal year beginning January 1, 2016. This was the third consecutive year in which the District has received this prestigious award.

## Adequate Funding

The 2017 Adopted District budget is 3.47% higher than in 2016. The majority of this increase is due to onetime expenses related to presenting a bond measure to the District's voters in 2017. Absent these onetime expenses, the increase in the District's 2017 Adopted Budget would be 0.87%. This increase is within the District's long term financial plan and budgeted funds provide for improvement over current service delivery levels with a continued increase in volunteer staffing. Overall, the District is fiscally healthy. We are debt free, with sufficient revenue to meet current operational needs and maintain an adequate ending balance in the General Fund.

Since the establishment of the District's Capital Projects Fund in 2012, considerable progress has been made towards funding of long term apparatus and equipment needs. However, funding is not sufficient to meet capital facility needs identified in the District's Long Term Facilities Plan. Due to constitutional and statutory limits on taxation, the District also faces a challenge in maintaining current service delivery levels beyond 2020 without voter approval for additional revenue.

## Fiscal Sustainability

Over the last several years, District staff has worked to develop a Capital Facilities Plan to address the current and future needs of our community and a Long Term Financial Plan examining how we can address these needs in a fiscally responsible manner. The Long Term Financial Plan examines several options to maintain current service levels while addressing major capital needs including fire station renovation and expansion; and replacement of three fire engines that will reach their end of service life within the next five years. The most effective way to address these capital and operational funding requirements is through a voter approved bond for major capital projects. This approach would allow the District to borrow funds for major capital expenditures with a separate tax levy to fund the debt service (payment on borrowed funds). This would reduce the demand on current revenue for capital expenditures and preserve the general levy to meet the expense of ongoing operational requirements. The District anticipates placing a bond measure before the voters in the fall of 2017. Additional detail is provided in the Long Term Financial Plan section of the District's complete 2017 Adopted District Budget.

Feel free to contact me with questions or feedback on the District Budget via e-mail ([ehartin@cwfire.org](mailto:ehartin@cwfire.org)), telephone (360) 678-3602, or in person at Station 53 (1164 Race Road).

Sincerely,

Chief Ed Hartin, MS, EFO, FIFireE, CFO



<b>General Fund</b>	<b>Actual 2015</b>	<b>Adjusted 2016</b>	<b>Proposed 2017</b>
<b>Beginning General Fund Balance</b>	\$2,280,497	\$2,331,497	\$2,297,044
Contingency (Administrative) Fund (10% of M&O)	\$189,562	\$219,816	\$227,434
Beginning GF Balance (Less Contingency)	\$2,090,935	\$2,111,680	\$2,069,610
<b>Revenue</b>			
Investment Interest	\$4,656	\$2,500	\$2,500
Property Taxes Rev (Includes New Construction)	\$2,216,014	\$2,223,076	\$2,245,307
Other Taxes/State Assessed Property	\$4,240	\$2,280	\$2,280
WGH Contract	\$201,495	\$201,495	\$201,495
Other Deposits	\$75,443	\$44,000	\$52,000
Voided Warrants & Vendor Credits	\$76,433	\$0	\$0
<b>Total Operating Revenues</b>	<b>\$2,578,280</b>	<b>\$2,473,351</b>	<b>\$2,503,582</b>
<b>Expenditures</b>			
Regular Budgeted Expenditures (M&O General Fund)	\$1,895,620	\$2,198,164	\$2,274,340
Contingency Expenditures	\$24,675.00	\$11,700.00	\$0
Investment Fee	\$158	\$300	\$300
Tax Adjustment	\$1,534	\$200	\$200
Correction & Vendor Credits	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$1,921,988</b>	<b>\$2,210,364</b>	<b>\$2,274,840</b>
<b>Interfund Transfers</b>			
To General Capital Projects Fund	\$605,293	\$288,000	\$349,000
To Compensated Absences Fund	\$0	\$9,440	\$1,814
To Grants Management Fund	\$0	\$0	\$0
To Debt Service Fund	\$0	\$0	\$0
<b>Total Transfers From General Fund</b>	<b>\$605,293</b>	<b>\$297,440</b>	<b>\$350,814</b>
<b>Ending General Fund Balance</b>			
Contingency (Administrative) Fund Ending Balance	\$164,887	\$208,116	\$227,434
Ending GF Balance (Less Contingency)	\$2,166,610	\$2,088,927	\$1,947,538
<b>Total Ending General Fund Balance</b>	<b>\$2,331,497</b>	<b>\$2,297,044</b>	<b>\$2,174,972</b>
<b>General Capital Projects Fund</b>	<b>Actual 2015</b>	<b>Budgeted 2016</b>	<b>Proposed 2017</b>
<b>Beginning Capital Projects Fund Balance</b>	\$933,671	\$1,074,998	\$1,317,148
<b>Revenue</b>			
Bond Revenue	\$0	\$0	\$0
Investment Interest	\$1,048	\$2,500	\$2,822
<b>Interfund Transfers</b>			
From General Fund	\$605,293	\$288,000	\$349,000
<b>Expenditures</b>			
Investment Fee	\$13	\$150	\$150
Vouchers (Capital Projects Fund)	\$465,001	\$48,200	\$106,200
<b>Ending Capital Projects Fund Balance</b>	<b>\$1,074,998</b>	<b>\$1,317,148</b>	<b>\$1,562,621</b>
<b>Compensated Absences Trust Fund</b>	<b>Actual 2015</b>	<b>Budgeted 2016</b>	<b>Proposed 2017</b>
<b>Beginning Compensated Absences Balance</b>	\$17,672	\$17,684	\$27,139
<b>Revenue</b>			
Investment Interest	\$12	\$15	\$64
<b>Interfund Transfers</b>			
From General Fund	\$0	\$9,440	\$1,814
<b>Expenditures</b>			
Investment Fee	\$0	\$25	\$25
Vouchers (Compensated Absences)	\$0	\$0	\$0
<b>All Funds</b>	<b>Actual 2015</b>	<b>Budgeted 2016</b>	<b>Proposed 2017</b>
<b>Total Ending Balance (All Funds)</b>	<b>\$3,424,179</b>	<b>\$3,641,331</b>	<b>\$3,766,609</b>