

WHEREAS, on or about March 18, 2008, the Washington State Auditor issued an update to Part 3, Chapter 8, page 7 of the BARS manual to fire districts, which accepts the federal interpretations set forth in IRS publication 963 and directs fire districts to report all payments to volunteer firefighters, including calls, drills and sleeper duty, as wages in Box 1 of form W-2;

WHEREAS, the District has not withheld FICA taxes from any payments to its volunteer firefighters because they are “volunteers” and not “employees;” and

WHEREAS, in response to the guidance from the Washington State Auditor, Central Whidbey Island fire & Rescue now desires to withhold FICA taxes from all its nominal stipend payments to volunteer firefighters while still maintaining the position that volunteer firefighters are not employees covered under the FLSA, the WMWA or any other federal law or state law.

NOW, THEREFORE, CENTRAL WHIDBEY ISLAND FIRE ND RESCUE HEREBY RESOLVES as follows:

Section 1. FICA Taxes. The District shall deduct FICA taxes (Social Security and Medicare) from all payments, stipends, reimbursements and/or fee paid to volunteer firefighters for drills, training or emergency responses. By adopting this Resolution, the district is not accepting or agreeing with the interpretations of applicable federal laws by the IRS or the Washington State Auditor, including but not limited to FICA, the Internal Revenue Code (the “IRC”) and/or any other federal laws that the IRS cites as authority for its position that volunteer firefighters are employees.

Section 2. VOLUNTEER STATUS. Nothing herein is deemed to alter the status of volunteer firefighters as “volunteers” of the District. In particular, the District is not conceding that volunteer firefighters are “employees” under the IRC, the FLSA and/or other federal law. Likewise, the District is not conceding that volunteer firefighters are “employees” under the WMWA and/or other state law. Finally, the District is not conceding that volunteer firefighters are “employees” for the purposes of any benefits that it may provide to its employees under its personnel manual or related policies and procedures.

Section 3. DECISION NOT TO OPPOSE DIRECTION. While the District maintains that the update to Part 3, Chapter 8, Page 7 of the BARS is incorrect in its interpretation of both federal and state law, the District has determined that refusal to abide by direction from the Washington State Auditor’s Office would not be appropriate or cost effective.

Section 4. IMPLEMENTATION. The Fire Chief of the District is authorized to implement such administrative procedures as may be necessary to carry out the directives of this Resolution.

Section 5. A COPY OF THIS RESOLUTION SHALL BE PROVIDED TO THE STATE AUDITOR, THE COUNTY TREASURER AND ALL DISTRICT PERSONNEL. A copy of this Resolution shall be provided to the State Auditor at the next audit of the District, to the County Treasurer and all personnel of the District.

ADOPTED IN OPEN MEETING by the Board of Fire Commissioners Central Whidbey Island Fire and Rescue this 14th day of August 2008.



Tom Smith, Commissioner



Paul Messner, Commissioner



Cheryl Engle, Commissioner

ATTEST:



Joe Biller, District Secretary

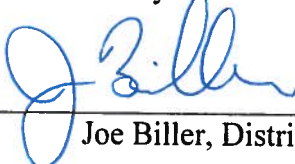
CERTIFICATION

I, THE UNDERSIGNED, District Secretary of Central Whidbey Island Fire & Rescue, hereby certify as follows:

1. The attached copy of Resolution No. 08-05 is a full, true and correct copy of the Resolution duly adopted at a regularly scheduled meeting of the Board of Commissioners held on August 14, 2008, as the Resolution appears on the minute books of the District and the Resolution is now in full force effect.
2. A quorum of the Board was present throughout the meeting and a majority of those members on the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of August 2008.

Central Whidbey Island Fire & Rescue



Joe Biller, District Secretary